

## Closed Caption Log, Council Meeting, 06/28/12

AustinAustin

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>> Mayor Leffingwell: Good ning. Good morning. Good morning. I'm austin mayor he lee leffingwell. We'll begin with the invocation from the reverend tony roebuck from the downtown unity circle. Please rise.

[10:05:45]

>> We open our hearts and minds to the presence of god in us and in this wonderful coming together to do the work that is before us. We're grateful for the opportunity to be instruments of the love, light and wisdom that is spirit. We are open and receptive to knowing and feeling in our hearts the wisdom, the inspiration and the guidance of spirit. And that each one in this council and each one in this council meeting be participants in a great privilege of government of the people, by the people and for the people. We see in our hearts the presence of god guiding and directing each one, each voice, each heart, each mind, and aligning with something even greater than themselves and knowing that the spirit of god is moving in and through them to bring forth a greater good in this beautiful community. We give thanks knowing that that spirit of god is blessing austin and through these blessings that we are instruments of god's love and light to be a blessing in our world. We are so grateful for this great privilege, for this opportunity. We bless this council and all here with a knowing and a prayer that has made its way around the world and up into even the moon by our astronauts. We bless you with this knowing. The light of god surrounds you, the love of god enfolds you, the power of god protects you, the presence of god watches over you. Wherever you are god is, and where god is, all is well. We pray this in the name of the one who said you are the light of the world. Let your light so shine before all that they may see god's work. And so it is. So it shall be. Amen.

>> Mayor Leffingwell: Amen. Thank you, reverend. Please be seated. A quorum is present so I'll call this meeting of the austin city council to order on thursday, june 28, 2012, at 10:08 a.m. We're meeting in the council chambers, austin city hall, 301 west second street, austin, texas. We'll start with the changes and corrections to today's agenda. Items number 2 and 4 are withdrawn. Item number 26, add the words after contract with, add the words austin materials l.l.c., formerly. Item number 38, add recommended by the parks and recreation board. Item number 42, delete the phrase related to item 93. Item number 75, add the words recommended by the austin airport advisory commission. Item number 80, add the words recommended by the austin airport advisory commission. Item 86 is withdrawn drawn. Item 88 add as a co-sponsor councilmember mike martinez. Item number 89 is a typo. Delete the second 2 after 2012 ballot. Item 92 will be postponed at the request of the sponsor UNTIL AUGUST 16th. Item 94, delete the phrase related to item 42. Our time certain items 30 morning briefings. Which will be a briefing on the austin water joint subcommittee financial recommendation and the second brief

ing is an update on the mueller redevelopment project. At 12 noon we'll have our general citizens communications. our zoning matters. a briefing on planned unit development assessment. There are several of those. 00 we will have our public hearings with possible action. 30 live music and proclamations. The musician tay is akina adderley. The consent agenda is items 1 through 94, with numerous exceptions which I will read in just a moment, but first we'll read into the record item number 81, points and appointments and waivers to our boards and commission. That item will remain on consent. To the lake austin task force, earnest gonzalez is councilmember spelman's nominee. Linda gary row is mayor pro tem co nominee. Andrew hawkins nominated by councilmember tovo. Ben hedges nominated by councilmember morrison. Carol lee nominated by councilmember tovo. Jarod matthews nominated by expect. P murphy. Jane are viewing area are will be the parks and recommendation board representative. Alan roddy is mayor pro tem cole's nominee. Ellen nominated by councilmember martinez. Then to the planning commission, steven oliver is councilmember riley's nominee. The waivers, approve a waiver of the residency requirement in section 2-1-21 of the city code for pam murfin's service on the lake austin task force and also waiver of the attendance requirement to the city code for james kelsey's service on the austin airport advisory commission. Waiver includes absences through today's date. And going back just a moment, add to the time certain agenda for today, at we'll have discussion of bond sale, discussion and action. The following items are pulled off the consent agenda. Item number 12 is pulled off by councilmember tovo. Items 14 and 21 by councilmember morrison. Item 22 is pulled for -- to be heard after executive session, as is item number -- excuse me. Item number 25 is pulled by mayor pro tem cole. Item 35 pulled off consent by councilmember tovo. Item 33 pulled by councilmember riley to be heard after executive session. Item 36 pulled off consent by mayor pro tem cole. Item 37 pulled by councilmember riley. Items 38 and 41 pulled by councilmember morrison. Item 42 will be set for a time certain after 2:00 p.m. By councilmembers morrison and tovo. Item 44 is pulled by councilmember tovo. Item 73, 75, 76, and 77 pulled by councilmember tovo. Items 83, 84, 89, 90 and 91 pulled by councilmember martinez who requests a 4:00 p.m. time certain. 4:00 P.m. or after. We have no items pulled off the consent agenda due to speakers. Add to the items pulled off the consent agenda item number 31 will be pulled for a brief presentation by law. As I said, there are no items pulled off consent due to speakers. We have several speakers that signed up to speak on the consent agenda. The first is david king.

[10:14:35]

>> Mayor?

>> Mayor Leffingwell: Yes.

>> If now is a good time, 44 is linked to 45 so i intended to actually pull both of those.

>> Mayor Leffingwell: All right.

>> Tovo: And I'm happy to put 35 back on. One for one. Unless my colleagues have questions about 45.

>> Mayor Leffingwell: So add number 45 to those items pulled off the consent agenda, and say again about item number 35. Put it back on the consent agenda? Councilmember tovo yes. I had my questions sufficiently answered.

>> Mayor Leffingwell: Add number 35 back to the consent agenda. I hope all that's clear. So we'll begin with David King speaking on the consent agenda. You have three minutes.

>> Honorable mayor and councilmembers, thank you for a chance to speak to you publicly about the consent agenda. I'm new at this. This is my very first time to be here and I hope that I'm using this time appropriately to speak about the working meeting this last week. If that's not appropriate, then I will go back to my seat. Okay. In that working meeting --

>> Mayor Leffingwell: You are supposed to speak on items that are on the consent agenda. You are signed up to speak on the minutes. So go ahead.

>> Right. I can speak to that. What I'm speaking to is one of the items on -- and at that working meeting related to short-term rentals. And I just want to express my concern about some changes that were made to the ordinance at that working session. One of which was to remove the 1,000-foot density limit. I live in Zilker, in the Zilker neighborhood two blocks from Chuys's, two blocks from Zilker Park. I love my neighborhood. It's mostly family. I've been there 16 years and seen families raise their kids, take them to the park, stroll down the neighborhood. I'm very concerned that my neighborhood being so close to these icons of Austin --

>> Mayor Leffingwell: I'm going to pause your time and explain to you that your -- that item is - is on the agenda for today, but the public hearing on that item has been closed. If you want to speak about why the minutes might be wrong or something was inaccurate, that's fine, but you are technically not allowed to discuss the merits of item 42 because that public hearing has been closed.

[10:17:14]

>> Could. So I can't speak to what was discussed at the working meeting either.

>> Mayor Leffingwell: Not unless it has to do with the minutes.

>> Okay.

>> Mayor Leffingwell: I'll give you a little latitude.

>> I appreciate that. I just want to express to you I'm very concerned those rentals may cluster in my neighborhood particularly and I would ask for you to please consider strengthening that. I know you are set to vote on it this afternoon and I please ask you to consider strengthening that to keep them from clustering in neighborhoods like mine. Thank you very much for your time.

>> Mayor Leffingwell: Thank you. Next speaker will McLeod.

>> I don't remember signing up on the consent agenda. I do remember signing for for action items 30 --

>> Mayor Leffingwell: You signed up for 11. That's what I'm calling you up on first, but you can speak on any item on the consent agenda.

>> Any item on the consent agenda. But I'll have a chance to voice on 30 and 37? When that comes up? Or how does that work?

>> Mayor Leffingwell: 30 is on the consent agenda.

>> 30 Is on the consent agenda. So I have three minutes basically to speak on any of these 140 items and that's just my only chance, correct?

>> Mayor Leffingwell: Just 94. It's about 60 items.

>> About 60 items on the agenda? You are right.

>> Mayor Leffingwell: And you only have two minutes and 19 seconds left now.

>> Oh, okay. Okay. So I won't have a chance to speak on item 37 when that's called or -- I'm confused.

>> Mayor Leffingwell: Item 37 is pulled off the consent agenda.

>> That's good. That's good. Okay. Well, basically I didn't expect to be thrown a curve ball like this today, but here it goes. On item 30 -- has 30 been pulled?

>> Mayor Leffingwell: No, it has not.

>> Well, my answer to -- my answer to 30, since we don't have this out there posted, you didn't print enough copies for the public, brings in how much money in tuition? Could someone answer that question and give me a good guess? No answer means a lot of why do we have to pay for it. This has to do with soil and gardening and stuff like that. It's a federal initiative to implant evidence based community systems, blah, blah, blah you, farm to work austin campus. Why can't the folks at miracle gro finance this out of their pocket? Leave the taxpayers out of it, that's what I think. 37, I don't know if it's pulled or not, yeah, 37 was pulled, you already confirmed that. And 47 is where is the money -- it's advanced funding agreement with city of austin and transportation, I want to know where the money is for sidewalks. we don't have the resources build the sidewalks, we share about the sidewalks in the [inaudible] for lance armstrong. Bikers are more important to city than integrating the disabled community in society. Anyone that works out here today, there seems to never be available but only their convenience. 107 Still have incomplete sidewalks. I expect them to be fixed by the end of the year. Item 56, austin energy wants more money. No, no, no way, jose. weis or the guy who didn't have time to chitchat about this to pay for it out of their own pocket. How about apple paying for it?

[10:21:05]

[Buzzer sounding]

>> Mayor Leffingwell: THANK YOU, MR. McLEOD. Next speaker scott johnson.

>> Good morning, mayor. My on name is scott johnson and this is regarding the purchasing item for the neighborhood items.

>> Mayor Leffingwell: You are allowed three minutes on any item you choose to speak on.

>> Okay. Fair enough. Regarding the item related to neighbor woods, I'm strongly in support of tree tree plant ing is something we've done and taken money from the heat island mitigation funding that was gotten by a former council about 12 years ago. And what I want to do is try to continue this dialogue about the mature trees that we have in our city, not simply the heritage trees, our lacking routine proper maintenance for the wide amount that we have. Right now the budget is when the parks department and that budget is not adequate to go in and look and survey and inventory those trees that are on city or public property and do the proper pruning in a timely manner. If you could please put up the first tree picture, please. Back in december of 2011, about four days before christmas, I was down in the zilker park area and along the railroad track where the zilker train runs between the pool and barton springs road, that limb fell on what's not the main hike and bike trail but a conduit of the hike and bike trail going towards barton springs. And that tree if it fell on someone could have injured someone obviously. It didn't, based on my understanding, and please cue the next picture. And then in april of this year, this tree fell just north of the ball field and covered a vast majority of the hike and bike trail. That one, I don't believe, injured anyone, but there have been serious injuries and fatalities in other cities, even in texas in the last 15 years. This is something that it's a priority for the city to care about trees. It's not a priority for you to give policy direction or to look at budgets and say we need to move money from this budget over to the tree maintenance budget. If I was to start a nonprofit here in austin, if I was independently wealthy, I would focus on tree maintenance, sidewalk maintenance and fleet maintenance. Those programs are the least sexy of those areas. We're always talking about buying something new to save the earth, to address our environmental challenges. Well, in this case I believe that the city staff and the management and the council should be focused more on tree maintenance, and there are funds that could be found, some of which could be pre purposed from the heat island mitigation funds for the neighbor woods program. I'll be happy to answer any questions. Do you want me to take the other item up that I'm here for?

[10:24:02]

>> Mayor Leffingwell: You have 20 seconds.

>> I have two items.

>> Mayor Leffingwell: You are only allowed three minutes to speak on consent items.

>> On the item related to purchasing, the city is involved in green purchasing. What the city should be doing is doing audits to make sure they are using the greenest and cleanest janitorial supplies and that may be something they are bringing their own products to use which are not green. Thank you very much.

>> Mayor Leffingwell: Thank you. Those are all the speakers that I have signed up to speak on the consent agenda. I'll entertain a motion to approve the consent agenda. Mayor pro tem cole so moves. Councilmember morrison. Second.

>> Morrison: I think councilmember spelman.

>> Mayor Leffingwell: Councilmember spelman, did you second? Okay. Councilmember morrison.

>> Morrison: We have 75 that's pulled but I wanted time certain with that along with councilmember tovo is supportive of that.

>> Mayor Leffingwell: Number 75 will be set for ?

>> Morrison: 3:00 P.m.

>> Mayor Leffingwell: 3:00 P.m. All right. That makes it more complicated. I'm sure that will be fine. Any further discussion on -- councilmember riley.

>> Riley: I would like to pull item 35.

>> Mayor Leffingwell: 35 was pulled by councilmember tovo and reinstated and you want to pull it again.

>> Riley: Okay.

>> Mayor Leffingwell: Okay. Item 35 is pulled from the consent agenda. Mayor pro tem.

>> Cole: I think we set item number -- did we just set item number 75 for ?

>> Mayor Leffingwell: Correct.

>> Cole: I did want to at least alert the public and council that I do plan to move for postponement of that item so it can go to committee so that we can -- we may want to consider that postponement first before we set it for time certain.

>> Mayor Leffingwell: Okay. That's on number 75?

>> Cole: Yes.

>> Mayor Leffingwell: Okay. But right now it's set for 3:00 p.m. time certain.

>> Cole: I didn't think we had voted on the setting.

>> Mayor Leffingwell: We have not.

>> Cole: And we may want to vote on the potential postponement first before we in case people are waiting or may come.

>> Mayor Leffingwell: Councilmember morrison, are you willing to withdraw your request for time certain of to hear a postponement motion by mayor pro tem?

>> Morrison: Yes, assuming I would have the opportunity if the postponement does not happen to set it for 3:00 p.m.

>> Mayor Leffingwell: Yes, okay, we can do that. All right. And we have one other speaker on the consent agenda before we vote. Mason kester.

>> Good morning, mayor, councilmembers. I'll be brief. This is dealing with one particular issue. This has to deal with providers of legal services for city employees, but i think it's an important issue because it could cost city employees over \$4 million. This is number 66. Item number 66. Right now it's on the agenda, the city is supposed to -- is considering selecting arag, a company out of iowa. I'm here on behalf of legalese, a company out of how often. We don't think this factor was considered when weighing the factors for deciding which legal services provider to go with. Legalese will actually provide -- and I've provided a handout to members that just breaks these numbers down where we come up with this \$4 million number. But the key is after a certain point arag, the company out of iowa, doesn't pay for the attorneys fees for these city employees when they are dealing with divorce or family law issues. They only pay for 15 hours. And our statistics show that on average the city employee is going to spend about 27 hours in attorneys fees dealing with these services. Legalese pays for that and then some. So that factor actually makes legalese a more cost effective choice for city employees because once the city employees have to deal with these child custody issues, divorce-related issues, after a while they are going to be surprised to find out that they are not covered for after 15 hours. And so if you take the -- it's a pretty elaborate chart here, but it shows you how we get to this number. If you take the typical number of people that -- it's about 37% over three years of city employees will be involved with these child custody divorce related cases and after 15 hours of attorney work they are not going to be funded by the company currently -- currently likely to be selected or that propose to be selected, arag, so they are going to be paying for that, city employees will be paying for that approximately 15 hours of attorney time. Average \$207 an hour for an attorney, that's going to add up to be a lot. So at the end of the day it's going to be costing city employees a lot more. And our concern, we were provided the formula the city used, and actually legalese lost by one point. But when you factor in this component, it actually makes legalese a lot more economically beneficial for the city employees. And so we didn't want -- we don't think that -- the presentations we get 45 minutes, we wanted to make sure the city is aware of that key issue.

[10:30:10]

[Buzzer sounding] it's a \$4 million issue and we wanted to make sure the city was aware of it before voting on this item.

>> Mayor Leffingwell: Thank you.

>> Thank you.

>> Mayor Leffingwell: Can councilmember Spelman.

>> Spelman: That's a good point this fellow has raised. I wonder if somebody in the purchasing department could do the [inaudible]. There seem to be several.

>> Mayor Leffingwell: They are headed this way.

>> Good morning. Karen Haywood with the employee benefits office. When we did the review of it, we did look at the plan design. We also looked at the attorneys covered in the plan and then we looked at costs in regard to employees. And what type of coverage our employees had. So that is the reason that we selected Arogo in regards to legal for the city of Austin employees.

>> Spelman: Could you describe how you looked at costs from the employees' point of view.

>> We looked at employee only coverage. We also looked at employee family coverage. Currently we have over 2200 employees that enroll in family coverage. 50 less than Legalese. This is a benefit future fully funded by the employee we looked at costs.

>> Spelman: All right. What that suggests you are looking at the monthly cost of the program. Did you also take into account -- I'm sorry, I forget your name.

>> Mr. Hester.

>> Spelman: As he had suggested, the benefits of the program -- it's deductible you are talking about.

>> I'm sorry, sir?

>> Spelman: More or less deductible.

>> What they would be pay be per hour.

>> We looked at in regards to our claims ratio what employees typically use the benefits for. We felt the 15 hours was sufficient in regards to divorce simply because this is a benefit not heavily utilized by our employees. It's something they take out typically like an insurance that they have it in case they need it, but the committee that was involved in the process did feel like that the product that Legalese was bringing forward and the plan design was sufficient to handle the employees' needs.



>> Spelman: How did you determine 15 hours was going to be sufficient to handle a divorce?

>> We looked at last year's claims ratio and over the past we've had with our other carrier, we looked at how many hours employees were spending with attorneys.

>> Spelman: And about how many employees use more than 15 hours?

[10:33:01]

>> That I do not have, but i can provide that information to you.

>> Spelman: That was information you took a look at when making this decision?

>> Yes, sir.

>> Spelman: Okay. Thanks very much.

>> Mayor Leffingwell: Okay. Okay. Before we vote on the consent agenda, we have one addition to appointments to our boards and commissions. Nick wersema is councilmember riley's nominee to the lake austin task force. Councilmember tovo.

>> Tovo: Mayor, with apologies, I would like to add 76 back on to the consent agenda. I've had my questions regarding that issue resolved. And I do have a question for legal that -- that I'd like to get an answer about with regard to number 42.

>> Mayor Leffingwell: Let me take care of this first. Mayor pro tem cole and councilmember spelman, are you willing to accept the friendly amendment to put item number 76 back on the consent agenda? Okay. Councilmember tovo.

>> Tovo: With regard to item 42, and this is the short-term rental issue that we're taking up later, I'm addressing it now because i know we have people in the audience interested in it. We did close the public hearing at our last meeting, but we also have our agenda today an ordinance that's different from what people spoke about at our last council meeting. Councilmember riley -- councilmember riley's proposal is what is on today's agenda, and that was actually proposed during our council discussion rather than during the -- so the public basically hasn't had an opportunity to comment on that proposal. I wonder if between now and our time certain of this afternoon if we could get an opinion from legal about whether or not that prompts a requirement to reopen the public hearing to allow the public to speak about that issue.

>> Mayor Leffingwell: City attorney.

>> You would like an official written opinion on that?

>> Tovo: Oh, no, just your guidance.

>> I think what we looked at was the general rules related to public hearings. And even if an item is amended during the council discussion on an item that has been set for a public hearing initially, once the council closes that public hearing, under your rules, citizen comment is no longer allowed. So that's then a practice that we've had for many, many years here. We don't look to the substance of the amendment, we look to the item and so that item came before the council. Council had a discussion about it. It was amended. And then voted on and the public hearing was closed at that time based upon the way the item was amended.

[10:36:21]

>> Tovo: So that is a practice rather than a hard and fast legal rule?

>> Well, I think the rules say that the public hearing is closed. Your rules clearly say that. What happened, however, this time, the practice is is that once you've closed the public hearing, it's no longer listed under that public hearing section of the agenda. It's been moved to the department. And so all departmental items on the agenda are then listed under the consent agenda. And I maybe need to have maybe the clerk or somebody from the agenda office speak to that practice. But your rules clearly say that once you close the public hearing, citizen comment is no longer allowed.

>> Tovo: Okay. Thanks.

>> Mayor Leffingwell: Well, I have another question for you. So you put item 76 back on the consent agenda, but not 77.

>> Tovo: Correct.

>> Mayor Leffingwell: Councilmember morrison.

>> Morrison: I'm sorry, okay, the question that i have for -- this is a followup for city attorney is do we have the opportunity to waive those rules on a majority vote of the council?

>> Of course. Deborah thomas --

>> Mayor Leffingwell: We'll address that when we bring it up and there would have to be either unanimous consent or a vote to reopen the public hearing.

>> Morrison: But it is something that we can consider.

>> Mayor Leffingwell: We can do anything we want to basically.

[Laughter] if you have the majority vote.

>> Morrison: We're not going to be violating the constitution.

>> Mayor Leffingwell: Except for violating the constitution. All right. I think we're ready to vote on the consent agenda. All in favor say aye.

>> Aye.

>> Spelman: My apologies. I would like to amend the motion which I seconded by postponing item 66.

>> Mayor Leffingwell: Why don't we make this easy and we'll just remove item 66 and take it up. Item number 66 is also removed from the consent agenda. All in favor of the consent agenda motion to approve say aye.

>> Aye.

>> Mayor Leffingwell: Opposed say no. That's on a vote of 7-0 approved. And first I'll go at mayor pro tem's request to take up item number 75 is it?

>> Yes. Thank you, mayor. This item relates to some temporary planning that has been a temporary structure -- can I have jim smith up? Is he here? Thank you.

[10:39:10]

>> Good morning, mayor and councilmembers. I'm patty edwards. I'm standing in for jim smith this morning. I'm the deputy director at the airport.

>> Cole: Can you brief explain what that does?

>> This will allow us to build a temporary facility to process international passengers. It will be used as an interim to do the modifications to the existing customs facility.

>> Cole: Okay. Mayor, I'm going to make a motion to postpone this item and actually hear it in the comprehensive transportation and planning committee and have it come back to council ON AUGUST THE 2nd. The reason is for several years we have been contemplating how we can move to having international flights, and I simply have not gotten sufficient information in the backup to understand how this fits within that plan. And I'm concerned that it is a temporary structure or listed as such and it costs over \$5 million. We simply need to understand the facts behind that, whether it's strictly for f1 and how it fits into the overall plans for the airport.

>> Mayor Leffingwell: A motion to postpone item number AUGUST 2nd. Is there a second to that motion? Motion dies for lack of a second.

>> Sir?

>> Mayor Leffingwell: The motion to postpone dies for lack of a second. Item 75 remains off the consent agenda. So now we'll take up item 76. Councilmember morrison.

>> Morrison: On number 75 now I would like to ask for a 3:00 p.m. time certain.

>> Mayor Leffingwell: time certain for item number 75 will be set. 3:00 P.m. or after.  
Councimember spelman. Item 66.

>> Spelman: Mayor, I would like to take up item 66 somewhat later than this. My staff is talking to one of the applicants of staff to iron out some of the controversy raised by the applicant.

>> Mayor Leffingwell: You suggest a time?

>> Spelman:00, 3:00 or 4:00.

>> Mayor Leffingwell: Just say 2:00.

>> Spelman:00 Sounds fine.

>> Mayor Leffingwell: So item 66 is already pulled off the consent agenda. It will be set for a 2:00 p.m. time certain. I hope somebody is making notes on all these. All in favor? We've already done consent agenda. Sorry. So I believe that takes us to our morning briefings.

[10:42:04]

>> Good mornings, director of austin water utility. We're here for an update on the joint financial subcommittee recommendations. It will be kind of a tag team. I'll be starting off. Commissioner mickey fishbeck will be doing the recommendations and I'll be wrapping up with some conclusions. If we could start the presentation. Just a little bit of perspective on why we're here today. Our austin water utility had been experiencing significant revenue volatility due to a combination of weather, conservation and economy. That was made clear in 2010. We had over a \$53 million revenue loss including almost 70% on our water utility's side. At that time fixed revenue were about 11% and as a result of our 2010 experience we engaged in a lot of discussions with the city council due to forecast and budget about taking steps to cure and mitigate that revenue volatility. That resulted in the implementation of the revenue stability fee, that it did increase our fixed fees to 17%, but kind of triggered off a lot of discussion about a revenue stability fee that was flat for all customers and what's the appropriate amount of fixed revenues and how do we manage revenue volatility, et cetera, et cetera, et cetera. Volumetric rates were part of that. That ultimately led to council doing a resolution last fall directing the utility and the city manager to work with a cross-section of boards and commissions to achieve several direct -- and these are itemized here. Evaluating fixed fees based on volume of water instead of flat fixed fee. Consider other fixed revenue goals, percentage of fixed revenue goals. The establishment of a true stability reserve fund. Is it a conditional enhancement to the reserves to mitigate revenue volatility when it does occur. Examining our volumetric rate, particularly our block rate structure. Other discounts related to extending services as well as our capital recovery continuing to maintain active conservation measures. So a tall order that this subcommittee took up. The subcommittee, which is composed of three different boards and committees, the impact advisory economy and wastewater management committee all of members on this subcommittee. It began meeting in november. We recently concluded with the committee taking a vote ON

MAY 30th. We'll be presenting those recommendations to you today. And the actual implementation of those will occur in the 2013 budget submittal process and we'll be having a lot of discussion with you, of course, on that. We emphasize public process and public involvement in this joint committee process. There were over 15 meetings about every two weeks the committee met along with staff. A significant amount of time, over three hours for each meeting. We videotaped all the meetings. That was available for the public and others to watch. We provided a lot of information. We also created a website. That website is actually still available, dedicated to all the information and videos and q and a associated with this process. Our financial staff also created a what if rate design scenario model that we used to allow the commissioners to model different recommendation scenarios. We actually modeled some scenarios that were suggested from the public. It was a very interactive process to reach the recommendations we had today. With that I'm going to turn it over to the chair of the subcommittee, commissioner mickey fishbeck.

[10:46:10]

>> Mayor and council, I'm pleased to be here today to present these recommendations. I wanted -- first I have to figure how to do this. I first wanted to acknowledge the other members of joint committee. As greg said, they put in a huge amount of time. They worked with dedication and focus. They worked with a lot of integrity and a lot of respect to. Those were chris bailey as vice chair from the impact fee committee. Also from that community hank touchdownwell and brian rogers from the resource management commission shawn kelly and look metzger. And from the water and wastewater commission there was sara fausch and chen lee. We also had help from red oak consulting, which is the utility's most recent cost of service consultant. We had a volunteer consultant from san diego who came in and helped us. She had a lot of experience with the recent drought cycles in california and we actually adopted her approach to volumetric price that we'll talk about in a minute. She works with atkins. We also had clean water action representatives at virtually every meeting. And then we had public commenters as well. We looked at the various -- the first thing we wanted to do is make sure we knew what the problem was we need to do solve. It might be self-evident but we didn't assume that to be so. We have a lot of weather volatility but we weren't sure whether we needed to focus for on preventing volatility in our rates because of our rate structure or whether we need to do prepare for volatility because it was inevitable with the weather. And we didn't get that answer until the end of the study and it is this. The postop mizeed rate structure that we are bringing to you today, if we compare that to our losses a couple years which were \$38 million for the water utility, we can improve that by \$3 million. So that lets you know that the vast majority of our volatility is due to weather and so we have to have some approaches that prepare for that volatility rather than just count on avoiding it. Some information that it came up during the study as the staff did some research for us points out, however, the problems with our rate structure that we can improve on. We have -- as far as we can tell, we had, I think, five different rate professionals plus city staff involved and none of us have seen a more progressive rate structure than we have in austin. Which, you know, unfortunately causes some other impacts that were unintended. We learned that in recent years for residential customers, two-thirds to three-fourths of our residential customers are subsidized. That means that they pay below the cost of service for their water. And that is not a very good business plan. And that's between a wet year and a dry year. We also looked at the break-even point for residential customers. These are regular customers, not capped

customers and that break even point, the point where the utility stops losing money is 13,300 gallons of usage. For perspective, the median usage is 6100 gallons. A customer using twice the median usage would still be paying less than cost t average summer use is 11,000 gallons. So a residential customer that's doing irrigation in the summertime up to that level would still be paying below cost. Obviously this is an adjustment that we needed to make. We have some other factors too that don't really cause volatility, but they present challenges to revenue recovery. One of them -- not they are not good things to do, but they just put more pressure on revenue recovery. One is our goal of 140 and as we move closer that's going to put downward pressure. Also our reclaimed water program as we add more and more customers to that, we have to subsidize that utility for a while while it's being developed, which is standard practice throughout the country. So we have more and more revenue go to support that program and at the same time is the double whammy because we lose revenues in the total water system. So going to -- going to the recommendations, what we're trying to do is move more revenue recovery into fixed sources rather than volumetric sources. I want to emphasize that every customer class would still pay only their cost of service. We're not talking about increasing their costs, we're talking about shifting where we get the revenue from. So minimum charges, fixed charges rather than volumetric charges. Our rates are made up of three parts. We have a customer charge on the bill that's been there for many years so I'm going to call that customer charge a. We have a second customer charge, fixed charge that is replacing the revenue stability fee that we enacted this past year, so that would be customer charge b. Then we have our volumetric rate. In terms of the customer charge a, the fee that's been in place for a long 10 now and has been for a couple of years, I think. That was developed through an involved year and a half long cost of service study that the utility did a few years ago. And until they do that again, we decided not to touch that because there was a lot of stakeholder participation and we didn't want to presume to change that. So we concentrated on an additional customer charge. And I'm going to -- it worked different Friday for each class. Commercial and multi-family that is correct charge would be based on meter size and the scaling of that fee with the larger meter sizes would be consistent with the scaling of the impact fees so we'll keep that consistent. Wholesale and large customers, each one of our wholesale customers have their own individually calculated cost of service so they are a customer class each one in and of themselves. So when their contribution is determined, then we would just take that and divide it by 12 months and they would pay a 12th of it each month. For residential, and I want to tell you this is something that was developed entirely by staff. As far as all of us rates people know, it doesn't exist elsewhere in the country, not significantly anyway. It's getting a lot of attention around the country. And now that we're talking about it, it seems really obvious but, of course, somebody had to come up with it. This is a fixed charge that varies according to volumetric use. So for each rate tier for the residential customers, for each rate tier there would be a different fixed charge. So if, for example, a customer used 2,000 gallons, which would be tier 1, they would have a fixed charge attached to that. And if that had been put in place this fiscal year that would have been about a dollar, which is lower than 40 than we have right now. It would be higher for tier 2 and by the time we get to the premium rates, that would go up significantly up to about \$10. And we want to reduce the volatility as much as we can. We're introducing a little bit of volatility with this approach so we have tiers 4 and 5 paying the same amount. During the rainy year, the reduction of use moving down from tier 5 to tier 4, we want to still be able to collect those charges. We had a couple of other things that we had to determine in terms of how much we should be putting in this fee. As Greg mentioned, about 80% of their costs are fixed costs and we only were until this year

collecting about 10% in fixed revenue. That's come up the past year with the revenue stability fee. As far as we can tell in terms of industry standards, which are still evolving, it would be about 20 to 30%. And probably with a -- as progressive of a rate structure as we have, we probably should be in upper ranges of that, but we all agreed to start low, at 20%, allow the customers as much as possible to control their own bills. And so we're going to see how that goes. The recommendation is the 20% fixed revenues. And then the question is how to apportion that among the various customer classes. The revenue stability fee that we have this year didn't apply to all classes. It didn't apply to wholesale, for example. This should apply to all classes, and again, no class would pay more than its total cost of service. But the responsibility for fixed revenues will be proportionate to that class that is total cost of service. So, for example, I would think that residential class is -- represents about 23% of total cost, so they would also be responsible for 23% of fixed revenue. Okay. So that takes care of fixed charges. And then we move on to volumetric rates. When we looked at the change in fixed charges and we ran the city's what if model that Greg talked about, that \$38 million that we lost a couple years ago, the best that we could do was to improve that situation by about \$300,000. So it was a lot of work and it was frustrating not to be able to move that needle very far. So we had to look at volumetric rates. This approach, as I mentioned a moment ago, came to us from Karen Keys in California and it has a certain philosophical feel to it and the needle all of a sudden moved up to \$3 million in reduced volatility. Tier 1 would be equivalent to the bottom 10% of customers, which coincidentally is what we have right now. Zero to 2,000 gallons. Tier 2 would be capped at approximately the average winter use, which I think is about 5,700, something in that area. But we just made it 6,000. So one way to think about that when we talk about winter use is we think of it as essential use or generous allowance for essential use. Tiers 1 and 2 are the tiers that are -- that are set at less than cost of service. So if we're going to subsidize certain tiers, then I think it's reasonable to do that for essential use. Tier 3 would be approximately the ample summer use, which is 11,000 gallons. Right now let me back up a little bit. Tier 2 would go from 2,000 to 6,000 under the current approach it currently goes from 2 to 9,000. 9,000 is 50% higher than median use so obviously that needed to be adjusted. So it would go to the 6,000. Tier 3 would go from 6 to 11,000 gallons compared to currently going from 9 to 15, I think. Skipping up to tier 5, that would be the top 10% of users which would be over 20,000 gallons. Right now tier 5 starts at 25,000 gallons. Tier 4 is just what's left in between. It's 11,000 to -- you can see what we're talking about is moving those break points lower and lower so that we have a lower break-even point. And it also encourages conservation in those middle ranges. One other factor about that, looking forward, one of the ways we got into the situation that we're in now is that when rates are increased, oftentimes it's talked about in terms of increasing every block by 3% or 5%, something of that nature. Right now the difference between block 1 and block 5 is about \$11. Very progressive. But we recommended that that not increase over time. So if we raise each of these tiers by 5% in one year, all of a sudden that difference is larger and as it models out over time we'll find ourselves back in the same situation, so we did make that recommendation as well. Okay. So that takes care of preventing volatility. Then moving on to preparing for volatility, we're recommending the establishment of a new reserve fund, a revenue stability reserve fund. I know there's been some confusion about this in the past, but there was -- there were some thoughts that already exist. We don't have a reserve. What we have right now is a goal of having 45 days of operating revenues on hand. The recommendation of the city's financial advisor was 185 days. So the committee recommended there be 60 days of unrestricted operating reserve, but the other 120 days would be put in a restricted reserve fund that would have a five-year

development period, five years to build up that fund to the 120 days of funding. In terms of the sources of funding there's really not that many choices where we can get that from. It's possible and I think we have a situation currently, it's possible that the operating balance will be higher than 60 days if we have a high revenue year like we did last year. The first thing would be to move any excess revenues from being unrestricted to move it into the reserve account. There might be extraordinary revenues on rare occasions. The one that we talked about was the green water treatment land sale t the committee was very, very careful about the wording of the recommendation so you can read that there, but the basic recommendation was that we had to replace the capacity that existed at the green water plant and build it in water treatment plant 4. So the recommendation was to the extent that pays for replaced capacity to use those revenues for that. But the main funding source is likely to have to be a volumetric surcharge to the bill. We're hoping that will be noted on the bill separately. In order to fund this fund in the next five years, the surcharge would likely be in the vicinity of about 18 cents this coming year. Once the - - once the fund is complete, then that should drop down to -- probably won't drop to zero, but maybe a couple cents like that just to keep it at the full 120 days. Whoops. Sorry. Okay. As I mention, this would be a restricted fund. When these funds are used in other places, they can be used in all sorts of ways. But the recommendation from this committee is that it only be used to make up revenues when there is a difference between the revenues that were project understand the budget and the revenues actually realized that is greater than 10%. Only when the utility crosses that threshold they request that money. They probably first of all are not going to want to do it because they are going to want to keep that at 120 days. But additionally they wouldn't want to do it in october when we have most of the year to go. So there are a lot of factors involved arting when they might want to cross that but they have to cross that threshold first. And secondly they have to get authorization from council to be able to tap that fund. The third restriction is the maximum use of the fund in any year would be no more than. Than 50% of the fund. And the reason we've been very fortunate the last few years we haven't had two back to back really difficult years and so we don't want to completely deplete that fund in case that should happen again, and we also would have to build it back up, which would be difficult n terms of replenishment, every time it's drawn down there would be a five-year replenishment to refund that -- the fund. Other recommendations related to the fund were these. We're concerned about being able to quickly build the fund. We're concerned about having to pull it down before we get it built up. So the recommendation from the committee is that while it's being built up that the general fund calculation, transferand the sustainability fund calculations not be applied to the surcharge so we can get that built up. There's also recommendation that the interest earned by the reserve fund remains with the fund in order to mitigate rate impact. I've already mentioned that -- go to 60 days of operating reserves, nonrestricted operating reserved. And also to work as happened in california when they started developing these funds to work to educate the financial professionals and try to use this fund to get a better financial position, better ratings with the agencies when they understand what it is. And then just a few other things. Greg mentioned we talked about impact fees and service extension requests, and generally the recommendation there was to maximize the ability to get growth to pay for itself and thereby to keep down debt costs. I was invited to attend the impact fee committee meeting the other night. They already are doing this so I think you will see that in a few minutes. And then we didn't have the charge or the time to look at the budget as a whole and look at cost savings that might be realized in the budget. And so just a recommendation that -- of support for the budget subcommittee and the water and wastewater commission to continue to look for cost savings. Thank you.



