

Closed Caption Log, Council Meeting, 10/18/11

Note: Since these log files are derived from the Closed Captions created during the Channel 6 live cablecasts, there are occasional spelling and grammatical errors. **These Closed Caption logs are not official records of Council Meetings and cannot be relied on for official purposes.** For official records, please contact the City Clerk at 974-2210.

good morning. I'm austin mayor leffingwell. We will call this austin city council work session to order on october 18, it's tuesday, and the time is the 08:00 a.m. We're meeting in the boards and commissions room. 1201 West 2nd street, austin, texas. We have a briefing on the drought by the austin water utility, and ever that, though, we have very short executive session to go into. Before we go into executive session, since I will not be 25, I'll be gone for a little over 30 minutes and then be back and then we have a city business. And have to be gone again by 12:00 noon. Again, on city business. But I had a couple of -- I've kind of had a heads up on the drought briefing and there are a couple of things waited to mention, I want to make sure they're on the record since i may not be here during the briefing. I know the briefing is going to talk about the possibility based on long-range weather forecasts of stage three by possibly april of next year. We did have a stage three planned. It is designed for short-term emergency outages and I don't think that it is going to be adequate, this is my personal opinion, for what we may be facing in the time ahead. In other words, I don't think stage three fits this situation. So I'm going to urge in the strongest possible terms that a new stage, call it stage 2-a or whatever terminology you want to use, be designed particularly for the long-range severe drought situation. Because here, we are going to be facing, for the first time, mandatory water restrictions from lcra. The effects of this are going to be wide ranging and in my opinion profound. The water utility, you could almost say, is the least of it. Our current stage three, though, for example, calls for no watering of any kind, no outdoor watering. Hand watering or irrigation system, hose in, and I think that is going to be, frankly, disastrous for the city of austin if we lose our vegetation and trees and so forth. So you've good to find a different way to deal with the mandatory 20% reduction that the lcra is likely called for. But beyond the water utility, it is going to also potentially have profound effects on the electric utility, or contracts, for example, for water for fayette are not adequate to support that operation, and if we even had to fall back on our contracts, it's my understanding, much less the 20% reduction on top of that, it would severely curtail the production of electricity and potentially force the city to buy off the grid, and that could be disastrous for the utility because what we saw last year, fortunately austin was in the position of not having to buy off the grid because we had adequate production, but those who did, utilities across the state were paying as much as 10 times the existing price. You saw price spike off the grid that literally looked like one of the outs at that time. That would be a very expensive pass-on to our customers, so you think we have to start that planning process now. I'm getting this in ahead of your briefing, I know I'm preempting a lot of things but i just wanted to get that in because I'm not going to be here. That being said, I hope I will be here for part of it. But now, council, we need go into a very short executive session. So without objection, the council will go into closed session to take up one item pursuant to section a 551 07, government code. City council will consult with legal council regarding the following item: Item 72. Is there any objection to going into executive session on this item? Hearing none, we will now go into executive session.

We are out of closed session. We took up legal issues related to item 72. Now we will go to the briefing from the austin water utility regarding the drought. Welcome.

Good morning, I have with me also our conservation manager so we have a briefing for you today, an update on the drought and kind of a sense of what's ahead of us. I think everyone is aware, we've been in a severe drought here, it is not just central texas drought, it is really a statewide emergency in terms of an exceptional drought that is affecting all of the state of texas. We're expecting drought conditions to

continue into the future. The short-term forecast is for la niña patterns that typically bring drier weather to texas. There is a lot of discussion by state climatologists we might be in a long-term drought cycle, similar to what occurred in the LATE '40s AND 1950s, I THINK The message is the drought is likely to stay for the short-term and long-term. This is having a significant effect here in the lower colorado region. Drought conditions have led to extremelily in-flows to the highland lakes. As a matter of fact, some lowest in-flows to the highland lakes in recorded history over the last year. As of monday, the highland lakes were about 38% full, that is lake travis and lake buchanan, can account for the storage lakes, certainly still a lot of water but getting down to lower percentage levels that we've seen in quite some time. We enacted stage two water restrictions effective the first part of september, that was on our trigger point when the lakes crossed below 900-acre feet, we drop the contingency plan and enacted stage two and fundamentally, that means one day per week watering. That has an estimated reduction for us 15 to 20% off of our water use when we switch to that one day a week schedule. Here recently, the board of the lower colorado river authority has voted for the first time, if the drought continues as we expect, to cut off interruptable supplies or agriculture water in 2012. That has never happened before, that is a very prudent step, something the city I have austin had worked closely with the staff over a period of months recommending, as we get into a drought taking us into areas we haven't been before.

Sorry to interupt but would you mind explaining that, what an agriculture cut-off is.

The highland lakes serve really a regional area, it is not just the city of austin, they serve customers from austin all the way down to madagoda county and the bays. Along the way, as you get closer to the coast, there is several irrigation districts that grow rice, hundreds of thousands of acres of rice. I will show you on slides that accounts for the bulk of the water use for the highland lakes. When you see the highland lakes drop, austin is drawing a lot of water, we use a fair amount of water but when you look at where the water goes, a whole bunch goes to the rice farming. It is very water intensive, you flood the rice fields knee deep to waist deep for a period of months, let it go down and harvest a crop, then harvest a second crop. At ag water is interruptable water. That means in certain water conditions it allows the water to be interrupted or curtailed off cut off. Like austin, it is a different water right, we pay a lot more money for that water rate and we are to be the last that is curtailed. The board looked at where the drought is, where it is like three go in 2012 and have recently voted to send to tceq a request to cut off ag water or stop interruptable water in 2012. That would be the first time ag water has about totally cut off as opposed to just curtailed and that gives a sense of the severity of the drought. The graph on the screen know, the gray bars represent the average in-flow to the highland lakes each month over the last 50 years. The white bars and blue bars indicate the average flow in 2009 and the current drought year 2011, you can see the blue bars essentially in june, july, august and september are unread I believe and that -- unreadable and that means there is no flow. In may you could get as much as 2,000 hundred acre feet so very, very low flows into the highland lakes. This next bar shows a little bit more what I was discussing a bit earlier is where water goes in highland lakes. This is in 2011, monthly flows, you see the bluish color is the amount of in-flow to the lakes from rain. The amount in the green color is the amount of water that austin draws and the purple or magenta bars are the amount of water ag uses. You can see the decision to interrupt ag how much water stays in the lake. Comparatively, ag used in that one month 90s thousand acre feet of water. It is sometimes hard to humanize how many how much water that is and I will give you an example. Lady bird lake stored about 500-acre feet of water and that is about two days worth of ag release so a you release that amount of water every two days from the lake when you're serving downstream rice interests. By talking about ag, I by no means to I will havenize agriculture, it is important in texas, many generations of farmers, they grow food, it is a good use of water but in times of drought you have to examine where the water is going and the board and staff are taking that seriously. Begin, it is another perspective. This is from '09 and gives a sense of where water goes. Another big loss of water is evaporation and we is low in-flows and very high temperatures this summer we had extremely high amounts of evaporation, comparatively more water evac rates off the highland lakes in a typical clear than austin would use. But you see the different as you in municipal pow power and others in this particular graph. The next chart is a really important graph. This is published on regular basis by lcra. It is kind of complicated but as you take a step to understand it, it shows important trends. The area in the blue to the left side of the yellow bar is the path. This showed combined storage of the highland lakes and how that stored water has been relied