>> Mayor Leffingwell: Thank you. Does that complete your briefing or -- okay.

>> We're almost there. Again, greg, director of austin water. Just in conclusion and you may have not predicted this if you would have seen our first couple of meetings with the subcommittee, but here at the end we concur now with all of the restruck restruckyou aring of the rate structure and financial metrics. I think it's a positive outcome to reach a point of general concurrence on all of these things. 4 revenue stability fee and replacing that with a fee based on water use. A fixed revenue goal of 20% and having that apply to all customers classes. Adjusting our residential rate blocks along the way mickey described. Creating a new revenue stability reserve fund and trying to reach 120 days of o and m cost in that fund over the next five years. As well as maintaining 60 days of operating reserve in unrestricted operating funds so the two together would form 180 days of operating o and m reserve for the utility. So we concur with all of that. I would note a few minor areas of nonconcurrence. The subcommittee had recommended that any of the dollars that go into the new reserve fund t be subject to the general fund transfer. 2% of all gross revenues goes back to the general fund as our dividend payment. And we're recommending that that also apply to the reserve funds that in the end gross revenues and the general fund should be subjected to that also. And then with regards to revisiting the green water treatment plant site proceeds, we fully understand and explained to the committee that had already been thoroughly vetted by council and recently they had just approved some of the final redevelopment agreements on that and that we really weren't concurring with revisiting all of that. And just as commissioner fishbeck indicated, there are some additional activities underway that will be coming back to council in the fall related to some of our growth development fees. We're in the process of updating our impact fee policies and we'll be moving along the lines as recommended by the subcommittee and that will be back in the council's radar screen probably this fall. In addition, I've directed the staff to begin working with legal to craft an update on our service extension request land code policies. And we'll be taking that thr the boards and commission process for updating that and that will be back to council again probably in the late fall or early next year. And we're actively engaged right now with our subcommittee water on wastewater reviewing our budget and scrubbing that for additional cost savings and we'll be presenting our budget to council in august and we'll be looking for any opportunity to reduce our rates as the commission encourages us to do, as we always do. Implementation perspective, again, most of this will start to translate for you in the proposed 2013 budget. You will see in the 2013 budget kind of a bifurcated rate increase strategy. Typically we would increase rates and change financial policies and the like by NOVEMBER 1st. And we are proposing that for wastewater. But because of the scale of these changes for the water rates recommendations, provided council ultimately supports those, we would recommend implementing that in a deferred way in order to give us time to reprogram the billing system. These changes are going to require a significant amount of billing system changes and new billing system and we've been working with a.e. Because they have changes coming and we're recommending that we really be cautious about trying to do those too fast and as a result we would target february 1st for implementing the water rate changes and water rate increases. So a slight delay in implementing the water rate, postponing that from november 1 to february 1 to give us time to update that billing system. In final conclusion, I would just say, even personally speaking, that this was a very collaborative effort between the staff and the joint subcommittee. Everyone just rolled up their sleeves and just did their best and worked this through as thoroughly as possible. We're very pleased that the recommendations are going to result in reduced revenue volatility, a

stabilization of our finances. We'll be more prepared to manage revenue volatility when it does occur, when we have rainy weather and as conservation continues to be successful. It's going to strengthen our long-term financial stability. Coincidentally today we have a bond sale on council's agenda and we just received bond ratings and they were reaffirmed by the bond rating agencies and as a part of those meetings we did describe these recommendations and they were coming to council for consideration and I think they all viewed that very positively. So we look at that as a strong trend. These recommendations allow us to continue our goals of keeping the most essential water affordable for citizens as well as sending good water conservation pricing signals. I think it strengthened our relationship with the three commissions that participate in this as well as provided I think overall education for everyone on some of the background and challenges to the water utility's rate issues and finances. So very pleased with these outcomes that go just beyond these recommendations. With that any questions you may have of me. I have my chief financial officer here and commissioner fishbeck is available also.

>> Mayor Leffingwell: If you don't mind, I have a couple to start off with. First of all, I think you mentioned in the latter part of your briefing you are going to come back with recommendations and analysis OF IMPACT FEES FOR SCRs. I think, correct me if I am wrong, we've had this policy in place for about ten years or so, maybe a little bit longer, that for desired development zone projects only reimburse 50% of water and wastewater construction charges up to 24-inch lines. Is that correct?

>> No, actually in the desired development zone, once infrastructure reaches a certain size, 24-inch for water, 18-inch for wastewater, we -- we reimburse 100%.

>> Mayor Leffingwell: Over that. But less than that 50%, is it not?

>> There's a cost participation.

>> Mayor Leffingwell: 50%, and above 24-inch for water it's 100-inch.

>> Yes.

>> Mayor Leffingwell: That's for desired development zone only. Reimbursement in the drinking water protection zone is zero.

>> That's correct.

>> Mayor Leffingwell: IST Purpose was encourage development in the desired development zone as opposed to the drinking water protection zone. I think we've had this discussion before, I wanted to reexamine that policy and see if that's appropriate and still necessary to accomplish the goals that we established back then. So that's going to come back to us in a couple of months, you say?

>> Maybe not a couple months. Probably in the late fall. We have to take it to boards and commissions because it's a land code update that will take us a while to work through that.

>> Mayor Leffingwell: But it is on -- slated to come back to us.

>> Right now.

>> Mayor Leffingwell: So i don't have to ask for that specifically is what I'm getting at.

>> Yes, it's happening.

[One moment, please, for change in captioners]

>> to maintain desired flows downstream. So I would like to have a further analysis of that part when you come back too. It's not as simple. We just reclaim water and therefore we don't need anymore and we save water in the highland lakes. It's not cut and dried like that. I hope you agree with that statement.

>> Yes. because the lcra has the responsibility to maintain certain flows downstream and if necessary to do that they're going to take it out. They'll either get it with water we put back into the colorado river or they'll get it from the storage lakes upstream. And I would like to -- so that's part of it, but again, the other two things, in particular, are how much does it cost the water utility to maintain prop 2 lands and bccp lands. Is it appropriate? I know it hasn't always been done that way back in -- again about ten years ago, the o & m costs for those properties were transferred from parks department to the water department, primarily because water utility, that's where the money is. It was a good source of funding to relieve the pressure on the general fund. So those are a couple of things that I want to hear more about when you come back. And the third, just a concern about the tiered rate structure. You mentioned that we have the most progressive rate structure in the state, one of the most progressive in the country, and obviously, as you said, the purpose is to send conservation price signals and so forth. I just would like a little more thought be given in the future to what are the potential unintended consequences of having a drastic progressive structure so that -- I don't know what the actual number is but if you're in tier 5, for example, paying 10 or 12 or 15 times as much as in tier 1. I don't know what the actual numbers are, but it's something of that order.

>> It's about 12 times. 12 to 1 #. Are we indeed incentivizing people to look for other water sources? For example, are we encouraging people to drill wells in the city of austin with that kind of a progressive structure? And I'd like some kind of analysis when you come back of that too.

>> Understood.

>> Mayor leffingwell: yeah. Council member morrison.

>> Morrison: thank you. Well, obviously I want to thank you both and everybody that was involved in this. I think this evening we are planning to do some proclamations and our thanks and certificates for all the people that were involved. mazaros, if we had seen the first two meetings we might not have been optimistic about having necessarily a productive outcome, so I want to thank everybody for really sticking with it, and la and I know lots of people were

involved. Your leadership was important in being able to sit down and work with folks, but also fishback, I wanted to mention you particularly because in terms of getting it on the right track and making it productive. I heard from one of your co-committee members talking -- raving, basically, about what an important and great job that you did. She said I cannot speak enough about what an excellent job she did, you did, so I just want to make sure we recognize that, because to be able to come up with a recommendation that is clearly thoughtful based on sound logic and a lot of analysis, I think really puts us on the path to some pretty great improvements. I also want to mention that we heard from clean water action, a representative from clean water action who had been involved and obviously very critical of some things that we were doing before, and they appreciated being able to be involved, and while they might not have come up with the same recommendations, it appears that they're definitely supportive of the recommendations. So it's a terrific model of how working together people can really help move the city along. I do have two specific questions, and they're probably for you, mickey, but I'm not quite sure. One, the rate design model you talked about on slide 6, it really added an element of sophistication into trying to figure out what the right parameters were, and I know our staff developed that for us, so I appreciate that. It allowed you and staff to do some informed decision-making. Could you give us, in a nutshell sort of an overview of what it took into account and how you decided whether the scenario was a good scenario or not so good scenario?

>> Well, the staff, as I mentioned, developed an analysis tool of what -- a what-if sort of model, and it had many, many parts to it, so every time -- we looked at 30 different alternatives and with each one we looked at rate impacts or bill impacts on all different customer classes. We had a sampling of actual customers that were commercial or institutions or wholesale customers. And for residential customers we looked at regular customers and we looked at cap customers because they have different impacts depending on what we did. And then we looked at billed impacts at different levels of usage. And for some of the -- some of the models you would see all the bill impacts happening just in a narrow range of usage, maybe a 30% increase in people that used about 9,000 gallons and everybody else going down or something like that. So we looked at all of those in a lot of detail. We developed a matrix for comparing them to each other. So it is an optimized recommendation in that we looked at conservation, we looked at affordability and we looked at volatility as all equal components of it and tried to not go too far off in any direction and bring the best result forward. I'm not sure if that's -- yeah, I think that definitely answers the question, and it comes down to what can be competing goals, volatility, or lack -- removing volatility, conservation and affordability, so --

>> well, and trying to look for those unintended consequences that the mayor was referencing. That's what we were looking for.

>> Morrison: right. And then one other question. 11 you mentioned, when we're talking about the revenue stability fee, you mentioned the last bullet there, that wholesale and large users will be charged an individual monthly fee, and I'm not sure if I missed it, but how will we figure out -- you say each one of those will be unique. What is their fee going to be based on?

>> Well, first of all, each one of them will be charged with a certain responsibility for fixed revenues versus volumetric revenues, just like everybody else, and that will be relative to their cost of service. And so whatever that is, we'll take the fixed charge amount, if they're their own

class and just divide it by 12 months and they'll pay the same every month. What that means, is in volumetric rate their rate will go down because more is collected in the minimum charge, but in total they will only pay the cost of service. so really you're -- so it's just moving within their class, shifting from volumetric a certain amount to --

>> right. Right.

>> Morrison: -- to fixed. And so just to be clear, what we're talking about here is the customer charge is staying the same, right? We're going to have the graduated revenue stability fee that will help remove some --

>> we didn't put a name on it but --

>> morrison: okay. So it would help remove some volatility, plus we're also building a reserve. We're going to have a surcharge to actually build a reserve that we can access in very particular situations in case of strong volatility. So we'll see three -- three different things plus the new tiers. Is that a -- would you say that's a reasonable synopsis?

>> Yes, that's correct.

>> Morrison: okay. Great. Well, again, thank you for your work. I think our water utility in the past has -- there's been no lack of offers. Controversy,.

[Laughter] around it, and I think we had some of the folks that were clearly, you know, part of having raised concerns on the committee to help deal with the financial situation, and I really appreciate them being willing to step in. I think that shows what a, you know, really a model, as I said before, of some terrific community engagement.

>> Well, you would have never known that. It was a very -- it was a very pleasant experience, actually. I appreciate the opportunity to do that. that's great, and to have the water utility director, I mean, you did list out the people that were on the committee. You can take a look at who they were. So to have all those folks come together is really terrific. Thank you.

>> Thank you. council member riley. just a couple questions. First for you, greg. On slide 23 you mentioned that the -- that the staff does not share -- does not join in the committee's recommendation about including the reserve fund surcharge in the calculation of the transfer to the general fund. The committee had expressed a concern that we'll need to -- we may need to rebuild that reserve quickly under some circumstances, and so they thought that if we didn't include that in the general fund transfer, the utility would be in a stronger position to rebuild that reserve in some circumstances. Can you just explain the thinking behind the staff's recommendation and why you disagree with the committee on that?

>> I just -- I think it's fundamentally -- first, just philosophically, that these would ultimately be gross revenues of the utility and that -- that it is -- it is fully appropriate that all the gross revenues of the utility, which will ultimately be used one day, an example, when we have a year of volatility and we have to tap this reserve, that we would be using those and as a result they

should be subject to the -- to the 2% dividend transfer. If you think about it from an investor utility they wouldn't reserve or pull out certain revenues and not subject it to their investors' dividends. I think in working with the budget office and chief financial officer of the city, we just felt that that was -- was -- it was just a matter of sticking with the general rule of how you calculate the general fund transfer?

>> I think, though, as we would specifically implement this bill, what we're not anticipating is, is we would -- again, provided council proves all this at the -- approves all this at the budget, we would still apply that on gross revenues but we wouldn't subtract it, necessarily, out of that fund. We'd still want that fund to grow at the amount of money that we are capturing and putting into it. So we'd probably just take this from the general overall utility revenues as opposed to just targeting that fund for that specific 8.2%. So we'd want that fund to try to accumulate at the rate we had set so we get where we needed to go in five years. So in the end we'd still 2% of all utility revenues but we wouldn't just like then subtract it from that fund everywhere. It would be more of a general transfer from that. Again, that's a consideration for the council. They may not agree with that recommendation.

>> Riley: okay. And then mickey, I've got one question for you. And it was about -- well, first I want to join council member morrison in expressing thanks to you and the whole committee for all your hard work on this. It's really an amazing accomplishment that you all have achieved and I really appreciate all your hard work. Just one question about one of your bullet points on slide 19. You mentioned that the committee had recommended eliminating the current zone discount policy on impact fees.

>> Right. and I understand that's not exactly -- that's not something that we would be approving immediately. That's shotgun for something something -- that's something for future consideration. But just to be clear on the can you elaborate on why the committee thought we should back off that?

>> I'm actually an impact fee consultant and I go to a roundtable every year of consultants from all over the country, including the attorneys that argue all the cases. And there are also academics that attend that as well and there's been a lot of academic research on whether or not the imposition of impact fees affects the cost of housing. And the answer because it's academic is very nuanced but in general the answer is that when you have a community that is attractive for development, which i think we could say austin and the whole country is very attractive for development, then it really makes no difference. It doesn't encourage people or discourage people. What it may do is force land prices down, possibly, in those areas, but it doesn't encourage people to develop in one area of the city or another or in austin versus some other city. So that means that we're giving up revenue when we don't need to and not really affecting anybody's decision in particular, probably. So I mean it philosophically sounds like a good idea, but we just -- the research says that that really isn't what happens. the desired development zone will still be desired, even without the lower impact fees. Is that the idea?

>> Right, that's probably not a major factor.

>> Riley: okay. Great. Well, thanks again for all your work.

>> Sure.

>> Mayor? council member spelman. I'd like to follow up on that just a little bit. I appreciate the fact that we have at least one committee in city government -- we have something who produces academic research. It's a wonderful thing. You read this stuff and sounds like you internalized. I didn't read that but i believed it when you recited it back to me. Who is likely to come up with -- what is the process by which the impact fees are going to come back to us? Has the committee have a recommendation? Does the staff have a recommendation?

>> Greg could probably answer that better than i could. Speaking speaking okay.

>> State law requires approximately every five years that you update your impact fees. We also call them capital recovery fees. We're in that process now. There is a separate board appointed by council, appointed by council called the impact advisory fee committee. It's composed of very specific membership based on certain state law requirements.

>> Spelman: yes.

>> We're actively engaged in presenting material to that committee and they'll provide recommendations back to the council and then the staff will come back to the council, again, this fall, with recommendations on the impact fees. In two minutes or less what's going to happen is the state law only requires that the utility calculate what's called the maximum allowable fee, and that's based on the capital improvements that are either completed or will be completed for growth, and then there's two approaches to how you calculate that fee, either reduce it by 50% or you give credit for the new revenues that you will receive from new customers. The idea would be is you can't double-collect. So we're working through that formula process now. We've traditionally done the 50/50 method, but I think you're likely to see us go to the revenue method, which is really probably the preferred method in state law. And then it comes to the council with that maximum allowable fee. It is local preference. It is the council's policy decision on how and if to discount that fee any from the maximum allowable, that you can't vary from the formula of the maximum allowable. That's prescribed by state law, but your decision to discount that 10% 90% is all council policy recommendation. We'll have a recommendation for you. That's what the city manager would be wanting to present to you, but in the end it is not prescribed by state law as it is -- it is really local preference, if you want to have reduced fees for the desired development zone. Right now there are several different zones. There's a desired development zone fee structure. There's a drinking water protection zone fee structure. There's a downtown, I think it's called the cure area fee structure. So there's half a dozen different discounts, and some of the discounts are heavy, like 80%. So I think that that's really what would be the heart of the discussion at the council, is how and if to reshape those discounts. what -- on what does the state law allow us to use to calculate the maximum allowable fee?

>> It's a -- it's based on the capital investments that you make, and we have -- we'll have a spreadsheet and a chart of all the capital investments that we make that are growth-related.

>> Spelman: okay.

>> And then it's -- you have to -- and again there's two methods. From a philosophical perspective what the state law is trying to get at is you have the capital to bring new customers in and when those new customers come in they give you new revenues. So they're helping through their revenues in some way to pay off a portion of that new development.

>> [Inaudible] are too.

>> So you have to subtract those revenues out and what's left over is what can go into the dollars you capture through impact fees. Impact fees are one time only. You pay it when you hook up and when you buy a house and buy a meter from us, we apply a capital recovery fee. So the state formula is that philosophically simple, it's what is the capital for new growth. Take out the new revenues from these customers over the next 20-year planning window that you're going to get. Whatever is left goes into your maximum allowable. That sounds easy enough and -- well, you're going to come up with a maximum allowable fee based on this fairly simple at least idea. Probably the implementation is more complicated but the idea sounds simple. Are you going to issue a recommendation about discounts?

>> Yes, but we don't have that now. We have to hear from the impact fee advisory group. We'll probably have a public hearing just to get more input, because this is going to, you know, affect a lot of people. There will be a lot of stakeholders groups that will be involved, but yes, we will, and we would be just, I think, leaning towards significantly overhauling the discount policy and recommending that we go to just -- almost across the board same capital recovery fee. We may, I think, lean towards a slight discount in the sense that you may not want to charge the actual maximum of the maximum allowable because if you were ever challenged in some court or somebody found that, you know, your formula was off or something, you might want to have a little bit of a buffer from that maximum allowable to say, hey, we were a little cautious. We backed that down 5% or 10% or something. But I think our general sense of hearing from this committee and some internal discussions, working with the impact advisory committee is to take a really fresh look at these discount policies.

>> Spelman: good idea. Although I understand fishback is suggesting that the size of the fee probably doesn't have a lot of effect on directed growth, I believe you, but I'd still like to collect the information, if possible, when you provide this information to us, if you could give us a sense for what kind of discounts are being offered on a percentage basis or a cash basis, whatever makes most sense to you, by other jurisdictions in Travis County and elsewhere in the metropolitan area. I'd like to have a sense for what it is that other jurisdictions are doing.

>> Mickey gave us a lot of research material and as we work this through with the community and ultimately come back to the council, we'll have detailed analysis for you on what other municipalities charge in central Texas, how much they discount maybe statewide. We'll have a lot of information for you as we formulate our recommendation and the council takes this up. I do not feel a need to letflugville be the -- pflugerville is up to but I want to know what they're up to. Is request fees a supraissue?

>> It's a separate issue, a separate code. That deals with, as the mayor was describing, the way we participate with developers when there's an oversizing of a line. Oversizing is we're asking



for a line to be built bigger than that what development needs. And that practice when we cost participate or how we participate 100%, is all in our service extension request code, and I think we're again in strong alignment with the committee's recommendation that the full 100% cost reimbursement practices that we had in place for a very long time -- and again, that was often connected to trying to get heavy infrastructure in the desired development zone -- that that's probably run its course and that it's a great time to reexamine that. We'll be taking that to the land copy update process, boards and hearings and coming back to council in the fall with that also. so my -- again, hasn't been -- hasn't gone through the boards and commissions yet, you haven't finalized your recommendations yet but the direction you're going is towards charging -- or reducing the discount for capital recovery fees and at least considering the reduction of 100% reimbursement for over sizing of the lines?

>> That's correct. And council member, I would note one other thing with impact fees and even ser decisions, that you don't apply all of this retroactively. So if a development was approved two years ago under an impact fee regime that has now changed, state law doesn't allow you to go back and change the rules on those folks. So this is going to be really -- as new development moving forward --

>> spelman: I understand. And I can give you a list of developers who will be relieved to have heard you say that. Great. I'd like to ask just another couple questions with respect to the revenue stability reserve fund, be sure I understand this. We want to maintain 180 days of budgeted operating requirements in the bank, 60 days of it in a cash reserve and 120 days in the revenue stability reserve. Is that right?

>> That's correct. Currently council policy only calls for 45 days of reserves, and as mickey described and as we work through, we can't cure volatility, even with these steps, we'll still be subject to significant volatility. And so as a result we're saying, hey, we should get to a little higher level of cash reserves between these two funds. I think it's a very good idea, and something austin energy has already done and may be a little bit of difficulty if we have the wrong kind of a summer as a result of the fact those reserves have largely been drained. So those have to build up. I think it's a real good idea for you guys to build up reserves for the same reason. If anything you guys are more volatile than even austin energy is. My concern was about how that fund gets used, and I'm looking at slide 17 where it says the fund can only be used to offset revenue shortfalls if the actual revenue is less than the budgeted revenue by less than 10%. Now, it seems to me 10% for fiscal year, 10% of 365 days, is 36 days' worth of revenue short. And if we're only maintaining a cash balance of 60 days and we get up to -- we're willing to go up to 36 days worth of being short before we draw on this reserve fund, that's only going to leave us 24 days left in the bank, and we still haven't pulled down anything off of that 120 day reserve yet. Am I understanding this correctly or is there something else going on here?

>> No, I think you're understanding it correctly. I'll give you some perspective and david anders and mickey can help too. I think what the subcommittee -- because we had a lot of discussions about this particular part of it. What the subcommittee was trying to find the balance for and the recommendation is that when -- when we have some revenue losses from weak economy, weather patterns and the like, that the utility should not be in the position that it just goes to its reserve right away, that we should -- we should -- as we do now, we should, you know, bear

down and say, hey, we can reduce some costs -- reduce some costs, postpone some projects. We can -- we can try to weather through this without having to reach into our reserves right away, because they're hard to build up.

>> Spelman: right.

>> And you don't want to just casually go in there. So we kind of came up with this parameter about that we should absorb about 10% revenue loss before we would then make a call to the council to allow us to tap this second reserve.

>> Spelman: okay.

>> Because there's other things we can modulate. We typically cash fund our cap anywhere from a minimum of 20 up to 30 and maybe even higher in the future years, and so, you know, that's a dial we can manage as we're dealing with the short-term volatility issue. It would only be when we have a really severe revenue loss, I mean, something like of the 2010 scale, where it will be 40, 50, \$60 million, where before -- we'd have to increase vacancies by 200 or something. Before we'd have to take those draconian steps, then we would make an ask of the council -- and per the policy we would propose, we would have to come back to the council and ask to tap this second reserve that we have out there for that. And mickey, that was, I think, essentially the sentiment of this recommendation. I understand the sentiment behind the recommendation. I think it's a really good idea for us to try and deal with a shortfall as best we can given the resources we've got, not go back to what I always think of as being mama's bank account from the old story. I get that. But if we have a policy which requires 45 days of operating cash in the bank for all departments, even those which are not volatile in their revenues, it seems to me there's a reason we want to keep 45 days in the bank. If we get much below 45 days in the bank then we're taking some kind of a risk here. What kind of a risk are we actually running if we get down to 25, 30 days in the bank? I'm holding aside weather volatility and other revenue volatility. Is there anything else that's a concern here if we get that low?

>> Well, first I'd say David Anders come up and maybe help with some specifics. I think now we're in a little risk because we don't have these secondary reserves on the water utility side. That's why we get anxious about this. Under -- if -- when we have this second reserve, this 120 day reserve out there, even if we drew down our operating reserve, the 45 day or the 60-day fund, if that drew down a bit, we'd know that we could replenish that with this alternative reserve. I don't know if that -- I guess what I'm concerned about is at what point do we say do you need to come back to the council and say, look, it looks like we'll have to tap into this, what do we call it, risk strategic reserve, and if there's a requirement for 45 days, you guys are going to get to 60 because you're a little bit more volatile than the rest of us and that makes sense to me but you're willing to go down to 25 -- 24 days' worth of operating cash before you come back to us and say, we need to get into the strategic reserve. Is that the right amount? Is that the right time to come back or should you be willing to come back before you get down that low is this is there a risk that you're running if you get down to 24 days before you come back and get authorization to tap into the strategic reserve? I guess that's a question.

>> I don't -- it's part judgment. I don't know exactly what that right mix is. We felt comfortable with the 10%. Do you want to respond to anything?

>> Good morning. I'm David Anders. You know, obviously, once you -- I look back to 2010 when we went through that situation. You know, we were losing an extreme amount of revenue during the year, even prior to the summer months, and so we knew we were having financial issues during that time. And so while we were more than 10% below during that year, we could have come back at this time, sometime during the year and said, we want to go ahead and tap the reserve and improve our financial condition at that time and it would have prevented, like Greg said, some of the other actions we might have done, like continuing to pull back on some of our cash transfers. Now, you know, in 2010 we were able to adjust some of our finance and costs and pull back on some of that to where our cash balance might have still been in that 45-day range, but we were so below -- I think in 2010 we were about 13% below revenue. So sometime during that summer if we would have come in and said, our financial position in the following year is going to be so impacted by us having this revenue lost, that the inclusion of tapping this reserve fund would improve the possibility of where we were financially before the next fiscal year, and it would also help out, you know, potentially rate increases in the following year. Because if we didn't tap that fund, you know, the other alternative might be to increase the rates in the following year to make up for some of those revenue losses. So it would tend to help smooth some of those rate increases out as well.

>> Spelman: sure. I understand that, and I think philosophically I understand your position. My position I think is a little bit different in that rather than relying on belt tightening periodically when you really, really need to, that it makes sense to do a prudent amount of belt tightening at all times and continue along with business as usual knowing that you've got a strategic reserve to rely on in the event of the inevitable weather volatility. But that's something we can have a longer conversation about at some future days. It seems to me, that, that you're cognizant of the risks associated with a 45 day operating cash reserve and I'll leave it to your better judgment.

>> And during budget deliberations with you in August and into September, we'll provide you some additional analysis and perspective on this and that will help this along.

>> Spelman: okay. Thank you. Thanks for all your hard work. I am thrilled to find that a citizen committee and staff can actually work together and come up with a conclusion that they agree with almost all the moving parts of it. Thanks for doing that.

>> Mayor Leffingwell: okay. I guess that's all the questions. Thank you, Greg. Thank you, Ms. Fishback. Excellent work. Appreciate it.

>> Mayor? Council member Martinez. Thank you, Mayor, and I apologize. We passed an item on consent agenda that did -- that I was going to make a minor amendment to to match up a previous council decision, item 76 was the renewal of the taxicab franchise for Lone Star. This council has already adopted other items that would add to their number of total cabs in their fleet and their franchise number in this ordinance doesn't match up with council's decisions. In fact, it says 88 will be the maximum when we've already awarded them and will be awarding them up to

108 on second and third reading. We've passed it on first reading, and if we -- council member, do you want to make a motion to reconsider --

[11:49:20]

>> martinez: I do. -- item 76? I do, I'm just trying to explain why. If we don't do this then our action on second and third reading is -- wouldn't make any sense because their franchise would prohibit them at 88. So I'm going to make a motion to reconsider item 76. is there a second to that?

>> Second. council member spelman. so -- council member martinez, do you have more to add?

>> Martinez: yes. In the ordinance under fleet size part 2 it reads that the franchise holder must maintain an active fleet of at least 25 and not more than 88, and I'm making an amendment to say not more than 108, which would be in line with the awarding of additional cabs that we're giving lone star, not giving them any more than what we've already agreed to as a council, but this would preclude them from getting those additional permits if we didn't -- so there's a motion by council member martinez to approve item -- well, we haven't voted on the reconsideration yet, so --

>> martinez: okay. so i think we need to vote on that on the reconsideration. All in favor of reconsidering item 76 say aye.

>> Aye.

>> Mayor leffingwell: aye. Opposed say no.

>> Tovo: no. so that passes on a vote of 6-1 with council member tovo voting no. And now council member martinez. I move to approve item 76 with that amendment. motion by council member martinez to approve with the amendment relating to the maximum number of franchises. maximum number of cab permits. cabs, excuse me. Is there a second for that motion?

>> [Inaudible] council member morrison seconds. Council member morrison?

>> Morrison: thank you. I want to understand, we had talked about two phases of additional permits, and so i want to make sure i understand, the 88, does that reflect the first phase and the 108 would then reflect the second phase? yes, which we haven't decided upon yet. which we have not decided upon yet. And I guess I want to -- and those were sort of going in line with -- in parallel with another cab company, was the second phase also? So I guess I'd like to know from - my preference would be to do those together and -- because it seems like one depends on the other, and I guess I would if staff could -- wondered if staff could help us understand if there was an option for actually resetting and doing the other -- the second phase of them in parallel with the other cab company's second phase.

[11:52:05]

>> Council member, robert spiller with transportation department. There are two companies, lone star cab and austin cab, that would potentially have a second phase increase in the number of cabs. Lone star is the only one today that you could make such an amendment because they're the only ones with an item on council. We currently are on agenda for the 2nd and I believe the next city council meeting, the, 16th, for second and third reading for austin cab. I'm assuming that the intent of council by this amendment today, or potential amendment today, to the franchise agreement for lone star, would suggest that we would pull the lone star second phase off the second and 16th meeting. So there's no way to bring austin cab on to today's agenda, is my understanding, because there's not a franchise agreement for them. but is there -- I guess the question is, is there a way to deal with lone star's second phase separately from -- with the franchise agreement? So that it can be considered at the same time that we consider austin cab.

>> I'm angela rodriguez from legal. Yes, ma'am. Unfortunately, there is no way we can keep it separate at this point because as council member martinez said, once this renewal takes effect, there is nothing -- the former ordinance, we can't amend it anymore. So really, it's moot. And as council member martinez also said, if they're going to be effective, the new permits, they have to be in the renewal ordinance.

>> Morrison: okay. Thank you. Appreciate that. council member tovo? yeah, I want to be really clear about what we would be doing here today. So on the second -- on the -- excuse me, on the first reading there was a motion to add additional permits for lone star. We left the public hearing open. It was a 5-2 vote of this council. What we'd be doing, in essence today, is taking away stakeholders' ability to weigh in on the extra question -- the question of extra permits for lone star cab. And it's my understanding -- I understand that -- from going back and forth with legal, that there are complications to the ordinances we passed, or the council passed on first reading to avoid -- award additional permits to lone star, because it was described as amending their existing franchise, which is what we're considering here today, extending the franchise agreement. But it's also my understanding that there are other options available to us. We would have an option as a council to make a decision, as we did earlier this morning, to extend lone star's franchise agreement, which I'm fully in support of. I want to be very clear. I'm fully in support of lone star cab. I want to see them be viable. I supported their additional permission in terms of the first batch. But I do not -- I do not -- I absolutely do not support marrying these two issues. And I would prefer to see what I understand is the other option, again, to get back to what I was saying, to extend the franchise agreement as we've been in the process of doing and take up the issue of extra permits for lone star after we have made a final decision about the franchise agreement. And I'm sorry that the timing is not going to be as efficient as possible for lone star cab. I think it's a shame we didn't understand that earlier and could have handled the original decisions in a different manner, but -- anyway, it looks like you have a --

[11:55:44]

>> I'm sorry, I once again overstated. So you're right. There are other options. One option would be to do what council member martinez has suggested, which is adding the permits in at this time. Another option is to wait until this renewal is effective, which would be august 28, and I

believe that's what you're speaking to, and then we would -- staff would bring back the lone star permits to be considered at that time.

[11:59:30]

>> How does our actions today impact austin cabs?

>> We've not taken that item up yet.

>> Cole: oh. Thank you. Thank you, mayor. motion on the table for council member -- council member morrison? a question for staff. I'm not sure if you'll be -- maybe somebody on the dais can answer. The 60-day abeyance, before you can actually put the franchise into effect. What's the rationale behind that.

>> It's in the charter.

>> Morrison: I know that.

>> I'm sorry, ma'am. I wonder why it's in the charter.

>> To be honest, recently i did some legal research on it and in looking at other charters, 60 days is not uncommon, to be honest. I did a survive of some bigger texas cities. I did new york, I looked at portland, and they all have a 60, one has a 90-day provision. So I believe really probably what it is is to give the public notice. It's to make sure everybody is aware of what's going on when the city is conveying this right. That's the only thing I can come up with. But I wanted to assure you we're not completely out of line with the rest of america on that.

>> Morrison: okay. Thank you. So I believe I will be supporting this motion. I think that it makes sense this terms of being able to move along and I fully support continuing on with the others also. council member riley? rob, quick question for you. So the effect of this change would be to provide austin cab -- rather lone star cab with additional permits. Is that right?

>> Yes. The renewal increases their current number of cabs right now with the first addition that was made. As I understand council member martinez, his proposal is to add the second grouping of additional cabs. this would provide additional permits beyond what they're allowed now.

>> Yes, sir. then a question for legal. Generally the reason we have open government laws is largely to provide notice to the public about what we will be considering. When we are going to provide additional taxicab permits, we generally state that on the agenda as we see with item 77, the agenda says, that with yellow cab, that we're approving -- we're renewing their franchise to allow for additional taxicab permits, so everybody has notice of what we're doing. On the current item, 76, when I just -- when I look at the agenda, I see we approved third reading of an ordinance renewing a franchise to lone star cab to operate a taxicab service in the city of austin for three years. No mention about providing additional permits. Do you see any kind of a notice issue with respect to the fact that that posting does not inform the public that we are -- that we would be considering the addition of permits for lone star cab?

>> Angela rodriguez again, and we have -- I have considered that issue, and no, there is no public notice problem with what council member martinez is proposing because it's for the renewal and taxicab size -- end the renewal. So you can make an amendment to that up to third reading, which is today. So no, we don't see a problem with that. I'll just say i share council member tovo's concern that this is a matter of significant interest to the taxicab community. We have not heard -- we know taxicab drivers would like to provide input on this. They have not been afforded the opportunity to provide that input, and I think it's fair to get that -- to say that many taxi drivers did not realize we would be considering the addition of permits for lone star cab today. And so I will not be able to support the motion. council member tovo. I just want to go over our options again, because the timing for cab -- any cab issues is so complicated. When would be the earliest -- we have passed -- the council passed a resolution to add additional permits to lone star cab on first reading only. How soon can that come back to council on its original track?

>> On its original track, we had intended to be back before you today, but we were unable to be, and so then the third reading of that agreement would have been held accountable to the franchise renewal, and so that would have come back on the 28th of august. At current track we would be coming back on lone star, assuming they pass today, on the 28th of august, correct? it's my understanding that today is third reading on the franchise.

>> Oh, on the franchise, I'm sorry. On the franchise today is the third reading. I thought you were talking about the additional -- I was talking about the additional permits, but -- okay, so the -- let me get this straight. If we -- if we proceeded along the track we were contemplating, it would come back -- it would have come back today but you said you were unable to bring it back today. Why were you unable to bring it back today?

>> I missed the filing agenda for today's meeting.

>> Tovo: I see. So it would have been -- so then it will come back to us, if we go back to our original motion that was on our posted agenda today, would we have an option of taking up the issue of second distribution of permits for lone star on august 2?

>> Unfortunately another problem with the timing of the renewal and the application is by august 2 the franchise would have lapsed. I guess I really wanted to focus on the distribution of the permits, though. The permits could come back to us on second reading on the 2nd and they could be married with austin cab?

>> No, no, they cannot come back on the 2nd and the 28th alone. They cannot. Because there will no longer be --

>> tovo: I see.

>> Okay. So that's why we -- the option we gave you was to come back after the 28th, which would be the effective date.

>> Tovo: I see. And would there be an option for coming back at our mid-august meeting or no? It couldn't come back earlier than the 28th?

>> No, they cannot. if it came back on the 28th how quickly could we pass it on a third reading?

>> Honestly, I don't believe there's a city council meeting until the end of september because you're doing your budget during september. is there a 30-day -- it needs to be 30 days from first reading to --

>> yes.

>> Tovo: -- third reading. So would there be an option for having at one of our budget work sessions a very brief special called meeting? I know the mayor said i would be all by myself at that one but if it's combined with one of our existing budget work sessions perhaps I might have some colleagues there to join me, and we could pass it on third reading and there would be an insignificant delay between the 28th and the -- whatever that date ends up being at our work session.

>> The work session would be a regularly called work session? yeah, one of our regularly called budget work sessions that we've already got scheduled. We just add in a very brief piece of a special called meeting to handle only lone star's permits distributions to try to keep them as close as possible to austin cab's timetable.

>> You could do that, if it were a regularly called meeting, so we wouldn't be calling it a special called meeting. It would just be part of your work session. I see, because of the language differences.

>> Yeah, that's the charter. So then -- then that would be one way to help speed it up, and there will be the 30 days still between first and third reading and then the 60 days after that.

>> Tovo: okay. The timetable is still a little fuzzy for me in terms of how that would compare to what we're considering here today. I guess I'll just ask my colleagues who are inclined to support today's motion whether that would satisfy the interests of trying to get the question of whether or not to award additional permits to lone star resolved and get those permits in their hands as soon as possible. and i guess the way to answer that question from all of your colleagues would be to vote on the motion.

[Inaudible] by council member martinez. Is there any objection to calling the question? In that case all in favor of the motion say aye.

>> Aye.

>> Mayor leffingwell: aye. Opposed say no?

>> No. so council member riley, council member tovo and council member spelman voting no, and council member -- mayor pro tem cole voting no, so the motion fails. mayor, I'd like to



move -- with that we're going to go to our citizens communication. We'll take this item up again, if you want to readdress it after citizens communication and executive session. Stewed baker rob gore blank.

>> Julian gonzales -- council member morrison, excuse me for recognition purposes. Council member morrison. thank you, mayor. I just wanted to take a moment to recognize some visitors that we have in the audience. Last week I guess it was, i had an opportunity to visit at the african-american harvest foundation, the resource center, the camp -- do you all call it a camp, a summer camp? Yeah, a summer camp that's going on with some fabulous kids that are young people that are spending some of their days there involving in a lot of very interesting activities. Do you want to come on up? All right. I want to make sure you all ch to see how redo things at city hall. It's fun, we have a long day ahead of us. But I so appreciate the way you guys are investing your time this summer and some exciting things with media and channel 6 and science and technology, and michael walkin of course is here and has led the charge on really providing this terrific opportunity to these young people. So michael, thank you for bringing them down here.

>> Thank you very much. Thank you very much. Honorable mayor level, mayor pro tem -- mayor leffingwell, mayor pro tem. very briefly.

>> Okay. We just want to come down today and say thank you for your support. A lot of the youth that are here today have never had an opportunity to come down to city hall. They will be taking a tour today and we just wanted to come down and say once again, we appreciate everything that you all have done, city staff, marc ott, health & human services. We wanted to say a special thank you also for council member morrison for coming out and speaking to our youth last week. rivera from health & human services to come out and speak. And we want to say thank you to all of you because a lot of these kids today would not be able to be a part of such a camp had it not been for your support. So mayor pro tem and everybody, thank you all very much. To manager marc ott, thank you, riley, thank you very much. If you come down we'll like to present --

>> okay. thank you, michael, for downg coming down. We'll go to citizens communication.

[Applause] julian gonzales? Julian gonzales? Is julian here? Okay. Ora houston? Topic is the vision for austin.

>> Good afternoon, council members. There are contradictions between the official vision of our city and the vision of people who live here. I'm going to share with you my top five. The chambers of commerce and city officials project a vision of 5.5% unemployment. The real vision is double-digit unemployment in parts of our community. There are no press conferences or initiatives to tackle unemployment in those areas. The vision of healthy communities addresses access to quality health care. The real vision is the closing of the northeast austin clinic which served a huge geographical area with a disproportionate number of people with diabetes, heart disease, who must travel seven additional miles to the braker clinic, which is two miles from the rundberg clinic. There is a vision of a structured, organized community, zoned for specific and appropriate uses. The real vision is staff approve and council debates, the feasibilities of allowing commercial enterprises to locate in areas zoned residential, which will make homeowners engage

in policing. The division that city departments coordinate with each other. Departments operate in silos. Members of black neighborhoods had bike lane negate the left lane turn signal which took years for us to get, traffic problems which were corrected are back again. No conversation with neighbors, the association are the keepers of the plan. The vision that the city can be all things to all people. The reality is that this city cannot afford that vision. The identity of austin, the core values which guide the decisions that are made are not securely anchored. New people move here and they try to turn austin into the city they left. Austin didn't need a grand prix, an initiative which continues to come to mama's bank. Austin doesn't need a planetarium, and I'm waiting for people from baltimore so we can build an aquarium. The one thing austin has, a one-of-a-kind, is the capital. If people are not careful we will soon be overwhelmed by

[inaudible] buildings. I pray that the outcomes of the official visions, the ones that you anticipate, come to fruition, and the real vision does not end up like stockton, california, or houston, texas. Thank you for your as far as. thank you.

[Applause] michael king. Michael king. Michael king.

>> Oh, michael king. I thought somebody said ora houston. topic is code compliance.

>> Mayor, council member, in the last couple weeks I've gotten to -- we've gotten to sp with most of you, or your aids -- spoke with most of you or your aids. We've been to a couple of building standard commission meetings. Also we went to the public health & human services meeting the other day. The feeling I get after all these meetings and discussions with you all is that you really do care about code compliance and the folks at wood ridge and what's happened to them and the potential for this to happen to more people in the city of austin. I know that you care. How could you not? How could you not? Caring is the easy part. The solutions are going to be difficult. This is a broad -- I mean, it touches everything from homelessness to affordable housing. It's a broad issue and it's a tough job for you all. You're going to have to excuse me while I find my notes. Code compliance is failed. I mean, customer driven code compliance is not working. The tenants out there have a fear of the city. People in uniform with ear buds in their ears. Quite frankly I'm a little frightened of them myself. I don't call them out to my house. I did live on burton and i called code compliance out and I've seen what they do. He come out, he inspected it, he instructed my landlord to make the repairs. There was never a follow-up. I ended up moving out because the place was just -- it was intolerable, and I've noticed since then that the chimney has collapsed in on the building. This is strange what all happens on burton, but it does. I don't know what ei don't know -- I don't know what occupy austin -- I guess you know that -- I don't know what our role will be in this. We'll support the advocacy groups that are already in place now. We're doing that now. We're going to support them. I think mainly we'll keep an eye on you all to see that your actions reflect the words that I've heard from you this week, that you move aggressively forward to mike changes in code -- make changes in code compliance, and the way that we handle our citizens here in austin. Let's protect them. I mean, that's what we're here for, isn't it? Is to protect our citizens. I hope you go forward and do the work that it needs to be done to take care of this business. I don't want to be outside beating a drum and carrying a protest sign, but I will. I won't good out there as long as you all are in good faith working for a solution to this. I mean, this building collapsed, was under problems 15 years ago, and i know that council member spelman was on the team that addressed that and it looked

pretty good and aggressive and then all of a sudden it got swept under the rug. I don't want this to happen, and we're not going to let it happen. We're going to keep an eye on you and I hope you all do the good work that needs to be done to help these citizens, about all this. Affordable housing, just a safe and healthy place for people to live. Thank you. thank you, michael.

[Applause] ronnie reeferseed. Ronnie reeferseed. Jenn studebaker? Jenn studebaker, the topic is citizen district districting 10-1.

>> Gofn. I have a powerpoint I'd like to play. I'm here as a representative for austinites for geographic representation. We've been working on this for about a year and a half now and we have all of those petitions right over there signed, 30,000 austinites have signed our petitions, we're currently validating all of them, and we're getting good results and we're going to hopefully turn those in to you guys soon. But -- for the next one. Like I said right now, the cd 10-1 plan will be on the ballot in november. You're looking at two plans right now to put on the ballot and that would be on top of what's already going to be on the ballot. We have been endorsed by 27 community-wide organizations, and that's not just let's put it on the ballot. That's an endorsement of our plan, citizen districting 10-1, austin firefighters association, austin neighborhood councils, this is places you were endorsed as city council running and these places endorsed our plan. Some of our supporters that are bigger names, gone salo 00, lulu flores, jim high tower, people you know and they're representatives of austin. The funny part of this is that your own citizen districting committee, your charter revision committee did actually vote for 10-1. Nobody voted for 8-2. Therefore never a vote on 8-2. There was only votes on 10 and every one of them voted for some form of 10. I know you guys want to protect your jobs and nobody wants to run against each other but your job, it wasn't a job. It was -- we elected you to represent us, not to have a job. The austin american-statesman has even said with two on the ballot, that you could doom both plans, so I don't think all of you guys want citizen redistricting -- or want single-member districts. However, if you put 2 on that ballot then you're proving to us you're trying to cover your job. That is why we're asking you to put nothing on the ballot today. We want cd 10-1 or nothing, and anything against that is proving to us that you are not representing the citizens of austin.

[Applause] thank you. Rob gorr. Topic is affordable housing.

>> A lot of this is going to sound like mike just came back up here and reiterated. We've met with each of you over the last couple weeks, minus council member riley, whose office seems aloof on this issue. The rhetoric -- the things that we're hearing from you are what we want to hear. You're all concerned about it. You're all -- nobody wants woodridge to happen again, but it is happening again. There's canyon oaks, there's a list that we got from austin tenants council that says, here, these properties are distressed. Go out there. Take some pictures, and we did that. We have evidence. It's there. We need to get on top of this. We can't let woodridge happen again to more people. I think what you guys have done has been great, but we need to keep it up. It needs -- this is going to be a long process, I think, and you guys are a lot smarter than me. You can figure this out. At the health & human services meeting, council member martinez told the director of code compliance, smart, that these are our people, this is our issue, and building 2, they still don't have their possessions, they're still locked up at the building that was an issue that was brought up yesterday at the buildings and standards meeting. We have to take care of these

people. These are austinites, right? This might happen in houston but it's not supposed to happen in austin. We're supposed to be on top of this. This is a great place to live, and everyone should feel safe. It's time. It's time for the city council to stand up with its citizens and say, look, we're here with you. We're not going to let these people -- the owner lives in california. He's absentee, he doesn't care, you know, he gets his rent checks. Meanwhile the building is falling down. You guys know -- I mean, that code compliance was created to prevent this kind of stuff. That's what it's this for. So you know what the right thing to do is. They just need to be held accountable. Somebody has to say, hey -- and I think carl smart is the right guy. He seems to be on the ball. I think you guys picked a good one for a director there. But he needs help, and he needs your help. I don't have much more to say on the issue, just know that we're going to be here and we're going to be watching. We're not going to let you forget. What happened 15 years ago, you got the ball rolling and you forgot about it, and occupy wasn't around then but we are now and we're not going to let you forget. Thank you.

[Applause] council member martinez. gorr -- is that how you pronounce your last name?

>> Yes. gorr, thanks, I appreciate your comments and I know you were there at health & human services and you're staying on top of this as we are. The only thing I'd add to this is what I emphasized at health & human services that it is a delicate balance. While we want to go after bad actors we know going after them puts more people out on the streets. And so it is a very delicate balance of trying to get these property owners to maintain a safe property, come into compliance but statement not incentivize them to sell the property and build something that's not affordable. You're right. I think staying on top of it. The report from the commission meeting was that the owners again recommitted that they are going to start reconstruction soon, or repairs on the construction -- construction on the repairs, and so we're going to stay on top of it as much as we can, but i just have to emphasize, while it may seem like we can go after them with a big-ol' stick, it will end up putting more people out on the street and that's the last thing we want to do. So we really appreciate you staying on top of this with us and look forward to continuing to work with you.

>> Thank you. council member morrison? you brought up a couple points and we do smart here and I'm interested in getting an update from him, specifically important point of access for folks to their -- to their apartments. I know there's been some frustration. We talked about that at health & human services and council member martinez had suggested, isn't that some way we can support people getting in to get the important things that they need? Have you had an opportunity to investigate that?

>> Yes, ma'am. I'm carl smart, director of the code compliance department. Mayor, council members. We did get a chance to take a look at that. In fact, that issue came up last night at the building and standards commission. The management company asset plus indicated to the building and standards commission that they would help the tenants to get their furniture out of that second floor. They've made arrangements to build some temporary scaf can holding and a ramp -- scea scaffolding and a ramp that would allow the furniture to be removed from the second story units. We've also been encouraging the management as we've been talking with them to be creative in coming up with solutions to help take care of that particular issue . >>

morrison: and do we have a timeline on how long it might be before the second floor folks can access their belongings?

>> I think that they're anticipating a week, one week -- within one week it would be done. Again, code compliance will stay out there. And we'll monitor that situation, help make sure that it is done. Hopefully it won't take that long. Hopefully we can get it done in the next couple days. and then the one other topic I wanted to bring up that was raised. I know in terms of there being other potentially unsafe places out there, you have mentioned that you are putting together -- trying to put together a proactive program, and I wondered, obviously as council member martinez mentioned, it's a delicate balance there, when we might see -- when you might be bringing that program to fruition and when we might be able to learn more about that.

>> We have put together a proposal for a four-person inspection team that would be proactive in surveying the city and identifying those apartment complexes that are in need of -- you can tell from the exterior, they're in need of additional maintenance and additional inspections, done on a proactive basis. That will be coming forward to council during the budget process. I've had at least one council member ask about maybe doing a special presentation to council, and then I guess the city manager will consider that also. But we -- we are prepared to talk about, to discuss a four-person team that would be proactive in looking at apartment complexes, particularly ones that are fairly -- fairly aged right now and in need of extra maintenance to make sure that the residents are living in standard -- conditions that meet the standard. and do you -- in order -- you know, we had this discussion actually on tuesday too when we were talking about bonds, that really might make sense if we pass more affordable housing bonds to target some of those fund to work with older apartment building owners, if they're willing to consider committing to maintaining affordable housing. Have you thought about actually partnering with nacd at this point, so if we do move forward with the proactive compliance, that we can sort of go hand in hand and make sure folks know there qoob funds out there if -- could be funds out there if they're interested?

>> Absolutely. We've had that discussion, initial discussions with betsy spencer, and with others too. I think we're going to have to partner with nhcd, development planning development reviewing and other agencies in the community too like the austin tenants council and others who are involved in there. It's going to take a collaborative approach to to maintain that balance we're talking about. We want to make sure that the apartment units are repaired and brought up to standard, but at the same time, you know, we got to look out for the ownership issues also, and the idea of affordable housing, maintaining some affordable housing. So yes, we're going to pull that collaborative team together as we approach going in to do those proactive inspections for multi-family units. that's terrific, and I think that's probably close to the same team, almost, that we need to help develop a response plan if this ever happens again with another issue.

>> Absolutely. bringing in security management on top of that. So I appreciate your understanding of all the needs here.

>> Sure. Thank you. chris bailey?

>> Riley: mayor? council member riley. I want you to know I'd be glad to meet with you to discuss this. You can call my office or 00 00 tomorrow here at the city hall. council member martinez?

>> Martinez: sorry, mayor. smart, we talked about this the other day and i just -- since we're bringing these issues up at council, I want to put it on the record here as well. We talked about the team and going out and, you know, kind of doing a survey of austin, but I coupled into that the conversation that i believe we need to have leading up to potential affordable housing bond consideration where if we have properties that need rehabbing, can remain affordable, that that be a component of any affordable housing bond package as opposed to brand-new construction that, one, is timely, and two, is, you know, much more costly. So, you know, I just want to make sure that staff is aware that we have these conversations as it relates to the bond package and there may be an opportunity, you know, for some very low interest, if not no-interest financing on structures that could maintain affordability, as opposed to, as I mentioned the other day, really not making any progress. If we're building all these new affordable housing units but we're lost losing old ones to brand-new units, are we really making the progress we're trying to achieve? And I just want to make sure that conversation gets back to staff as well.

>> Absolutely.

>> Martinez: thank you, sir. chris bailey? Topic is single-member district.

>> I have a video to play.

>> Austin is in desperate need of change. Currently we elect all of our city council members at large. 15 Out of the last 17 mayors and a full 50 of council have come from four central city zip codes. Currently there isn't a council member that lives north of 183 or south of the river.

>> I'm [inaudible] from texans for [inaudible] government and --

>> my name is blanca

[inaudible] I live in northeast austin.

>> I'm abby frank

[inaudible]

>> I'm [inaudible]

>> we live in east austin

>> this is my son christopher.

>> I live in northwest austin.

>> [Inaudible]

>> trust Austin.

>> Trust Austin.

>> Trust Austin.

>> Trust Austin.

>> Trust Austin.

>> Trust Austin.

>> Trust Austin.

[ 🎵 Music playing 🎵 ]

>> so we've been working really hard on this for a long time, well over a year, and I think the point that really needs to be made here is that we've got 30,000 signatures sitting behind me. This is going to go on the ballot. I was at the charter revision meeting, the charter revision committee meetings, and one of the things that was coming up is single-member districts is likely going to pass this year. We're probably going to see it pass in november, and the only way to really kill it is to put two plans on there, and that's what we're trying to avoid. So my point in standing up here is I'm really just asking you guys to not do anything, don't do anything. It's pretty easy. And I really -- I don't see that the real issue is people worried about running against each other. I don't think that's it at all. I think everybody has so many different ideas, but we took the input and brought all these people together. We opened the doors and said everybody is welcome to be part of this discussion. Let's find out where the compromises need to be had and we had a complete majority, it was 100% people voted for 10-1. We have an 8-2-1 plan up for our consideration when austinians for geographic representation was considered this last year. Our doors have been opened. This hasn't been done in secrecy or anything like that and that's why you see such a wide variety of endorsers from the left, the right, the middle, everywhere. And I just -- I really -- i worry that if we move ahead with the government deciding how government should work, this is not the way that this country was founded. This country was founded based on the people deciding how they want their government to operate, and so for council to put an item on the ballot in november really doesn't make sense. I mean, we're talking about you guys telling us how the government should work and really the residents of austin should be deciding how they want to be governed. So please keep that in mind and please don't put this 8-2 already 1 plan on the ballot -- 8-2-1 plan on the ballot.

>> Linda greene. The high and hidden cost of floor fluor silicic acid waste to our water supply.

>> Okay, thank you, mr. mayor. Health & human services has already received this file, this folder file that I'm about to give you. So council member riley, martinez and laura morrison do not need this file. It's for kathie tovo, the mayor, council member spelman and council member

cole. So the title of my speech is the high and hidden cost of adding fluorosilicic acid waste to our water. And to start out with, you all know since we've been coming here going on four years, that the cdc and the ada have both stated numerous times that infants should not receive any kind of fluoridated water up until at least six months. The fluoridated water is harmful to infants. And so there's that hidden cost of having to go out and buy either bottled or keep refilling your reverse osmosis filtered water for children. So this is a hidden cost that we don't consider or think about very much. The cdc and the ada are always boasting about the fact that for every dollar spent to fluoridate our water, it saves \$38 of cost in dental care, but the cdc and the ada are not taking into account the numerous diseases that have been linked to fluoridation. There's -- if you'll look at your yellow piece of paper, there's people who suffer from diabetes and arthritis, osteoporosis, kidney disease, that are all impacted by the fluoride in the water. This is a hidden cost. People not only pay the price financially to have to deal with their health care that's made all the worse by drinking fluoride because of their thyroid, arthritis, kidney disease, but they also have to pay the financial cost and the cost to their bodies. Another waste that you might not have considered is that as more and more people start realizing the truth about fluoride in their water, they're going to be buying more and more bottled water, and so there we have the problem of plastics. The city itself has a \$25,000-plus contract with nestle for bottled water, and that's going to generate all kinds of plastic waste. Another thing to consider is that many pets have been impacted by fluoride, and very few people know that there is a lot of fluoride in pet food, and so we want you to please spend this summer month off and look at the facts. thank you.

>> Thank you. roy marshall?

[Applause] roy marshall. Guadalupe sosa? Topic is single-member districts.

>> Good afternoon, mayor, and members of the council. I am here as one -- a public servant to another. We know that perception is -- makes [inaudible] in our jobs. And before I go on I want to read you a little story here. A little boy wanted \$100 very badly and prayed for weeks but nothing happened. Then he decided to write to god in a letter requesting \$100. But when the post office received the letter to god, they decided to send it to the president. The president was so amused he instructed his secretary to send the little boy a \$5 bill. The person thought this would appear to be a lot of money to the little boy. The boy was delighted with the \$5 bill and sat down to write a thank you note to god, which read, "dear god, thank you very much for sending the money. However, I noted for some reason you sent it through and those jerks took \$95 in taxes.

[Laughter] and so the reason I bring this up is just because i have heard people say if california goes [inaudible] the nation as they did

[inaudible] the voters, and I really liked [inaudible] because he's somebody i really like, running the city and being in politics in austin is not an easy task and many times you have to decide what to do about raising money, if you don't have any or if you have some, you have to spend some of your money to run. The headlines in one of ken martin's austin bulldog's issues recently said, most of the city council are pretty well off by local standards. Strong financial policies



[inaudible] shared is a trait shared by the mayor and council members. Again this is a perception. I also, as you know, I am a public servant as you are, and I understand that at one time considered going single-member districts. But when they discovered that two of their trustees shared a backyard and they would have to draw the line in their backyard they decided to drop the issue. But you don't have this choice today. You have to put something on the ballot. And I ask you to put the ten districts in one plan to elect our officers, to elect a council, and to include the independent district and commission on that ballot because it was not only endorsed but you appointed revision commission but also agr has collected 30,000 signatures that will -- will show the people who are also in support of this. So -- thank you.

>> So I ask you to please do not put competing plans. Put the 10-1 on the ballot. Thank you. thank you.

[Applause] city council will go into closed session and take up four items pursuant to section 071 of the government code, council will consult with legal council regarding the following items, item 22, legal issues related to construction contract with lambda construction limited, item 33, appointment of elaine hart, chief financial officer, agreeing canally and rudy garza, board of directors of the austin convention enterprises inc. And removing michael trim bell, capital planning officer from the board of directors. Item 100, legal issues related to the november 6, 2012 elections, and then 071, the government code, council will discuss the following item 99 to evaluate the performance of and consider compensation benefits for the city auditor. Item 98 has been withdrawn and will not be considered in executive session. Is there any objection to going into executive session on these items? Hearing none, we'll now go into executive session. Ask.

>> Mayor Leffingwell: We are out of closed session. In closed session we took up legal issues related to item 100 and no action was taken. We'll be going back into executive session after taking up this one item which concerns bond sales.

>> Good afternoon. Dennis whaley with public financial management, we're the financial advisers for the city. I'll try to be brief. We have a water and wastewater revenue refunding bond we're bringing day. This will be a negotiated transaction with goldman sachs. This is on page 2 of the presentation. The bond are rated and all three ratings were affirmed. The purpose of the bonds is to refund 190 million of commercial paper as well as refund two series of outstanding bonds for saving. On page 3 you'll see the objectives which are for commercial paper to restore the capacity so that we can now issue more commercial paper to provide project finance. And then for the two series of refunding bonds the second bull let's estimated 2 million or 4.72% savings. Which is above the city's target flesh hold of four and a quarter percent. Part of this refunding will be to refund the 2004 variable rate bonds. These bonds were associated with an interest rate swap. And what we will do is terminate that swap and issue long-term bonds. This is because of historical low long-term borrowing costs now and we can capture the savings that has already been generated from that and avoid any-and just have a better transaction going to fixed rate bonds. This will be a parameter sale. You are approving a pricing officer, which will be the city manager or the city to execute the transaction. If it meets certain requirements, one of which would be the four and a quarter present value status. A few quick highlights from the rating agencies. Very positive comments about austin water. Standard & poor's talked about the customer growth, strength of the economy, the long-term water supply agreement which all of

the rating agencies feel is a rating [inaudible]. A lot of cities do not have long-term water savings. And the sound condition of austin water. Fits talked about the revenue fee by having more of a fixed charge and moody's once again talked about the economy. An interesting thing that happened which is very much a positive at the bottom there is a note that moody's upgraded the currently outstanding combined utilities [inaudible]. The city years ago issued bonds for both austin energy and the water utility together, and that lien has since been closed, but they upgraded the bonds that are outstanding to double a 1 for the senior bond and double a 2 for the subordinate lien bonds so congratulations. Timetable, events, we'll need to do pricing in july and very closing in july. And the last page here, as i mentioned, we talked about historically low borrowing costs and the last page just shows you a graph of where rates are now, and rates are at historic lows. We're bringing this transaction to you today and we'll also be coming back in september and then later this year as we evaluate some other opportunities to save money for some of the other credit. I would be happy to answer any questions and thank you very much.

>> Mayor Leffingwell: Thank you. Questions? Staff? I'll entertain a motion to approve this ordinance in item 101 authorizing the issuance of water and wastewater revenue bonds. Mayor pro tem moves approval. Seconded by councilmember spelman. Is there any discussion? All in favor say aye. Opposed say no. That passes on a vote of 7-0.

>> Thank you.

>> Mayor Leffingwell: Thank you. All right. City council will now go into closed session to take up three items. 071 of the government code, council will consult with legal counsel regarding the following items, item 22, legal issues related to construction contract with lamda construction, limited. Item 33, appointment of elaine hart and others to the austin convention center board of directors. Austin convention enterprises, inc, and removing michael trimble. Pursuant to section 551 of the government code, the council will discuss the following item, item 99, to evaluate the performance of and consider comments and compensation and benefits for the city auditor. Is there any objection to going into executive session on these items? Hearing none, we'll now go into executive session.

[Rumbling] Announcer: What if a disaster strikes without warning? What if life as you know it has completely turned on its head? What if everything familiar becomes anything but? Before a disaster turns your family's world upside down, it's up to you to be ready. Get a kit. make a plan. be informed today. Somewhere somewhere with. Austin city council meeting we are out of closed session. In closed session we took and discussed legal issues related to 22 and 23 and personnel matters related to item 99. So all of our time certain restrictions have passed. So unless there is special requests from council members, i am going to begin taking these items in order. , Beginning -- excuse me. We have left off by tabling item number 77. I believe that's correct, item number 77. Or was it 76?

>> Tovo: Mayor, it is item 76.

>> Mayor leffingwell: item 76. So the motion passed, item 76, by council member martinez with changes failed on a vote of 3-4 and I believe council member tovo wanted to make a statement or propose some action.

>> Tovo: I would, thanks. Mayor, we passed this item as written in our agenda -- as mosted in our agenda this morning and I would like to raise it again for council consideration so that there is no confusion about it, and so with that note, I would like to approve item 76 as posted on our agenda. so this is a new motion to approve item 76 as posted, the original item 76.

>> Tovo: The franchise for lone star cap.

>> Second. second by council member spelman. Is there any discussion? Council member tovo.

>> Tovo: Just one point of discussion, in conferring with staff and based on our discussion earlier, it's my understanding that if one of my council colleagues supports the phase two distribution of additional taxicab permits, that we could use this period of discussion for you to offer that kind of direction to staff to return with phase two allocation in august or, you know, as expeditiously as possible, as someone who didn't support that allocation, I am not going to provide that direction but one of you all certainly could.

>> Mayor leffingwell: Additional direction on that motion to come after the phase two in august. Is that correct?

>> Tovo: Would anyone -- anyone objection to that?

>> Tovo: I am offering to my colleagues, that you may support an additional allocation for lone star cab. all right. Is there any further discussion? " aye. Opposed say no. Passes on a vote of 7-0. Excuse me, 6-0, with council member morrison off the dyas. So let's go back to item number 12. If you are hear waiting for the morning briefing on the miller project, that will be postponed indefinitely. It will be withdrawn. We will do it at a later council meeting. So we will go ahead with item number 12, and that was pulled off the consent agenda, i believe, by council member tovo. We do have speakers. All right. The first speaker is michael wayland. Bob gregory is in the chamber, so you have 6 minutes.

>> Mayor, mayor pro tem and city council members, I am going to keep this short. My name is michael wayland and on here of texas disposal systems who asked me to review the hauling provisions from a process perspective. Before we talk specifically, i think the clerk -- I have handed some changes that I would ask you to consider today don't know if those have been circulated or not. they are being circulated now.

>> Thank you. I do think some content needs to be provide and I can do that quickly. I think the underlying issue for backdrop of the discussion is i think the city staff, in particular the austin resource recovery department has articulated from time to time a desire to itself be more involved in the hauling business and to expand beyond the residential and very limited business account that is the city now services. On at least one occasion, city staff has, in fact, submitted a bid in response to a city r.f.p. So pause for a moment and think about that. They are the regulatory group, regulatory department and they have proposed a bid, fired it in response to its own exhibit thetieve bidding process, signed its own anti-lobbying certification and favorably scored its own proposal. Fundamentally, I believe this combination of competitor and regulator role of city staff is a path that will not be productive or affordable to the citizens of austin. I

provide you this again as a backdrop for what we are asking you to consider today. And I think affordability, we have talked a lot about it. We will talk a lot more about it, especially in this particular area, but for today, what the city staff is now seeking is that any appeal of a solid waste recyclable haulers license revocation will go solely to the city manager. This has not been the way it has been done for the last 17 years. When the zero waste advisory commission reviewed this and saw history of over 17 years with no appeal to city council and such competition concerns from homiers and recyclers, it was clear to them that the appeal rights should remain with city council, and I think you have in your backup as well, so the recommended language, my proposal that I have handed out adopts the proposed language in subparagraph 59-s59-n and that's f and g and there is a license on the hauling and revocation mower, after reviewing the ordinance and the zuak recommendation, it turned out that a winding down period would need to be pal howed for the haulers commercial customers, that is restaurants, offices, hotel, that they would have at least 90 days to find a new license hauler, so I've also added in the proposed language, a 90 day opportunity to allow those businesses to find licensed hauler to -- for their waste. It would willal law the haulers themselves an opportunity to wind down because of the potentially thousands of dumpsters and long term contracts and capital investment they have. I would recommend you consider adding 90 day winding down period in section 15-658b. The other changes on the sheet that add the word and appeal to 15-658b, which makes it consistent with the appeal process. I don't know why staff had the word protest, but there are new rules that are being written so I added protest to 15-659a so there is protest and appeal in both of those places. Again, this just is to be consistent with the appeal language. Finally, I have also put in front of you some language about rule making, and I wanted to highlight this. Upon closer review of the ordinance in the last couple of days, I saw that any rule that the director might adopt or amend under 15-6 would not be reviewed or considered by zuak or council. The language that exists 15-6-6-3b which I think is on the second page, the entire current ordinance simply provides the director, quote, shall present the prosed ruled to the zero waste commission, period end quote and doesn't get zuak any authority to do anything than somebody to report out amendments that are being implemented. This is the concern I had. At first blush, a fair question by council and I am sure the city manager would ask, too, would we want to have rules presented to city council for consideration? This would normally be something that would be add men straytively done and it feels like, sounds like, with no context, it feels like and sounds like an administrative function, but it is important to know two things, two facts. One, in the past it is my understanding that guidelines from this director, from this area have been brought forward with ordinance changes to the city code. So although the council was voting on city code changes, the guidelines that accompanied them were coming before you as well. Not for a vote, but they were coming before you. And then, really back to the context for all of this. The second point, the city staff already demonstrated that it is, in fact, unique. It is not like any other department. It -- in that it competes with the same businesses it regulates. It is competing with the same businesses that it regulates. It's already filed at least one competitive bid to an r.f.p. Unilateral rule making by a city departments that considered to be a competitor by haulers and recyclers who service accounts within the city does not establish a trusting and fair process, in my opinion. It just can't when the regulator is also the competitor. Again, given the history and context of the staff's relationship with the haulers and the haulers licensing ordinance, I hope you will consider these changes to the ordinance. Thank you.

[Buzzer alarming] thank you. One more speaker is adam gregory.

>> [Indiscernible] do you have anything -- you are all done? Those are all of the speakers we have signed up that want to speak. Council member tovo.

>> Tovo: I have a couple of quick questions for staff, please. questions for staff. getter, you might be ready, to.

>> I am bob gedard, director austin resource recovery.

>> Tovo: Thanks for the answers you provided for the questions i asked through the q and a process. It is my understanding the zero waste advisory commission recommended the language that wayland proposed with regard to the third level of appeal to council?

>> Yes.

>> And it is -- I guess the interest was -- can you, very briefly, just tell me a little bit about the rationale and not having that appealed to council?

>> I would like to yield to city attorney, tamera kurt as well as carl smart on this and I do believe the administrator would be through code compliance rather than through austin resource recovery.

>> Tovo: Thank you.

>> Debra thomas with the law department. Council member, the rules process as set up by the city code is an administrative process that is under the osposis and purview of the city manager. The council adopts rules -- i mean don'ts code provisions, regulations and then gives the city manager the responsibility to implement that code provisions through the rules process. There is a very extensive rules process involving posting proposed rules for 30 days, and then allowing people to appeal rules that are adopted, and they are appealed to the city manager. And after the city manager considers them, he can amend or modify or even withdraw the rules, but it is a process that's set up in the code and the council -- the council adopts the legislation and then gives to the manager the responsibility to implement it through the rules process.

>> Tovo: Is there any legal reason why we should not add in the city manager's decision, maybe appeal to the city council -- this is not with regard to the rules. This is with regard to the -- really, the point that the zero waste advisory commission added. Is there any legal reason why we wouldn't be able to add that modification?

>> To -- to submit the rules to the -- I am sorry.

>> Tovo: To delete the last section of f under 15659f, which makes the code compliance director's decision, it says the code compliance director's decision may be appealed to city manager not later than 340 days after the decision of the code compliance director and we would be eliminating the city manager's decision regarding this appeal shall be final in substituting it with the zero waste advisory language as the city manager's decision may be appealed to city

council not later than 60 days of the decision of the city manager, the city council decision regarding this appeal shall be final.

>> Tamera kurtz, city attorney.

>> The issue of whether the city council decision is going to be final of an item appealed or the city manager's decision is really policy decision for all of you. Law added in due process in the appeals provision, but going thomas has said, is that the -- under the city manager form of government, the city manager is the, you know, charged with administering, imphlegm dating and that in its nature is administrative, and from one point of view, one might consider that the appeal process is administrative in nature and the city manager would be the final arbitrator of that decision. On the other hand, one could consider that the city council -- sense the city council makes policy and you do that by enacting ordinances, that the rules should flow from -- you know, from the ordinance and the decisions that are made should be in line, you know, with that -- with that process.

>> Tovo: Thank you. So mayor -- sorry. could i hear -- we are not talking about the rules anymore. I think council member tovo is talking about the ordinance itself, which I believe your answer to her question was no.

>> Oh, I am sorry.

>> Tovo: That's what I heard. That's all right. There are several issues.

>> With a prohibition from council being the final decision maker on appeal, no, there is not.

>> Tovo: Thank you. I do have one more follow up on 1563, the administration part of it. , Where the request is to give a briefing to the commission zoning -- whatever they call themselves these days. It used to be the solid waste advisory but it is something else now. Zero waste advisory commission. Yes, it seems to me that this is sort of -- there is definitely -- we are talking about the rules process. But we are not talking about in this case but a briefing. The rules process, I would assume, is similar to what we used to call and maybe some departments call it criteria manual.