over about the last six months to a year. When full, the highland lakes store a little over 2 million-acre feet of water. In 2011 better 5 million-acre -- 1.5 million-acre feet. It is falling faster because of the very low in-flows and the typical water that occurred from the highland lakes. To the right of the yellow bar is the forecast as we lack forward into the future. You can see there is several trend lines. One in green is if we have a really wet year looking forward where the lake levels would likely be in april of 2012. The blue line is more of an average weather condition, and then the red lines are more of the drought conditions. And the expectation is is that because of those la nine l la niña pattern and the drought we're in now, we're less likely to be on the red path which will take stored water to the highland lakes to approximately 600,000 feet of acre storage in roughly april of 2012, than level, 600,000-acre feet of storage, is the key point to the city of austin and lcra. When the lake levels fall below 600,000-acre feet, given other parameters, the last time it was full that will require the lcra to declare a drought, that is an important declaration for them, it is saying the current drought condition is such that it is worse than the drought of record. The drought of record occurred IN THE 1950s, THE DRIEST Period over the last 60 years. When a drought of record is declared by lcra they then have the legal authority and will begin the process to acquire firm water to curtail their water use. Up until now, they can only voluntarily request sperm water. Firm water is from like municipal water from the city of austin, power plants, not interruptable ag but firm. What lcra will do is determine a base clear, the current understanding is they will likely use the period of august 2010 through august of 2011, and from that base year, they will ask firm water to cur tale 20% of their water use. That is a significant amount of water to change. They also have a provision to give firm water credit for programs they've already enacted and for austin we think we would be entitled to a significant amount of credit for our conservation programs that we've already enacted. Our permanent two a day schedule, the recent one a day schedule, water reuse program, there is a lot of embedded conversation savings there and we're working with lcra how much credit they will give us for that amount of conservation but we don't know that number yet. We will have to work with lcra and other water customers. Everyone sunday this mandatory curtailment regime once we hit 600,000-acre feet. One of our concerns would be if we don't get credit for conservation we've done already and we're already at one-day watering to try to get an additional 20% on top of that would be a very difficult amount of water to reduce so it is something that we'll be working very closely with lcra, as well as other cities. You meet imagine other cities say, as an example, cedar park recently went to two a day per week watering so their base year is going to be a higher amount of water use and ours will be typically lower givessen our conservation programs are more stringent than other communities. So that is an important look ahead item is this 600,000-acre feet of storage in the highland lakes. And again, just as I described, that is coming up, roughly by the spring of 2012. If it rains a little bit more that day would be pit off a little bit more. As an example, rain we got a couple weeks ago boosted the lake as tiny bit but we're very far away from this detroit breaks so it will -- from this are drought breaking so it will take significant rain. We're working closely with lcra, we're engaged with lcra almost on a weekly basis on drought-related activities. We're closely monitoring their process regards pro rata you are talemnt requirements, and we've spent the last year in a very inten suffer stakeholder process with other highland lake water users, agriculture, firm, recreational, and we've developed a new water management plan that lcra's board is going to consider this week. We're hopeful that water management plan that really governs the lake thes in long-term, how and when they release water is much more favorable for firm water customers as we look into the future. As an example, had this new water management plan been in place during the current drought, we would have an additional 100,000-acre feet of water than we have today. We will send it this on to tceq, closely monitoring that activity this weak. We will continue to monitor how the drought is impacting this community, the drought management strategies, will have a lot of impact on businesses, how a community uses water. As an example, a group has come together in the cross section of the city to address the tree canape. There is a lot of concern about the tree canape as we look into the future and the drought. And obviously, damaging or losing significant amounts of the tree canape would be a generational loss and that is something we want to work through. We're getting a lot of calls on foundation watering and foundation cracking and how future drought responses may impact that so we're really taking a comprehensive look at those kind of matters and we're going to further our drought response. And to that end, one of the things we've been working on, our stage three water restrictions, which have never been enacted are really not set up currently to be chronic long-term drought management, that they're really more set up in terms of a short-term response, you had a pumping problem or some other delivery problem, and

what we want to do is start is a code revision process where we look at our various stages of conservation and drought response and rework that to fit what is likely to be a drought that is going to persist and deepen, not only this year but perhaps into the future so we want to build a better sequencing of drought responses, incorporate risk to things like the tree canopy, foundation, get input from stakeholders, we would like to do a retool of our code so that we can better prepare that water code to be what is going to be a long-term drought. We think we're going to be in perhaps stage three water restrictions as we look into the 600,000 triggers for many, many months, maybe years, and we want to make sure that code is revised to reflect not just a short-term two or three week kind of condition, but a very long-term chronic condition so we're starting that process now to rework that code and take through boards and commissions and ultimate light council before that april date. We'll also take the opportunity to incorporate in the codes some recommendations from the 2007 water task force that have not been codified yet. We would like to shift the way we do water fines. Right now, water fines when you don't follow the water fines are criminal, misdemeanors, you have to go to court, they are cumbersome, it takes many hours of staff time to shepherd that process through the courts and given we're likely to be in a drought a very long period of time and we want people to comply and we're likely to do more warnings and enforcement action in the future, we would like to make that more of an administration fine that doesn't require people to go to court and have a misdemeanor record if they didn't follow the watering schedule. So that is something we would like to include in code revisions, as I described, realigning drought triggers so we can better -- triggers so we can better sequence revisions, making awareness, making sure the drought response is product enough terms of reducing water but not so extreme it with a endanger the food canopy. We have a lot of requests from sustainable food production, gardens, we recently have done updating of a various process for that so we would like to work that through a little bit more and then some business interest, there is some businesses that are being significantly impacted from the drought and try to incorporate some of their needs into this revision process. And again, we anticipate working through this code revision process, getting stakeholder input, board revisions and council and try and have that all in place before we hit this 600,000 pro rata curtailment some time roughly in april.

Can you give us an example of a business interest that is being impacted by the watering restrictions? Are beyond the maniable food.

There are two that stand out significantly during our stage two restriction. Someone there is a restriction on pressure washing businesses, except for cases of health or sanitary reasons. And so there are a number of businesses that have routine contracts with, you know, other retail establishments, and unless they have specific equipment to operate on a reclaimed or to reclaim the amount of that water, they cannot get a variance to operate in stage two. During stage two, also their restrictions on car washes have to meet certain efficiency standards and we believe those are still appropriate, but if we go into a stage three scenario as the code is currently written, car washes can only be utilized when there is a health or safety concern, which is fairly rare, which means effectively shutting down those businesses. One of the other concerns we heard a lot from are from homebuilders, people building single family homes. We've made arrangements with them to accommodate their needs during stage two. But during stage three the installation of any landscaping is not allowed under family code that means they could be in violation of a homebuilders contract that requires certain landscaping. They also have difficulty getting financing and closing a sale because there are no comparable homes to assesses value of a home that does not have landscaping installs so that is a big concern we've heard from the homebuilder's association.

I have a couple questions.

Hang on, council member. Let's -- are we done with the presentation? I wanted to make sure we were done before we started asking questions. First of all, thanks for the presentation. It gives us a lot to think about and, quite frankly, a lot to be concerned about. You talked about austin being a firm water client of lcra and then there being ag and other forms . As a percentage of overall customers or clients of lcra,

how many are firm and how many are other?

From just a number perspective, that's a hard question to answer. I'm not familiar enough with lcra's water contracts, I would say probably more firm water customers certainly representing a much larger population base than ag from a water use, ag typically use as lot more water compared to firm but there is quite a few firm water customers. Any power plant would be firm water and would be affected by these pro rata reductions, i mean, as an example, austin energy is a firm water customer and some of their plants would be impacted by these curtailment,. Austin, cedar park, round rock, burnett.

So it is mainly municipalities and utility customers.

Usually municipalities and power. A few golf courses that have firm water rights. You pay a lot more for firm water, it is about 23 times more expensive than interruptable water and hopefully comes with a little more guarantee you're the last to be interrupted so you pay for that right.

On a micro level, going down to the municipal level, do we have a structure similar to what lcra has for our customers that some are, keep using the the term, some are more firm than others as we advance in water restrictions?

That is a good question. We don't have individual contracts with customers. We really, as we would start to advance additional conservation, you would look first to more discretionary uses of water. For example, you would think about water to take a shower, flush your toilet and cook is more important than water to, say, water your grass or fill your swimming pool so that is typically the first types of water that we try to curtail and our customers are more discretionary water uses. But the drought intensified and you just don't know how far this drought could go, it could end next week or go on for four more years, you know, we would take whatever steps were necessary in a progressive manner to continue to curtail water to try to keep the basic health and haul services going into the community.

That is going to be your conversations moving forward as we potentially move into stage three conditions, because the impact of cutting 20% to samsung is vastly different than maybe 20% to the martinez household so I want us to make sure we have that conversation through and through so that we can achieve that potential 20% requirement, but do it in a balanced manner.

You're exactly right. There is a hierarchy of need, maybe is what you would describe, and we would want to start at the most discretionary, least disruptive type of uses before we did anything like that.

When you talked about potential credits we might qualify for though lcra, you do know what that looks like today? Is that a credit of a finite amount or is that a credit of a lesser restriction moving forward?

Well, we don't know. They've never had to enact pro rata curtailment so we don't have any history ever.

So we just don't know what that would look like.

There is a whole bunch, they have about a 20-page manual of how they would go through the calculation of credit. You know, we're familiarizing ourselves with that, we're talking to them, we're calculating internally what we would be entitled to for a credit process. My expectations, council member, would be that they will determine this base amount and then determine a credit and say you've already reduced your use a certain amount of a of that from your previous conservation and reuse programs and that the amount you have to reduce furtherer is less than what you would do if you typically didn't have that. But exactly what that number is going to be, I think we don't know yet. We should know, I would think, in the next month or so. They're supposed to give that you number, I guess hand you your envelope, some time about six months before they expect pro rata curtailment. Again, we're forecasting april so we're right in that window where they should be giving us that information.

There is a meeting on October 27 with firm water customers that LCRA is having and we will get more information then so I would expect in a matter of a few weeks or a month at the most we would have a better sense of how that process is going to work and where we're going to fall. Besides our municipal water use, it would likely have an impact with Austin Energy, and we will have a sense how that will impact power and water use goals in the future. As we move forward for restrictions such as agriculture users, they face tougher restrictions prior to the firm users, firm customers, do the rules under the bed and banks issue change so that we could use treated water as a potential option for conserving potable water?

That would be my expectation is that our reuse programs, what we have is called currently direct reuse, we take the water before it re-enters the river and reuse it out of our waste water effluent and that that would be a credit to us. And we have unrestricted rights to reuse, to do direct reuse, that is, there is no amount of water that we couldn't reuse from our waste water plant. Now, you referred to bed and banks, that would be a process where we would release the water back to the river and take it out again somewhere downstream. We currently don't do that and in the short-term have no plans for that, but that was a part of the settlement process with LCRA where we have rights to reuse water that is released downstream.