>> Yes, sir. criteria manual, and I recall back when i served on a city commission that we did routinely get briefings on changes to the criteria manual. No action or anything like that, but just an update briefing to the applicable commission, so i don't see anything wrong with that -- including that language in there, and I would ask you for your opinion on that.

>> That's not a problem, mayor.

>> Mayor leffingwell: okay. Thank you. That's all I had. Did you want to have something else, council member?

>> Tovo: I want to make a motion. Mayor, I would like to move approval of this item, with one amendment, and that is that under, I believe the appropriate section is to delete -- under 15659, to

delete the last sentence of item f and add a new g, which is what I indicated before, the city manager's decision may be appealed to city council no later than 60 days after the decision of the city manager, the city council decision regarding this appeal shall be final.

>> Motion by council member tovo. Second by council member martinez. So there are other suggested changes and I would like to ask if you would consider friendly amendments to part 1b, add the words, protest and appeal, and after the word revocation, such license revocation will not be effective until 90 days after the resolution of the person's appeal under this chapter. Do you have that proposed change.

>> Tovo: I do have that before me and the rationale for having those 90 days, I think wayland talked about having a 90 day wind down. Do you mind just restating the rationale for that. wayland is in a better position to do that.

>> Mayor leffingwell: Mr. wayland.

>> That's right, the language is to allow for the winding down, for the restaurants, hotels and offices to find other haulers and for the haulers themselves to wind down their capital investment as well.

>> Tovo: It seems reasonable.

>> And the language and appeal is in there for consistency.

>> Tovo: Right. council member martinez. Accept that. And then the second part of the request is to -- section 2a, after copy of procedures to protest and -- just adding in protest? Is that acceptable.

>> Tovo: That's fine. and then on 3b, after zero waste recommendation, adding to city council and the city council adding to the proposal rule. I don't see any harm with that?

>> Can I ask a question from staff ability how often that may occur.

>> Yes. You are speaking of revocation of a license? How often?

>> Tovo: Now we are speaking about the rules.

>> The rules. The rules would be adopted through the stakeholder process and it would be a one-time process.

>> Tovo: I think that's a reasonable addition. I am happy to accept that as an amendment. council member martinez. So we have a motion with changes amended by several friendly amendments. I guess everybody understands, if you don't, we have them written down. Mayor pro tem.

>> Cole: I have a question from staff, brief question. On this very first amendment about the appeals to council, are you familiar with the -- how often that happens?

>> Given the past, I don't believe there is a past practice of that. The concern is that there is a stronger enforcement mechanism in this particular ordinance and so the issue is how often in the future and we don't know.

>> Cole: Okay. But there is no past practice for us to consider?

>> No past practice there.

>> Cole: Thank you. any discussion? " as amended. Aye. Opposed say no. Passes on a vote of 7-0. Council, if there is no objection before we go ahead and resume our work -- on working our way through the consent agenda from this morning, there are several consent items and postponement items on our zoning. If there is no objections, we can get that out of the way so folks waiting on that can go home. guernsey anywhere -- or mr. westover? We are just interested in doing doingcontent part. guernsey, I will go back and find him, mayor, and then if we can come back to that. why don't you find him and we will take up another item, we will take up item 14, the next item. Item 14 was pulled by council member morrison. We don't have any speakers on this item.

>> Mayor, shane harbison assistant director for the aviation department.

>> Morrison: Thank you. So this is an item for the council to approve the master development plan for airport, and the only concern i had about that was that it says that amendments to the master development plan and all the attachments that laid out what's in them, the master development plan don't need council approval they will be administratively approved and so when I asked about that, in the q and a that came back, it said, well, for instance, we don't want to have to come back to council -- we couldn't come back to council if, for instance -- and I think the example was used, if we decide, if staff decides we want to use five more acres for a car rental property and that it would, instead, require just the agreement of planning and development review, aviation and watershed, I think it was. And so I was just concerned about that, because I think that landing over all of those decisions administratively, to be administrative decisions and the master development plan never coming back to council raised concern for me, and i thought particularly, for example, the example that was used in the q and a was sort of a major change if we were going to be actually dedicating -- changing five acres of land to something to car rental. I was interested in looking at some mechanism for putting something in the master development plan or the ordinance that goes with it, that says -- somehow captures major changes to the master development plan that would still come back to council, and not to burden the staff -- overly burden the staff but to find some kind of happy medium so that the council is still involved in what might be major decisions. So what would your thoughts on the matter be?

>> The ordinance was intended to be a living document, every time the aviation department had a development item, that they would go to the permitting staff and they would review it with compliance with the ordinance. Anything that exceeds those limit would have to follow the



normal variance process. So if it didn't follow or was not within the ordinance, that request would come back to council and go through the traditional variance process.

>> Morrison: But I am not just talking about variances. I am talking about a change of use, of, say, one part of the airport changing from one contemplated use to something else, and so in that case, the way that's contemplated now, would that go back to council?

>> Well, any development that is aviation use on the airport property would be coming back to council for approval for if it was an agreement with the car rental company or a third party development, would come back for permission from council and it could follow this development ordinance if it's approved by council for any of those changes or agreements.

>> Morrison: I guess I am uncomfortable and it seems to me before -- if the staff decides it's best to shift five acres of land to -- from one use to other, I would prefer to see something in here that says major changes in the development plan would come back to council prior -- for approval so -- i guernsey standing behind you. guernsey, do you have something to add to this? and development review, those on public property by the zoning regulations are all permitted, so if they are getting a different food concession. You mentioned car rental. If they want to expand the car rental operations but those things that are naturally found within the airport confines, certainly -- even a hotel would all be things that would be permitted under the zoning regulationsch those things that are contractual, we were talking about, to expand some kind of agreement to another hotel, if they were to build another hotel or make major funding improvements on the property, those things, my understanding, would come back to you but as far as the land use and zoning things, the uses are all permitted provided they take care of their drainage items and the mentions of parking all comply with code, they would all be allowed.

>> Morrison: I guess -- yeah, i understand that, but that certainly it certainly wouldn't be a zoning issue but if we are having a major change of use from something contemplated, that we are approving today, to something else, like a car rental facility, changing the use to a hotel, it may well be permitted but it seems to me that should be a council discussion because it changes the contemplation of what our airport is about and how it will be operating. So what I am interested in is finding a mechanism to identify when there is a major change in use from what is contemplated on what we are approving and asking in those cases that it comes back to council for approval.

>> Guernsey: I think it would be difficult for staff to define major, you know, versus a minor change. Most of the things that we have that go on the airport would certainly be things that we would look at normally as just being permitted. Unless you are defining it by a --

>> [indiscernible]

>> Guernsey: Unless you are defining it by size of a structure, that might be the only way I can think of that we could easily come back and say it would be an item that would come back before you.

>> Morrison: For instance, in the example that was used, if abia leases an additional five eaneskers to a car rental company, I am just concerned that maybe something else was contempt plaited before.

>> Assistant city manager, sue edwards and I visited with the airport individuals and we don't have a problem of stating if there is a major change in use it will be brought back before the council.

>> Great.

>> And can we --

>> and we will include that.

>> Morrison: All right. My question for the attorney, then, is can I make a motion that we approve this with that additional statement in there?

>> Yes.

>> Morrison: Okay. So moved. so moved by council member morrison. Is there a second.

>> Second. second by council member martinez. Further discussion? " aye. Opposes, say no. Passes on 7-0. guernsey is here and we will go through the consent part of the zoning.

>> Guernsey: Mayor and council, I apologize for my absence earlier but I have another item to add to consent agenda today due to this of and the zoning and the items where the public hearings have been close and i can offer approval number 102, the property located at 9511 north fm620 road, this is is a centurying change to community commercial or gr district zonings this ready for consent approval on second and third reading.

[One moment, please, for change in captioners] 105 is case npa-2011-0012.01. This is to amend the boggy creek neighborhood plan, an element of the imagine austin comprehensive plan for the property located at 4020 airport boulevard. It's changed the designate to mixed use land use. The commission's recommendation was to grant the neighborhood mixed use land use and this is ready for consent approval on all three readings. The related zoning case is 106, this is case c14-2011-0085 for the property located at 4020 airport boulevard. And this is to rezone the property to neighborhood commercial-mixed use -- vertical mixed use building neighborhood plan or lr-mu-v np. The planning commission's recommendation was to grant commercial-mixed use -- vertical mixed use building, conditional overlay, neighborhood plan or lr-mu-v-co np, combining district zoning. This is ready for consent approval on all three readings. 107 is case c14-83-307 (rct) for the property located at 4020 airport boulevard. This is to terminate a restrictive covenant. The planning commission recommendation was to grant the termination and this is ready for consent approval. 108 is case npa-2012-0025.03. This is in the oak hill combined neighborhood planning area. This is to amend the future land use map for 6000 mountain shadows drive. This would change the designation of the property to neighborhood mixed use land use. The planning commission recommendation was to grant a change to the flum for mixed

use land use, and this is ready for consent approval on all three readings. 109 is case c14-2012-0024 for the property located at 6000 mountain shadows drive. This is to rezone the property to limited office mixed use or lo-mu-np combining district zoning. The planning commission recommendat to grant the lo-mu-np and this is ready for approval on all three readings. 110 is case 02 for the property located in the oak hill combined neighborhood planning area for the property located at 6804 covered bridge drive. This has changed the future last use map for this neighborhood planning area to mixed use land use. The planning commission recommendation was to grant the mixed use land use and this is ready for consent approval on all three readings. 111 and 112 will be discussion items. I believe you have several speakers signed up for both of those items. Item 113 is case npa-2012-0019.01. This is for the property located at 3206 west avenue, 3205 and # 207 grandview street. The applicant has requested a postponement of this item to your august 2 agenda. 114 and 115 are related items. Item 114 is case 01 for the property located at 603 west johanna street. The neighborhood has requested a postponement to the 16th. The applicant has requested postponement to the 2nd. The applicant would not object to the postponement of the neighborhood to the 16th so I'll offer the august 16 date as a consent postponement. 115, case c14-2012-0021 for the property located at 603 west johanna street. Again this is a postponement request by the neighborhood to august 16, and the applicant doesn't object as to to that. Case nowm 117 is 01, this is 826 houston street and sunshine drive. Staff is requesting a postponement to this item to your august 2 agenda. Npa-2012--0018.01. This is a postponement for property at 826 houston street and 5538 north lamar boulevard. This is a staff postponement of this item to your august 2 agenda. 118 --

>> [inaudible]

>> are you saying 118?

>> Yes, I'm just getting to 118.

>> Mayor leffingwell: sir? Sir?

>> Let me skip 118 for a moment and 119. Come to 120. Item 120 is case c14-2012-0038. This is for the property located at 11010 george and georgian drive, change to general services combining district or cs-np zoning district. The planning commission wants to grant conditional overlay neighborhood plan or cs-co-np and this is ready for all three readings. 02, and this is for 900 south second street, 1,000 and 1,002 second street, 705 christopher street and christopher street lots 437 block 2 of the oak cliff addition. That's approximately .553 acres. Staff has -- would like to request a postponement of this item to your august 16 agenda. 122 is case c14-2012-0031, for property located at 900 and 908 south second street, and some unaddressed properties on christopher street. This is a staff postponement of this item to august 16 agenda. 123, this is case c14-2012-0033 for the property located at 100 and 1002 south 2nd street and 705 christopher street. Staff is requesting a postponement of this item to your august 16 agenda. Item no. 124, case c14-0181. Sh for the property at 1910 1/2 yorkshire lane. Staff is requesting postponement of this item to your august 16 agenda. Mayor I could offer 125 and 126 on consent but I'm not sure if there's any speakers signed in for this particular item. let me check. No speakers.

>> No speakers, I'll offer this item for consent approval on all three readings. Item 125 npa-2012-0018.08. The property located at 5806 woodrow avenue to change to mixed use/office land use. The planning commission recommendation was to grant the mixed use office land use and this is ready for consent approval on all three readings. 126 is case c14-2012-0025, for the property located at 5806 woodrow avenue. This is a zoning change request to neighborhood office mixed use neighborhood plan on no-mu nt combining district zoning. The planning commission recommendation was to grant neighborhood office mixed use conditional overlay or no-mu-combining district zoning and this is ready for consent and approval on all three readings. Item 127 and 128, mayor, i think you have one speaker that would like to speak to this item. Actual actual ly I have three on 127 and two on 128. So --

>> well -- that will be discussion.

>> Let's go to 129. 129 is case c14-2012-0040 for property at 605 607 radam lane. This is cs district zoning. The zoning and platting commission recommendation was to grant the community commercial conditional overlay or gr-co combining district zoning and this is ready for consent approval on all three readings. 130, I know we have a couple people that may have signed up that want to speak to this item so that will be a discussion item. 131 is case c14-2012-0165 for the property located at 3108 east 51st street. Staff is requesting a postponement of this item to august 2, and then I'll come back to -- 118, 119.

>> On 118 and 119, they want to be heard today for consent.

>> [Inaudible]

>> discussion. So 118 and 119 will be discussion.

>> Mayor leffingwell: okay.

>> And mayor, if you'd like I have three -- -- four i could offer for consents as well or I can wait till you finish this part of the agenda. let's get through this and then we'll address that.

>> Okay. so the zoning consent agenda is to 1 and 2 on second and third readings, 102 than -- 102 and 103 and to approve item 104, to close the public hearing and approve item 105, 106 on all three readings. To approve item -- close the public hearing and approve item 107, to close the public hearing and approve item 108, 109 and 110 on all three readings, to postpone item 113 until august 7, postpone items 114 and 115 until august 16, to postpone items 116 and 117 until august 2, to close the public hearing and approve item 120 on all three readings, to postpone item 121 until august 16. Postpone item 122 and 123 and 124 until august 16, close the public hearing and approve items 125, 126 on all three readings, to close the public hearing and approve item 129 on all three readings. To postpone item 131 until august 2. I'll entertain a motion to approve the consent agenda, council member spelman so moves and mayor pro tem seconds.

>> Mayor? council member morrison. I'm sorry, i have a question on the airport, the 4020 airport item. Do we still have a valid

[inaudible] -- do you know the number?

>> Tovo: 106 and 107.

>> On item 106 I have an agreement with the homeowners within 200 feet of 4020 airport boulevard, withdrawing their names. There's also a restricted covenant agreement regarding those items. It should be on the dais in yellow. But the agreement would withdraw that subject to the covenants. Also, there was a question that came up regarding the setback from airport boulevard and staff did clarify that the buildings could be built up to the front property line. I think there was a concern that the building would not be because of the base zoning district, but our commercial design standards would allow that building to actually be moved closer to airport boulevard further away from the neighbors from behind. so the valid petition has been removed?

>> Yes, with the signatures that you have on the dais. And I apologize, I thought they were already on the dais.

>> Mayor? council member riley? I have a couple questions about that same case. What's on the table now? Is it staff recommendation or pc recommendation?

>> Well, we would bring forward the pc recommendation with some modifications that had been agreed to I think by some of the neighbors on the private restrictions. The owner still is in agreement with what the commission recommended that would prohibit access to the side street. However, there is actually a city parcel of land that separates -- I think it's sherfer from this property. So looks like it's actually on the corner but actually sits just off the corner. that's what i wanted to ask about. The property immediately north of this tract along airport boulevard is patterson park, just on the other side of scheiffer, and a little wedge of parkland that's on the south side of scheiffer, adjacent to this tract. Generally when you have a commercial site adjacent to a parkland site there can be certain advantages to having some visibility and access between the parkland and the adjacent site. In this case the -- the restrictive covenant approved by the neighborhood, the first bullet point of that is there shall be a masonry privacy wall along the north, south and west sides of the property 8 feet high. So there's no -- not only is there no -- I understand the planning commission had recommended prohibiting ingress and egress on to scheiffer, but in addition to that there will be an 8-foot wall adjacent to that parkland. Is that -- now, there's also a 25-foot setback. Would that apply on both parts of that north side?

>> Well, they could file for what's called an alternative pipelines, commercial design standard. It may affect the setbacks that possibly face that street when you're on a corner. One thing I know the applicant did indicate to me before the hearing, if there was a concern about pedestrians and non-motor vehicle access, like bicycles and pedestrians, they don't have any objection if you want to modify the ordinance to say motor vehicle access from the property.

>> Riley: okay. Scheiffer is prohibited and that would allow the possibility in the future to having pedestrian and bicycle -- there's an 8-foot masonry wall could be a problem.

>> The parkland -- they would not object to that. council member, do you want to pull these off consent? no, I don't want to reopen the whole zoning case. I know this was a long hard fought

case on the part of the neighborhood and i prernt the efforts to work this out so I don't want to open that up. But if we could leave it on consent, staff indicated that we could modify the language to make clear that the prohibition on ingress and egress to scheiffer is only applicable to motor vehicle access, so the bicycle and pedestrian access would not be prohibited.

>> So that would be under part 3 under paragraph c would modify the first word in paragraph c to say, motor vehicle access from the property to scheiffer is prohibited, and that would still allow for bicycle and pedestrian.

>> Riley: pedestrian access.

>> Yeah. so is this a change to the item? it is a clarification of the item. Clarif clarification, okay. All right. I guess we're ready to vote. All in -- council member tovo? mayor, as I have in the past I'll be recusing myself from item 11 and i also need to recuse myself from items 121, 122 and 123. I show council member tovo recused from 113, 121, 122, 123. With that, all in favor of the motion to approve the consent agenda say aye.

>> Aye.

>> Mayor leffingwell: aye. Opposed say no. Passes on 7-0. And if you got some more consent --

>> actually, mayor, I think I can offer you five things very quickly. On 138 I don't believe we have any spe. This would be a public hearing to amend for two neighborhood planning areas -- two neighborhoods, the north lamar neighborhood planning area and the stonegate neighborhood association area to add mobile food vending setbacks. That's item no. 138. We could offer that as a consent, to close the public hearing and approve that amendment. 139, again, I don't think we have any speakers. These are -- both items that are coming from neighborhoods making this request. That is to have a public hearing to consider the northwest walnut creek association and stonegate neighborhood association, to add a restricted parking area map and this would basically provide the -- people need to park on their driveway and not on the grass in front of the building. So I could offer that for consent, to close the public hearing and approve that. 140, this is an alcoholic beverage waiver request for the market on located at 1700 south lamar boulevard, within 300 feet of a church. The private parties agreed to a private agreement if it's read in the record. I can do that very quickly, that this could be offered for consent approval as well for only off-premise consumption. There would be no on-premise comes and there's a limitation in ours of area, to two tables, live music prohibited, that it's only used for food sales use as defined by the development code, and that basically if the church leaves, that it's understood that the owner could come back and seek another alcoholic beverage application and would not trigger a waiver because the church would be gone. If there was another church, school, public hospital that moved in within 300 feet in the future, then that might be subject to another waiver 141, the applicant and the neighborhood -- and this is another alcoholic beverage waiver at 6707 cameron road for a speedy stop food store no. 409. They have both agreed to postponement request to the 16th, and finally item no. 143, I believe all of you received an email from the agent today that they would like to work with the city and the neighborhood and they would withdraw their request for an extension of a site plan for the property located at 1604 south ih-35. This is known

as the reagan national property, and so that site plan extension appeal has been withdrawn. No action is required on your part.

>> Mayor leffingwell: okay. So consent on the public hearings with possible action, the consent agenda is to close the public hearing and approve on all 138 and 139. They are ordinances, and to -- with conditions read into the record, to approve the resolution and close the public hearing and approve the resolution of item 140.

>> Right, and that would -- basically the only condition would be that it's for off-premise consumption, not on-premise. Correct. And item 141 is postponed until august 16. Item 143 is withdrawn. Entertain a motion to approve all those items. Mayor pro tem so approves. Council member spelman seconds. Further discussion? All in favor say aye.

>> Aye.

>> Mayor leffingwell: aye. Opposed say no. Passes on a vote of 7-0.

>> Thank you, mayor and council. i think this brings us back to 21 item 21 is wuld by council member morrison and there are no speakers. thank you, mayor. Maybe I could get some help from staff on this item. This is to approve a contract to do an aquatics facilities plan. I'm trying to find that. And part of this was kicked off. I know staff was interested in doing that. Part of that was a resolution that we the council passed calling for a master plan, and in particular it talked about we needed to incorporate an analysis of all existing aquatic facilities including physical condition and historic significance. Three other things, a future needs assessment based on population growth projections of size and geographic distribution, including of best practices for both operations and programming and an assessment of funding sources. So -- so that's one concern I have in wanting to understand how those requirements were reflected in the rfp that we -- that we put out.

>> Rosie truelove. Director of contract management. This is an rfq for engineering services associated with the effort for the aquatics master planned. I'LL LET kimberly McNeil i with the parks department talk about the overall project.

>> kimberly McNeily, assistant director for parks and recreation. The aquatics assessment is in two phases. The first phase is the infrastructure assessment that this particular rfp goes out for. The second phase, which will require a separate bid process, which will include the resolution -- resolution language that you are referring to, will be for all of the items that were in the resolution, the community engagement, the affordability, the accessibility, the opportunity for neighborhoods to be able to tell the parks and recreation department what it is that they're looking for in aquatic facilities. And so the first part is what we're talking about right now, and that's why it includes infrastructure information. After we're able to put that bidder to work, we'll have a better idea of the time frame it will take them to do their structural analysis, and then we'll be able to time the second rfp, which is about what you're asking us about, so that it coincides with the end of that and the new process can begin with the community, letting the community understand what it is that we found out via the engineering assessment, and then engaging them in conversation about where we go from there.

>> Morrison: okay. That wasn't clear from this at all, but -- so you're talking about like doing all the projections and figuring out what our future needs are and all of that, that's going to be on down the road in the second phase?

>> In the second phase with a separate rfp that will come before council for approval.

>> Morrison: okay. And then the other thing is I guess I'm concerned because does this include the -- the assessment of the historic significance of our facilities? Because that's one of the things that needed to be done.

>> Yes. Yes, ma'am. so was there any sort of qualifying criteria for whether or not they could do historic assessments?

>> I am not sure exactly what was in the infrastructure rfp, so i need -- well, whatever we're considering here, if they're supposed to be doing historic assessments, i wonder if we asked whether or not they have the ability to do that.

>> I can't answer that question, but I could certainly research it for u.

>> Morrison: okay. And so -- all right. So --

>> and we still -- really important.

>> We also still have the opportunity to negotiate with -- I believe we have the opportunity to negotiate with the individual selected bidder to make sure they meet all of those needs. So if I'm hearing that we don't have confidence that that's part of it, we can make sure that when we're speaking with them and setting out the actual assessments, that we make that a goal.

>> Morrison: okay. Two other questions, then, and that is, this is expected to be up to \$250,000 to do this assessment. That seems like a lot of money. Do you have any sense, number one, what the second -- what the cost of the second amount -- second phase is going to be? And can you give us a feel for why we think it's going to cost this much money, 250,000?

>> Yeah, we had 50 pools and we divided 50 pools -- I'm really not good at math on the spot, but how we came up with 250,000 was the 50 pools, the estimate of 50 pools divided by 250. It was that amount per pool, and that's wherever the estimate came from of the 250,000, up to 250,000. And the second part of the assessment we believe will be somewhere between 100 and 150,000, but we have to put together more information about what it is that we're going to exactly ask for in the rfp, including the resolution language, and we have already set aside money in the next fiscal year to be able to make that happen.

>> Morrison: okay. And then I have one more question. This is one of those items, as I understand it, where we do have some leeway in local preference. Is that correct?

>> I wouldn't say that we have leeway in local preference. This is one of the items that -- this is purely a qualifications-based selection, and so we've gone through the evaluation process in



accordance with the city's established criteria and staff has made a recommendation to council on who -- recommends recommendation who we feel is most highly qualified based on the matrix. Council has the opportunity or authority to select someone other than staff recommendation with -- considering, you know, what qualifications you would say would bring them to the table that would make them more highly qualified, but it's not strictly a local preference. Just one more question then for our park staff. What kind of timeline are you expecting to be on? I'm wondering if there would be an opportunity to postpone this to August 2 so that we could have some time to delve in. I presume the responses we would be able to look at and delve into a little bit more?

>> Absolutely. There would not be -- we can do that. We can absolutely do that. We wanted to get started as soon as possible but a month is not going to push us back -- there's no set timeline that says we have -- it has to be completed. And by the way, that's \$5,000 per pool. If I hadn't panicked I probably wouldn't --

>> Morrison: congratulations. You have a calculator right there on your iPod. Okay, I appreciate that and what I'd like to do is work with you all and get some more information and delve into this a little more deeply so I can understand the scoring that you had, and so with that I'd like to make a motion that we postpone this item to August 2.

>> Mayor Leffingwell: okay. Motion to postpone until 21 by council member Morrison. Second by council member Tovo. Is there any discussion of that? All in favor say aye.

>> Aye.

>> Mayor Leffingwell: aye. Opposed say no. Passes on a vote of 7-0. Let's go to item 31. 31, Which is -- I think we have a quick brief from law.

>> Mayor, I think I can give that briefing. Go ahead.

>> I don't see the attorney here so basically if you'll remember two weeks ago at the city council meeting we had an executive session to discuss the claim related to property damage that the city received. This involved an accident that the city was working on some property and damaged a line from AT&T. We had an executive session on that for you, talked about that issue, and made a recommendation. Here is Megan Riley now to give you the specifics of that.

>> As Karen Kennard stated I'm Megan Riley, in the claims division and I recommend a settlement of a claim brought by AT&T against the city. As we talked about in executive session, this was a property damage claim involving Austin water utilities maintain work maintenance work on a sewer line in 2010. AT&T alleges that the city caused damage to its underground phone line and is seeking reimbursement for costs associated with repair to the line. Generally the settlement terms of the claim would be one, the city would pay AT&T \$75,000 in exchange for this payment the city would receive from AT&T a full and final release of all of the claims associated with this incident. On this basis we recommend settlement, and I'm here for any questions. Questions? I'll entertain a motion on item 31.

>> Move approval. mayor pro tem moves approval, seconded by council member spelman. Discussion? All in favor say aye.

>> Aye.

>> Mayor leffingwell: aye. Opposed say no. Passes on a vote of 7-0. So one item that we should 00 public hearings and possible action was item 36 -- 136, which is a second reading. We've already closed the public hearing, approve on second reading a nonemergency medical transfer franchise to acadian ambulance. So the motion would be to approve that item on second reading.

>> So moved. mayor pro tem so moves, council member martinez seconds. All in favor say aye.

>> Aye.

>> Mayor leffingwell: aye. Opposed say no. Passes on a vote of 7-0. 35, I believe, was went whack and forth off the consent agenda. Council member riley, 35. There are no speakers on that. if I may, mayor, item 35 relates to a tract in the old west austin neighborhood. No, no, no, I'm sorry, item 35 relates to the austin energy tract on east avenue.

>> East lambie street.

>> And this is the substation tract and we have had a lot of concerns -- heard a lot of concerns from neighbors. I had a couple issues that i wanted to raise. Well, first, I understand that this tract will go through a design process for the purpose of figuring out an appropriate design for that substation and there will be some public involvement in that design. Is that right?

>> Yes, sonny pool, real estate for austin energy. Yes, when the substation is designed it will go through a regular site plan process, but also austin energy has committed to doing the community input process as we did on mueller. That same process will be utilized in the lamby street area. We haven't been able to initialize any of that because we just didn't know quite what we had to work with yet. But in addition to that we've been working with the design commission for the last 18 months based on the resolution that was set forth for infrastructure. We will also be going back to the design commission with the community input process and we'll come to council and brief you on what that process comes up with at the end of the -- when we go through all of that and we come up with a community acceptable design, then we'll bring it forth and do a briefing as we did before. so that will be brought to council for approval before construction proceeds?

>> It's more of a briefing. It doesn't really require council approval. The site plan process -- because the two issues that get -- that are really addressed by the community are the enclosure for the substation, and the landscaping that is put on the site. And that will include a lot of the stuff that we've been working with design commission, especially on the pedestrian-friendly access issues that we've been working with for all infrastructure projects. yeah, you mentioned the pedestrian friendly access. When you look at the site on google maps one thing that stands out is in addition to the sidewalk that passes along the south edge of the tract, you can see there is no sidewalk along the i-35 access road but you can see a well-worn path in the grass from -- based on people walking there, because there are sidewalks immediately to the south and then to

the northwest of this tract. And so it is -- for folks coming from, say, the holly street area, this is on a logical path to head straight downtown. Is it your expectation that there would be some sort of accommodation for pedestrians along that edge of the tract?

>> I can't say absolutely because we haven't designed the site. That's what we're trying to get to, to where we can do that. But based on our discussions with the design commission, yes, that would -- that would be a reasonable expectation for us to have that along that site. I know it's a very constrained site but if we did not allow for some reason for pedestrians, pedestrians would continue to work there but they'll be out in traffic on the i-35 access road.

>> I've looked at it myself. It's dangerous. it is dangerous, and so I guess one thing i would ask about, would tobacco possible to bring this being -- would it be possible to bring this back for approval before construction proceeds?

>> When the design is complete?

>> Riley: yes.

>> I don't see a problem with that. We're going to go through those layers with the community and the design commission so by the time we get there it shouldn't be any problem to bring it back to the council and let them look at it and approve it. I appreciate all your efforts on the design and especially working with the design commission and keeping with the resolution that council member morrison and I sponsored a couple years ago. I -- a year or two ago, so i will look forward to seeing this, and especially look forward to seeing the accommodation for pedestrians where we know pedestrians are currently walking. So mayor, I would move approval of this item with the requirement that it -- that it comes back to us for approval once the design is complete before construction begins. motion by council member riley, and second by council member morrison, with the additional condition, discussion. All in favor say aye.

>> Aye. opposed say no. Passes on a vote of 7-0. There are no citizens signed 33 who wish to speak. We'll take up item no. 33. Council member martinez moves approval.

>> Second. second by mayor pro tem cole. Discussion? All in favor say aye.

>> Aye.

>> Mayor leffingwell: aye. Opposed say no. Passes -- passes on a vote of 6-1 with council member riley voting no. Item no. 25. 25 Was pulled by mayor pro tem cole. yes, mayor, I'd like to ask a couple questions of staff. I think this is park staff. This is about the turner robertson center. I've received some concerns that the neighborhoods are not completely satisfied with this item because of some discussions about the equipment, basketball court in particular. Can you tell me how that's going and what the status is now?

>> Howard lazarus, public works department. My understanding is that while we are addressing the structural issues with turner-roberts our project manager asked the principal of the school about whether or not the basketball court would be needed to be made available. The principal

said yes, and that was sort of the end of discussion. I think what happened after that was there was still some concerns expressed about whether the basketball court would be not available for use while we were doing the repairs. We're going to go ahead and secure the work site so there's no problem. There may be occasions when there's overhead work where we may have to restrict it for a little while, but there's no intention of not making that facility available. so you do think the facility will be available for the basketball court?

>> Yes.

>> Cole: okay. Mayor, I move approval. we have one speaker. Melvin ren. Is melvin ren in the chamber? Evidently so. Welcome, you have three minutes.

>> Mayor, council, let me -- I know I sent out an email. Our president barbara scott sent an email to the council. She did leave off council members spelman and tovo, and she did leave off the city manager, but it reads," it is my understanding that you, the council, are ready to award a \$125,000 contract to the architect that will oversee the repairs for the turner-roberts center. I also understand this is the same architect that oversaw the original turner-roberts project. Why would you reward someone who was involved with the original project when it is obviously a co failure. One of the things that we have done from the neighborhood point of view, we presented, and all of you received, a position statement. In terms of the multiple use facility that's being built it wasn't until the neighborhood got involved that it became a mult use or multiple use or multiple purpose facility because at that time it was just an aisd and parks department coming together without taking input from the community. We have as a neighborhood attempted to sit down with council because you have a challenge grant, and one of the things that I want to bring out is the fact that this is the same position that was taken back in the 1930s when you dealt with black and brown communities, or communities of color, especially african-american. In the 1930s wheatsville became no more because council refused to sit down and talk to the wheatsville residents and see if they couldn't treat them on an equal basis. You are approving ticket \$125,000 to a failed architect, and that is part of the negotiation and settlement. Had the neighborhood been involved directly with that, we would have said no. If you look at the position statement we made recommendations in terms of how to look at overall these projects that are on the table and how to address them. But council has refused to sit down with the neighborhood association and come up, and I look at it on the basis it must be because of benign neglect, it must be because this is a community of color, black and brown. It can't be because of any other reason other than the fact that you don't want to treat cotney park equally and fairly as you treat other communities in this city. I know many of you sit there, smile, faces and different things like that, but this is an issue whereby you have not addressed the issues that are out on the we appreciate the help that we've received, appreciate meeting with you, chris, and also you, sheryl, in relationship to the project, but I think our position statement is very plain. We would avoid the condition you have right now where you have \$125,000 going to an architect who failed the first time in overseeing the project. The department who failed the first time in overseeing the project. So I think that as we move forward we still are open to sit down and try to resolve the issues that exist out there in the calley neighborhood park association.

>> Mayor, may I say spg? mayor pro tem.

>> Sticking to the issue of the basketball court because I know this is a complicated matter and I don't think there's been many meetings that my staff has not been with the neighborhood on, and I'm trying to stay up on it. But just with regard to the basketball court, because that's what I heard was the specific complaint about this item, what do you know about that?

>> That issue was resolved. That's what I call mistaken identity that went out and they came back and indicated that the basketball court would be operational. And just as it was spoken, the person spoke before me about -- that they would handle it in that fashion. That became a nonissue shortly after it happened.

>> Cole: okay. Thank you. I still move approval, mayor. mayor pro tem moves approval of item 25, second by council member tovo. Council member spelman? I have a question if I might. I wondered if someone from public works could explain to us -- hi, howard. We were suing graeber simmons and now we're hiring them again. Could you explain that?

>> Graeber simmons and cowan was the architect of record for turner-roberts recreation center construction. After the deficiencies in construction were discovered and identified, then we went to a long investigation process. We sat down with both the constructor and the designer to seek an equitable compensation to the city to cover the damages. That negotiation was -- we did not engage in litigation. There was a long and extended mediation that took place that I believe resulted in the best possible outcome for the -- i think 34 million settlement debt that council approved several months ago. There are restrictions in that mediation agreement, which I'll defer to council to address. However, part of the terms of the settlement were \$125,000 contract to graeber, simmons and cowan to provide continued design and oversight during the reconstruction of the facility. if graeber, simmons and cowan were a party in some way to the fiasco of the first version of this contract, what assurance do we have that we will get better results this time?

>> The resolution, or the resolution that council passed to approve the contract and approve the settlement also included some fairly substantial dollars for the city to provide increased oversight of the design and construction effort, so we do have a much larger presence than we've had in the past on facilities projects. In the past the practice has been and it is the legal practice to have the architect of record serve as the owner's representative. That was the case here. It's our feeling that because of performance of both the architect and the constructor, that we -- that the additional surveillance and presence of city staff on-site is warranted. We have a structural engineer on-site who will make sure that there are no repeat errors that occurred before. So I think we have increased oversight and inspection by the city staff that was not there initially. why does it make sense to involve graeber simmons at all?

>> They are the architect of record. The intent initially is that they are going to repair the facility, not just the gymnasium portion but the rec center portion. They have a liability there. If we were not to continue with them, we wouldn't have that continued liability, and it would be very difficult to get another architect to come in and accept responsibility for an existing condition.

>> Spelman: okay. So they can accept responsibility for their mistake.

>> That's correct. they're in a position to fix their mistake, which they are admitting, and we have our own people on-site to make sure that things are done according to code.

>> According to the plans and specifications. according to the plans specified. My apologies.

>> That's correct.

>> Spelman: okay. all in favor say aye.

>> Aye.

>> Mayor leffingwell: aye. Opposed say no. Passes on a vote of 7-0. No. 36. 36 Pulled by mayor pro tem cole. mayor, this will be quick, I need somebody -- thank you, somebody from neighborhood housing. Thank you. no speakers on this one.

>> Cole: there are speakers? no speakers.

>> Cole: thank you. I pulled this item because i have heard a lot of concerns from the merchants in the area about parking, and I'm wondering if there has been any discussion about this in connection with this item with parking with the neighborhood and the neighbors.

>> No, there has not. Lorraine rizer, real estate. This negotiation has just been about the city leasing a property from a nonprofit. so could the lease allow for public access to the local business and the merchants after hours?

>> The parking lot currently is not chain guarded in any way, so it's basically open.

>> COLE: chief McDonald, did you have some comments? I saw you wanting to -- have you had any additional discussions or can we make that a condition of the lease or --

>> YES, michael McDonald, deputy city manager. Yes, I've been in conversation with greg smith, the ceo of ara who talked with the chair, erdy, and as lorraine was saying, the parking area has basically always been open, particularly after hours for parking for the area. Currently when you look at the number of spaces that they have there during the day, there's only enough there during the day to accommodate the employees in the restaurant that they have, but after hours is certainly some flexibility there, and what they've offered to do is to sit down with some of the business -- those that are interested in that area, and put together some type of user agreement with them to use the area after hours. That's what they've offered to do.

>> Cole: okay. Well, I'm going to go ahead and move to approve this item with the added direction those conversations occur and that that agreement be executed.

>> Yes. mayor pro tem moves approval with additional direction. Is there a second?

>> I'll second. council member riley. I would like to ask a question or two. Mike, I understand the office of sustainability will be -- is either there now or is expecting to occupy some space in this building. Is that right?

>> [Inaudible] office of sustainability is mentioned in the backup. But it's not clear to me.

>> They're currently there. We have wic there, human resource division there as well. I would add a comment to that. We've been working on a parking cash-out program here at city hall to -- and at the main branch of the central library to provide an option for employees who want to give up their parking spaces to receive something in return, and some of those spaces can be made available to the general public, and I would suggest that this is really a great opportunity to engage both the office of sustainability and the human resources department in a continued conversation about exactly how that -- how a parking cash-out program could work, because ideally those spaces could be made available to the public during the day as well as the evening, because instead of -- right now under this agreement we are paying \$55 a month per space for 73 parking spaces, and so we could arrange, for instance, to instead of paying \$55 a month for an employee, we could give that employee 50 bucks to take some other means to work, whether that's the bus or working or biking or whatever, and then that space could be made available to the general public, and everyone would win. We would actually save money in addition to having some environmental benefits and making the space available to the public. We haven't gotten that program quite right here at the but this seems like a great opportunity to make further progress on it. So I would provide that direction to staff to sustainability office and human relations for that type of program here at the site.

>> Yes, we will.

>> Riley: great. Thanks. all in favor of the motion say aye.

>> Aye.

>> Mayor leffingwell: aye. Opposed say no. Passes on a vote of 7-0. 37, pulled by council member riley. item 37 relates to -- has one speaker.

>> Riley: oh. Do we want to hear from the speaker first? will macleod.

>> I just want to clarify on item 37, the public -- the right-of-way on west 11th street. Is this the one we're talking about that had the power lines on the steep hills? Okay. Well, I remember I was here about two weeks ago in council, and you -- council member riley made a comment about people preferred to walk up steep hills with power lines. I kind of found that insulting because I live on morado circle that has steep hill power lines and -- hills and power lines. And austin energy said it was not safe there over on west 11th street. For once I agree, and I must be seeing visions because for once I agree with austin energy. I take their word that it's dangerous. You know what happens if you were in a thunderstorm and you're walking underneath a power line? You don't walk there. You can't walk there. You have to call a cab. There's a risk of electrocution, and I've seen people get struck by lightning. I used to live in houston, texas, and I remember this guy walking across the street on 610 towards the astrodome, got luck tro

constituted by a lot electrocuted by lightning. If austin energy says it's not safe it's not safe. I recommend -- and then the fact that you talk about stairs. No council has mentioned wheelchair access, ramps, warning strips in there, just stairs. That's like I guess -- i assume you all don't want us to be over there. I mean, all I'm trying to do is integrate in society like everyone else, and it's hard for me with a mobility impairment, with arthritis. I can imagine how hard it's going to be for people who can't walk and can't get there from here. We have a lot of problems we need to fix here in the city of austin, and I would hopefully you would vote no on this and keep it the way it is. Thank you. council member riley? this relates to a tract off of -- on upper west 11th street, it's basically the -- just below the site of the castle up on castle hill, and the area we're talking about is really within a -- what is essentially a super-block in that part of old west austin, a very dense pedestrian oriented area, which unfortunately doesn't have very good access from the top of the hill down to lamar. In fact, from -- there's really no access that goes all the way from blanco down to lamar between 9th and 12th. So it's basically about a six square block area with no access that goes all the way down from the top of the hill down to the bottom. There are rights of way. Now, the 11th street right-of-way, which is what will was referring to, has power lines going over it. The city vacated that right-of-way in 1983. I think that was unfortunate because I think it actually could be a great pedestrian access. It's one of the best views in austin. It's a wonderful view of the skyline and you could have some way of providing access, but at this point i understand the plan is to bury the power lines but to develop the property and that the city really has no basis for having access to that from a pedestrian standpoint. We will continue to maintain the utility easement, but the lines will be below ground and there's really no basis for retaining any kind of easement for pedestrians. I would note that 11th street, the city does still hold the 11th street right-of-way, and it is still there. It's just a hillside, and you can climb up it, but it's just not a very -- i can see why pedestrians wouldn't use it on a regular basis. It goes up -- you get to the top of the hillside and there's a cul-de-sac on the other side. I would note the neighborhood has expressed interest in this in the past. The neighborhood plan mentions wanting both -- in addition to new and repaired sidewalks, the neighborhood expressed an interest in connections to allow pedestrian travel, and i think there is an opportunity there on the -- on the 10th street right-of-way to have a very nice path that would provide access from the top of the hill down to lamar, and i would just encourage anyone who's interested in that in the neighborhood to continue working on that because in the future it seems like that could make a great little pedestrian access route and could well accommodate wheelchairs as well. I'm sorry we couldn't work anything out at west 11th but there is an opportunity notable on west 10th. On that basis since we can't do anything with the 11th street right-of-way I would move approval of the item. Second second ed by council member morrison. I want to thank council member riley for trying to push that. I am one of the neighbors that would love to have some blocks away, access. I know there's interest and I look forward, maybe we can work toward. a tunnel? a tunnel perhaps? A tow rope?

>> It's not that steep. The 10th street right-of-way is not as steep as 11th. Not as good a view because there's trees but -- it could be a very pleasant path up the hillside. I'm all for the trees, but I appreciate you bringing that up. Wasn't aware that could be a possibility so that's great. if you will consider a zip line, include me in.

[Laughter] with that, all in favor of that motion say aye.



>> Aye.

>> Mayor leffingwell: aye. Opposed say no. Passes on a vote of 7-0. Without objection, council, we stand in recess until approximately -- 38 -- there are two citizens signed up to speak. Without objection we're in recess until approximately 6:30.

>> I'd like to get everyone's attention please. We have a time for live music, soul singer akina adderley, she's a soul singer, front woman of a se -- akina adderley and with the vintage playboy. Old school r&b. She teaches music and theater at ace academy along with teaching private voice and piano lessons. She has sung, lead and backup vocals on roadings with talented musicians including charlie marl, black bone child, gary clark, ryan young and cybill. She's currently working on her second album with the vintage play boys. Please help me welcome akina adderley.

[Cheers and applause]

[ ♪♪ music playing ♪♪ ]

[ ♪♪ music playing ♪♪ ]

>> okay. I have a couple of questions for you. Do you have a web site?

>>

>> Where can we buy your music.

>> Cd baby, itunes, amazon, waterloo, and at live performances, like for example this saturday for free at central market or this sunday for free at uncle billie's rooftop at 7:00. We're playing there too. so those are the next gigs.

>> Those are the next two. We have with the at patagonia a new live music series down the street, in a couple weeks. Come over after work and buy camping gear.

>> We have a live proclamation. It says be it known that whereas the city of austin, texas is blessed with many creative musicians whose talents extend to virtually every musical genre and whereas our music scene thrives because austin audience support good music produced by legends, our local favorites and newcomers alike, and whereas we're pleased to showcase and support our local artists, now, therefore, i lee leffingwell, mayor of the live music capital, do hereby proclaim june 28, 2012 as akina adderley day.

[Cheers and applause] do you want to take a picture? Next I believe the mayor is here to do the next proclamation. And hopefully we'll next have someone else to take a picture th -- that's shorter than me. it's my pleasure tonight to issue a certificate of congratulations to one of austin's professional engineers. It's especially a pleasure for me because I'm an engineer too, and so i appreciate the work that you do even though I am not a professional engineer. I'm a engineer by education. So -- and from the watershed protection department, you're from, which is a

department I've had a long association with and work with you guys over there when I was a member of the city's environmental board and chair of that board for four years. So I'm going to read this certificate and then you can come up and say a few words if you'd like. The certificate of congratulations for having been selected as the government civil engineer of the year by the texas section of the american society of civil engineers. Jose guerrero, professional engineer, cfm, is deserving of public acclaim and recognition. This award recognizes engineers who provide exemplary service to the texas section and do general -- and to the general public through their work and their gifts of time and service. Recipients are nominated by their peers. guerrero has worked for the city for 28 years. He doesn't look that old, does he? 20 Of which have been with the watershed protection department. During that time he has helped countless austinites by developing unique solutions to drainage problems in their neighbors and business areas across our area. We're pleased to recognize guerrero for this well-deserved award and for his outstanding work on behalf of our city, presented this 28th day of june, the year 2012 by the city council of austin, texas. Signed by myself, mayor lee leffingwell. Congratulations to you, jose.

[Cheers and applause]

>> wow. Thank you, mayor, council members, city manager marc ott, the executive team of the city of austin. As high drawing engineer -- hydraulic engineer and government employee I'm grateful for a lot of things. For example I've never heard of the phrase storm water runoff to nowhere. Storm water has to go somewhere. This is a true honor to be bestowed by the american society of civil engineers. I'm proud to join other engineers from the city of austin, water utility, and our own departments, michael kelly. And on behalf of all the great and awesome and inspiring employees of the city of austin's watershed protection department, some of them here today, director victoria lee, who isn't here today, director joe pentalian, all of our executive team has been an inspiration to me and certainly a part of that award. Thank you for the teamwork and all of your support. I want to recognize my family who is here today. My father, my engineer of the year, every year, pepe guerrero who just got in from galveston, texas, my mom, yolanda guerrero, my wife cha came and my amazing daughter lena. Thank you again for allowing me to participate in this wonderful profession of civil engineering and doing it on behalf of the city of austin. Thank you again.

[Cheers and applause] joe stout. Is joe here? Oh, there he is. Okay. You're up next, joe. I've got to say that this is a first for me, reading a proclamation about -- reading a proclamation about mosquito control, but i certainly think it's a worthy effort and in recognizing that we have a proclamation to read, and i will read it and then I will let you say a couple of words about the -- you know, the more -- less common aspects of the mosquito control. Be it known that whereas mosquito borne diseases including yellow fever, encephalitis, dengue fever and dog heart worm have historically been a source of human and animal suffering illness and death in the united states and worldwide, and whereas excess numbers of mosquitoes also diminish enjoyment -- diminish enjoyment of the outdoors, put parks -- outdoors and playground, hinder outdoor work, decrease livestock productivity and reduce property values, and whereas, professional mosquito control based on scientific research has made great advances in reducing mosquito populations and the diseases they transmit, and whereas increasing the public's awareness of the health benefits associated with safe mosquito control methods that reduce pesticide risk to

humans, animals and the environment, plus the need for individuals to eliminate mosquito breeding sites on their own property are the goals of this special work. Now, therefore, I, Lee Leffingwell, mayor of the city of Austin, Texas, do hereby proclaim June 24 to the 30th, 2012 as National Mosquito Control Awareness Week in Austin, Texas. Congratulations, Joe. Come on up. Say a couple words?

>> Yes.

[Applause]

>> Thank you very much. I just wanted to say that if we ever do get rain again, that one of the important factors is eliminating those breeding areas around your neighborhoods and your home. So if you have anything, you know, checked off, if you've got standing water anywhere on your property, even a small container can breed mosquitoes. So that goes a long way in reducing the mosquito population citywide and it's another way to be a good neighbor. Thank you very much.

[Applause]

>> Thank you, Joe.

>> Thank you. Okay, so Dave Sullivan, Sandra Kirk and Mandy Dealey, and associated friend.

[Applause] We know these three individuals have done an incredible job for the city. They work as many hours as the city council. They figure out the nitty-gritty and they give us recommendations that more than likely we follow. And my particular commissioner has served both terms that I have served previously, and I am forever indebted to her for her time, talent and treasure. So I am honored to present this distinguished service award for her commitment, collaborative effort and valuable input as a member of the planning commission. Sandra Kirk is deserving of public acclaim and recognition. Sandra has served on the commission for six years and has served as secretary for much of that time. Mayor pro tem Cole commends her for always going above and beyond in her role as from the middle of the road and showing compassion for the multiple viewpoints which she must stress. This certificate is presented in acknowledgment and appreciation of her contributions this 28th day of June in the year 2012. The city council of Austin, Texas, Mayor Lee Leffingwell, Mayor pro tem Sheryl Cole, council members Chris Riley, Mike Martinez, Kathie Tovo, Laura Morrison and William Spelman.

[Cheers and applause]

>> Hi, thank you, everybody, who's been a part of this journey. It's been an honor to serve on the planning commission. It was a wonderful task, and I was able to proudly carry on a family tradition of public service and serving on city boards and commissions. I thank my sister, Connie, for being here today, and my long-term friend Ora Houston, who is here kind of representing my family, but it's truly been an honor and I've served with some fabulous people, two of whom are with me here today, but under this fabulous leadership of Dave Sullivan and previously Chris Riley as chair of the planning commission, we've had some really great discussions and great opportunities to do service to the city. So thank you all for supporting us.

[Applause] we're actually honoring three different planning commission members who have served our community well for a long time. I'm not going to say how long, but they've been here a long time. And I'm going to honor my nominee, one of my nominees, to the planning commission, who is also retiring. Keelie? But I also want to say that she's not totally retiring because I believe she's going to hang around the downtown commission and continue to be on that group. And so Mandy has been, you know, not only a member of the planning commission and the downtown commission for a long time, but has served the community in so many different ways as an active, as a board member of the local Planned Parenthood, even active on the national level, I believe, and also as an officer and very active in the Heritage Society of Austin, which is one of my favorite groups. So it's with great pleasure that I present this distinguished service award to Mandy for her commitment, collaborative efforts and valuable input as a member of the planning commission. Mandy Dealey is deserving of public acclaim and recognition. Mandy has been on the commission since 2005, served as parliamentarian for two years and vice chairman from 2008 to the present. She has also been the planning commission representative in the downtown commission. In addition Mandy has worked diligently on the Imagine Austin Comprehensive Plan, which has just been completed. Her broad interests and commitment to seeing projects through has benefited both the commission and the public during her tenure. This certificate is presented in acknowledgment and appreciation of her dedicated service this 28th day of June, the year 2012 by the City Council of Austin, Texas, signed by myself, Mayor Lee Leffingwell. I'd like to invite Mandy up to congratulate her and allow her to --

[applause] you brought me some flowers? Oh, they're your flowers. Okay. All right. So here's your certificate.

>> Okay. go ahead.

>> Thank you. The mayor thought these were flowers for him.

[Laughter] but actually I want to thank Steve Sadowsky from the preservation office for bringing me these. I really appreciate them. It has been an honor and a privilege to serve on the planning commission, and at times even a joy.

[Laughter] it has been my honor to be on the downtown commission and to chair the waterfront task force as a representative of the planning commission, and it's a bittersweet day. I'm looking forward to a little bit of a break but these are such great people who work incredibly hard. It's sad for me to say good-bye. So I'm hoping I won't say good-bye entirely. I will be around and thank you for this honor and for the privilege of serving on the commission. Thanks.

[Applause]

>> I'm Council member Chris Riley, and it is such a privilege today for me to have the opportunity to recognize someone who was -- has been a friend and mentor to me for many years. Back in 2001 the city reconstituted the planning commission. They split off the zoning and platting commission from the planning commission and created this new body known as the planning commission and I was lucky enough to be appointed at that time and one of the reasons I felt fortunate to be there was because I was I was serving with an amazing array of talent including

someone who served on the previous incarnation of the planning commission, dave sullivan, who I know many of you all have come to know over the years. He has been serving on the planning commission continuously during that time breaking all kinds of records for service on the planning commission. Well, there may be one other person who has some tenure like that, but he's -- he's definitely up there. And he has done an amazing job in setting a standard for that -- for that commission and the way it conducts its business. He -- the way he conducted meetings, the way he had helped navigate very difficult waters. He would shed light on very difficult issues, always taking the time to pause and explain things so everybody in the room would understand exactly what was going on. He was in a position to actually offer compromises based on his very deep knowledge of the land development code. He was in a great position to be able to negotiate agreements that everybody could work out, and it was really a pleasure having the opportunity to serve alongside him and to see his work in the years since. So I want to go ahead and read this distinguished service award that we're going to present to him on behalf of the mayor and the whole city council. For his even temperament, his intellect and his sense of fairness as a long time member and chair of the planning commission, dave sullivan is deserving of public acclaim and recognition. During his 18 year tenure on the commission, dave set a constructive tone for even the most challenging meetings. His insights on connectivity, affordability, mixed use and other issues will be sorely missed. Commissioner sullivan's service culminated in a long awaited adoption of the imagine austin plan, which he shepherded through completion. The austin community benefited tremendously from his contributions and the impact of his service will be appreciated for many generations to come. This is presented in appreciation and acknowledgment of years of service to our city this 28th day of june. It's my great honor to present this on behalf of the city council -- behalf of the mayor and the whole city council.

[Cheers and applause] before dave speaks we have a special honor for dave. As chris said, he has served on the planning commission for so long he's practically an institution, served well as chair for I don't know how many years recently, four or five, at least. So we have a special honor for him, a proclamation that reads, be it known that david sullivan, or just dave as we know him, is not just an active city volunteer. Besides having served on the planning commission the bond oversight committee, the live music task force and in his neighborhood association, he does other things, and whereas I'm glad to know he does other things --

[laughter] whereas primary among those other activities is his work at the university of texas at austin center for energy and environmental resources, and whereas he is also a bicycle commuter and an avid science fiction reader, a rock 'n' roll music fan, a conversationalist and a new urbanist. I didn't know about that last part, and whereas we consider dave sullivan a prime example of what it means to be an austinite. We are pleased to have the benefit of his advice and enthusiasm in so many arenas that affect our city. Now, therefore, i, lee leffingwell, mayor of the city of austin, texas, do hereby proclaim july 1 through the 7th, 2012 as dave sullivan week in austin, texas.

[Cheers and applause]

[one moment, please, for ]

>> one of the fastest growing cities in america and that creates hardships with regard to water and green spaces and etc. And we make hard decisions and i appreciate the fact that people, even though we've had many disagreements we still don't create enemies over those disagreements. Thank you very much.

[Applause]

>> make you stay until we're done.

[Applause]

>> Mayor Leffingwell: We have --

>> Martinez: We have a couple more proclamations or maybe just this one. But it's my honor to present this next proclamation. Matt el rancho on south lamar is celebrating -- pardon me a, folks, if you could carry your conversations outside. Thank you. Matt's el rancho is celebrating 60 years in austin, texas and you know they're not in their original location. They started out in 1952 on july 7th at 302 east first street, down the street, which we know is cesar chavez street and went through four expansions and 1986, the founders, matt and janie martinez, opened their current location at 2613 south lamar boulevard. SO ON JULY 7th, THAT'S GOING To be their 60th anniversary and I'm here to celebrate and honor them and thank them for six decades of service. Generations of families that have run the restaurant, they brought half the family here to celebrate the evening with us and we appreciate them all being here. But if you haven't been to matt's el rancho, you need to go. Best margueritas this town and best food around. I do eat the food. I have a proclamation I'm going to read and present to the family and whoever wants to speak. Be it known matt and janie martinez opened their restaurant in 1952, serving 50 meals in a location that seated 40 people. Today, they serve 2,700 meals a day in a restaurant that employs 135 people and their largest location boasts an in-house and offers in and out of house catering and continues as several family members joined the business and continue to provide traditionally friendly service and always -- and matt martinez senior and matt martinez junior, both inducted into the texas restaurant association, the hall of honor, the first father and son to be accorded the association's highest honor. I, mayor lee leffingwell, extend congratulations on the martinez family on their success and proclaim the year, 2012, as matt el rancho restaur 60th anniversary year. Congratulations. Who would like to speak?

[Applause] please.

>> Our wish was to cook the best food in austin and I have to thank our friends, our customers and god for the successful 60 years in business. Our business will continue with our children and our grandchildren, and right now, i have some friends and my daughter and son-in-law and two of my grandsons. And I thank you -- I thank austin, and all our customers for our successful 60 years. Thank you so much.

[Applause]

>> Cole: We're here -- come on down. Who else do we have. And a lot of our staff. Please come join me, all of you. Staff included. You know, as you've seen tonight, citizens that put in hours and hours of work and we have really dedicated staff and sometimes, things go really right. And we're here to celebrate one of those times tonight. Last year when we were looking at the budget and the water utility was suggesting they really needed some increase in rates. There were a lot of questions about whether they did and what kind of structure that should be. And what we did was, in fact, do something temporary and we asked our staff and council member riley and myself and I think spelman was also on it also, asked our staff to get together with representatives from the resource management and impact advisory board and our water and wastewater commission and see if they could find out the right way to really go forward in terms of how we have deal with our finances the water utility and we heard this morning from the chair of the committee, mickey fishback, as well as the director of the water utility, greg, and that things were a little rocky for the first couple meetings but they were really able to figure out how to work together and did fabulous analysis and the staff put together a tool to look at all different kinds of scenarios and came up with a recommendation that pretty much everyone is on board with and it's a fabulous outcome. We wanted to in particular, take the time to recognize the hard and successful work that these folks did. And so thank you all for being here and I have a certificate of appreciation, first, for each the members of the committees. Excuse me, the commissions. That I'd like to read off. Maybe you can hand these out for me, chris. And they all sort of say the same, but the names are changed. The first is for mickey fishback. A certificate of appreciation for bringing her knowledge and expertise as a member of the -- it should say resource management -- no, you're water and wastewater, water and wastewater commission to the joint commission on austin water committee's financial plan. She's rendered valuable service to the city and the joint commission was charged to strengthen the financial stability of the water utility and we appreciate her willingness to do double duty. This certificate is presented in recognition thereof. It 20th day of june, in the year 2012. City council of austin, texas. Signed by the mayor and from all of us. So thank you very much.

[Applause] and then we also have one for sarah faust. Chris bailey on the advisory committee. Luke -- now you're on

[inaudible] thank you.

[Applause] ken lee, also, who is on the wastewater.

[Applause] and this could not have happened without the great work of the staff and before I turn this over to greg, I want to thank him, the director of our water utility for really helping to forge what now can be a terrific productive relationship. So we have one for you, that says, certificate of appreciation for facilitating the work of the joint committee on austin's water utility financial plan. Greg of the austin water utility has rendered valuable service to the city. The joint commission was charged with making recommendations for short and long range plans. We appreciate the staff's willingness to go above and beyond their regular job duties to provide the commissioners for the information they needed for their deliberations. This is present the 20th day of june, in the year 2012. From the whole city council. Thank you very much.

[Applause] do you have a list of the names of staff?

>> That's just the ones who are here today.

>> Morrison: We have the ones for dave and anderson. Anders. Michael cass today seeo. Castillo. Brian long. Jason hail. Lisa rhodes. And cassie hodes. Chris, do you want to say a few words before we pass it over to greg or anyone else?

>> Riley: I have to say we can be -- we empathize with what you've gone through and I'm impressed with the outcome of your work. It's a remarkable achievement. It was not easy and we're deeply indebted for taking it on and performing admirably. Thank you so much.

[Applause]

>> first, I would thank the council members that sponsored the resolution, you had hopes for us, perhaps greater than we had for ourselves and your leadership was appreciated and you should be proud, I think it will pay dividends for years to come. Besides the utility staff that's here, there's doz others that contributed and I would thank them for their great work.

>> Thanks, greg.

[Applause]

>> Morrison: Wait, wait.

>> I would want to say -- actually, I did not know we had a rocky start. I thought everyone was delightful to work with. Sometimes it's good not to know. But really it was enjoyable to work with everyone. This was a real hardworking group of people. I don't know when they excellent. The and the committee members worked many, many hours with dedication and focus and respect for each other, the public and the staff. And it was a great honor to be able to do this.

>> Morrison: Thank you for your leadership.

>> Thank you.

[Applause] 🎵🎵🎵

>> Mayor Leffingwell: Ok. We're out of recess. We're out of recess and begin with item number 38 pulled by council member morrison. We have speakers signed up. We'll hear from the speakers first. David king. Is david king here? Or how about heather ebberly. You have three minutes. She donated time but not in the chamber so you only have three minutes.

>> Thank you for the opportunity to speak to you. I'm speaking for the master plan for the public parks, I think there's great that you want to see the big picture and plan that out. Two thumbs up and if I had a third one, it would be three thumbs up for you. I want to thank you for that initiative and hopefully, council member spelman she'll put a component to allow the ziplines so you can have fun at the parks. But I live near zilker park. I'm there and I use it every day and hike the trails there. I love it. It's beautiful. To me, it's the heart and soul of austin, texas and



makes me feel so good and proud to live here in this great city. It really does. And I want to see that preserved and I believe you all do too. Having the opportunity to be so close and use it every day, i get to see a lot of things that happened in the park, zilker park, town lake. I hike the trail every day and you probably know, that's why you're doing the plan, it's congested. It's really at capacity. Maybe even over capacity. There are not new bathrooms. Sometimes there's a line and i have to hold it until I get down the trail and sometimes I have used the parks and recreation bathrooms. They're kind enough to let me use those. The trash cans are overflowing can, frequently and there's not recycling containers and I know this because I care so much. When I hike down the trail, i take a plastic bag and fill it up with plastic bottles and people, I don't know why they throw things down and make our parks so ugly that way. Just don't understand it. I'm going to do my part. Not just tell you we need to do more. So part of what I'm trying to do is help give back to those who have given us these jewels and what I'm concerned about is the parks and recreation department, they do a great job, I know they're doing all they can to maintain them and keep them available for public use. So they're looking -- but they don't have enough budget and i know that's a problem. So looking at different ways to solve that problem. One of the things they're considering is expanding commercial use in those parks. That concerns me. I've already seen in the small commercial use they're allowing in town lake, the town lake hike and bike trail, the trainers that come in with they are customers, they pick the best areas to do their training and sometimes I have to avoid those areas because they're already occupied and so we already have, I think, a good blending of commercial use there. I hope we done extend that use. That's my main thing as you look to the master plan.

>> Mayor Leffingwell: Thank you.

>> Thank you.

>> Mayor Leffingwell: Council member morrison.

>> Morrison: Thank you, and king, I think our parks department is currently having sort of a review discussion about commercial uses in our parks so I don't know if we have -- yeah, we do have parks staff here and I think might able to help you get connected in that discussion. It's eucrite item. So this is a item actually that acknowledges we do have a master plan and many other plans and we had asked staff to go back and help us develop a process that would determine when changes in use and changes in our parks would come before council and when they would be merely -- dealt with solely by the staff and I appreciate your work on this. And we have a recommendation from the parks -- from your work, and modifications from the parks board and my interest is clarifying one line in it. I think it got over-word smithed by a committee. What came to us was a statement that said the city council shall approve projects that meet at least one of the follows criteria. Like if it's increasing parking spaces and all that. I think it really meant to say the city council shall consider approval of projects that meet one or more of the following criteria. So I wanted to make a motion that we adopt the recommendation that we have, with that modification to clarify we're not obliged to proof anything specifically. Does that --

>> absolutely.

>> Morrison: Thank you very much. That's my motion.

>> Mayor Leffingwell: Council member morrison moves to approve item 38 with the modifications on the sheet. Seconded by council member martinez. Further discussion? All in favor say aye.

[CHORUS OF AYES] Opposed, no. Passes on a vote of 7-0. Item 41. No speakers signed up. Pulled by council member morrison.

>> Morrison: Thank you, mayor, this is an item that is back to us. It was -- we looked at it, i think, two weeks or a month ago, and we were looking at releasing some of our etj authority that's on the line with I guess -- williamson county line and cedar park. And when it had come to us, what was in the offering that had been negotiated wasn't exactly up to the standards, environmentally that we usually expected and existed on that land with our regulations. So before we release it from the etg, we had asked staff to go back and see if there was a way to [inaudible] the agreement and I wanted to hear from our staff that worked on it. What improvements, changes were made since the last time that we heard from you and whether you had any -- made any progress in protecting the environment a little bit more strongly.

>> Good evening, city environmental department with the watershed department. Since the last meeting we were here and the item was postponed, we've sat down again with city of cedar park, williamson county commissioner cynthia long and other staff from williamson county and cedar park and made significant improvements in the agreement and I'm happy to report in my opinion as environmental officer what we have today proposes an agreement in principle that is substantially equivalent to the city of austin's environmental regulations. They've agreed to limit impervious coverage to 35% across the area and they've agreed to all new development, all new impervious cover will have water quality controls and agreed to retrofit existing development for water quality controls and even though this is not -- what we've specified will not implicit -- not comply with current city code, it's the type of development that might qualify for a variance and once it went through boards and commissions would be approved. So I'm pretty comfortable with what we have proposed on the table today. We've got a few things to nail DOWN, CROSS Is AND -- DOT SOME I'S AND CROSS Ts AND WE SHOULD Be able to complete this shortly.

>> Morrison: I appreciate your work and one of the concerns is to make sure we aren't setting a precedent of loosening things up but this is a I understand, a special situation. We're talking about parkland.

>> Yes, it's a unique situation. A parkland situation where we have a number of services, emergency services in particular that converge on this -- converge on this area and because it's right on the boundary, there's sometimes a question of who is on first. But we've been able to get significantly approved environment protections and i appreciate the opportunity to do that.

>> Morrison: Great, I appreciate your work and i appreciate the county's officials and commissioners part of all of this that we were able to come to a fine agreement. Mayor, I move approval.

>> Cole: Second.

>> Mayor Leffingwell: Council member morrison moves approval, seconded by mayor pro tem. For me, the most important aspect is that this is property that the city of austin would never annex and it's zoned by the texas parks department and will be parkland no matter what happens. So I think given those and the fact that our watershed protection ordinances -- criteria have basically been complied with all in favor, say aye.

[CHORUS OF AYES] Opposed, no. Passes on a vote of 7-0. Take up items 44 and 45 together. And we have a number of speakers. Three, in fact. Michael lauderdale. Is michael lauderdale here? Wayne vincent. Yavino fernandez those are all the speakers we have signed up wishing to speak.

>> [Inaudible]

>> Mayor Leffingwell: One motion. Council member martinez moves approval of -- I think we better take both. One as a ordinance. Council member martinez moves approval of item 44. And I will second. Discussion? Council member tovo?

>> Tovo: I had questions for staff on this item. Please. My first question, really relates to some of the fine -- to the financing options. So it's my understanding that this item was presented to our citizens' bond advisory committee, is that correct?

>> The bond advisory committee?

>> Tovo: Yeah, it's my understanding that this purchase was presented to our citizens' bond advisory committee and that they did not recommend including it within the bond package.

>> I believe it was included. Elaine hart, cfo, and one of the distinctions here is that the useful lives of -- well, the bond term would be longer than the useful life of the equipment. So the long-term public improvement bonds would not be a appropriate financing vehicle for this type of equipment is why we're choosing this financing mechanism.

>> Tovo: Is that the reason that the bond advisory committee did not recommend it or did they have other reasons for not recommending its inclusion?

>> I stand corrected. It was not on their discussion list, is our understanding.

>> Tovo: You know, I saw it on my copy of their discussion list. That's why I was asking.

>> I believe it's on there as an

[inaudible] and I believe the item is talking about a hangar and a mason's facility for the air operations. I don't believe it's for the helicopter itself.

>> Tovo: Thank you. In terms of the contractual obligation -- sorry, the -- can you remind me what the language is again that we're -- the financing language? A contractual obligation?

>> It's contract allegations, they're referred to sometimes as K.O.s AND THEY USUALLY HAVE A Shorter term of length of the debt instrument than our public improvement bonds and they're specifically used to finance moveable equipment. Certificates of obligation and public improvement bonds are used more for facilities and land acquisitions and those things. K.O.s ARE AN INSTRUMENT WE USE To purchase fleet vehicles, a helicopter would be appropriate for it and they generally have a shorter term that's more tied to the length of the useful life of the -- of the equipment.

>> Tovo: What would be an example of another recent purchase that was done as a contractual obligation?

>> We typically issue some K.O.s EACH YEAR. In august, we'll issue public improvement bonds and certificates of obligation and contractual obligations. We can use them for radio equipment, vehicles, in our vehicle fleet. We used them recently for police sedans. But I can give you additional detail.

>> Tovo: Are those considered within the regular budget process or are they -- I guess I'm -- I'm curious as to why we're dealing with this request outside of our regular budget process which we've already begun.

>> In this particular instance they're outside of the budget process, that's why 45 is a budget amendment. Part of the reason they're trying to specifically address the wildfire risks that we have, and the long length of lead time they have for ordering this equipment. It's my understanding that the police chief did not want to delay this because -- the long lead time, he didn't want to delay until september after the budget was adopted because that would add an additional three months to the 14-18 month lead time it would take to get the equipment. So this was really to accelerate and place the order, to be able to go forward and placing the order with the vendor, or a vendor to purchas equipment.

>> Tovo: Yeah, I guess I was calculating based on the 14 months. We would certainly not have it in place for this summer.

>> No.

>> Tovo: And it seemed like a couple month delay would get it in place, still, by next summer. So, you know, working off that 14 months, I guess that was really the basis of my question, why we weren't considering it within the regular budget process. Maybe the chief might have some --

>> johnson, the reason we're looking at this now, it will take a while to get the mechanism and contract in place so the idea is if we do this now, then we won't actually be paying any money next next year. Do you the contract and set up milestone payments you don't have the money until it's gotten to that point. So the idea is now is the time. There's a lag time on orders. Right now, we're probably looking somewhere around 2014 before we'll be able to get this. So, again,

if we can get a chance to use a contract vehicle, get it going, it will be after october before you'll actually see any expenditures against this.

>> Tovo: Thanks for being here, I know you've been here a lot today. Can you give us a sense beyond what's in the backup. How it's used. Two helicopters right now, are those helicopters currently shared with the fire department or are they exclusive I don't have the police department.

>> We have two helicopters. One is a 40-year-old army surplus that quite frankly doesn't meet the needs of this urban spreadout sprawl we call austin, texas and an answer why we're trying to get it here in the front end, if we wait much longer, we probably won't have it delivered in time for next summer. So it will be another summer without a additional firefighting capability. The aircraft we have now is a 58, a vietnam era hand me down from the military and a euro copter. I'm like a broken record. You're probably smiling underneath. This city is a city that has a tremendous challenge in terms of vegetation, dry vegetation and the threat of fires is real. We've seen it this last summer. This aircraft is a aircraft at the direction of the city manager and we came together and the leadership he's provided on this is key, is the first time we'll have a aircraft with the police department, although it's a primary police helicopter, it has the capability to fight fires. Part of the plan on this is with this type of aircraft, to equip it with a bambi bucket so we can drop water on fires. Last year when we had the fires, the fire over at sinner rampager and out in leander, not the leander fires and in bastrop, the things we learned that the state and the feds are very slow to come to help us. So we hope to accomplish with this specific aircraft and the specifications is to have an aircraft that can meet the needs of the police department, the fire department in terms of the water dropping capabilities and lastly, also will have the capacity to perform search and respirations and medical in the event that star flight is not available. Though that's not our intent, it will be fully capable and one of things we want to do if this passes is working with the fire department, I think the chief is here and the director of ems is here. We want to start launching the special operations group, as a joint agency taskforce, to start working our training and protocols to be able to utilize this not just for fire fighting but also for police. Lastly, one of the things that we had -- that saddens me is the vehicular pursuit we had a couple of weeks ago. You know, a lot of folks don't understand our department has one of the most restrictive pursuit policies in the country. We do pursue, however, it has to be a felony or a suspected dwi. In in the latest pursuit, had we had aircraft, we intend when we have aircraft to call our people back, pull them way back to maximize our ability to capture the person, but most importantly, maximize the safety to the motoring public, the unwitting member of the public that's exposed to the callousness of the people trying to get away from us. One of the problems with our aircraft, quite frequently we have no aircraft and this is a huge step in the right direction to help us have the equipment we need to maximize our efficiency through all three departments.