Under the civil versus criminal for compliance, do we have research, to me, on hearing that comment, I would think that -- I realize it is more cumbersome to go through judicial system and go through court, but it would be more meaningful to me as customer to comply with it if I knew I were going to face a criminal penalty as opposed to a fine. Do we have information that leads us to believe there will be better compliance creating a civil penalty that is just a fine opposed to a criminal?

There is no solid research for this. What we have are my discussions I've had with other conversation managers around the country, and one of the biggest complaints, or two of the biggest complaints we are hear from customers in general, customers feel like we're not doing an adequate job of enforcement because they see the number of fines and that is low for those actually go through the criminal court. The other complaint we hear from customers that have received the citation and a up in of them, in fact, the majority of those that request a bench or jury trial, can be a six to eight month long process from the original violation are doing so not because they believe they didn't violate the ordinance but they're taking up our time and the court's time because they don't believe it should be a misdemeanor, they're objecting to that fact. What often happens in these cases there is a deferral or the jury reduces the fine amount to something like \$100 and that is money that goes to the municipal court system, it doesn't nearly offset the cost and it takes longer. Our belief is that when we're able to simply put a fine on the bill and escalating amounts for repeat offenses that will becoming become something that is much faster of a signal to the customer and we would retain in the code, our anticipation is we would retain a provision for egregious users to process them through the municipal court system if we're unable to get compliance with the municipal fine.

Another thing I wanted to bring up is recently issued presidential disaster declaration, and I had some conversation with some folks, I know the county is looking into this. THIS IS A DISASTER DECLARATION That provides 100% reimbursement for hazard mitigation. It is a grant program, and it is hazard mitigation removing tree removal of deficit and/or dying trees but also includes watering of trees to maintain the health and vibrancy, and it is through nationwide contracts with every fluent and other water sources not in the local area. So this would be something that, not necessarily going to be the silver bullet to solve all of our problems but it could certainly help us in our management plan moving forward as we go into stage three drought conditions and it has just been issued but it is 100% grant reimbursement for any costs and I would encourage us to work with the county because this could provide valuable resources to helping us deal with this on going drought.

We will look into that, thank you.

Councilwoman tovo.

you talk about those businesses impacted with severe drought restrictions. There is a lot of out reach to help those businesses, if they're using reclaimed systems they might have an easier time of it, are you reaching out to them and helping them understand how they might get --

we've had a number of meetings with the homebuilders association and help them work through it and prepare for stage three. We've met with representatives of the car wash association and we're hoping to schedule more meetings with the stakeholder groups. For pressure washers, there is no association or way of getting all those folks in one room or identifying them but as they come to is, we're working with them in an individual basis. Our hope is through the stakeholder revision process we can bring representatives of boards and commissions into the same room with the effective stake holders and give them an overview of the drought picture and come up with a more phased in approach to recognize food production, different irrigation technologies and provide some relief for those businesses that are currently effectively shut down and are stage three.

It was easier to understand when you talked about power washers and car washes. I'm having some difficulty understanding the home homebuilders concerns. Is it possible moving forward, i understand their contracts might demand landscaping and that would be difficult, I would assume moving forward your out reach with help them restructure their contracts so that is not a component in the future. Have you had that discussion?

We've discussed with them, especially for new home being, contracts tend to take place, they're very long contracts so they may be under contract for months and months before the sale of the home or before the actual closing as they go through the building so there is a number 6 existing contracts out there that they would have to address and that's been their pray mary primary concern. We've started discussing with them, although we want to get through this phase first, we started discussing I was e ways to offer a water wise option. The concern from the mortgage companies or from the banks that will approve the lending for a home often will not do so until the home is considered complete by the appraiser. We have no control or influence over apraisers, and the homebuilders have expressed to us that the appraisers, without being able to find comparable homes that don't have landscaping are unable to provide a value for the home and it could make a difference in whether or not someone is able to get approval for financing. Not being a banker, I don't understand all the intricacies, we can certainly connect you with some homebuilders to express those concerns more articulately than I can.

I would like to understand that a little better. Again, I understand it for existing contracts that may have that provision in it, I don't understand it as much for contracts that would be going forward. And I guess, too, I'm not certain I understand why the banks, for new contracts, couldn't stay structure the contract so it doesn't include landscaping and would be considered complete once the structure is in place.

We do have a requirement for new construction of the residential hopes to have some trees pan -- homes to have some trees plants. When we have construction of businesses we have landscaping requirements for trees, churches, schools, all of them require landscaping. There may be alternatives for different types but there is landscaping for just about every type of development we have in the city.

Thanks. That clears up that point. I think that is all I have at this stage, thanks.

Greg, I was just going to say that this might be an opportunity for us to revisit the entire conversation with homebuilders about purple pipe, where in the past it is not cost effective in their minds, but now if it is truly going to cost them things like, you know, defaulting on contracts and not gaining financing, us looking at a blend of reduced water tap fee if the subdivision is platted with water reuse, it could be a time for us to gain some momentum on that opportunity and look at how we develop neighborhoods moving forward. Council member riley.

Riley: just a few questions. Greg, when you talk about the code revisions we will be looking at, which codes are you thinking of?

The water use code. I don't know the exact citation.

It is chapter 6-4 of city code.

What about the plumbing code, building code?

At this point, chapter 6-4 is the water use management ordinance, that is the ordinance that defines what he is waste and sets out the stages of what is restricted in different stage one, stage two, stage three. The plumbing code is really dealing with things inside the building. We're not looking at that at this time. We could consider that as an option. What we're specifically talking about are those things that restrict primarily outdoor water uses and how these business impacts --

there could be some exceptions to the two with the discussion about gray water. And you do expect your discussions with stakeholders could cover that issue? Stepping up gray water watershed efforts? For instance, if some jurisdictions elsewhere are allowing you the use of water from washing machines to irrigate landscaping, things like that. Now, I realize there are some constraints on that here. Actually, we've run into issues with state regulations, but it seems like, as we discussed the possibilities, the stakeholders, we can identify opportunities to step up our efforts to make use of gray water. And potentially work with other municipalities towards support for some from changes at the state level, if that is necessary.

I think you make some good points and we have always envisioned, as a matter of fact I think it was a recommendation in one of our conservation groups that we do a review of our various codes for streamlining and opportunities for water reuse and gray water, so I certainly would envision that kind of process. We might have to take this in some pieces given the drought is going to be with us for quite a while and our first goal would be to make sure this water use code is ready for that April date, and then plumbing code changes can be pretty complicated, that might take us a little bit longer to work through so this might be a progression of things that we would do over a period of months as we look into the future and maybe tackle that water reuse code first, plumbing code items are connected you, make that would be a follow-up kind of phase, but you think we're going to have to have various portfolio of ways we respond this drought and reuse and gray water are a part of that mix.

Okay. Just to shift to some other ways we meet make creative use of water opportunities. The currently, we do use, we do some watering by drawing directly from the lake. The park you, for instance is irrigated from, not with treated .. With water that is pumped directly from the lake. Would that be within the scope .. would that be considered part of the firm water contract or considered an agriculture use?

It is a complicated question, and I think that is the kind of things we're working through, including our law department. Because Austin maintains a lot of its own run of river rights that we have senior run of river rights that aren't even connected to LCRA water that accrue to Austin, and some of those municipal uses that you're describing would be embedded in those run of river rights. And wait frankly, I don't know how some of those would be impacted now, that is some of the things we're working through with LCRA and our legal department and others in all the ways we use municipal water, as well as water from the river would be impacted by the curtailment so I couldn't answer your question specifically today, I would have to get back out on that.

As we think about the issues of potential loss of tree canopy, we may maybe could step up our water use drawn directly from the lake and other city parks located close to the lake where we could do something similar to what we're doing in Silver Park now. It seems like to would be worth considering.

I agree. We want to come out with, that is why we have some cross sectional responses, we want to come out with better guidance for folks on what is required to maintain a healthy tree canopy, how to water stressed trees, trees that aren't stressed. We generally find people want to overwater their trees so that is the kind of thing we want to get arborists involved so get the right amount of water to maintain the tree canopy, not too little and not too much.

Right. As we're looking at those possibilities, would we also be looking at the possibility of stepping up our reclaimed water system?

Yes. In the short-term, the next few months, it will be hard to make a difference in reclaim, but as we look into the future, I think we would like to see more reclaimed investment. We have even this month, we have the airport will be going on to reclaimed water, Gerero park is going on to economy reclaimed water, we want to continue to be expanding and growing that reclaim system because it is one of those adaptive techniques that we have to the drought. We'll need council's help there because reclaim can be a capital intensive investment and we'll continue to make it to work with you on rates and funding of that. But yes, I would like to see us do more reclaimed in the future.

Yeah, and of course all the options we're talking about would require increased cost, including pumping directly from the lake. It seems if we're looking at all the options, stepping up the reclaims system is one of the options on the table to compare with the others. There are some private owners thinking along the lines of creative options and there have been some property owners within the city of Austin who have actually gone so far as having their own wells dug on their own property. There are some nearby jurisdictions that have restricted the ability to install wells on private property but here in Austin it is still legal to install well and pump your own water here in the city. Is that correct?