>> Tovo: I appreciate that --

>> our newest aircraft is 10 years old.

>> Tovo: I blazed the goal of bringing in a helicopter if that makes better sense than having cars on the road chasing another but I wanted to zero in on how this helicopter is essential given that we have two existing ones. In the example, you mentioned where the two helicopter that is apd

has, otherwise occupied, would they have been available? Was there some reason they couldn't be called in on that?

>> Our primary helicopter right now is the 120. The 120, this actual pursuit, it was able to launch shortly at determination point. The problem, because we have few aircraft, we have to limit our flight hours. And we've limited them so much so they quite frankly can't be on station on time. Last month I was on patrol, east austin, we have a hotshot in charry sector, two men break 30 in the morning. Had we had an aircraft -- it's frustrating because we can't have the 24 hour coverage with just the two aircraft we had. Had we had an aircraft, we would have had the two guys. I was about the third unit on scene.

>> Tovo: Sorry to interrupt. The helicopters that apd has occupied doing something else?

>> No, it was because we only have one primary helicopter. We have to limit our flight hours. Because we have to maximize the ability --

>> Tovo: Fly hours -- flight hours?

>> Flight hours. We have to extend the use of the helicopters as much as possible. The second piece for us is huge. Is that with the firestorms we had last year, they're just the beginning, I don't think that's the end. I think it's the beginning. This will be the first time that the city of austin will -- the first time the city of austin will have an aircraft that will have the ability to start water drops, hopefully within minutes, especially when we do our training with the fire department. We've seen the significance of the fire danger we have and for the first time we'll have an aircraft that can do that. Our current helicopter can't do that. Even though they're both used by the fire department, not just during the bastrop fires, used on -- one available for the structure fires when they use the flair, the -- the flare, to look for the hotshot spots that are available. They can see from the air to identify for the firefighters what areas are the building they're fighting fires in pose a threat to them and I think the chief is here that can speak more to that. He was here.

>> Tovo: That's great. Before we move on to the chief, I have some questions for you here and you too. You're saying that two helicopters -- you keep referring to one being available. Is the 40-year-old helicopter non-functional at this point?

>> That that 40-year-old helicopter for a city that's 308 square mile, with the heat, its pail capacity is not sufficient for the kind of emission -- missions we need to fly and for a city that's a world class city to rely on something that's so subpar is not consistent with the excellence that the people of the city expect from us and personally it's insufficient and kind of embarrassing we're relying on something from vietnam in 2012 that I don't think we drive around 40-year-old cars on a regular basis and here we are flying 40-year-old helicopters. We're having a hard time finding parts for that helicopter. We do everything else. Milk everything we can. But it's on its last legs. When the 120 is down for maintenance, we're at times -- we go weeks at a time currently in the city of austin without any helicopter coverage. And for a city of almost a million people, personally, that's unconscionable. To have zero helicopters. The last thing, for ems and star flight, frequently they're forced into action for law enforcement missions and use the euro

copter, it's huge. It's primary mission is medical at a greater cost and if you talk to star flight, they'd like to get out that have business and there isn't sufficient police helicopters.

>> Tovo: So they're -- you're saying they're filling in for apd?

>> At times --

>> Tovo: The 40-year-old helicopter, you're not using that one?

>> We use it when we can. But the problem, imagine trying to maintain a 40-year-old car.

>> Tovo: I know --

>> it's difficult to do. It's a stopgap measure that more often not, it's stopped. It isn't even flyable. Our 120 is 10 or 11 years old and that's starting to get to the end of its useful cycle and quite frankly, moving forward, if we get a helicopter, it's forward thinking on the part of the city manager to look at one that can't just meet the needs of the fire department but the needs -- with the green space we have here in terms of search and rescue, medical missions and the water drops.

>> Tovo: On the 10, 11-year-old helicopter, you mentioned that you're limited in terms of fly hours. What are you limited to per week and do you ever any data.

>> We do.

>> Tovo: Compared to passivity.

[One moment, please, for change in captioners] so I mean it is a war horse that's been, you know, used and abused and it's really -- we want to try to stretch the life of that helicopter, at the same time bring in a new helicopter that can actually help us do things that we currently can't do because we already know we're on notice as a city that we are woefully prepared for a fire storm as a region. You always say that a region that is emergency preparedness is relying on the states and feds is a region prepared to fail. We're not going to put our cards in somebody else's hands. We as a city want to be able to bring something to bear right away to the fire that has already been here and to the fires yet to come and this will be a huge as set. The chief is going to talk more about that fire fighting capability.

>> Tovo: But the primary purpose is going to be to ?

>> Yes.

>> When you can put 130 gallons around the perimeter of these large area fires, you can make a difference. A helicopter can get to places where crews aren't or can't get. So it makes -- it makes a significant impact on how we deal with those particular types of incidents. They are different in fire fighting than a fixed wing aircraft that's dropping water in longitudinal runs dropping retardant. It's a specific tool but it does make a difference in how we use it.

>> Tovo: And so the question I started to ask the chief is that so you are going to use these. Will you have access as a fire department to use them whenever you need them?

>> Absolutely. Police department and fire department are very good relationship. We've already planned wildfire training we can do with them so they will be trained at the level we'll need them and trained to participate in that. The other thing that I think that's important is the only other aircraft available to us, the first call would be starflight. The next call would be d.p.s., a state resource. Then the next call would be the national guard, which has to be activated with the governor's office. So pretty quickly we could run out of air assets.

>> Tovo: I appreciate that. That's all the questions i have.

>> Ernie rodriguez, also , one of the big challenges that we face is when we do search and rescue operation. We set up the commands on the ground and do our best to try to locate victims that may be lost in a large area and it would be really great if we could set up an air level command that would help direct all of our rescue personnel away from a helicopter can get to hazards and towards the victims. Star light has to prioritize and providing air support for a.p.d. or fire support. In these last situations, we had to do rapid evacuations as part of a population, we would have had to make a difficult choice. Either we lose homes and property and possible life or we absolutely lose life in another situation that we can't evacuate rapidly. Another situation e.m.s. Experienced during the wildfires, one of the roles we play is provide rehabilitation and rehydration to firefighters fighting those fires. We had a very difficult time accessing those firefighters as they worked their way into the wild land putting out those fires. We had to find vehicles that had four wheel drive capability and work our way to those firefighters to keep them safe and healthy while they are fighting those fires. With an aircraft such as this, we could load that with equipment, personnel, air drop them and handle the rehydration and rehabilitation the firefighters need.

>> Mayor Leffingwell: Councimember spelman.

>> Spelman: Let me follow up that. What's it going to cogs and maintain the b-3 on annual basis, do you know?

>> It's going to depend on the amount of flight hours. That aircraft is about roughly 450 to \$500 per flight hour, about \$70 more than the current aircraft we have. Of course, the first two years it will be under warranty so any break downs will be under that.

>> Spelman: We'll have to do routine maintenance ourselves.

>> Correct.

>> Spelman: You had an estimate for how many hours you are going to be up in the air, I presume.

>> Probably about 400 hours a year. We would split time between it and the other aircraft. We wouldn't totally set the other aircraft back.



>> Spelman: About 400 hours at \$500 an hour, i could probably do that in my head if this were earlier in the day but I can't.

>> 200,000.

>> Spelman: \$200,000. Taken annualized capital cost is going to be around half a mill if we're talking 10 year at 5%. We're talking \$700,000 per year to buy the helicopter, keep tonight the air and keep it running doing what it needs to do for the next ten years. Is that about right?

>> That would be about right.

>> Spelman: That doesn't count the time of the personnel doing the flying and the continuing training either, does it?

>> Correct, that's just operating costs.

>> Spelman: We have a couple guys flying the helicopter too. It seems to me that this is a big enough expense and it's also an ongoing expense not just a one-time only expense of three million seven, but an annual expense of a half a mill to buy it and another 250, three or so to operate and maintain it, staff it and so on. It seems to me it makes more sense to put this in the budget and include this in our usual budget discussions. The reason for doing it now, it seemed to me, is because you want to have it available for next summer to fight wildfires. But in the fiscal note it states that we -- it's going to take from the daylight an order is placed, it will take at least 15 to 18 months before a new aircraft can be placed into service. That means the actual we could get it into police service would be october of 2014. Seems to me that's going to be very close to the end of the wildfire fighting season and an extra couple of months if we can only get it up in the air as early as the first of october probably won't be that big a problem. There's a lot of other values to it, I understand, but a couple months, the difference between october and december 2014 doesn't strike me as being that critical that we can't just include this in regular budget discussions.

>> I'll certainly let the chief respond to that, to that piece about the importance of the timing. I just wanted to clarify in regards to the budgetary implications, there would not be any budgetary implications for fiscal year 2013 regardless if we do it now or if we do it as part of the budget. The aircraft obviously wouldn't be available until sometime 14 to 18 months from today, so those costs won't impact fiscal year 13. The debt service would not hit until fiscal year 2014. From a budgetary planning perspective for the fiscal year 13 budget we're coming up to now, that was something, you know, we asked those questions and looked into it as well and you are correct that service will be about \$560,000 a year depending upon the interest we get. But that service payment would not -- in fiscal year 14.

>> Spelman: Ed, would this be the sort of thing which we would consider in the budget process in the next couple of months under ordinary circumstances?

>> Well, we talked about doing it as part of the budget process and in conversations with the police chief he thought there was a need and urgency to try to get it done earlier and so we came

up with this approach. And now to begin the process of identifying the particulars of the aircraft that they would purchase and to go through the purchasing process, they need this budget amendment, they need council authority to do so. And so, again, it doesn't affect the 2013 budget from a service perspective, from an operating perspective doing it now as opposed to when the budget process allows getting the aircraft earlier and we talked to the operational folks so that's how we came up with this approach to the issue.

>> Spelman: If this were february or march, I would understand your position. Given this is the end of june and we would not be able to put this thing in the air until october, it seems to me that -- I would prefer to have this be included in a regular budget discussion. \$800,000 A year is a fair amount of money and I think it's a big enough chunk of change it makes for to us consider this in comparison with all the other uses of cash particularly in the context of public safety.

>> michael McDonald, deputy city manager. One of the things that we calculate the ongoing hours part of what the police department and the other public safety divisions are talking about it, it's not adding another 450 hours or so to the already thousand hours we have budgeted. There will be some efficiency there. Certainly there will be times when we only have one up and we can't say it will be exactly half the time, but certainly want to try to hold particularly the older aircraft in we know we are on the brink of an emergency. Then we would have both up at the same time. So ongoing expense is not exactly adding an additional 450 on top of the thousand we already have.

>> Spelman: We're deferring the cost of what we would have otherwise put up in the air and then, of course, you guys would be kind enough not to mention if we talk about 40-year-old helicopters costs are going to be higher than a brand new one, particularly one under warranty. All that said, I just prefer to consider this during the budget discussions, and mayor, I would like to offer a substitute amendment to postpone action on this item and give direction to staff it be included in the budget discussions.

>> Mayor Leffingwell: Motion by councilmember spelman. Seconded by councilmember morrison. Further discussion?

>> Cole: Mayor, I have a few questions.

>> Mayor Leffingwell: Mayor pro tem.

>> Cole: Chief mcdonald or chief aceveda, I'm trying to make sure I understand the time implications.

>> I'm timing it for five years ago. I think the question this council needs to ask itself, shortly after we've had thousands of homes burned down in this region, shortly after we had another one of our citizens killed in a pursuit, do we have sufficient aircraft. And if the answer is no, then I think that the sooner we get that aircraft online the sooner that we can enhance the safety of the people that we serve.

>> Cole: So it's not a particular time of year that you really are targeting, you are just saying we have a 40-year-old helicopter and it's past due in terms of your need. Am I correct?

>> I'm saying when that bell rings that we have a pursuit that we have whatever the need is for an aircraft that too often right now the answer is there is none available. We don't really believe that if we wait there's a good chance we won't have it by next summer. I really fully believe if we get this done sooner rather than later, we will have it by next summer.

>> Cole: Let me ask chief McDONALD BECAUSE I'M Trying to understand why do we have a 40-year-old helicopter. It should have been -- should we really be talking about the fact that it's not a part of our current or future budget discussions even for this year or should we be talking about why it hasn't been thus far.

>> Well, the 40-year-old helicopter really for a long time we had no helicopter at all. The 40-year-old helicopter was more of a surplus helicopter that --

>> Cole: Let me stop through. You said for a long time we didn't have a helicopter at all.

>> Right.

>> Cole: So why do we need one now?

>> Well, for a number of reasons. You know, many of which --

>> Cole: What's changed from then till now?

>> Well, it's a much larger city. Even when I joined the department, we certainly would have been great to have one then because even, for example, our pursuit policy was much more liberal than the one they have in place now. So as the chief was saying, they were able to restrict that. I guess the other thing i would like to comment on is and the chief has allude to do this, we're such a large city now. You know, during the pinnacle fires, when that took place, we -- although we had firefighters out there working and other public safety, in many ways we feel kind of helpless because we had to wait to get someone else that had the ability for the air drop for the water. And you know, luckily we were able to get some help i believe from the department of public safety, but we were really handicapped along those lines and we could see where the fire was moving and that others were at risk. And so, you know, being a large city, if we had that capability and the other two aircraft we have in place don't have that capability. Since the fires of last year, we've had -- chief kerr has headed up a wildlife mitigation team that's been cross-functional with representatives from THE COUNTIES AND THE ESDs, And so what we've tried to do across the board is put together some of those things we think could make an immediate impact, you know, and so we don't -- we didn't start with just the helicopters. We're doing things also to train residents on what they need to do, you know, for fuel purposes and to minimize some of the impact. So we're not looking -- you know, for, say, this helicopter to be the panacea for solving all these problems. But I can tell you once we get into an emergency situation, it is certainly better to have that capability at your own fingertips instead of having to wait for an outside agency that may be occupied to deliver those services.

>> Cole: Thank you. Chief, did you have followup?

>> The other point even if you were voting on this issue today, prior to actually having to commit to an actual -- what this is going to do is give us the opportunity to get in line. If you decide during your budget process that you don't want to sign the final contract, byron johnson has told me you would have that opportunity to say later on you changed your mind and i think he can speak to that better than I can.

>> Byron johnson, purchasing. Thank you. This item does not approve the purchase of the helicopter. This just allocates the money that would allow us to start the process to see how we can go forward with this. So there will be another item that will come to council that will actually approve the purchase that you can parallel along with the city manager's budget and get a chance to look at it and revisit the issue one more time again.

>> Cole: Okay, so they will come up together. Because we're in the budget process now.

>> That's correct.

>> Cole: So we'll come back during the same period of time to evaluate this again.

>> That is a correct statement.

>> Cole: Okay.

>> As soon as we can get a method approved whether it's a contract or cooperative or solicitation, but you will be doing a separate item to approve it. This just allows us to go out and see that we can get the contracting method to be able to get the helicopter. And again, it still does not approve the actual purchase of the helicopter. That you would get a chance to visit again.

>> Cole: Thank you. Mayor, I'll say that i understand the need to evaluate the public safety critical demand and i believe that it is critical in the context of the entire budget because we have a lot of needs throughout the city. But it's my understanding byron's comment that approving this item is not going to prevent us from doing that. And since we have actually seen the item and the backup and certainly have heard for some time now from the police department about the need, we can do that with approving the item and not finally signing off on the money, is my understanding. So I will not be voting for the substitute motion.

>> Mayor Leffingwell: And I'm not going to support the substitute motion either. I think as chief avevedo said, we're way overdue. We should have been having this talk five years ago. And it's very important when you are ordering popular aircraft, as you said, you get in line. Believe me, if you decide to get out of line, there are going to be plenty of people that would be willing to take your slot in line. Finally I would say we've heard the word 40-year-old helicopter here a lot of times tonight. And being in the flying business myself for 35 or so years, I was actually in a reserve squadron one time when we were flying 40-year-old airplanes or more accurately not flying 40-year-old airplanes.

[Laughter] believe me, when airplanes get old, you get corrosion problems and it's really hard to keep them flying. And the older they get the harder it is to keep them flying. This is something I think we need to do. It's been put off long enough so I'm not going to support the substitute.  
Councilmember spelman.

>> Spelman: Byron, if you are still there someplace. At what point would we -- at what point would we have an opportunity to actually make the decision yes, no?

>> Will have an award my department will put forward. At the very earliest if we found a cooperative it would be in august. Right now our estimate would probably be that agenda in september is a good target to do this, if we go out with a solicitation. So at that time you would then have the choice. You would already have the budget, you would be able to look at that, but again, you could still decide at that point to not approve a purchase and change the budget or approve the purchase and go forward with it at that time.

>> Spelman: If we approve this item, presumably that would secure a place in line for the next available b-3. If we pull ourselves out of line, is there going to be a cost associated with being in line in the first place?

>> No, sir, no. What this will do, it will give us the ability to go forward to see how we can purchase this. Again, whether it's a solicitation or whether it's cooperative purchase. But really the idea is is that state law says you can't go out for a competitive solicitation unless you can have the funding source available. This just allows you as a council to give us the authority and the city manager to have that funding source available to proceed with some form of solicitation or purchase. But you will see the purchase.

>> Spelman: Mayor, given johnson just said to ensure that we have the authority to secure a place in line for a very popular helicopter, I'll withdraw my alternative motion.

>> Mayor Leffingwell: Without objection, the motion -- substitute motion is withdrawn.  
Councilmember martinez.

>> Martinez: Thanks, mayor. Having been in the austin fire department and in public safety, you know, i just appreciate the comments and certainly appreciate asking questions about how this is going to be handled and purchased and we still have decisions to make. But in the 20 years, 20-plus years I've been here in austin, we've had very, very expensive -- we have yet to have a plane crash. We have them there for a reason and that's for when it happens and we train every day for when it's going to happen. The purchase of a helicopter is very expensive and i realize we can debate all day where else we could 9 million and whether or not that's higher priority. But when it comes to public safety, it is an expensive insurance policy, but it is an insurance policy. Because it's not a matter of if you are going to need that but it's when you are going to need it and I say we need to buy it when we don't need it so when we do need it we'll have it available to us. I intend to support this motion and move forward.

>> Mayor Leffingwell: All in favor say aye. Opposed say no. Passes on a vote of 5-2 with councilmember morrison and spelman voting no. I'll entertain a motion on item 45.

Councilmember martinez moves to -- moves approval on all three readings. Seconded by mayor pro tem cole. Further discussion? All in favor say aye. Opposed say no. Passes on a vote of 5-2 on all three readings with councilmember morrison and spelman voting no.

[Applause] council, that brings us to item 66. This only has one speaker signed up. Item 66 was - councilmember spelman, did you pull --

>> Spelman: I pulled 66.

>> Mayor Leffingwell: One speaker, mason hester wait a minute. You've already spoken. Okay, so we have no speakers. Councilmember spelman.

>> Spelman: I would like johnson a couple more questions if he's still in the room. If he hasn't ordered that helicopter yet.

[Laughter] I don't need you up here. Thanks for asking. Byron appears to be talking to american euro copter. There he is. Byron, we're on item 66, the legal aid section.

>> Yes, sir.

>> Spelman: I appreciate your extremely helpful memo explaining the differences between the arag and legalese. But divorces are unlimited -- unlimited coverages for divorces so long as it's not contested. He then there's a reduced fee which would amount to \$150 for any hours over 50.

>> That's correct.

>> Spelman: That's unemployment in legalese. What appears to be happening is arag is great if you want estate planning and legalese ends up being better if you end up getting divorced and it's contested. Is that about right?

>> That is a correct statement.

>> Spelman: Looking at the cost for our employees, this is entirely an employee funded benefit, and I'm getting a cost per -- of the 4,000 enrolled employees, I'm get a cost per enrollee of 141 per arag and \$157 for legalese.

>> On an annual basis?

>>

>> Spelman: I'm not sure. I'm looking at the numbers of total cost you included in the bottom of the memo and dividing that by 4,000.

>> That's correct.

>> Spelman: I'm getting 141 and 157.

>> Yes.

>> Spelman: So the difference is about 15 bucks a year. Legalese and its better divorce coverage is about \$15 more expensive than arag with its better estate planning coverage. Is that about right?

>> Yes.

>> Spelman: And you rated them just about even steven. Arag came out one point ahead. What basis should I use saying I want one or the other. We're going to give them whichever choice we make earlier. If I did have a choice, how would I decide which of these two I would prefer?

>> We have the h.r. Department who could probably explain it a little better. In our review of this from purchasing, what the rationale that they looked at was the number of users for the type of service. So in the information if you look at it, really most of the people are using it as a legal hotline and their legal preventive service, and again, estate planning as being the big one. So you look at are the people getting their money for that or would they be getting it for the other people that were on a very limited basis doing it for divorces. And really the intent when the city looked at this going forward was that the divorce piece of it would be for preliminary advice. It would be preliminary meetings knowing full well they may decide to bring their own attorney or something if it got to an uncontested basis. But this would be for just literally advice type of things. So when you look at the intent when this was put into place, again you look at it, and the biggest use we know is actually tickets.

>> Spelman: Of course.

>> And some of the information. So you look at who would use it and who isn't using that piece of it and do you have everybody pay a fee that is higher for something that only a few people would be using.

>> Spelman: Although i understand why you are saying only a few people would be using it because in any given year only a few people get divorced, it's also true over the course of a lifetime or a lifetime of marriage, lots of people get divorced, almost half of americans get divorced at one time or another and most of those who got divorced would probably if they were working for the city of austin has a very good chance that divorce would happen while they are city employees. It seems to me although it may be 75 a year of the covered employees would get divorced on a yourly basis, if it's over a ten-year period, more or less add a zero and maybe a little bit more. So we might be talking about a fairly large percentage of the employees who are taking advantage of our legal benefit who would at some point or another be using it for divorce purposes. And the difference between a 15-hour limit and the extremely expensive cost of the divorce if it were contested, if there were kids involved, could be pretty substantial, several thousand dollars at least. Does that sound about right?

>> It potentially could be.

>> Spelman: Is there a way we could -- I understand when the bids were received, the bids were very specific as to what kind of coverage they were considering. Do we have the flexibility to negotiate with either or both of these two bidders on specific items covered or what the extent of the coverage is?

>> Yes, in fact this is a proposal.

>> Spelman: Okay.

>> And we intended to go back with the one that council awarded as the recommendation and we would actually like to ask them to increase a little bit on what they are doing. One of the things that we had to look at targeting was asking them to increase the number of hours. We haven't asked that. I can't -- I don't have approval yet to negotiate. We would look at doing that one, but again one of the things that we looked at is that you do estate planning, you may be something you are going to continually look at, you are going to continually decide to update it, maybe you bought property or changed assets; whereas a divorce may be hopefully something you wouldn't use as often to do that. I can't speak for everybody.

>> Spelman: Elizabeth Taylor is not working for the city of Austin.

>> So again, we were looking for some direction. We've already talked, Washington and myself, about what would be our target that we would see for when we get an award and then we can go off and negotiate with the company. We really looked at trying to see if we could get them to up the hours by about five or six hours to get that one because if you look at it, you kind of take the average number of hours, and 15 might be too low, 15 or 20 might be a good target so we have not done that negotiation yet but we would like the approval to go in order and see if we can't negotiate.

>> Spelman: What instrument would be appropriate from us to give you the authority to do that negotiation? Would it be approval or postponement or what?

>> The answer is if you don't give me an award, I don't have the ability to negotiate.

>> Spelman: I see.

>> So my legal advisers would tell me you would need to give me the authority to do that. There's two ways we could do this. We could either do an award, negotiate and execute, or you can give the award -- you can give approval to negotiate and request that we come back with a contract to execute. Either of those two provides us the vehicle to go forward.

>> Spelman: Mayor, I would like to see this again. So if I can move to approve negotiation of the contract with Arag and give the Johnson to negotiate what he can negotiate and have that come back to us at some future date, would that be in August?

>> Yes, sir.



>> Mayor Leffingwell: Motion by councilmember spelman to negotiate only and bring back for execution. Is there a second? Councilmember morrison second. Further discussion? All in favor say aye. Opposed say no. Passes on a vote of 7-0. We'll go to item 22. Which has several speakers. 22 Was pulled for discussion in executive session. First is carol hadnot. Carol hadnot. Is here. Is aletta banks here? Aletta, just raise your hand if you are here. No? Lorie washington. Here? Not here. So carol, you have three minutes. Cuckoo. my name is carol hadnot and I'm representing the minority trade alliance that's comprised of the asian contractor association, the u.s. Hispanic contractors association, and the austin black contractors association. When we heard about this substation project, we requested under the open records act the hearings, the independent hearing officer's report. On their findings. And we were told by staff that the request had to go through the proper channels and processes. Then we requested from the chief of staff who is now the overseer of smbr that a copy of it as well. And they said that it was too much proprietary information and that the law department was advised to the attorney general's office for opinion. So therefore we had to just operate off of the backup information from the council agenda and from the report from the electric utility, the agenda from the electric utility commission report. What we found was very disturbing and we have to appreciate that the staff did deem the apparent low bidder and noncompliant. These were the goals. African-american was 1.55. The apparent low bidder was zero. The second lowest bidder african-american participation was 12.90. The third lowest bidder was 10.48. For hispanics, the city goal was 3.24. Hispanic accorded for the apparent low bidder was zero. Hispanic for the apparent second low bidder was 3.90. Hispanic for the third bidder was 7.34. Native asian, the goal for the city established was 1.09. Native asian for the apparent low bidder was 10.10. Native asian for the second lowest bidder was 1.10. The third lowest bidder was 1.09 for native asian. 870 established by the city. For the apparent low bidder, 2.63. The second lowest bidder was 30 and the third bidder 2.14. Clearly there's a blatant disparity. It is absolutely blatant disparity that has been shown between the apparent low bidder and the other two lowest bidders. The question is how did this happen.

[Buzzer sounding]

>> Mayor Leffingwell: You have three additional minutes.

>> Okay. Thank you. The question is how is it possible that the second and third lowest bidder overachieved their participation -- the participation goal and the apparent low bidder did not. It just is beyond my comprehension how this happened. There was no due process. The reason I know there was no good faith negotiations because my contractors came to talk to me about it. So I'm not understanding all these little rumors I've been hearing the last few minutes about what the decision is. But you all, you know, you got the power, like you said today, you can do whatever you want to do. In the electric utility commission, it stated that they were authorizing the execution of a contract with the apparent second low bidder, but it didn't happen because this was put in protest. So we have a hearing officer that does not have fresh eyes. So we need to get rid of him and get someone else who knows the ordinance and know how to thoroughly evaluate a protest hearing. I'm just very disappointed in this. What you are sending a message is that you need not achieve the goals. You can come here and say I'm going to sue the city so therefore you will let them go ahead and do that. So what you are telling the other bidders, you don't have to do that. Why would they even take the opportunity to do it because the same thing will happen. So

that's pretty much what i had to say. It's just no fair play in this. And in terms of the program, it's already in jeopardy. We're losing contractors every day. We are paying our taxes and utility rates to austin energy and this city and then it's given to someone else out of this city, but we can't even participate in these opportunities. So you all really need to do some soul searching because it just gets down to if it's dealing with people of color, it doesn't matter. Thank you for your time.

>> Mayor Leffingwell: Thank you. Paul saldana is the next speaker. All right. How about juan has already donated his time. Carl daniels. James harper. Are you james? Did you want to speak? You have three minutes.

>> I'm familiar with that. James harper, austin black contractors association. I -- I notice, I come down, I haven't been here for a while, but I see that, you know, what we do here is still basically the same. I've been coming down here before this council since 1986. And it's like by the time we get where we need to be with councilmembers, election comes and they are gone. And I don't -- you know, i have a real problem, you know, of understanding how we do things and how we, you know, everybody, everybody says certain things, say we're thought racist and we're not this and we're not that, but our actions are something that's different. You know, and everybody that I know, you know, some of my so-called white friends, they said they are not racist because they know me and I'm their friend. But one of my friends can't come in their house. So I see that as being a racist. But because they know me, they claim they are not. And I don't understand that. That's real strange to me. And I don't understand why every time something comes before and it has something to do with black or brown, if we have a real, real problem dealing with it. We bring up everything there is we can come up to a lawsuit to whatever it is we can come up with. Councilmember riley, if i come down here riding a bicycle, I probably could get his support, but I'm 70 years old and can't ride a bicycle and can't from where I live. But I should be able to get his support on something else that has to do with me and my welfare and somebody being fair with me as a taxpayer in this city, i mean I don't have a problem if y'all don't want to support these things, I mean we have a program that says, an ordinance that says you are supposed to do so much for blacks, browns, women, asians, all of this. But when it comes -- and it don't happen, everybody turn their head. The mayor had his office set up there on manor road in dead east austin. When he was running for office. Now we got to issue

[indiscernible] turns his head. He don't see this. It don't matter. And every time it don't matter it's because it's emergency issues. Well, I don't think this one is. And I think y'all should just bite the bullet and do the right thing for once.

[Buzzer sounding] just do the right thing. I don't think none of you would lose any sleep tonight.

>> Mayor Leffingwell: Thank you, james.

>> Thank you.

[Applause]

>> Mayor Leffingwell: Raymond gonzalez. Raymond, did you want to speak? All right. Clint canea. You have three minutes.

>> I want to thank you all for having me in today. Allowing me to speak on the issue. My name is Clint Sonye with utility lines and construction services. I'm here to talk about the award of Dunlap substation to apparent low bidder. Back in 3-22 we proposed a project. Seven weeks later after careful review and good work from the good people of the City of Austin staff procurement department and the small minority board review, we were deemed to be the recommended contractor to come before you today and be awarded the project. Because of our compliances that we have -- that we went through in the process, we were not the low bidder. We were a close second. But because of the participation that we made sure that we complied with throughout the process of 33% when the city was asking 75, we were deemed to be the apparent recommended bidder. I've heard a lot of things about the difficulty of achieving those results. For us to get 33% took four phone calls. Not a different process to adhere to. Just have to do it. We felt like we -- in the spirit of the overall program that the city has put forth, the initiative that you set out here several years back, we have done everything we can do in order to put forth a competitive proposal that is adhering to all initiatives, policies and procedures that the city would like to have. We have filed protests, attempt to protest with the city after finding of the initial reversal through a protest hearing. Within the allotted time frame of section 100 of your outline and r.f.p. process. We got an email from the director of procurement today, of contract management today ten minutes before this proceeding started saying that our protest would not be heard. Section 100 deals with four-day process for an intent from the time you find out to 14 business days after that for a written protest to be submitted to the city. We have not officially submitted a written protest to the city so my question to the council would be how can we be deemed not to have a written protest heard when we haven't submitted it yet and be denied that possibility of doing so. It's very simple for us. I mean, we complied with the processes that you put forward. We would ask you as councilmembers to adhere to, compliance plan, the initiative that it was set forth to be.

[Buzzer sounding] follow the procedures of what your staff had said was a good ruling initially and either delay the process to where we can have our protest heard or award it to the second bidder. Thank you.

>> Mayor Leffingwell: Thank you.

>> Spelman: Mayor? Councilmember Martinez.

>> Martinez: In light of the fact we have 12 hours of testimony yet, we had a long executive session item. Staff presented several options and without going into further detail I'm going to make a motion on one of those options and that's to reject all bids.

>> Mayor Leffingwell: Councilmember Martinez makes a motion to reject all the bids for this item number 22. Seconded by councilmember Spelman. Is there any further discussion? All in favor of that motion say aye. Opposed say no. So that motion passes on a vote of 5-1 with councilmember Morrison and myself voting no. Councilmember Morrison off the dais. It passes on a vote of 4-2 with councilmember Tovo and myself voting no and councilmember Morrison off the dais. Request by councilmember Tovo to hear item 44. One speaker, Susan Rankin. Welcome, you have three minutes. You don't need to take it all.

>> I won't. Thank you mayor and council. I'm susan rankin, executive of the trail foundation. I want to thank the council and the voters for all the hard work everyone has done along on the boardwalk and thank you for approving the other items this morning. We really appreciate and we are very excited about finally completing the trail. It's going to be enormously important to the citizens of austin now and in the future. Thank.

>> Mayor Leffingwell: Thank you, susan. And thank four the trail foundation's generous contribution to this project and I'll be very brief and just say I'm very supportive of this item. I'll entertain a motion to close the public hearing and consider the order. Councilmember tovo.

>> Tovo: I have a question for stuff but I'll close the public hearing and move approval.

>> Mayor Leffingwell: Councilmember tovo moves to close the public hearings and approve the ordinance an all three readings and question for staff. Seconded by councilmember martinez.

>> Tovo: Very quickly, with regard to the flood plain issues, it's my understanding from speaking to someone who actually got a notice that the boardwalk will be raising the level of the lake by a bit and I just wanted you to address that issue and talk to the issue of homeowners in that area who might be impact by it. Will they be at risk in and out of needing to get flood plain insurance or anything along those lines?

>> Mayor Leffingwell: Go ahead. It doesn't sound like it's on.

>> Test, test. Okay. My name is jose gary row, assistant director watershed protection department. We have had a presentation for you. It would have addressed that. In summary we find slight increases with a 100-year storm event. And the colorado river flood event. This basin begins in new mexico so it's a big flood. We identified and surveyed two properties that were affected. Properties with or without the construction of the boardwalk would remain in the flood plain. Half an inch is the depth of increase. One building is a commercial restaurant, the other build ing is run residential condominium project.

>> Tovo: So in answer to the question about whether a property owner in that area would need to increase their flood insurance or anything like that, in your estimation, the increase would be so minimal that it wouldn't place them at increased -- significantly increase risk?

>> Staff looked at the scenario of premiums, could they increase. Fema rounds up to the nearest foot. The half inch rise didn't get to the foot in these two -- these two locations. So we determined there probably wasn't going to be an impact to rate or --

>> Tovo: Thank you.

>> Mayor Leffingwell: Okay. Any other comments? All in favor of the motion say aye. Opposed say no. Passes on a vote of 6-0 with mayor pro tem cole off the dais. One other quick item is number number 95. It's a eminent domain case and so I will -- the motion needs to be with respect to item 95 being a nonconsent condemnation item, the motion is that the city council of austin authorize the use of the power of eminent domain to acquire the property set forth and

described in the agenda for the current meeting for the public uses described area. That's language that's prescribed by state law. Councilmember martinez so moves. Is there a second? Seconded by councilmember spelman. Discussion? All in favor say aye. Opposed say no. Passes on a vote of 6-0, mayor pro tem cole off the no carrierringconnect 57600

>> Mayor Leffingwell: That takes us to item 42 in which -- mr. rusthoven. Councilmember tovo.

>> Tovo: I'm looking at speaker sign-up and we are hours and hours of testimony and I fear we have closed the public hearing on this issue, that we have a lot of issues still to discuss among ourselves. I have several motions, amendments to make if we proceed with the discussion tonight. Maybe some of my colleagues do as well. We are awaiting some answers from staff about an educational impact statement about their discussions with . It my contention since the ordinance that was posted for consideration last time is very different from the one that we're considering today that we really have an obligation on the public to reopen the public hearing and hear testimony about those changes. I would propose that we postpone this issue until our august 2nd meeting and take it up again then. Again, I think even though i intend to make -- that we reopen the public hearing, even if that motion fails, i think we have a fair amount of discussion among ourselves to go tonight on that very issue and we have a long night ahead of us. And it seems to me this is an issue that really needs more time.

>> Mayor Leffingwell: Any others you want to postpone while we're at it?

[Laughter] councilmember tovo makes a -- moves to postpone item 42 UNTIL AUGUST 2nd. Seconded by councilmember morrison.

>> Morrison: I would like to comment to add to those besides the fact we have really important work to do that our brains need to be focused on later, we also, as I understand it, maybe you can correct me if I am wrong, I understand that our community development commission has asked for a briefing on this topic. ON JULY 10th. At their meeting. Are you aware of that?