That is my understanding.

And are we lacking at our restrictions on that and considering whether they need to be revisited?

We had done some research at the state in terms of us trying to get a sense of how many wells have been drilled based on state records. As well as your law department had some research on jurisdictions and one that came to mind. Weary strict water more and well-drilling continues to be a part of the response. That wouldn't be the best long-term interest of the city.

I appreciate your presentation and your willingness to look freshly at all these issues and to look at stakeholders to developing appropriate recommendations. If someone is watching this and is interested in getting involved in this process and would like to consider them self as stakeholder, how can they get involved, how can they reach out to you and remain in the discussions.

What is our number?

The easiest way would be to probably call our general hot line number 974-2199. Or send an e-mail to watercon@austin.austintexas.gov. That will come in our staff. My direct line is 974-2787.

Okay. And council, also, there will be opportunities as we look into the months we're looking at these matters, these will be things that will go through resource management exhibition, our water/waste water commission and other boards so there thereby opportunities to participate through boards and commission processes, also.

Thank you very much.

I'm trying to, back up a couple steps to get a sense how bad the situation is as I understand this from

your presentation, an average year the lakes when they're full have 2 million-acre feet in them.

Yes.

In around an average year, water comes in upstream, fills the lakes up, we draw it down, and the use on an annual basis is about a million acre feet, pretty much balances out how much water comes in on a rainfall into the storage facility so 2 million-acre feet of storage. An average year we use 1 million-acre feet, take the nag account all the uses of the water in the system. Is that right?

Yes. And again, on average, you get in-flows but you have drought years, we have years where you get a tropical storm and fill the lakes but you're correct, natural water flows in as water is used and that makes up for the water that is used.

More or less, a million come in, a million goes out and we have 2 million of storage in the center.

Yes.

Right now storage is 38% at 780,000-acre feet.

Yes.

And there is, we're at a drought of record when we get to 600,000-acre feet.

Yes.

And you have a graph here on, vied number seven, which suggests we will hit that drought of record number around april 2012.

Correct.

I'm just looking at this graph and I'm looking at what has to happen for us to get to that point. And you've got a near linear relationship between april 2011 and october 2011. It seems to be flattening out slightly in slightly in the last month or so but that is close to a linear relationship. And all of the curves going forward show much flatter relationship between time and the storage capacity of the lakes. How much is going to be stored in the lakes. It may come bag up if it is really wet, which makes sense, may flat own out on an average year but you don't see anything going down nearly as quickly as the storage capacity has gone down in the last six months and I'm concerned make things are worse than we think and the lcra may be indulging in wishful thinking. I wonder if you can help me figure out why in a storage expectation is flattening out so fast.

It is a good question and i don't have the model find this graph. [One moment please for change in captioners]

-- under a dry scenario, that is aligned with what the lcra board has recently approved with tcq providing relief to get that agriculture water use in 2012, so that is a significant draw on the lake that you see in the past.

Help me understand what just happened teresa. And so lcra had to go to tecq to get permission to curtail agricultural water use in 2012.

Right, they are seeing and what is project understood the future, they are deviance or a variation from that plan, and that is what is being sought but they wanted to look for and prevent a situation with that

agricultural release starting and then making it go even faster to the 600,000 acre-foot level.

Right. Agricultural releases are about 20% of the total, right?

Right n2009, it was about 50s. 50% And it's typical in 50 to 70%, depending on the conditions.

So what is likely to happen? In 2012, lcra has the potential to eliminate all allagricultural uses of water, what is lcra going to do.

They are seeking approval to work in conditions that would allow for no agricultural releases unless there were a -- and if the conditions continue to be on the lower dry line there would be essentially no 2012 water but they are seeking also a hybrid plan where if there was a rebound in the storage that there could be some reduced amount of agricultural water available as of march 1 if that determination is made that there has been a significant increase in the amount of stored water --

as of march 1.

As of march 1.

Okay, and so if it rains like crazy and we have 850,000 feet of water in the lakes they can continue agricultural releases.

That would be a determination at that point in time as to how much that would be and I don't recall the specific details of how much water that would be, but there will be a set amount of water available at that time.

Teresa, I know nothing whatsoever rice farming. Do the water releases happen over the course of the year or is it somewhat seasonal?

It is somewhat seasonal and begins in the march, april time frame and others may have a better sense but it can last all the way through october. And there are typically two crops, an initial crop, first crop, typically uses more water, and then some of the farmers do a second crop that is a crop that comes up after the harvest the first crop if you reflood the fields and foster a second crop. But not all farmers do a second crop, but there is typically less water use and that lasts until midoctober.

And so second crops coming in and no agricultural releases expected until, say, march so we are not talking about a ddown for agriculture between now and march anyway, correct?

I don't foresee that.

So there is not a need because there will not be a call for a a draw-down of water.

That is correct.

And that is 50% of the water right there, and 9 rest is firm uses, is that accurate?

That and there is always some evaporation loss.

Sure. And now I'm looking at your graph on 6 and I'm puzzled between the stored lake water and river run-off water, I'm wondering if you could help me understand that. It adds up apparently to 1ing a agricultural water use adds up to 20% and most of our water looks like it's run of the river, and i don't

understand the distinction.

So we have, as greg was mentioning before, we have run of river rights that the city of austin has had going back to the early 1900's.

Okay.

So the city of austin has its own run of river rights that are available to it but then we also have firm water back-up contracts with lcra to make stored water available when the run of river water isn't there. And typically especially in a dry year -- 2009 was a dry year, and we would have some component under our run of river rights and the amount lcra would need to release from storage or backup for what was not available in the natural flow of the river, you're talking about the water coming in --

right.

-- Some of it gets stored but some goes to senior run of river rights like the city of austin.

All right.

So on an annual basis, the amount of stored run of river versus stored changed based on hydrological conditions.

Well, the water -- whether it fills -- it's a part of our run of river rights and what this graph is about is the rights to the water rather than where the water comes from particularly?

It shows both aspects. The city of austin's use in whole between the quings but combination but then also as far as the impacts on the lake levels and what austin is drawing from the lakes that is the stored water component. Otherwise we are using the water in the stream that flows to us.

We have a right to us and we just catch it as it goes.

Well, they have to release it, they have a model and they have to serve senior water rights before they can keep the water in storage. So it's not there wear to their water to store.

I see, and this is will the legal and contractible water rights and when they have to release it.

Yes.

I see. The other thing which makes this difficult for me to pars is I know we take water in and also send water back out again. Is this graph representing gross levels or net levels?

levels? We take water in and some ends up being treated wastewater when we sent back to the lake or back on the river, and what percentage of the water we take do we send back in the form of treated wastewater.

It's about 60% --

that is returned back.

All right. When the lcra is computing things like the 20% reduction when we get to the drought of record,

are they computing that on the basis of our gross or our net intake?

It would be on the gross. It's the amount that we would divert but that is an aspect of it that -- for example, we typically would divert between 160,000 acre feet, in that range, 150 to 160 and return back about 100,000 acre feet.

So the net effect on downstream water users it to take out about 160,000 acre feet, and if we took out 150, we send back 100 and if lcra wanted to impose a restriction that that be based on our net and not our gross. Would that help us solve our problem if we can persuade them to do that?

Yes, that would be a more favorable way to do that, but I don't know that that is how they are going to do it. I'm thinking they are going to do it off of our total water use and not the net. At least that was my initial understanding.

Well, total water use -- one way to frame this is that we are borrowing 100,000 square feet, we are giving it back and the only thing we are using is the 50,000 or 60,000.

Councilmember, you're going fairly deep here. What lcra is going to be thinking about is there are times when all of the water austin and others would use would all come from storage. And you're going to have to help me. I may butcher this, but in the end, the water is the water, and they are going to be looking at the lake and saying this lake is going to have to serve maybe years into the future during this drought and how do we -- just because austin returns the water, if we empty the lakes too fast, we're not going to have enough water and that will be a part of their calculation.

Okay, so what happens is in addition to using 150,000 acre feet and then returning 100,000 acre feet, you're also moving the water from the storage capacity to downstream.

Because when we return it, it's not to the lake, but downstream, and if they release all of the water, even if we return it, the lakes continue to go down and there may be a point in the future where we would say we don't -- there's no rain, there's no inflows and so the only water that is left is that stored water, and I mean, that will be their perspective, how do i keep that stored water from going down too fast through a drought that we don't know where it's going to end.

No, I understand the question. I think I understand the problem. Approximately what percentage of the firm water users are downstream as opposed to upstream of us, because it's my impression that we are roughly in the middle --

wow, I don't -- I don't know.

I would say most of the municipality-type firm water customers are upstream. Pflugerville I believe is the only downstream in this diverter. There are power plants and also industrial customers near the coasts that are firm water customers but most of the municipalities are upstream, and so I think it would be a fair characterization so say that we are kind of in the middle.

And there is a small chunk of firm water that is ag, the others are interruptible, but there is a firming a. Firm ag.

And I notice that is one of the bars on the chart, and I think I have a better idea of why we can't work off of the net but some combination of gross and net would be to our advantage than just working off of those since we are returning the majority of the water we are using.

You make a good point and other firms are in different basins and don't always return the water back to the colorado basin. Whereas we return all of our water -- not all of it, but what we return does go back to

the colorado basin and i think those are important perspectives for us to incorporate in our discussions with lcra on this matter.

The other thing that occurred to me is what we've been talking about, the effect of our very assertive conservation program on our water usage compared to other municipalities and other users who have not been as assertive at conserving as we have, and one issue of that is documenting the extent to which our document programs have been effective as reducing our water usage. Where are we on that? With can he document we are not using 10,000 acre feet per year because of our conservation, can we document that?

We are in the process of preparing a proposal to lcra on that matter how our conservation programs have been effective, including reuse, a couple of billion gallons a year that we could draw from our water rights on stored water, and teresa, I don't know if we have those numbers. Our stage 2 is a 15 to 20% reduction right there, that just our current stage 2 would likely get us to our per rata curtailment. And what what is your saying is right on, and we, the austin should not be penalized with being more assertive with conservation. If you take a community that just went to two day a week for water, that is our every day, and we've just go to one day, we shouldn't be held to more strict water reduction goals than communities that are just not getting to two-day.

Right.

And we have had discussions with lcra and at least verbally have acknowledged that and we are expecting that to be incorporated into their thinking, but until it actually spits out from them and their board, we won't know.

I would imagine, too, that our water requirements are different from lake travis water supply for example, where we have industrial customers that have a need for water or there are going to be substantial economic ramifications and we have powerplants, with economic and a whole bunch of our ramifications in we can't run the powerplants, and that is not going to be true for a lot of the other smaller water supply companies who are only handling residential water and have more of a capacity than we do at this point for reductions.

Lcra is sorting through all of that and ironically they have power plants, too, and to me, power is a health and safety thing and you're not going to just want to turn off the power, and those are the things we'll be working with them on, but again, there is no history here. You can't go back and say oh when this happened before, here is how we worked it out. We are really creating this anew.

Putting restrictions on our power production has a huge effect not just on our own costs and capacities to meet our needs but on the entire grid.

There would be ercog matters, and because this drought is state-wide, other river basins and power generation are going to be happening.

Last question. Putting together a stage 3 restrictions right now, you're reformulating the way we are thinking about saves 3, what is our objectives in terms of putting that together? Do we have a number in terms of water use or how are we thinking about that?

One of the things we are trying to do is match up with lcra targets in their water management plans. There is a trigger point at 4 million acre feet, and currently we don't do anything as a city at that trigger. They request a 5% reduction at that point, at 900,000 acre feet they request between a 10 and 20% reduction and this is the point where we have traditionally gone into stage 2. What is our stage 3 or their prorata curtailment we curtailment they request to 20% reduction. When we look at what we are doing yearround and where we have come, we are getting those reductions earlier and we have had a lot of

feedback that they would like to see us acknowledge drought earlier and ease into some of the restrictions. And so what we are looking at is not only formalizing some of the things like having water restriction but determining what will be in each stage to try to align with Ircra goal, at or a little bit above thought goals and retool and possibly even add a stage 4 for an extreme emergency situation.

So all they are asking for when they hit 600,000 acre feet is a 20% reduction from the usual water use.

They calculate it from a baseline year that is supposed to be in a recent comparable drought year.

Comparable drought year, there are no comparable drought years --

there is not, but a com comparable year, and we have using fall 2010 through august 2011 -- august 15 to august 15, and our challenge is as I said, documenting exactly what benefit our conservation measures have had, we think we are very close and have a strong case to present to Ircra and are hoping to see a credit on that.

Is there anything we can do to help you make that case?

Not yet but we may need some muscle, and -- [laughter]

that will be you, john.

You're a big guy, and i might need you to come on with me --

I'm probably not the best intimidator that we have on council.

Well, we have some important institution, the state capital and the university of texas and billions of infrastructure and all of that fits on our water supply and we want the Ircra to work closely with us as a key customer of theirs. And the gravitas of the city and council can bear on that if we need a little more input.

In addition to being a key economic and political and cultural player, we have done everything right and if they are trying to treat us in the same way we are treating cedar park, for example, we need to be able to document how far ahead we actually are.

Go ahead.

Thank you. I have just a few questions. As you mentioned we are in uncharted territory and i think we are looking at cultural steps and it's important the work you're doing to look broadly and i want to follow-up on the issue that the mayor brought up two hours ago and that is the impact on our -- on austin energy or the potential impact on austin energy, and also the fact that as you mentioned, this is a state-wide issue. Are we -- have we contemplated at all -- are we looking at potentially state-wide limitations on energy so even if as the mayor said we have to go out and buy really expensive energy off of the grid, maybe it won't be there?

You know I think as greg says, we are a bit in uncharted territory here. We are certainly relies on the expertise that teresa and greg bring to the table. We don't have I think a clear picture on the impacts to power plants in every basin and I have asked my staff to start looking at that and ERCOT is look at how big an issue this is side-wide. State-wide. We are looking at what are going to be the impacts to our plants and limiting our exposure and so we are in that stage now, looking out into the future at what purchases we might make, and there is uncertainty on that source and how it's going to be there depending on

how the rains go.

With water conservation and different stage restrictions we limit by law the amount of water that people can use, and do we ever think and contemplate electricity and what is possible?

Our sand hill plant is a good possibility, and we actually use reclaimed water at that facility and so it's not as dependent on rainfall and the run of river rights, and we'll begin looking at how feasible that is at the decker powerplant near the walnut creek facility, and so we do look at that, and the state of texas has few power plants that are not done through cooling. And if you went to other regions of the country, you would find different technologies already in use, but this is where we are in texas with the cooler reservoir powerplants.

Well, I'm thinking about how we restrict the water our customers use. Does anyone ever get into codifying how much electricity a customer can use?

Not at this time we haven't. If you listen to the dialogue about our rate reviews be look at how to incentivize what people are using. And we'll get more discussion on that later this year, but energy efficiency programs are targeted in making sure we avoid the use altogether but also looking at giving the right signals to people to conserve.

And I think it becomes all the more important if we are looking at uncharted territories like this. And it sort of brings to mind for me, well, councilmember martinez mentioned the fema directive. We have a hazard mitigation plan approved since last year and drought is one of acknowledged hazards. Anyone know right off what it says about drought and which of those actions we have gone forward with? It seems to be a good thing to be reflecting on at this point because there's already been a lot of thought about how we mitigate this on drought. Seems like we need to go back and take a look.

And the code requirements that require landscaping. Is that something that we need to relook at as we're looking at a long term drought in terms -- of course t's great that we have the trees and they are being put in but I'm wondering if it's not possible to be watering new trees, why are we requiring people to put them in and if there may be a deferment to work into our thinking. And you are nodding your head. So I just want to suggest that we think about that at the same time that you're doing your work with the water utility.

That will be a part of our -- one of the things we are looking at as a city in conjunction with the sustainability officer, who is leading that effort, the city arborist and watershed development and there are so many benefits to having a canopy, and particularly as we lose trees in drought it's imporpt important to remove those and nurture the trees that we have remaining and it's good to talk to the public about how to do that, that you don't soak the base of the tree with water, and how important mulch is, and we are working on a city-wide strategy on planting and the care of new trees. The message now is basically to nurture the trees that you have and if you choose to plant, to plant small. Those trees will have fewer water needs and are more likely to grow and thrive in a drought period.

But if someone is required to put in a tree and they are not allowed to water, is that reason snbl and if we have mitigation in place for heritage trees and when those would be planted? Sounds like you have the right people at the table to be thinking about those types of things. And then I want to mention, we had -- in addition august the resource management commission come in and gave a briefing to counsel anded that a lot of recommendations and in fact just yesterday, we had a great conversation with a couple of our resource management commissioners and councilmember spelman and martinez joins and and greg and others and we talked through some of the recommendations they put for forward and I think we are on a good track but the rmc was brought up to hopefully play a role in had educating the public about thisization this is aregional issue. Because I think the all we can understand the impacts on our part in the region and the state, the better progress we're going to make just generally in the community. And so thank you for participating in that, and i think that a lot of these issues like tracking

the success of our conservation programs and things -- we are sort of a part of that conversation also, and rmc's interests in looking at those things on a regular basis, and so it's a spotlight on austin water right now, and thank you for your work.

Thank you for organizing this.

I have a couple of questions and maybe you have already covered them because I was out for a little while, but first of all, in reference to what you talked about, the tree thing, it's not as simple as it sounds because trees obviously have a lot of benefit as far as reducing temperature and ozone levels and that sort of thing and so there has to be a trade-off made there. Guess is overall planting more trees would be of benefit in terms of ultimate water and electricity use rather than a drag on it, but we need to find that out. We currently have, i believe, greg, a requirement to irrigate newly planted trees for two years that are a part of the landscape. There are serious questions right now as to whether that is long enough and whether it ought to be increased instead of decreased altogether, but at any rate it would be a conflict. If we have a law that says you have to water these trees for two years or whatever the time is and another requirement that says you can't water them at all, obviously that is going to have to be resolved and that is just a comment. And then I have some random things to bring up. I think I mentioned the grid thing this morning, and the big spikes we saw over the summer. And I think correct me if I'm wrong, but I think more than anything, austin energy benefited from the spikes because we were not buying out of them, we were selling into them.