>> I not aware of that.

>> Morrison: That's what i heard yesterday. Because they hadn't been aware they were concerned and I would love to get their input on it. I would little like to get a fiscal note on it because apparently there's going to be fiscal impact. I too have several amendments I would likely be proposing so I don't think with our without a public hearing it's not going to be a [inaudible].

>> Mayor Leffingwell: Motion to postpone. Is there any discussion of that? AUGUST 2nd. All in favor say aye. Opposed say no. Passes on a vote of 6-1, councilmember spelman voting no.

[Applause] item number 73.

>> That's the most applause we've ever gotten for a postponement.

>> Mayor Leffingwell: 73 was pulled off consent by councilmember tovo. We've got a number of speakers signed up. Katherine painter.

>> Good evening, my name is katherine painter. Mayor and councilmembers, i would like to ask that my regional vice president of aramark speaking first and then I follow behind him. Aramark,.

>> We have helped deliver exceptional experiences to our guests. As a result of the recent competitive bidding process, we are honored that the evaluation panel has recommended the city to continue its partnership with aramark and we desire to continue to be a valued business partner with the city of austin. We have worked with the convention center director and his staff to deliver strong financial results over the years and to achieve a world class reputation. In light of recent discussions regarding certain financial audits, I feels the important to specifically address these matters, as well as provide some overall context for the council's consideration this evening to assist you in evaluation of this matter. Since aramark assumed the operations at the centers in 2003, with the approval of the city, aramark has provided regular financial reporting of our operations. Aramark has provided financial reports to the city for review on monthly and annual basis. Whenever the city or the convention center department has asked us to address items in these reports, we have done so. We have worked in close partnership with the aced to update and enhance the financial reporting from the requirements described in the original 1997 contract that we inherited through the acquisition of an accompanied, to a much more detail and robust reporting package. The reporting package that aramark currently provides is truly extraordinary and has a level of transparency of the operations of the center fear in excess of the current contractual requirements and in excess of industry standards. Indeed the proposed new contract contemplated as part of the process has detailed requirements detailed on the progress we have made in collaboration with the convention center department. We have completely aligned with the convention center department's focus on transparency and clarity. Particularly with the respect of first audits of our operations we have cooperated with the city and dedicated considerable time and resources to help complete them. First, we cooperated with the auditor initially retained by the city, mendoza and company to work on the audits and they worked from 2008-2011 and we answered all questions and filled every can made. At the end of the day, we can't really explain why they couldn't complete the audit. Aramark and the convention center jointly and I emphasize jointly engaged mayor hoffman, a national auditing group, recognized as one of the top ten accountants in the united states to do it on expedited basis. Mayor hoffman completed the work and spoke to prior auditor and completed 2006-2010 over the course of the next several months. When the city auditor report was issued in april of 2011 it noted the auditor had yet to complete the audits but drafts of the city has been submitted prior month. Final audits were delivered by mayor hoffman in late may and june of 2011. The engagement of mayor hoffman, a nationally recognized and independent auditor by aramark and the convention center department was entered into in good faith and on a reasonable leave it would resolve outstanding audit matters. Indeed he delivered a clean and unqualified opinion on aramark's operations for all years reviewed. Mayor hoffman has consistently stood by this opinion and on request of city auditor has released the work papers to substantiate this finding. To our profound dismay, the city auditor has not been able to replicate the work of mayor hoffman and not able to provide council with certain assurances regarding the audits. This is as concerning and frustrating to us as it is to you. We clearly cannot tell an independent audit firm what documents they should retain,

nor is aramark in the position to tell the city auditor what level of detail they should require for an audit review but what I can tell is our local accounting team spent countless number of hours providing every requested document in every level of detail and every explanation to the auditor the last four years. I want to reaffirm aramark's commitment to continue working with the convention center department and the city auditor to develop and implement any improved and enhanced processes required, whether it means engaging additional audit processes or personnel or providing additional documentation or analysis, whatever it takes to reassure this council we are committed to doing it. I also want to emphasize that through all of the scrutiny by the independent auditors and the city auditor, there has been no finding that the city has been underpaid in any way at any time during the years reviewed. In contrast, as shown in the financial statements, it was actually aramark that didn't receive certain cpi adjustments over the term in the contract. However, in terms of partnership, we did not demand immediate payment as those properly due and owed to us, instead able to discuss how to best structure the payment and utilize the funds. Ultimately in amendment to the contract we agreed to effectively forgive over half the money owed to us, over \$100,000 and instead deposited the money in reserve account under the contract that was used for purchase of improvements at the convention center. Whenever issues have arisen we commit to and do resolve them and this is just one of many examples of aramark's commitment to helping the austin convention center be a premier world class destination. More over we felt it was the right thing to do. We stand behind aramark's reputation, its people and performance for the city of austin and the patrons of the centers. Honestly, our company has never experienced an issue like this before in all of our years of business. The selection economy as aramark's proposal of the top rated offering acknowledges that it beliefs retaining aramark is in the best interest of the city as showed in detail and scoring process undertaken by the selection committee, aramark is clearly the best choice by a significant margin. To not select the highest proposer through the r.f.p. Process solely due to the inability the city audit provides certain assurances regarding the procedures of a third party independent auditor would damage all associated with this process. Such an act would not unjustly penalize aramark but effectively negate the thoughtful efforts of the selection committee and the austin convention center department. I respectfully submit that a decision would unfairly deprive the city of austin and patrons of the center the rebest provider for the requested services. Again, we are committed to do the right thing. I reiterate our commitment to do whatever necessary to reassure city council that aramark as the partner for you is the best choice. I am happy to answer any questions.

>> The next speaker is dan mckulgan. Okay. Katherine painter.

>> Good evening, again. As mentioned before, I am katherine painter and the general manager for aramark's sports and entertainment at the austin convention center and parmer event center and a local and proud resident of the city of austin and I appreciate the opportunity to speak to you today about the close relationship between not only the city, the convention center and aramark. Our aramark on site management team at the center is comprised of twelve managers and 70 frontline staff that is 100% local austin. Our aramark managers alone have shared an experience of nearly 90 years serving the austin community at the centers. Not only do we work here, but we live here, we spend here. We promote here. And we pay our taxes here. This local team embodies the operating philosophy of aramark and the austin convention center department of delivering exceptional food, hospitality and customer service. It is this passion, mission and

knowledge base that I feel is another important factor for you to consider in this evaluation. As an aramark general manager, i strive to create memorable experiences for all of our guests of the convention center. I even believe in the importance of bringing local partners in the convention center department, an example is joe's coffee shop which we did just recently. I ask you to recall your own experiences with us at the convention center at parmer event center, I remember the luncheon by many of you which received rave reviews on food, presentation, quality, and customer service. Words from you that we personally -- that were personally gratifying to me and the rest of our team. We are able to achieve such results through a close partnership with the convention center department. Over the past four years, we have utilized our shared values of transparency, clarity, to strengthen our partnership and not only generate revenue for the city but enhance the guest experience. It is my sincere hope that you will keep this team intact, agree with the recommendation of the evaluation committee that determines that our proposal was the best, and allow us to build upon the great momentum we have already achieved. We are aramark, but most importantly, we are local and we are austin. Thank you for your time and your consideration.

>> Cole: Thank you, katherine. Next we have dan.

>> I will defer my time.

>> Cole: You deferred your time. All right. Am la alexander and you defer your time. Michael fogino. Okay. Ernie boss, not here. Dave stagano. Okay. Dave. Now, who all has deferred their time to you?

>> [Indiscernible]

>> Cole: Thank you.

>> I am dave lano and the engagement partner on the mhm audits of the adults convention center and catering concession agreement between aramark and the austin convention center department. As explained yesterday to the audit and finance committee, we fully stand behind our opinion that aramark's financial statements conform to the catering concessions agreement as called by it. We gave work paper access to the city auditor in may of this year, may 31st, city auditor told us on a call he had two issues with our audit. One there was no testing of internal controls, and, two, the work papers did not contain enough documentation to allow the office of the city auditor to reperfo testing in a few areas. Let me be clear that neither of these issues affect our opinion. We continue to stand behind it. First, we disagree with the city auditor that there should have been internal control testing. We did not rely on internal controls, and as such, there was no reason to test internal controls under general accepted auditing standards. Instead we performed a more detailed and thorough analysis in standard audit procedures. Second, regarding documentation, our audit consisted of sufficient audit testing to support our opinion regarding the financial statements, to get additional assurance to the office of the city auditor we came out to the austin convention center and did additional testing and enhanced our documentation. The city auditor, however, refused our offer to refuse the enhanced documentation. The end result is that these financial statements have been subject to more auditing in a normal course. As an example over the five year period under audit we tested roughly 35% of all the annual reimbursements to



aramark for cost of sales back to source documents without exceptions. We feel the enhanced documentation provides greater support of our opinion which as I said we affirm and continue to stand behind. And that opinion is that the financial statements conforms with the catering concession agreement. Thank you.

>> Cole: Thank you. It is my understanding that we have no more speakers. This is item number 73 in connection with the aramark contract. I would like to provide some context. This has been an item that has been around for several years before this council and before some of the members were even on the council, where we have had trouble making sure that the books were correct, especially in connection with our food servicing contracts. We heard the item in audit and finance two days ago, and at that time, our auditors were unable to give us a -- assurance to the accuracy of the financials. Is there anybody from the auditing department here? No? At that time they made a presentation and I believe all of you have received a copy of the -- of our independent auditor's -- city auditor's report and that report, he stated that he could not -- he could only issue a negative assurance about the accuracy of the financial statements, principally based on the lack of information that had been provided. And based on that information, i will not be able to support this item. There has been a motion by council member martinez to approve item number 73. Do I hear a second?

>> Mayor, would like to make an alternative motion.

>> Cole: There is an alternative motion on the floor. Council member spelman, would you like to explain your motion?

>> Spelman: Yes, wow would like alternative motion to award the contract to levee who is the highest ranked and most responsive.

>> Cole: I would second that motion with council member spelman and there is an alternative motion on the floor to reject item number 73 and award to an alternative supplier and I seconded that motion. Any further comments nothing this wouldn't be rejecting item 73. We do have the discretion to award either of the two highest bidders or the two most responsive bidders and my motion is to rank to the highest ranked of those I consider to be the most responsive.

>> Cole: I stand corrected council member spelman, we -- there is simply a motion and a second to award to the second highest bidder and we are able to do that. Any further comments or discussion? " yay. That motion passes on a vote of -- no. That motion passes on a vote of 5 in favor and 1 against with mayor leffingwell off the dyas. Thank you. Okay. Council, next let's go to item number 75. We have 20 citizens waiting to speak. Paul saldania, you are first. Paul is not here. Okay. Susan moffett -- you want to take paul's time. Does paul know that?

>> [Indiscernible]

>> Cole: Okay. Alida banks. You are juan, right? Juan, come on down. Now, is alida banks here? So juan, you only have three minutes.

>> This won't take long.

>> Cole: hadn't signed up and donating 3 minutes to Juan so you have total of 6 minutes.

>> Thank you. Good evening, council, my name is Juan Joritas with the Hispanic Contractors Association and be on behalf of our contractors, Black Contractors Association and the Asian Contractors Association. I wanted to point out to you an inaccuracy in your backup on the first page of the RCA, it says that this contract will be awarded in compliance with Chapter 29c, no subcontracting opportunities were identified. Therefore, no goals were established for the solicitation. This is actually inaccurate given this was a sole source with no procurement process which MBE requires. And second, we wanted to know if the city manager or the city staff requested a waiver of the MBWB ordinance on this item. And you have in your backup as well that Siemens will be getting back together with DSMBR to hire local trades to assemble the terminal. We want to make sure that DBDE goals were added -- 20% DBDE goals were added. If there is something that can happen for this, we would really appreciate that and lastly I wanted to suggest that maybe Siemens should hire a DPE outreach coordinator. There was editorial in the Statesman today and we wanted to concur and say that we generally agree with the issues that the Statesman was talking about and that's about using a no big contract. These are issues that you should look at regarding this contract, spending the revenue on a project which there is no demand other than for formula one. Paying for something temporarily and then paying again in a few years for something more permanent, and keeping the public informed in a timely manner about how the city is spending public dollars. We haven't -- admittedly we haven't had a lot of success, our contracting community hasn't had that great success with them but I think we are all on the same page about being transparent and spending public dollars and on public projects responsibly. That's it. Council member Martinez.

>> Martinez: I have a question for Mr. Johnston. Council member, what I was going to say, you can go ahead and ask your question, before we go to the next speaker, staff is ready to give a presentation that may answer a whole bunch of questions.

>> Okay. I will hold my questions. Thanks. I didn't know that. Well, let's go to the staff presentation and we will come back to our speakers.

>> Thank you Mayor and Council, I am Patti Edwards from the airport, chief operations officer. I did prepare a few notes that hopefully will answer some questions that you had that weren't addressed in the backup material. The current customs facility was built in 1996 according to the then established customs standards. The immigrations and customs processes have changed, thus making our current facility less efficient than those more current facilities that -- airports that have had modifications. The airport staff had programmed and current facility in the near future to meet the current standards. The interim facility will fill this gap until the modifications to the existing facility can be made. Part of the airport's 2010 strategic goals and planning process identified trying to attract transatlantic activity to the airport within the next five years. Again, this temporary facility would support that effort. This project helps position the airport to attract additional international traffic by commercial airlines. Route planners for the airlines look at airport's ability to accommodate the passengers when trying to decide where to expand their services. Our current international traffic requires a little over one hour to clear those flights. We have five current international flights on a weekly basis. Our current facility can only accommodate one flight at a time. Money used to build this facility comes from revenue

generated at the airport. These funds can only be spent on airport improvements. This facility will accommodate future events in austin and attract international guests to our community. With recently mandated requirements to offload passengers within a three-hour window of landing, austin will now have -- is a facility -- with this facility we can accommodate long international diversions from dallas and houston which will provide additional revenue to the airport. I know there has been questions with regards to the size and the cost of the interim facility. Customs and border protection have specific standards and design criteria that must be met whenever modifications are made to a facility. Building code requirements and occupancy loads factor into the size of the facility, also. Customs, building codes and fire marshals each have their requirements and we must work together in conjunction to meet all of those requirements before we can operate a facility at the airport. Once the customs facility is complete, the structure may be utilized for other airport uses during potential other construction projects. Another note to be made is that the airport has continuously had construction projects in progress from the day that we opened that airport. It is an ever changing environment and we have to continuously make modifications to meet the needs of the traveling public. Why did we choose? They have a patented proven solution that meets the airport's needs for the time line that we have specified. We currently have siemens proprietary equipment and services in operation at the airport. Siemens is the only provider that meets the requirements of the airports allowing integrations as the existing systems. Why now instead of later? Earlier requests for information from charter airlines suggest that large international charters want to fly directly to austin. Five inquiries that I am personally aware of. Current flights from Cancun will have better customer experiences when we do the modifications. International only have to call with customs with permission to land to their destination 30 days in advance so we can't wait until we have something sure before we decide to pull a trigger on making modifications. In initial conversations with siemens and their very tight time lines, we have approximately 108 days from today to get a facility operational to accept international passengers by November 1st. In response to the gentleman earlier about the DSMR, since we have not been able to negotiate with siemens to this point, we have not mentioned that, but it is the airport's intent, as were the other construction projects that we do on the airport, to encourage siemens to have minority participation. We can utilize minority participation and local participation, while utilizing them for the trades that will be needed to construct and erect the facility. Can I answer any other questions?

>> I have. I have a couple. So is this a temporary structure? I think there has been some -- some thought that this was a temporary structure and it would only be used for a year or two and then a new, permanent structure will take its place?

>> We have -- the intent is to use this temporary structure very interim facility to allow customs to into their primary and secondary processing of international arrivals. It will take us approximately two years to modify their existing facility to meet today's current standards. Once that has been accomplished, then, again, we continuously are doing construction projects and modifications to the airport so we would be able to use this facility for future use.

>> Mayor Leffingwell: okay. That was my question. It is not something that you are just going to use for a little while and then when the permanent facility is completed, it will be worthless.

>> Yes, sir. whose initiative was it to build this -- to have this project? Was it within the airport or within the -- who made the request?

>> No one made the request other than staff. Once we started receiving initial inquiries with regards to international operations, landing at the airport, staff started looking at their original estimates. We had originally expected the larger aircraft to go to dallas or houston. We have major hubs in dallas and houston and people would offload customs and potentially catch another flight to austin. By the charter company's contacting us directly, especially so early, it seems very apparent that they want to fly to austin. Airport's responsibility is to make sure that we have the facilities available for any airlines that want to operation in austin to be able to land here. is there an responsibility or an obligation? Why wouldn't we tell them to stop in houston or dallas before you go to austin?

>> As I am sure you are aware, the airport is a huge economic generator for the city and central texas. The more passenger activity that we have at the airport, the more money the airport generates, the more jobs that are generated. The better it is for austin and central texas as a whole. I know that, but why -- why would that be -- why would it -- why would we not achieve the same passenger activity if they stopped in another city -- another domestic city to clericus toms and then clear to clear customs and then come to austin?

>> We don't have the answer to that. They could drive. They could fly. They could catch another flight. But ultimately we aren't providing the best customer service to our visitors to austin. We are asking them to inconvenience themselves, go to another city, offload, go through a reloading process and add time to their trip. Generally a twelve-hour trip from overseas, you are adding an additional four hours. I have done it. I know exactly what you mean. Council member tovo. And then riley.

>> Tovo: Thanks. I have some additional questions for you. It was my understanding, based on some discussion at this week's airport commission that the life cycle of this building is fairly limited. Is it true it is about a ten-year lifespan for this terminal, which is a modular -- like basically a modular building?

>> Since we haven't actually started the specifications of the exact structure that we are going to use -- we needed authorization and negotiate, that's the estimated live expectancy of the building.

>> Tovo: So the long-term plan is to begin the modification, have them completed in two years, so this would be unnecessary for processing international flights within two years. You would continue to move this around and use it but it's not -- I mean the best estimate right now is that it would only be used for ten years?

>> Five to ten years is a good estimate, yes.

>> Tovo: It is about 150 -- 150,000 a year to maintain the cost of the maintenance and operations on this structure?

>> No, we included can \$150,000 a year for maintenances for years two and years three to cover any potential unexpected items that could not be handled through the agreement with siemens or with in-house staff. We have currently on call maintenance contracts with siemens as backup to our staff, in the event something is beyond in-house capabilities.

>> Tovo: I am sorry, I don't -- I guess what I want to know is are we -- we are contemplating a 5 million-dollar expenditure. Would it also come with \$150,000 maintenance and operations each year that we are using that structure or are you saying you included in the postof 5 million?

>> But that 150 would not be spent unless we needed it. It would be on call, unforeseen situation that couldn't be handled, something we may have forgotten initially or we needed to relocate it or we needed to change the interior, it would give us some flexibility to make some modifications quickly.

>> Tovo: Okay. Thanks. So in the estimation of how many people might use this, right now there are five to six international flights per week?

>> Yes, ma'am.

>> Tovo: And so that is about 200 people per person, that's, would you say, 1,000 to 1200 passengers per week?

>> I would estimate approximately 1,000 passengers per week.

>> So how many -- how many are you estimating would use it during the period that you are anticipating increased charter flights?

>> I would estimate that, according to what the special events were that attracted the international activity, you could see anywhere from 5 to 15,000. It's kind of an unknown right now, and, again, we had originally planned to see what the impact was to the city, with the anticipation that most of the charter aircraft would be small aircraft. When we started getting requests to accept 767, 757, which are 300 to 400 passenger aircraft, that's what triggered this response.

>> But would you say -- it sounds like on an ordinary week, we have the capacity to deal with it in our existing facility, though I take your point, that part of the master plan -- part of the long-term goal is to increase international flights but right now we have the capacity to deal with them most weeks of the year. It is really the fact of formula one that is prompting -- and the potential of increased international traffics that prompting this proposed expends ture.

>> The timing of trying to get the facility operational for the first formula one event is the trigger for wanting it to start the process today. However, formula one is only one event, and there is -- it is the potential for four or more events a year that would bring in international activity to austin. It is the airport's staff's belief, that if we don't encourage the initial flights and accept the initial charters to austin, we may lose that opportunity to gain those for future events.

>> Tovo: What are the other three events? You had said four events. Were they all --

>> I am assuming that, for right now, I use that to look at the events that circus of america is having, I think it will also give us an opportunity to ebb courage more traffic for south by southwest, acl and other major events as the city contin to grow.

>> Tovo: You have many flights coming from south by southwest tend to be charter flights, who would utilize the terminal. I appreciate the answers you provided through the q and a process. I do have some follow-up questions. I had asked if question would passengers arriving various hubs go through the arrival formalities via the hubs themselves and if so would it be primarily used by private jets and charter flights. It sounds like the answer is that it would be used primarily by private jets and charter flights. Is that correct?

>> Yes.

>> Tovo: Okay. Thanks. I had also asked if the expected passengers increases were attributable primarily due to formula one and if so would circuit of americas add new construction towards the focus of the new facility. The answer, although not really getting to the questions it talked about making changes today due to anticipated change in increase to the international facilities. Again, was that specifically for -- are we talking about formula one, the anticipated passenger increases for formula one?

>> Council member, rodney gonzales, deputy director for the city's economic growth and economic services offices. The other three major events that are planned on the circuit of americas facilities are the australian va supercars, the american lamon series and potentially moto-gp.

>> And so the construction of the terminal is primarily to accommodate the passengers you are expecting from the four events?

>> Yes, sir, it is our understanding those events are additionally international events that will attract international visitors, that presumably they would want to fly directly to the airport as well.

>> Tovo: Would you say it is about the same time frame, about a week for each of the events where you would expect the increased passenger count?

>> What was that question again?

>> Tovo: Are they -- are they about the same time frame, where you would be expecting about the same number of passengers, say, 5,000 to 15,000 over the course of a week?

>> We don't think -- we haven't heard that those other three events are as large scale as what formula one is, though they so they are ranging anywhere from i understand, from 70,000 to probably 90,000 in attendance but we have not heard like 120,000 figure related to formula one but they are large-scale events.

>> Tovo: To really the most -- the busiest week in terms of this terminal would be formula one and then we are talking 5,000 to 15,000 people. The other three events, while they would be used, are not going to be used for nearly the same number of passengers?

>> You know, it is hard to quantify just because we haven't gotten the detailed estimates for those other three events. For formula one, to be clear on the estimates, we heard estimate of 42,000 international visitors coming to austin. The majority of which would want to fly directly into the abia facility. Now, for the other three events, the v8 supercars, the lamons and moto-gp, we haven't heard about how much international visitors although they are large international events. We can ask circuit of americas if they have more information with regard to the visitors and home potentially would be flying into austin but we haven't gotten that finite information at this time.

>> Tovo: I guess I am interested also in indianapolis and their experience. Ill. It seemed to me from the emails we were receiving that we did not tend to -- that was not the experience that they had many visitors flying internationally directly into indianapolis, so i do wonder why people wouldn't fly into the hubs of houston or dallas and then come on into austin. I mean, this is a huge expenditure we are contemplating for it, it would seem to me, a few people, and, you know, it is a huge expenditure of austin taxpayer dollars for international travelers. So I guess I want to get back -- one, do you have any information about indianapolis and what their experience was with regard to this issue?

>> It was in the backup materials. The numbers that we quoted you for the estimates were basically from the averages that we received from indianapolis, and we want to remind each of you that it's not taxpayer dollars. It is money that lab generated it's revenue generated at the airport and can only be used at the airport for airport improvements.

>> Tovo: Thanks. Is it and I do have an additional question on that, though. I have heard that parking fees at the airport are being proposed to go up. Is that accurate? During the next budget cycle -- or during this budget cycle, are we considering increasing parking fees at the airport? For the upcoming budget year?

>> Tovo: Uh-huh.

>> There is a proposed increase on the fee ordinance. I can't quote to you exactly what those fees are at this minute.

>> Tovo: But I have heard the concern -- to be fair, i appreciate your clarification, but I have heard the concern that we are increasing fees on services that are primaily borne by austin residents which are parking fees at the airport and certainly part of that is to pay for some of the expenses, one of which is what we've got before us today, so, you know, it is just something that we need to weigh. If I could get back to the second part of my question. Since the expected passenger increases do seem linked to the circuit of the americas events -- the four events that gonzales mentioned, will there be any kind of cost are they going to, in other words, share in the expense of this facility? Have you had any discussions with them along those lines?

>> We have not had any discussions with circuit of americas as related to this interim facility or fully kind of cost sharing. The airport is making these recommendations to move forward to this to accept the international passengers in austin in lieu of them arriving in dallas and houston. We want them to come to austin. We want them to send their dollars here -- we want them to spend their dollars here.

>> Tovo: Is there an opportunity -- I did ask the question about whether there was a cost benefit analysis and it sounds like you haven't had an opportunity to conduct one yet. But would there -- do you have a sense of how many of -- how much of this expense would be covered by the fees you assess those flights -- those charter flights are landing here?

>> I believe at the advisory commission last week it was said approximately \$900,000 -- sorry, \$9,000 from landing fees and fuel could be expected on each charter.

>> Tovo: I guess I need to do the math on that but it looks like it's not going to pay for the cost of the facility?

>> No.

>> Tovo: Okay. I think that's all I have for you from now. Thank you very much. council member riley.

>> Riley: In terms of the airport's long-term plans, did we expect to have a facility like this at some point in the future?

>> Yes. As I previously mentioned, it had been in our five-year strategic plan that we developed in 2010, to obtain transatlantic air traffic by 2015.

>> And would that have been a facility, something like this?

>> Yes, we would have had to make the modifications to the existing customs facility.

>> And is that based on just the current international flight to Cancun? Or was that from the expectation that we would be getting additional international flights?

>> Generally transatlantic traffic would fly on larger aircraft than the aircraft that is currently used for the Cancun flights. Cancun flights carry on average 120-140 passengers and the average aircraft that you would expect to do transatlantic flights would be somewhere 250-350.

>> Will the passengers on the Cancun flight go through this facility?

>> Yes.

>> They will benefit from having this facility in place?



>> Once we begin -- if we are allowed to move forward and eject the temporary facility, all flights h processed through the temporary facility as we begin modifications on existing facility.

>> Riley: I understand the wait time for folks coming back from cancun are one and a half to two hours. Do you have an estimate of what the wait time would be then?

>> They will be able to be processed less than 45 minutes.

>> Riley: Less tn 45 minutes. I understand there are some standards -- what is the icao? Is that the international --

>> international -- and I --

>> civil aviation organization.

>> Thank you.

>> Riley: And so they recommend that an airport have the ability too process international arrivals in less than 45 minutes. Is that right, at the -- the had a standard of 60-90 minutes. Is that right?

>> Our goal would be at a level of service -- we won't want to be -- we aren't striving to be absolutely the best but we want to be better than the middle, which is what we are developing the facility to accommodate.

>> Riley: Okay. One of miff concerns about this is the process, the fact that we are talking about a no bid process. How can we be confident that this represents the best choice? If we gone through some other, more elaborate process, a regular bidding process, we would -- it seems like we would have a better understanding of what's out there. We might see some other options that are less expensive or more attractive in some way. What degree of confidence does the airport have that this choice, that's recommended here, is as good as we would have if we went through a more standard procurement process.

>> Siemens has a tried and proven product. They have a turnkey operation. They installed these units at numerous other airports. Unlike some airports that have the ability to use the ten operation which would have been a cost savings for us, our building code and requirements don't allow us to do that. Siemens has a product that meets the standards. That was the thought process, t the time frame we are in, again, 108 days from today.

>> Riley: How did we land on siemens? Did we do some check -- did we talk with peer airports? What investigation did we do?

>> We did research on available temporary facilities because several large events have utilized these in the past, especially in europe, asia, south africa, the world cup soccer event and the olympics that are about to start, london is using temporary facility but theirs is made from a

different material. Siemens is the only one that has the hard sided, that will meet the fire codes and occupancy and building codes that required.

>> Riley: Okay. And I think you answered -- with your last -- your answer to council member tovo's request, you provided information about the revenue you would receive from each charter flight. Can you state that again?

>> I hesitate to answer that. I vaguely remember in part of the presentation in front of the advisory commission that one of the staff had calculated approximately \$9,000 per aircraft for landing fees and fueling. And those would be the fees that we would be collecting.

>> Riley: So we would collect about \$9,000 with each flight that arrives? To this facility?

>> Yes.

>> Riley: Okay. Thanks.

>> I would like the opportunity to go back and give a clerk shut to that answer and support -- give a correction to that answer and supply it to you in the future so you know exactly what we are looking at. mayor pro tem cole.

>> Cole: I would like to follow up on that questioning about the revenues because it is really important, I think, to -- especially the taxpayers of austin and me in particular, understanding if we are doing this because of competition with dallas and houston, which it sounded like what was -- we didn't want people to have to fly to dallas and fly to houston to get to austin. We wanted them to be able to come directly to austin. So if we spend money, \$5 million to make it where they can come directly to austin, what revenue do we receive from that? How does it pay for itself?

>> I believe that providing that customer service to the international travelers and allowing them to come to austin puts all of their dollars in austin. They don't stop in dallas or houston and spend money. Ye, --

>> Cole: We have not -- and i will say this -- we have not done any direct roi like we do on many occa determine --

>> council member.

>> Cole: Whether we are in the reds.

>> There is no analysis or no economic analysis. My understanding is the airport is working on that and still trying to gather the information for that but, no, there ha who not been economic impact or web locale analysis on that but all of the same things that patti is mentioning which are what are the direct benefits from a fault like this when they land in austin directly and the time capture we have them here to spend money and job creation as a result of that would be factored into such an economic impact analysis.

>> Cole: Okay. And I understand if you don't get to stop and get a starbucks in dallas or eat dinner in dallas but you have to come right here to austin convention and start spending money, there is some advantages to that.

[Laughter] but assuming that, that's all we have, it is not specific fees associated with touching down in austin versus dallas that we can actually calculate. It is just hard to -- we haven't done that yet, right?

>> No, it is my understanding that aviation department hasn't done that yet but they will be doing that once they get more information.

>> Cole: Thank you.

>> Mayor. and quickly, for clarification, you said something about taxpayers' money, there is no taxpayer money involved in this. its will only be spent at the airport -- unless you want to consider people who fly into the airport taxpayers --

>> Cole: Well, there are austin citizens who use the airport for one thing and there are austin citizens who use the airport.

[Applause] so I understand it is an enterprise fund, but that's my only tax -- when I say taxpayer, I mean from that perspective, taxpayers who use the airport.

>> Mayor Wynn: It is actually fee payers who use that airport and none of that money can be used for any other purpose besides within the airport fences. It can't be used for anything. And another real quickly, council member, around I know that all of us here on the dyas and probably most people in austin know that for over a year now at least we have been working very hard to get the international -- regular scheduled international flights into austin. I think that work is making good progress right now, and I think it would be a shame to be in a position of getting a flight like that and then not being able to handle it. So council member spelman.

>> Spelman: I understand your argument about these being airport users and not taxpayers, but as a frequent airport user, myself, and I think a lot of other people who live in austin are frequent users of austin's airport, certainly we park there. That is 26% of the parking fees are from parking, and embarkation fees on to planes that we get on to, if you add it all up, I think the vast majority of the fees that pay for our airport come from austinites, not just austin visitors. We don't have a web flow analysis and we have a lot of questions on how long this building will last but we don't know exactly what the building will look like yet. We can go on this for quite a while but it seems like the vast majority of us are in a position to decide this is probably not the best use of that \$5 million, particularly given in a couple of years we can actually have a permanent facility which would support a permanent international flight and all of those charters. I feel compelled to say one more thing. If we make \$9,000 per charter, it would take 606 charters to pay for this building and i don't think we are going to get 606 charters in the next two or three years. Mayor, I move to disapprove -- we have a lot more speakers.

>> Spelman: Well, mayor, i suspect most of them will be happy what I am about to move and probably dispense the need to speak since every single person here who is signed up to speak is against this item, i move to disapprove the item.

>> Second.

>> Second.

[Applause]. council member spelman moves to -- moves to disapprove item number 75.

>> Second. second by council member morrison. Is there any more discussion?

>> Morrison: Mayor, I feel compelled to throw out more number that to me that says this will be the wrong thing and that we have something like 9 million passengers that come through our airport every year and our budget is about 100 something million dollars a year and so we are running our airport on ten dollars per passenger, if you do the math on this 5 million for a couple of thousand, we are talking about thousands for each of those individual customers, and so I am all for disapproving this.

>> Excuse me. I would like to add -- and do not mean to disrespect or interrupt.

>> Mayor leffingwell: go ahead.

>> Please don't utilize the number I just quoted you because I was very ill prepared to give you that number.

>> Morrison: Mayor. council member morrison.

>> Morrison: I will say we did get some information about the charters from indianapolis and also, I understand there were some discussions about numbers in the aviation commission and i did have a chance to talk to my commissioners and so I am quite comfortable based on what we have. mayor pro tem.

>> Riley: I would also add that we are in the process of working on a transatlantic plan and we recognize the city is growing and have to prepare for international travel but this is not the process we go through to actually do that and I would just encourage that as we work on that, for staff to work on that, that we take it through the committee process, we do the full briefing to council and then we bring the items back and we go about this in a methodical, transparent way.

[Applause]. So I will not be supporting this item. any other comments, council member riley?

>> Riley: Just a question. We know there are concerns on the part of regular austin folks who would like to see improvements at the airport. One issue that many folks notice, especially on -- early on weekday morning is there are very long lines to get through security screening at the front. Is this -- does the airport currently have anything in the works to address that issue?

>> Yes, the terminal project which is hopefully scheduled too begin early january 2013, so -- and -- in just a few months, part of that project is to add an additional check point. We call it the terminal infield because it will mirror basically the west side, have approximately 12 check point lines through screening.

>> Riley: It will expand the number of screening check points that will begin in january and --

>> the project begins in january of 2013 and I think it is about a four-year project.

>> Riley: A four-year project?

>> Yes, but the security check point lands is the first part of the that project because we do recognize the long lines are a problem.

>> Riley: When can austin passengers expect to see relief in the -- when would that be?

>> Hopefully in the first 18-24 months of that project.

>> Riley: Okay. Thanks. council member martinez.

>> Martinez: Just wanted to ask a question. Did we look at options, such as the facility that viva arrow bus abandoned as a potential alternative for temporary custom charter flights to handle that wouldn't cost 5 million?

>> Yes, that is the first option we looked at, was the utilization of the south terminal and I actually had the customs and border protection field director come and meet me and walk through the south terminal to see what modifications we would have to make for him to a of allow us to utilize that facility. And to be able to process 400 passengers an hour, which was the target goal for this interim facility, we would have to basically mirror both the existing facility and the south terminal together. There were some occupancy load issues while the south terminal, we modified that to accommodate the viva aorobus charters which were 120-140 passenger aircraft, not 350-400 passengers aircraft that we are looking attachment.

>> But it would still would have been better than nothing?

>> No, it was pretty comparable. It was close to the -- the rough engineering experts were close 5 million, just for the modifications. Then you have to add in the busing operation, because it's 8-miles from the south terminal to the main terminal. So you have to get them to the main terminal or you would have to duplicate taxi operations, limo operations, car rental operations and would not receive any revenue from any of the main concessions that are in the main terminal. I think you mentioned something about waiting time under existing conditions, meaning three hours on the airplane before you could get off?

>> Yes, sir, the federal government passed regulations that went into effect, it is the passenger -- I can't remember exactly which one it is, but it basically says nobody can on airplane sitting on tarmac more than three hours before the aerals have to deplane. Currently we are one of the

primary diversion airports for houston and dallas so we do generate quite a bit of revenue from diversions. However, we can't offload large international aircraft right now because we don't have the facility to accommodate them. The interim facility and or the accommodation of the existing facility will allow us to add that to our abilities. right now we couldn't accept diversions because we couldn't guarantee they would be offloaded in three hours.

>> International diversions, no, sir. Any other comments, council member riley.

>> Riley: If we embarked on standard procurement process, how long would that take?

>> Six-9 months.

>> To procure? Contractor?

>> To get the contractor, procured, to bring an item to council?

>> If we were to project there item tonight, would the airport give that further consideration? Is that something that the airport would -- would that make any sense from the airport's viewpoint?