Yeah, it varied. There were definitely days when we were in the market for some of that expensive energy and from a capacity compared to load we don't have full capacity cover our load anymore, and we try to stay out of the real-time market and get into a planned purchase.

A hedged market primarily but especially the private utilities because of their financial situation and responsibility to stockholders, they are down to bare bones on generation and capacity, they are much worse off than we are, we are in relatively good shape on generation capacity. Going back to -- one more thing on the power plants, i think a lot of the newer power plants and maybe there are some retrofits on this are going to build reservoirs for their cooling purposes. I know the new one that was proposed, it may not still be proposed downstream on the colorado, it's going to have a large reservoir so they can build that reservoir during wet times when water consumption is not a factor and then use out of the reservoir during dry times so there would not be a drain.

Decker or fayette and others have reservoirs and we use a lot of run-of-river-water for those, and that works great in wet weather because we can't always rely on normal or wet weather.

And you said sand hill uses untreated water -- water, so i guess the supposition is that they would be unaffected but we have these triggers based on the reservoir lake capacity but the ultimate trigger is all the way downstream, the inflows downstream on the colorado and that would be the extreme end on it but that is not helping there, and I would also comment parenthetically that reclaimed water is not the answer because that would be downstream water flow in terms of drought. And a large part of the colorado river downstream is treated here have effluent from the city of austin. And effluent sounds bad but it's actually cleaner than the water we take out of the lake. And so reclaimed water is not the ultimate solution because it's water that would otherwise be used for other purposes. And then a question about what happens to the contracts that we have? Our ten largest customers, three of those are industrial, i believe -- two or three. You have the university of texas in that top ten and the state of texas in there, and then we have 5 mids in our top ten customers and what happens to those if we are required to impose restrictions?

Our wholesale customers where we have separate contracts, the contracts require them -- at least the more modern ones to follow our same irrigation schedules and water use codes and so the expectation would be that those wholesale markets would follow those. We do have separate don't have separate contracts with our industrial customers and mayor, we were talking before you came in that we

would really look to restrict all discretionary sources of water before saying that you ought to cut production.

They are our biggest customer, right? Samsung.

And their water is for production, and not irrigation.

Right, for production, but with regard to the contracts we do have with the muds, that would be subject to the same cut-backs we are applying to other customers.

Yes.

All right, anything else? All right, thank you very much. Any items on the agenda that anyone wants to bring up? Chris?

I had a couple of questions about item 55 the ban on smoking in parks. And in particular, questions -- I'm trying to figure out how exactly this relates to or effects the action we took at our last meeting on October 6 on agenda item 54. And that resolution -- we directed the city manager to prepare an ordinance for consideration by the city council to direct the city parks manager to prepare a ban on smoking and other fire hazards in city parks. And that was supposed to be brought back to council for approval. This item would direct the city manager to draft an ordinance to prohibit smoking in city parks. And then go to the parks board for a view and then come back to council. Can you just explain the thinking behind this one on the heels of the action we passed at our last meeting something. Meeting?

Mayor, the first resolution has come back to us in an ordinance, which is item 25, a temporary burn ban due to the drought and that is on the consent agenda for Thursday. The item from council is a separate issue entirely.

Mayor.

Mike?

I think councilmember Spelman is exactly right. What we contemplated a few weeks ago was giving authority to the parks director to issue bans during drought conditions. The item this week merely imposes a ban altogether on the parks system on smoking only, just on smoking and not on any of the other exceptions made in the previously mentioned ordinance. Obviously I think that the parks director could issue a permanent ban but that wasn't the intent of that original item two weeks ago. It was merely specific to drought conditions and what we can do to make our parks safer from those drought conditions. This is a multitude of policy consideration regarding our opinions about tobacco safety, and I think it's holistically different.

Does that include golf courses?

It does. Right now as the ordinance is drafted it could include golf courses. We did receive an e-mail from the golf advisory board asking us to consider -- but this item for this week is not an ordinance but merely a resolution and it will go before the park board and so there is time for discussion and for folks to come forward and give their input.

And if I may, I have already heard other suggestions one way or another, and does it make sense at special events to have a smoking area instead of having people go out on the street and smoke, and all of those things need to be considered. That is why it was originally presented as having the option of just doing the ordinance and I think here instead of taking it through a process, I do think we need to sort through these things. And I want to mention in looking at our city ordinances I know that I.A. has an

exemption for films that are permitted in parks if there is a performance that required smoking.

A 60's move?

Yeah, something like that, whatever, any kind of smoking and I think all of these things we need to have time to hash those out and the parks board and other opportunities.

There is something that has been proposed I think by -- well, I don't know who proposed it, but it's been floating around, there is something called the gold standard for cities for health, fitness, tobacco cessation, and it calls for a much broader ban than that. I don't know if we want to get into that --

we look forward to your proposal.

Yeah, baby steps.

All right, you look forward to it.

Mayor? Help me understand what the procedure is going to be, i was under the impression this was a resolution coming back to news a couple of weeks but it sounds like it may have a longer route before it comes back.

We have asked them to come back by december 8, and we expect one round through the parks board.

I would think it would come under the category of no foul because the ban is effectively already in place now, and so there is no great urgency about it, i would assume that.

Right, and it did seem like taking baby step, having the ban if place right now sort of gets people used to the idea and we have our parks seem to be working and so it's a good opportunity to take another step.

Anything else?

Yes, mayor?

Laura.

Item 12, which is also about fire-- we are talking a lot about the drought. This is allowing -- the item that allows the fire chief to impose restrictions on outdoor cooking, which I am all for. Obviously in times of high fire risk, but I have a couple of questions about it. One is about -- first about outreach because it applies to any multifamily residential use which is any anybody with three or more residential units and it includes condos, and the ordinance requires that you may only bbq in areas that are designated by management. And so I'm wondering number one how we are going to educate folks because I'm thinking about especially for instance in older areas where we have old houses broken up into different units that are mf-4, and it's a lot more just apartment buildings and so i think education and outreach is really important. And also, questioning what exactly designated by management would be. I suppose a sign or something in writing but i think it's great and we want to be able to make sure that it's done well, and so if you have some thoughts on the matter?

Yes, the chief and I are working together in doing this outreach program. The fire department started a ten-step campaign working with property owners and others helping them define where a designated area would be most safe. But under the ordinance it could equal the feet designated by the ordinance, 10 feet or 15 feet between the fire and a combustible surface, and surgeonly certainly understand and appreciate the smaller multi-family residential, open to discussions but this is really just giving the chief

the authority that I think implicitly she has but codifying it and saying you have the authority to enforce this or impose penalties and it came from apartment dwellers who live in much older units and complexes here in austin that are not up to today's standards where you have this nice pool area and designated grill and people with literally cooking underneath wooden balconies and we saw it as an opportunity to try to improve public safety.

I will give some thought to that, because I know on my street a third of the building multifamily, and only one looks like it's multifamily and if you were walking in the street you would not catch that, and so doing a media campaign and i don't know if we thought about utility bill inserts because this is going to come and go --

-- and fire.

There you go. .Maybe somehow together, and since the management has to quote, designate the area but it's really the responsibility of the apartment dweller to know this law and it's an interesting challenge.

That will be the person sited under the ordinance and not the property owner or the management company, it would be the individual in violation of the ordinance.

Which says we need to make sure that apartment dwellers themselves know about the ordinance.

And like with many of our ordinances that have a civil penalty, obviously the goal is compliance and not citations and I would assume that the fire chief would continue with her standard practice of at least issuing a warning so that education level can be obtained before going ahead and issuing citations. I certainly appreciate the concern.

Is this going to prohibit anyone who lives in an apartment or on a balcony or is it --

you currently cannot grill on a balcony, you cannot have an open flame on a balcony, period. This speaks to an open flame in proximity to a combustible structure and allows the chief to issue a citation to someone who is not in compliance, but if you're under an overhang or within proximity, 15 feet or 5 feet horizontally, you will be in violation.

And it only applies to multifamily?

It does.

Bill?

I would like to change the subject if we are done with this, I would like to ask questions on 27. Robert, can you tell us more about what this consultant would be doing?

I sure can. Jeffrey parker, associate to a well-known national firm that helps their clients look at financial opportunities for rail, and also highway work but our focus here is on the rail program. The intent is to bring him in and look at alternatives not only for the first investment but we've backed up a few steps to look at the total system plan to help identify alternatives not only on public, private partnerships but on others as well, and with federal funding being a little bit more tenuous lately his expertise will help us and help us to fill out the applications as we go forward -- [inaudible] pursue, and he will be able to apply that expertise --

so looking at federal funding, at public/private partnerships and jeffrey parker have a particular expertise

on the instruments available to us in texas?

Yeah. We also will bring in local expertise in labor as well, but he brings the national expertise to -- state-wide --

so there may be another contractor or would parker subcontract with someone else --

yeah, he may sub contract -- there is that option.

But one way or another we're going have someone who understand texas law and what we can do.

The local development community as well.

Austin-specific.

Very austin specific, all right. It was my understanding that we were going to get a financial plan for transition some time around october. Did I understand correctly?

Yes, you did. We are probably going to be coming forward a little later that. We have encountered a couple of areas we are working on that we are a little bit behind doing the tax increment financing analysis, we are in the process of updating the property values related to primarily the downtown area. And we discovered a couple of areas in looking at the parcel-by-parcel analysis that we need to do more work with t-cat on and we want to dovetail that with the capital needs assessment which we are in the process of finalizing at this point. And so I don't think we'll be coming forward in october, but we are making some progress there and hope to be back soon.

Define soon, if you could, leslie. How soon is "soon" do you think? Talking about february -- I'm guessing that the tit I'm guessing that the tit analysis and the I'm fessing that the tif analysis won't be ready until middecember, and when are we going to be able to get a deliverable from them?

We were hoping to have that by the january, february time frame, and give us a look at the system-wide approach and hopefully he will be able to give us ideas for success --

so there is a sequencing going on here, and it's parcel by parcel and maybe some time around january or february --

right, and I might also remind council that we have an interlocal with capital metro to look at a system update and that is on-going too, and that will be looking at tweaking the regional rail and that is due february, march, april time frame, the spring as we are reaching out to the community and making sure that we have done a good job of identifying the real systems. So all of this do dovetail about the time that you absolutely have to have it in the spring.

And one of the additional elements of work in this contract is to look at the overall system plans and not only focus on the official phase but also look longer term in terms of an overall financing plan.

What effects is this delay here -- we were expecting to get a financial analysis in october and we won't get one until february, march, april, sounds like. What impact is that delay going to have on our schedule before getting us before the inevitable bond issue.

I think it still meets the time line that you have to look at for the fall elections. The official time to call is very late, it's august or september but y'all are going to have to make a decision a long time before that,

to educate the public and so we are still look at may or june for you to say go or no go.

The more time available for educating the public as to what is at issue here and what is's going to cost and what our long-term issue looks like for building out a train system. It's open-ended but obviously the more time available the higher our likelihood of success, and even if we are talking about april, between april and november 12 is not a whole lot of time, and so the sooner we could get enter interim results the faster we can begin to bring the public up to speed on the basic outlines --

right.

And the easier it's going to be to bring everybody up to speed by november.

Certainly.

Are we going to get interim results from park and associates.

Yes, and I think the first thing will be to look at the tif analysis, saying you have flaws there, and we'll get that assessment done early to get us ideas about the viability of tifs as one of our funding 2508s funding tools and so we can give you a status report on the data development.

And on the stuff we are working on internally, the general obligation bonds, we can update you on that without waiting.

I understand that. Thanks very much.

Chris?

Mayor, there is one item that I think we ought to discuss and I think it makes sense to discuss it thursday rather than today, and that is item 51 which relates to the antilobbying ordinance. We got a helpful memo back from byron johnson explaining the proposed changing. And I think sometimes the problems that can arise through not so much because council or staff understanding and applying the ordinance. Sometimes the problem is that folks out there who are subject to the ordinance don't have a complete understanding of the scope and effect, and I think the more we can do to get the word out to changes in the ordinance and get people out there in the public, the more we'll avoid problems down the road, and so i think it would be helpful to have some discussion at the full council meeting especially focusing on the changes in the ordinance that impact the scope. Some of the changes are fairly minor and would not impact people waiting in the procurement process but other changes go to the applicability of the ordinance and I think it's worth having that discussion at a full council meeting so we reach the broadest audience of people impacted by that, a just wanted t everybody a heads up.

I think it would be good to have a discussion on thursday, but I do have a couple of questions I would like to deal with now.

Sure.

One of the basic things it does is says that the antilobbying or unanimous is not applicable to social service and arts unless council specifically invokes it. Is that correct, byron? Yeah. One of the issues we had during our social service contracts was did certain people call under the definition of being a respondent and making a representation? And what I'm concerned about is that even though we'll be taking care of a lot of that ambiguity if in fact we don't invoke the ordinance, there are still going to be times and I can think of a couple of on-going procurements we have going on right now where we have nonprofit organizations perhaps that are going to be doing business with the city, and somebody who might be a member but not a board member or just a supporter of that organization, do they fall under

this ordinance or not? Does this ordinance clarify where they do or not? I know it says explicitly a board maybe may not --

from city legal, I've been supporting the effort to impr this chapter through our experiences over the last couple of years. There is still a fact assessment to be made at each turn as to whether a member is a respondent under our no-contact period, and where staff is limited by what it knows making a presentation to council, we do the best we can to the extent that which complaints complaintsspring forward, it really impacts the specific discussion.

I get that it would be hard to write language, specifically but I feel we are still going to have some of those issues come up. And then I believe a question came up as to whether or not proposals for hfc fell under this? Am I right about that.

Byron johnson, purchasing, this is also on the exclusion list and so they would not apply unless we opted to make them apply.

But maybe I'm just misinformed but doesn't hfc do more than block grants?

The answer is the exclusion only applies to block grants and to it is apply to normal city funding --

so it will explicitly ally to everything hfc does except for block grants?

The answer is austin housing is a separate and so it would not apply to hfc. And laura is here to give you a determination on that.

Deborah thomas at the law department,hfy is not subject to the city's ordinance, it is a separate entity and the service agreement specifically states that the hfc will be subject to -- there are other provisions in the ethics ordinance that the city -- but the antilobbying provision is not one of those.

I see. And so if we wanted to make that one of the provisions that they were subject to, what would be the process to do that.

Through the service agreement process, and i believe we are in that process now. Hfc and the council would agree -- [laughter] -- that hfc is subject to the sent lobbying provision.

Okay, good, so I think it would be good for us to give some thought so as we are updating I take it the service agreement.

Yes.

Yeah, in fact we had a situation recently where a complaint was made about violation of antilobbying with regard to the hfc and i thought that the determination was that it did not apply to hfc.

The city's antilobbying provisions do not.

Hopefully this will be a quick question. You said it won't apply -- i believe it was said it doesn't apply to health and human services or arts or cultural contracts unless the council determines otherwise. What is the mechanism for making that determination?

Byron johnson again. Council this last time took an action and actually brought it in under the ordinance and so council again would pass a resolution or an action or ordinance to be able to move it in --

that would be contract by ..?

It could be either way that council choose to see do it.

How would the council know to do it? Could you bring the question before the council or expect us to come up with it on our own or what?

The understanding we have through our process is that it would come up through the phhs and the upcoming procurements they look at, that avenue to council.

So like a spreadsheet of proposed contracts -- sounds to me like it's really adding a great degree of complexity to what was before a pretty simple ordinance. That is just my opinion.

Mayor.

Councilmember tovo first. romero, I believe you had written us a memo clarifying for purposes of the health and human services contract how this is defined and I think one of those provisions -- i will just put it in my words, if you're a member of the nonprofit organization and you receive a call to action that you contact your councilmembers, you have become a respondent.

I don't have the memo in front of me but that is my recollection of the content and I believe our code says that a respondent or anything they ask to advocate on their behalf is subject to our no contact period, and taking that at face value, it means that if a respondent asks its entire member to advocate on its behalf and that is the reason that a member comes to a councilmember, then, yes, that falls within our definition of a respondent and the community of interest that can become a respondent if the organization asks people to advocate on their behalf.

I wonder if that belongs in the ordinance, that is pretty broad and I'm wondering if that belongs in provision 8 or what your description of a respondent --

I think to the extent that it's an example of a scenario, should a respondent send an e-mail to its member asking them to advocate and that prompts a member to advocate, to the extent that is an example, that would be a reason that we might leave it out of an ordinance because an ordinance is something of general applicability as opposed to specific scenarios. We can certainly take it under advisement or add it if you would like us to, or address it in the rule process. There are a number of ways we can certainly make it understanding that is more commonly understood.

I guess whatever means seems like the best one to make sure that groups are aware of that because it sounds like a scenario that could happen with some frequency and I don't believe people would consider themselves a respondent if they got an e-mail blast and then follows up with council. My sense is that happens a lot and maybe it won't if we exclude health and human services contracts but it could still happen.

We do also have conferences when we have these types of solicitations and so we make sure sure at every one of those we fully explain the antilobbying provision and that has been helpful when we have that or the companies that do that one. We'll continue also, as a part of our outreach when we work on the rules which would be the item after council passes that we would put those on our website and we have also talked to a number of different outreach organizations where we are going to them with the proposed rule changes and the changes to the ordinance.

Mayor?

Chris and then --

I thought that I was next --

mike, chris and then laura.

I just want to follow-up more on the conversation because this has happened in the past and it hasn't been a formal connection to a group, but kind of a town hall stakeholder process where a vision on redeveloping this part of town and all of a sudden someone who was not even a part of the group but an attendant at the meeting bid on the plans and sent a mass e-mail to everyone who has attended the town hall meetings saying we want to help continue what we started and we want to be the firm selected. And I know that is hard to define but I think that has to be a consideration. And secondly, it's probably our own fault as council, but why didn't we send this through the ethics review commission for their input?

The ethics review commission in their duties at 27 have the role of making recommendations on the chapter as they exist but don't have a formal role in staff-initiated proposed changes. If our other memory when this went through 2007 changes council asked that it go through ethics review and when we went through 2008 we did not. And so a part of what we've built into this ordinance and the rules is that none of this becomes effective until december 1 and the reason for the distance date is for plenty of time for input as reflected in both the ordinance and the rules. If this is something that council would like to direct, there is plenty of time.

Does the current structure of the ethics review commission, does the language preclude this being reviewed by them? Is it permissive enough for them to review if staff wanted them to.

There is no prohibition.

I would like to see that as a minimum and get their input.

Byron the meetings you described where all of the rules are explained to respondents does that take place with every procurement throughout the city, including the agencies --

not every single one but most do it -- any of the complex procurement, if it's complex, and we are buying sand in bulk but others do have those, but not every single one, but most of the complex ones --

austin energy procurement process --

yeah, most of those and all of the complex ones have it.

And as a part, would respondents also get written information explaining the application of the ordinance?

Yes, it's in every single bid package, and we have it in two places. Under terms and conditions and then under additional highlighted information that we have as a part of every packet.

There has been some confusion about the application of the ordinance in the past and the more we can explain exactly how the ordinance applies in the process it would really avoid a lot of problems. Thanks.

Thank you. So follow-up on what you were talking about, how are we going to know we can make a choice, and you mentioned public health and human services which would certainly work for the social service contracts but the other items that are excluded from this wouldn't be -- wouldn't be seen by

social services like culture, and arts and city block grants and rental -- sale or rental of real property, and so maybe in the interim you could think about what the process would be to alert council to know whether we wanted to invoke it in a general way, and i certainly agree that it would be helpful to take it through the ethics commission and get the kinds of things that kathie was mentioned into the rules. I noticed some nhcd people here and I guess I should ask our city attorney a question. Is it appropriate for me to ask the question and bring up the discussion of what would be the considerations of whether or not we want this kind of thing to apply to -- in our service agreement with hfc.

I think that is okay, councilmember. If you're asking whether the antilobbies position should apply --

oh, that's great, and spencer could you give us your thoughts on the rfp's and other block grants we do and hmc grants and whether it would be appropriate to impose the antilobbying ordinance.

The most popular process we have is for the application for funding for rental housing and for acquisition and development. Because of the application process this is one of the reasons the antilobbying or unanimous doesn't apply. My understanding is it's for rfp's and rfq's and we currently have an antirolling ordinance and this is an application process. Part of that has been by design of the users, the nonprofits and the different organizations that typically utilize the funds have enjoyed the opportunity of being able to communicate with folks, it's also an open process. One of the things that the users really like is while we tend to take a lot of applications at the beginning of the fiscal year and allocate most of the money the first couple of months of the year, if we have funds we take applications all year long, and with housing, timing is a critical issue, and large multifamily issues often apply for tax credits and they don't turn in their letters of intent until january, and preapplications until march, and official note if I indication in may and the board votes in june and july, and so timing and commitments are a little bit different than a traditional, standard rfp process where the deadlines are hard and concrete. Now, we just actually went through a master solicitation process over the summer where we did an official rfp, and because a fair amount of the funds were on the city side, we did actually enforce the antilobbying ordinance. We had a pre-bid conference and informed everybody of the rules. And so when we have a very strict rfp process, we are hold to that ordinance but in the rental housing application process being that it's an application process without an initial deadline, we want the flexibility of being able to take applications based on the needs of developers and the nonprofit organizations. I would not necessarily recommend that we would want to start to enforce a rule. That would make it more difficult.

And the applications if I'm correct, are they posted on line --

yes.

And so it's significantly different than rfp --

right, and we receive the applications and scan them and put them on line --

so if we had an rfp out of hfc that was not tied to city funds, would the antilobbying ordinance legally be required?

No, the ordinance would not legally be required. Fc and supporting staff could make a decision.

And we may want to think about that in that indication having antilobbies clearly in place, which sounds like you're already doing that.

For construction contracts, a couple of weeks ago you approved a master master solicitation contract and now we have a rotation list of contractors to do our work, and we actually did utilize the antilobbying

ordinance in that process.

And I assume that the news agreement is coming to council.

You approved that a couple of weeks ago and we are finalizing the language right now.

Okay, so I hope that you will consider since we've already approved negotiation and execution, the appropriate nature of specific cases when it should come into play.

Are you going to continue to send out the spreadsheet that shows active rfp's where any lobbying ordinance applies? Are you going to continue to do that?

Yes, sir, it still would give you that opportunity to look at that.

Great, because I think I've determined that the only sure way I can figure out how to not violate the ordinance is the future is continue not to have contacts with anyone that is on that list. Anything else? Laura?

This is a different item --

and let me just say that I'm going to have to abandon ship again. City business. Thank you.

And I'm going have to do the same --

oh, well, that's all right, I'll follow-up with my questions.

We just need one more for a quorum, and two are leaving, so --

okay, we're okay.

I wanted to briefly ask -- I'm sorry. On item 17 the item to approve the schematic design for the central library project and I think I see someone here -- I did have a couple of questions. After we received a briefing maybe about a month ago -- is that right? And since then, we received a briefing before commissioners and since then I know you've taken it to a couple of commission and I wondered if you could give us a summary of any of the responses or recommendations that came out of those commissions.

Burt lombrez. Gillham director of library facilities should be here, and I will ask him to comment but based on the feedback, certainly very supportive and love the concepts and program ideas, and it was all very, very positive. I will ask John if he is here. Assuming that he is here, to join me, and no significant discussions come up. I know councilmember Riley spoke about access and that is an issue that we'll be working with Metro on, and we have a team not only involved with the development of the library but also the construction projects going on making sure that we are looking at every opportunity we can to find the best access we can for bus transportation, because as you know, we're going to have -- what I consider a limited number of parking spaces and that is going to be a very vibrant area in terms of redevelopment and we want to look at every opportunity we can for transportation. And we have the Lance Armstrong bikeway there, a great location for that, but the bus issue is something we are following up carefully on. Okay, great, and the schematic design doesn't dictate that one way or another --

it doesn't, but to heed to we need to be planning for the best location for that, whether it's the backside of the avenue or street access or Cesar Chavez.

And another question that came up during the briefing was the allusion to something that came out of our families and children task force, making the facilities inside and out welcoming and vibrant to kids. I had asked that question and I know that one of the answers from our design team was that the outside area -- I know there is a lot of space although there is wide space for entry, but one of the answers was that there will be room for a lot of programming and all, which I think is great, but I think we always need to keep in mind to have interactive and vibrant facilities -- not that there will be specific facilities but that it's welcoming and child-friendly. And one of the things that comes to mind is we have an opportunity for art in public places and that in relation to a bronze statue that nobody ever touches if you know what I mean.

Laura was very excited about being a part of the team focused on that specific issue. She is a very strong proponent for interactive play for children, and one of the components within the facility we and spoke about in this terms of it being a major gathering place, but it's also going to focus on staff with expertise on not only social events and gathering but also on focused on the facility and outside, so interactive play and things for kids to do not only within the garden area, but even on the back side and there was notion of having areas for family, having outdoor moves for families and so whatever we are doing in the programming end and expertise we'll be looking for staff is going to incorporate not only so-called social events but as much interaction as we can with families and children, and I have as a part of the team to think creatively with us on that.

All right, thanks very much.

I appreciate your work on this as it relates to transit and I think this is a very significant issue with capital metro, and how we are going to provide service. It's a little complicated because the road network that bus service would be running doesn't actually exist today, because the roads on both -- on the north and west side of the library are not yet open to the public. But your expectation is that both west avenue and second street will be complete and in use by the time the library opens, is that correct?

That is correct, and the neat thing about our team is we have Fred Evans who has been not only a part of the redevelopment but we also have Lazarus and other folks who have been working on the infrastructure and things working in there, and so we are focused on anything and everything that is possibly happening around that area, but without a doubt, the commitment is to have all of that in place, and that is why we are beginning to talk about the planning and issues of bus stops and different things like that, we think that is very critical in the overall planning versus having to wait until the facilities are on the ground.

And for that even for people who are not using the library, if a bus had to pull over on Cesar Chavez and stop in traffic to serve the library, that would impact a lot of people, but your expectation is that we'll have a bus stop on second street?

That is what staff is pushing for. We talked about west avenue and second street but the earlier discussions we had with Cap Metro is second street, and we don't have final approval but the streets are not in there, but that is what we are pushing for.

And actually a pull-out off of second street?

That is exactly what we are looking at is a pull-out.

Okay, well, obviously Cap Metro has a lot of work to do to figure out how its routes would be adjusted to serve not only the library but the entire grid New York network that emerges in this district, and Statistic City has similar work to do on other vehicles. Right now we are about to go through a process working with mostly electric vehicles, identifying routes that will essentially replace the routes that provided circulator service through downtown, and if that does work out and if that pilot does work out, and we may be in a position to figure out how vehicles could provide service to connect people from

the bus line and getting them four and five blocks over to the west to serve the library. I'm not sure that is the route we're going to go but it could be among the possible possibilities to they would consider in providing connections to the library. And so a lot of work in the coming years and I appreciate focusing on these issues and I know that Cap Metro will continue to work with the city on how those needs are going to be addressed.

I don't think there are any other items? So with that, without objection we stand