>> According to the council's decision tonight, the airport still would plan to move forward with making modifications to the existing facility so we can presume more international traffic into austin. It will just not allow us to accommodate the first, second, or third events that -- from circuit of americas. anything else? So I have got to run through these names and you have to tell me you don't want to speak.

[One moment, please, for change in captioners]

>> Mayor Leffingwell: If you want to speak, raise your hand. Richard victoren. Jan studebaker. Debby russell. Laura presley. Chris bailey. Marissa stewart. David king. Leslie he isen non-rman. Yes or no, you have to decide -- yes or no. I'll take that as a no. Andrea [inaudible] julie montgomery.

>> [Inaudible]

>> Mayor Leffingwell: Sharon brown -- sharon didn't want to speak anyway. Did you want to speak. I think you were signed up. Ok. That's all the speakers we have. We're ready to vote on the motion to deny the request. All in favor say aye.

[CHORUS OF AYES] Opposed, no. Passes on a vote of 7-0.

[Applause] item number 77. 77, Pulled by council member tovo. We have speakers signed up. Councilor, do you want to hear from -- sarah watkins. Is sarah watkins here? jim McWe'll is next. McBEAL IS NEXT.

>> Good evening, I'm sarah watkins with adaptive texas. I'm speaking tonight with the regard to equivalency in taxi service for folks in need of accessible cabs and I would like to go on the

record saying i support the extension of the franchise for yellow cab and the acquisition of the -- or, the granting of the additional permits for yellow cab. Because yellow cab has shown that they are making a good faith effort to work toward equivalency for folks with disabilities. I would also like to go on record regarding item 76 because there was not an opportunity to speak on that. That lone star has not made what I consider to be good faith efforts in terms of providing equivalent service to folks with disabilities. I'll tell you a quick story about the need for equivalent service. In march, I got sick and I had to go to the hospital, and i took the bus to the hospital because it was the middle of the afternoon and they treated me and wanted to discharge me at 00 in the morning, so 00 in the morning, I can't take a bus. I have no one to pick me up in a accessible vehicle. The social worker said, ok. We'll get you a taxi. I said all right. And she comes back about an hour later and she says there's no accessible taxis available. So rather than spend the rest of the night in the hospital and take the bus home the next morning, breckenridge arranged to send me home in an ambulance because a taxi was not available and they couldn't send me home in one ambulance, because I had to be in one ambulance and my wheelchair in the other. I refused to be discharged without my wheelchair. So they sent me home in two ambulances and I got a bill for the second one, because there's no taxi equivalency service in the city. It's abominable and a violation of the ada and something that needs to be worked on. Taxi equivalency is very important. Thank you.

[Applause]

>> my name is jennifer, I'm with adaptive texas and I want to say that I echo sarah's comments that I support giving yellow cab the opportunity to have their plan in place, to see if it achieves the level of equivalency we need. I'm also very concerned about lone star. Their approach to it was to have one full-time driver and one backup driver in house and that's -- it's been our experience that the demand is too great for that to be any significant effort toward equivalency. Everybody kind of gets sidetracked on the local ordinance we have that creates the incentive to provide the service. But the fact of the matter is that the idea of people volunteering to take the lift-equipped cabs and not picking up passenger was disables who need those cabs is offensive. It's offensive to me as a human being to people that bothers to pick me up. The incentives were a good faith effort on the part of the disability community. That was ignored. We didn't have to do that. We didn't have to work for the past 20 years to put those in place but we did, because we wanted hardworking people to be able to make a living. And I'll tell you, what should have happen is this council should have unanimously said we're not going to put up with that crap. It's crap that you violate the law. They're violating the ada as it stands right now and they're allowed to do it and people need to stand up and make a statement it's not. Ok just because we're not recognized as an equal minority? Our civil rights are not seen as real civil rights? That's the message. That's what is wrong. It's never going to be right until we insist it's right. We have to do something aggressive. And if the council is not going to do something aggressive, than adapt will have to and it's unfortunate because we wanted to come to an agreement that everyone could live with that actually worked. Thank you.

[Applause]

>> Mayor Leffingwell: Thank you. Larry seal. Gone? Ok. I assume burrel steel is gone also. Nelson pete. All right. David woody. And you have three minutes.

>> My name is david woody, with adapt of texas and that's woodie and I wanted to reiterate the need for cabs is still there. We've been working on it for nearly 20 years and had made a little bit of progress and thought getting wheelchair permits in addition to the above the quota of permits allowed by formula would allow for extra passengers -- extra vehicles for passengers with disabilities and people in need -- who need wheelchair accessible taxi service. We got reports from the city that we're -- were required by the ordinance. I wish you would look at it. Lone star has five wheelchair accessible permits for five vehicles. In the years 2010 and 2011, one of those cabs carried all of the passengers in wheelchairs. There are four cabs out there with wheelchair permits for lone star cab that don't carry any wheelchair passengers, according to their own documents they turned into the city. Now yellow cab is not meeting all of the demand. They know they get requests that are not fulfilled for service. But at least they're reporting it accurately. And telling you there's a difference in the number of requests they receive for service versus the number of requests filled that they're able to complete. We think it's important to track the waiting time the passengers with disabilities, passengers with wheelchairs especially have to wait for cabs because that will give you an idea. But right now, you have record that's tell you at least for yellow cab, that they're not able to meet of the demands they have. You can go and look -- you know, get the reports from grand transportation, I've got them and they'll tell you that there's one out of three requests for service don't get service. So they need these permits and we support this. Thank you.

>> Mayor Leffingwell: Thank you. Those are all the speakers that we have. Council member riley.

>> Riley: I'd like to ask a couple of questions. And we talked about this at some length a couple weeks ago and one of the issues we discussed was the basic problem that austin has experienced like cities all over the country, in providing taxicab service to people in wheelchairs and that relates to the business model that taxicab companies work in. That utilizing independent contractor drivers, so even when you provide -- even when a driver has a wheelchair accessible cab, yellow cab can't direct them to take any particular ride. Such as a ride for someone in a wheelchair, so there's a issue there. You have drivers out there with those cabs who aren't carrying people in wheelchairs. With these six permits, we're trying something different. Some suggested we should require you to use employee drivers for those. We actually are trying something somewhat different, these are required to be company-owned vehicles you would use with day lease permits. Can you explain how that provides a greater degree of control that you currently have over independent contractor drivers and allow you to provide better service to people in wheelchairs?

>> Good evening, ed, president of yellow cab austin, that's the critical component and you're hitting the nail on the head. In many cities that have discuss, houston, through the program, uses day lease vehicles and san antonio has some that they utilize to address the problem and portland. The day lease vehicles would be on the road 24 hours a day, seven days a week, because we have more independent driver who is do want to drive at those times who don't have access it a vehicle. When the owner operators who have worked during the day and maximummized their 12 hours are parked and choose not to sublease their vehicle to someone else, a company owned vehicle would have them lease that vehicle and turn that vehicle back over to the company and in another -- an another independent contractor driver who does want to



work and drive would be able to utilize that vehicle. So these would be on the road, 24 hours a day, seven days a week which would help address the problem that was mentioned where she was at the hospital and there are no operators working. Currently, we have about 750 independent contractor drivers we contract with and 455 cars. So if you would imagine with the turnover in those specific vehicles, we would be able to keep them on the road 24/7. One of the things we're taking into consideration as this takes action is with those six vehicles on the road, you're going to have more utilization which will lead to more maintenance and so we're going to purchase more vehicles than the six, so if any of those vehicles is in the shop, you still have the permit being utilized on a substitute vehicle while the vehicle is being worked on.

>> Riley: How can you be confident that the drivers will respond timely?

>> From the action that's in effect now with dispatching the nearest wheelchair accessible vehicle to those trips, the response has been markedly improved. Every trip has been picked up. With utilizing the ordinance 13-2-345, we've had some discussion and we'll continue to use that with these day lease vehicles which prioritizes these requests. If a wheelchair accessible vehicle is dispatched but they may have another trip they want to provide service for, the wheelchair request takes priority and the ordinance allows us to send them to get that particular trip and that trip gets serviced and then the vehicle can be utilized in a different capacity which may help the peak demand problems and other issues we're trying to remedy.

>> Riley: You understand with the resolution we passed two weeks ago, we focus on the wait times for people in wheelchairs as compared to the wait times for other passengers. How confident are you?

>> I have 100% conversation now, as we've made the changes we've made, it's a month now, the wait times have shrunk and I think with adding these vehicles that are available 24 hours a day, seven days a week, we'll see further improvement getting to the point where the wait times match the actual wait times for regular trips in that every wheelchair-accessible vehicle on the road. Talking about 28 at that point, the priority would be to respond to wheelchair accessible requests first and then they're free to service any other trips after that.

>> Riley: Ok. Thanks.

>> Mayor Leffingwell: Council member Tovo.

>> Tovo: A few questions for our transportation staff who have been here. Thank you for 11 hours. I appreciate your being here.

>> Steve [inaudible]

>> Tovo: I guess the first question I wanted to ask you is a quick one. We talked extensively about this issue at the last meeting and one of the issues that came up is that yellow cab had an incentive in place for any fare that was waiting longer than an hour. There would be an additional monetary benefit to them opinion and so that was in effect, many people argued causing customers who required an accessible cab to be waiting longer than necessary. It wasn't

their intent, of course, but that was an unintended consequence of that incentive. Have you verified that they had ceased that practice that week, have you verified with yellow cab they've indeed stopped that incentive.

>> Yes, we have. That incentive didn't work and there was discussion with him about that.

>> Tovo: Great, thanks, there's another issue that is way too complicated for us to go into today. But you had sent a memo on May 31st about the peak hour surcharge and yellow cab was having difficulty and our council adopted a surcharge to encourage drivers to drive during peak time and we heard from drivers they were unable to collect it and again the complexity and the late hour, requires me just to get to the point, and that is, that there's an item in the memo that says staff will allow the yellow cab fleet to apply the surcharge once the company agrees to the following. And there's a list. The third is no additional permits will be made available to yellow cab until their conversion is complete. That's correct.

>> Is the conversion complete?

>> The conversion is not complete at this time.

>> Tovo: So if we approve this today, we would be approving this -- allowing them to get additional permits where you have entered into an agreement with them, they will not receive any additional permits until they've gotten their -- as I understand it, their machinery fixed.

>> There's a wait period before they get these additional permits. They told us they would get the METERS FIXED BY AUGUST 1st. They would not get these additional permits until after that time.

>> Tovo: What time would they get them?

>> Pardon me? AUGUST 28th.

>> Referee: Is there any guarantee they'll have this item -- that their equipment will be fixed?

>> No, not -- not to my knowledge. There's not, but again, we would just hold the permits.

>> Tovo: I see, so the -- in your mind, the agreement wasn't that the council wouldn't award the additional permits, just that they wouldn't be able to receive them in that time.

>> That's correct.

>> Tovo: I'll say that we had a very extensive discussion about this last time. My position hasn't changed. We clearly -- as our speakers tonight have said, an abominable situation. There's not an equivalency of service. It's disgraceful that customers who require an accessible cab have to wait longer than other customers and as I look at the evidence, we have had a system in place of providing extra permits. It hasn't worked. Last time, we reviewed the data, five out of the 38 accessible cabs satisfied the minimal requirements of the five, two carried no dispatch trips with

passenger who is needed accessible trips. They may have had ongoing relationships and customers that called directly, but carried no dispatch trips. So clearly, the system isn't working. I agree that the service is abominable and I was pleased to cosponsor with council member riley, the resolution that i think will make for better service for passenger who is need accessible cabs and I would say, if we were inclined as a council to put additional permits in this area, which i don't think has worked in the past and there's no evidence it will work now, I would say they should go to lone star cab because they currently have five special franchise permits, yellow cab, 22. Austin cab should, lone star five. And the code talks about equal distribution. Which means lone star should have gotten 11. Six gets them to 1. For many reasons, I cannot support today's motion. Six gets them to 11. I cannot support today's motion.

>> Mayor Leffingwell: Council member morrison.

>> Morrison: I'm going to say that I agree with the points that council member tovo has made. I think there's a lot of fixing that needs to happen in our code, to clarify exactly what it is that is allowed. And ways to incentivize or require as much as possible and I think this is not necessarily the answer. It takes us way beyond the equivalency I think is intended by the code. So I look forward to finding solutions to this issue, but i can't support this motion.

>> Mayor Leffingwell: I don't think we have a motion yet.

>> Morrison: Well, I can't support the motion that's about to happen.

[Laughter]

>> Mayor Leffingwell: Any motion. Council member riley.

>> Riley: I'll make a motion. As we discussed last time, this is a problem that -- that is long overdue for a solution. And the problem is not going to just fix itself with the current model we have. We need a different model and that's what we're doing with this action. These -- these permits are required to go to company-owned vehicles, yellow cab would then use with day lease permits which would afford them a greater degree of control than they typically have over independent contractor drivers and we're already seeing some progress on the part of yellow cab and we now have a system in place where we can document and ensure when we get to a point that wait times, that people in wheelchairs are not waiting longer for cabs than others. We'll only get to that goal until we pursue a course like this, a different model and i don't think we can wait. This is the solution that will get us there and so I move approval.

>> Mayor Leffingwell: Council member riley moves approval. Second by council member martinez. Further discussion? All in favor say aye.

[CHORUS OF AYES] Opposed, no. Passes on a vote 5-2 with council members tovo and morrison voting no. This brings us to the charter amendment items. And we have a number of folks signed up to speak. What I'm going to suggest, council, is that we consider items 83 and 84 together. For purposes of receiving public comment. So we'll make sure everybody who is signed up on 83 or 84 gets to speak once. And -- when we consider these motions, we will have

to consider them separately, of course, but for purposes of public comment, that's my suggestion, if there's any objection, let me know now.

>> Martinez: Mayor.

>> Mayor Leffingwell: Council member martinez.

>> Martinez: Certainly don't have any objection, if we take them up at the same time. But I did want to make comments on my item before speakers. I don't think it will cut down on speaker,s, but provide more context for their comments.

>> Mayor Leffingwell: Since we're considering them together, go ahead and make those comments now.

>> Martinez: Mayor pro tem sheryl cole are sponsoring item 84, a 10-1 single member proposal but we want to honor the work that citizen versus done and brought this item forward so we could have a public discussion in the work session and while there still might be concerns, mine are alleviated from the standpoint of the legal counsel we received and that is, if there were speck provisions in the language of the citizens' petition, deemed illegal, it would not be able to be implemented. So our intention is to pass our item or at least propose adoption of our item, but that the language be exactly the same language, every t crossed and i dotted, the exact same way as the petition that's been circulating around the city since last december sometime. So that will be our intention. I know the language in the backup does not reflect that. This will only be on first reading and we don't have another council meeting until AUGUST 2nd, BUT I'M MORE THAN Happy to entertain a special-called meeting because i have a feeling citizens will be concerned. I'm more than open to a special-called meeting during summer break. I don't have any vacation plans. Happy to come back here and solidify this on second and third reading should -- but that's our intention whenever the time is appropriate to make that motion.

>> Mayor Leffingwell: That's fine, number one, it could pass on all three readings. Depending on what the motion is, but your suggestion, you're only -- suggest yours for the first reading.

>> Martinez: No, because we're substantially changing the language in the backup to match and reflect the circulated petition, city legal has said that we can only adopt it on first reading only tonight.

>> Mayor Leffingwell: That's for item 84?

>> Martinez: Correct.

>> Mayor Leffingwell: Ok. With that said, I'm going to start off reading names from the 83 -- number 83 list and then we'll check those off, and 84, of course, there's anyone left over the we'll make sure everyone has an opportunity to speak. If you're signed up for 83 or 84. First speaker is richard jung. Donating time is sheller lowe. Schiller. Raise your hand if you're here. He's not here. Yon choy? Here? Jay cho. Yung kim. Kim here? Looks like all of your donators left except one. So you have six minutes. Donating time -- so you have nine minutes.

>> I'll try not to take nine minutes. We're kind of going over a lot of ground that's been covered before, but I think it's -- it's an important day, because city council is going to vote on what's going to go on the ballot. I'm here on behalf of many of the asian-american community to make a case for a hybrid system. We believe, the austin community for change, an organization that derived from the seven members of the charter revision committee, who wanted a hybrid system. We believe that the hybrid system is the best option for the city of austin. We believe that the hybrid system offers the most choice so that the citizens of austin can have an 8-2-1 system which we advocate, four council members they can vote for. For the asian-american community the most important aspect is two-fold. As the fastest growing but one of the smallest communities in austin, we have to look at the future with an eye toward the present and an eye toward the future. And in the present, we're very small in numbers and dispersed and we really need a at-large position to be safety valves so we can have access to city council members. Should members of our community be in a single member district where their positions are not honored or not listened to. That's the first issue and perhaps the most important. Second darily, the -- second airily african americans or the gay analyses community, at-large positions present a better option in terms of being electable to city council. With an eye toward the future, as the recent pew study reflects, asian-americans are 3no carrierringconnect 57600 -- and a couple of at-large seats provide these kind of escape hatches for populations that want to maximize their influence as all populations do. So, again, that's just why we think a hybrid system presents the best option for not only the asian-american community but austin at large. Finally, I want to say we think it's really important that change occurs. We propose eight single-member districts because we believe that single member districts are important for neighborhoods and communities to have direct representation. It's something that's lacking now and we're strongly in favor of that. We just want balance. Checks and balances, as our other forms of government have, not to be all one way or the other, but provide a system that as talented as our politicians may be, they may not be so much in the future and we just want day system that allows checks and balances and I think that's my final point. Well, one other point. I think it's really important that we give the citizens of austin an opportunity to vote what they think is the best new system for austin. Not to restrict their choices artificially, by, say, the city council saying you're only going to get to vote for this system. So I hope you guys keep that in mind and we appreciate your time and as I said, the asian-american community appreciates being able to be heard in a significant way. We do really appreciate that. Thank you.

>> Mayor Leffingwell: Thank you.

[Applause] james norty. Not here? James?

>> [Inaudible]

>> Mayor Leffingwell: You're donating? OK, Wii WE'LL GO TO THE NEXT Speaker. Ann kitchen. Following ann will be fred magee.

>> Hello, I'm here on behalf of item number 83 for community for change and, you know -- as you know, I was vice chair of the charter committee. We've had a lot of discussion about this already. And as we know, there was widespread agreement for change on the charter review committee but a difference of opinion how that change should occur. So that's why on the

committee, what we tried to do is come up with a consensus proposal, a hybrid proposal, which we believe would be most likely to be supported by the austin voters. So what I'm asking you to do is vote for item 83, to offer choice, to offer a choice to the austin voters. Voting on a hybrid single-member districts as austin's next form of government. You know, with the significant opposition in the public against any kind of change, I think we need that choice, we need the choice of a hybrid on the ballot because I think that's where we have the most opportunity to actually get some change and i do not see that as competitive with the efforts of those that have a petition drive, agr efforts or the 10-1 approach. I see it as offering another choice and that's an important choice for the voters to have. I believe there's the choice most voters will vote for and if we don't put it on the ballot, i think it's quite possible we won't get any change at all. And that's because I believe the hybrid is a balanced approach. It's an approach that increases representation by allowing every austin voter to cast a ballot for up to four council seats, including the mayor and vote in every city election and increasing the citizens ability to shape a higher proportion of the council. Also, as our previous speaker said, it offers minority groups who are not geographically concentrated a better opportunity to elect a representative and they should have that opportunity. And finally, it does offer minority groups who are currently geographically concentrated, the opportunity to strengthen their representation through at-large seats and importantly, ensure continued representation should their population decline or become geographically dispersed. In sum, I think it's very important to offer of the choice of a hybrid on the ballot. I think that's our best opportunity to actually make a change and we need a change. To geographic representation. Thank you very much.

>> Mayor Leffingwell: Thank you. Fred magee and donating time is james norty. So you have six minutes.

>> Good evening, mayor and council, and distinguished austinites in attendance. Thank you for the opportunity to address you on item 83 which i hope you'll support and vote for. I would like to ask you to do so first, because austinites deserve the opportunity to vote up or down on a -- 8-2-1. Please do not foreclose their opportunity to do that. It would be undemocratic. The voters should be given the opportunity to decide whether they prefer that kind of change. Secondly, I would like to ask you to support this item because in my opinion, and I'm only speaking personally, I believe that 8-2-1 is a better approach for change of the composition of the austin city council for the reasons that you've heard in previous two speakers and for the reasons laid out in our white paper which you can find. And on facebook and you can find on twitter. E things that we are saying in support of 8-2-1 are not based on anecdote, not based on quote/unquote expertise, it's based on empirical social science research. And I think that's important because what you're going to hear, I think, is that quote/unquote the people have spoken. The supporters of 10-1 and i respect them, I consider many of them to be my friends, have done the hard work of gathering a citizen petition and looks like 10-1 will be on the ballot, but that doesn't seal the deal. What they've done is met the threshold for getting something on the ballot. That's not my definition of " the people of austin are the ones who are going to be voting in november. Those are my definition of "the " and I would like to ask you to allow "the people" to vote on a -- 8-2-1. And that's really all I would like to say and I very much appreciate your kind attention. Thank you.

>> Mayor Leffingwell: Thank you. To that point, just to clarify, because I'm a little bit confused myself in the past. These two items do conflict. 83 And 84 but they do not result in any action or any change. So both items 83 and 84 could pass and both could be on the ballot, along with a third alternative, assuming the petition item is verified and gets on the ballot, all three could be on the ballot. So -- it's not a choice of either/or, it could be none, either one, or both.

>> Yes, mayor, I think there's confusion out there about that. I think a lot of people think when they walk into the voting booth. Like you said, they could vote for both or neither.

>> Mayor Leffingwell: And tonight, we could vote for both or neither or either one. Thank you. Next speaker is Carl Thomas Musclemann. Donating time. Andre Ludomov. I'm sure I didn't pronounce that right. But is there anyone here with a name similar to that? Andre. Not here, so you have three minutes.

>> Thank you, council. First, I'd like to say it's been a pleasure to be here and see a crowded hall, which is not often the case and for everyone's patience for being here so long. This is clearly an issue that has drawn the interest of a lot of Austinites and stretching back the number of decades of decades it has, highlights the importance of the fundamentals of our democracy. How we set the stage, cast the system, from the beginning. Has a major impact on our system of government. And in this case, I think that you have two plans being proposed tonight. Personally, I have to make an argument in favor of having more choices and having more options for representation. One of the things that is not represented on the council here tonight in addition to the various minority groups is also the fact that there's knowing nobody on council that is of my generation and hasn't been for some time. Next Austin, students live in every single precinct and that's true for many years, and they're dispersed and -- dispersed but there's a difficulty for them to organize and we see in city elections they do not turn out to vote and in the past election, some of the campuses were able to break, I think a quarter of a percent, which was an accomplishment for some. I'd like to make an argument on behalf of these communities that have not been addressed by the 10-1 plan, in an 8-2-1, plan they have that opportunity. This includes the Asian community, Austin LGBT community and our students and the communities outside of the -- what we're trying to have the conversation about. And how far can we go to ensure there's at least that seat for representation. There's many more communities than that in Austin and the debate, of course, you were to listen, doesn't seem to include these other communities and I have to ask: why? Austin's LGBT community is larger than Austin's Asian community and African American community and to date, it's had one member on the city council and, in fact, the member and the member who preceded her are from those communities that are here arguing for you to maintain the at-large representation which has not been addressed by the single-member districts. I believe you will preserve the option for these communities dispersed throughout Austin are not geographically concentrated and still provide a valuable perspective to our politics here in Austin. I urge you to maintain at-large representation in our efforts to try to change the system to a better one.

[Applause]

>> Mayor Leffingwell: Thank you. Jennifer Cam. Welcome, Jennifer. You have three minutes.

>> Thank you, mayor and council. I'm here in support of item 83 and asking you to give us the option to have two at-large districts in addition to the single-member districts you're considering and when I was campaigning for my seat on place three, I had people from all across the community help me. I did not complain as a asian-american but it definitely was something that galvanized a base of supporters that were excited about having opportunity to have representation on the council which hadn't happened before and we had people from all through the community, walking and donating money and holding coffees and I don't think that would have been as successful had I run in a district where there weren't as many asians. And another thing I learned being on council, when you have someone who is in crisis or needs special attention, it is -- it is very difficult when you've got so much on your plate to be able to handle someone with a specific need, that's culture-specific and I would get calls on asid and the county, a not just issue with the city. And when we have also a system where we have protocol and we have to refer people to their representative, I think it would cause a lot of misunderstanding and I think there would be problems in terms of communication, there would be possible disagreements who should be handling the case. If it was someone who was asian-american in a particular district but the constituent is not in that district, what is that council member to do? I think having an at-large system or a system -- a hybrid system where you have some at-large positions makes it possible for our community to have representation and doesn't hold northwest austin to having an asian-american, I think that's the balanced system we want and ask your support for item 83. Thank you.

>> Mayor Leffingwell: Thank you.

[Applause] leslie vargies. Amy wong mach. Is here? You have three minutes. Looks like you have a plan for more than three, but we have to know what it is. Amy? Are you donating your time or --

>> [inaudible]

>> I'll donate my time.

>> Mayor Leffingwell: What is your name?

>> [Inaudible]

>> Mayor Leffingwell: I --

>> [inaudible]

>> Mayor Leffingwell: You're vargies? Ok. You have six minutes.

>> I'm amy. Me and my husband moved to austin in 1983. Many speakers before me, they have been well spoken about the reason why we need to support hybrid and our former councilwoman has spoken from her experience as a council member how important it is to have a hybrid system and I would like to speak as a citizen who has the honor and the privilege to serve our city in different capacity as commissioners, and as advisory citizen committee members on the city



bond election, on asid bond election, and different taskforce, and i have the privilege to hear citizens from every corner of our city to speak about their needs and about their concerns. And I thinks it very important to have their message be heard by the city council, but I think it's even more important that we have to set the culture; the culture of the austin community. That we're not just setting up a system that mandates the city council to only narrowly focus on me and my neighborhood. We need to set up a system that will create a culture that is me, my neighborhood, and the austin community. So I think the hybrid system will address that culture, because this is what austin is about. The inclusion. So we're not quite there yet, but working toward that and the reason why I commit my resources and my time to work as a volunteer for our city, it is because we want to work -- i want to work toward that. So -- so I try to assist your -- the reason you so many of you get reelected at-large seat speaks to what the citizens of austin want. To please allow us to have a choice in november. And so that we can vote for our choice. And thank you so much for your hard work. You know, I've been here for like five hours, only on this thursday, and I know you have been doing this for many thursdays and I thank you.

>> Mayor Leffingwell: Thank you.

[Applause] summit vangusda. Donating time is aletta banks. Are you here? Raise your hand if you're here. Apparently not here. So you have three minutes.

>> I hope to take much less than that, since many of the things have already been said. Honorable mayor leffingwell and council members, I come in all humanity as a asian-american who has lived in austin for 17 years and prior to that, 25 years in new york. In the years, I've admired the contributions that asian-americans have made to the economy of the entire country. I spent my career in the semiconductor industry where 25% of the new companies have been created by asian-americans in the last 30 years. So we're very proud to have been given that opportunity to have made this contribution in the economic sector and we would like to make just as much contributions and we have been in the civic and public fairs of the city, the state and country. And, however, the fact of the matter is that we live dispersed throughout the city and for us, the 10-1 system doesn't do justice. An 8-2-1 system is much better for us. We're a drive -- thriving part of the population. Accounting for approximately 6% and want to be full participants in the political process but more importantly, the systems that adopted has to be fair, not just for us asian-americans but all ethnic groups and from that standpoint, I think a 8-2-1 system where you have a couple of positions at-large works best for everyone and I would like to see motion 83 go forward and finally get accepted. And voted upon. Thank you very much.

>> Mayor Leffingwell: Thank you.

[Applause] roscoe overton. Guess not here. Jim studebaker. After jim, will be fred cantune.

>> From afternoon to evening, when they were talking about 8-2-1 ran 10-1, I wanted to shift it to both of these plans and I want to read a cautionary tale. This is an editorial from the " restricting process tainted by back-room deal making. Several members of the dallas city council have done a lousy job of following the law. Instead of being closed doors to preserve influence in a proposed new lines. The public process is supposed to be about protecting voters' interests, not politicians seats of power. A map now awaits full city council approval and bears the marks of

gerrymandering with sprawling boundaries, we recommend council members look out the nearest window to remind themselves what transparency looks like. Now take the map and toss it. The city charter stipulates that the process be publicly transparent and protect minority representation and ensure districts are drawn as compactly as possible. Nothing in the law says incumbent politicians have the right to protect their seats. It's not supposed to be considered. The redistricting commission chairwoman warned that questionable behavior by commission and council members has tainted the process with back-door -- that and the first to display her ignorance when she blurted out in a she didn't think it was fair to redraw district so that council members wound up competing in the same election. And sparring publicly over who should retain control over the red bird neighborhood where he lived. Her address would now become part of a different district of all of this should give city council cause for concern. Whatever plan is adopted, it must be approved by the justice department and too much of this process seems to be behind the scenes gerrymandering. Fan forcing council members and their commission representatives to clean up their act, the public loses out. Watching some of the debate, it did seem that incumbent protection was a more important factor and I want to caution you guys, if you decide to not take a citizen district, to draw, lines, we could be in a similar situation and I hope not. Thank you.

[Applause]

>> Mayor Leffingwell: Donating time is mario cantoo. Is she here?

>> Not here.

>> Mayor Leffingwell: Douglas flannagan.

>> Good evening, I know it's been a long day. My name is fred, I was the mayor's appointee to the charter revision committee. I'm actually here, I think, representing hispanics, I'm the chair of the austin day hanno democrats -- tehao democrats. And ed and mexican american democrats among others and I've been in this town roughly 40 years, the whole time, I've been under a system that hispanics compromise 40% -- 40% of the city -- comprise 40% of the city, have not been getting the representation we deserve. During the past decade, almost half the growth of the population was attributed to hispanics. So one of the things that we visited in the charter revision committee hearings was the voting rights act and how, you know, hispanics and african americans are given protection under that. And rightfully so, because of the history on that. We had gary bledsoe with the naacp come to us. An expert. And also another expert. And dave richards and steve bicker staff, who was here today. But what I want to point out, that all of them, all of them to a person said -- and let me quote from a letter which you have seen before. Hybrid proposals dilute the voting strength of communities of interest and ethnic minorities. And that was their statement. So we support 10-1 with an independent redistricting commission and that's what I'm here for. I thank you very much for your time. I know it's a hard decision but I'm afraid that we put two proposals on the ballot, we're going to get nothing. So I urge you all to support the citizens' initiative, the 30,000 signatures we have out there and I ask you to make a bold move, be part of history. Do not consider yourselves. Just say I got reelected. Say, when I was there, we changed the system. We made it fair, we gave all the -- everybody an opportunity, not just, you know, gee graphically, but across the board. Thank you very much for your time.

>> Mayor Leffingwell: Thank you.

[Applause]

[inaudible] wilma cloud. After will is ted siff.

>> Good evening, goodnight. Everyone. I have a power point presentation. Wow, it's been this long. 9:58. If you would roll the power point for me please. There's an alternative to 10-1 and 8-2-1. Which will provide better representation and cut the cost of government. Next slide, please. Elected at large, six members and one mayor. A term of three years. Next slide. A unique proposal is needed while keeping the cost of city government restrained. Next slide, please. Four council members will represent single member districts, rename the wards, , those council members -- one for northwest, northeast, southwest and southwest austin. Next slide, four seats to be elected at large and represent the single member jurisdiction. Elected city wide but the jurisdiction is limited to those quadrants. Next slide. Term limits, two years and two terms and the filing fee is reduced to \$100 or 1% of the signatures. Along with a application fee of \$25 in addition to the filing fee. Will guarantee more people out here -- if you -- they can get themselves on the ballot and provide greater transparency. Next slide. Council member salary. This is the best part. Paying -- the mayor is make I go \$72,000. Let's reduce it to \$45,000 to each council member and council members who receive a disability can negotiate a lower salary and mayor's salary reduced to \$50,000 a year. Next slide. There's the current salaries. That's got to change, huh? Next slide, please. Again, there are eight -- make \$25,000 -- the aides make \$25,000 a year. That's what my proposal has. One aide per mayor and one per council and executive assistant position eliminated. Next slide, please. That's how much we're spending on council and the mayor right now. \$1,430,643. And next slide, please. \$795,643 Of your taxpayers' dollars saved. Two heads are better than one. Next slide, please. There we go, no, go back. Go back, the map, the map, i only have seven seconds.

>> There you are. That's our 4-4-1 plan, please take it into consideration. Thank you very much.

>> Mayor Leffingwell: All right.

[Applause] you have six minutes. You can only sign up for yourself for three minutes on 83 or 84, not both.

>> [Inaudible] all right. So you're not donating time. All right. So you have three minutes.

>> Sorry to cause a ruckus when I came on here. they were just cheering for you.

>> It's probably the green dress.

[Laughter] I -- you know, I am a supporter of cd 10-1 and I've been working with lots of austinites from all over the city for the past few months. So that said, you all know what the reasons -- what the reasoning behind supporting cd 10-1 would be. There's -- you know, we've got 30,000 signatures, over 27 endorsing organizations, cd 10-1 is going to be on the ballot. That said, I am a little confused about why the minority part of the charter revision committee is

supporting an 8-2-1 plan and why they think that voters would be more likely to vote for it in november, because none of them voted for it while they were on the charter revision committee. If -- if -- it was 10-2-1, as I recall. If we were looking for equality, if we're looking for representation for all members of our community in austin, we should recommend -- they should have recommended a 10-2-1 plan because eight districts will not give african-americans an opportunity district. That's just fact. So I'm urging you guys to please, if you don't want to put cd 10-1 on the ballot tonight don't put anything at all because we've got our petitions. Give it a fair shot. Austinites have been working really, really, hard, regular citizens, not people who are city hall, not lobbyists, people all over town of all genders of all ages, which is what I love about austin. I love that austin has such a varied community that people interact with each other, that this -- this proposal, this plan that we've come up with cd 10-1 has the possibility to be historic. We have tried this six times before, and your constituents are saying to you -- 30,000 of them are saying to you, we want to give this a shot. More people have signed that petition than voted for any of you in the last election.

[Cheers and applause] please give it a shot. Thank you. okay, one more time, nothing vocal. Next time we'll have to talk a little more about it.

>> Sorry, I didn't mean to cause a riot, mayor. all right.

>> But thank you for the time. Please put cd 10-1 on the ballot with the independent citizens redistricting commission. Citizens in texas, I am a native texan, I'm -- at some points in my life I've called myself a democrat, I'm more of an independent now but I know vew what happens when politicians draw the lines. Let the citizens do it. chris bailey.

[Applause] chris bailey?

>> Hello again, I'm chris bailey. I have had the pleasure of sitting at so many forums with you guys, all of you, and what I've heard repeatedly over and over again from every single one of you is I support single-member districts. It's time for a change in austin. We want to bring single-member districts to austin, and what's interesting is the choice that you now have tonight is to kill single-member districts. Two plans are not going to result in single-member districts. You're going to confuse voters with two different options on the ballot and this will be the council that killed it for the seven time. 8-2-1 Has been on the ballot before. It didn't pass. We're sitting at this awkward situation now where the people have risen up and done all the work here. We have something that we can put on the ballot. We don't need your help. We don't need anything from you guys. We just want people to vote on it. And so what we're -- what we're looking -- what we're looking at here and the situation we're lookingt are ways to kill all of the hard work that we've done and ways to undo all of that. Two plans is not really a viable option. To plans is political back door who knows what. I mean, I personally, all the issues that keep coming up with race, i personally -- I look at my candidates when I'm making my decision to vote based on the issues they have and what I agree with. I don't look at a person's color, ethnicity, race. I look at how are they going to represent me with the views that they have and do those views mix with mine. And so it's just -- it's silly, it's ludicrous to say that 5% of the population, now we need a new gentlemen's agreement. It's confusing. The austinites have done the work. We have the plan. It's going on the ballot. Please don't kill it, and that's what 8-2-1 does, it confuses voters and kills

single-member districts again. And the justice department will not approve an african-american district with an eight district plan. It's not possible to draw a district for that for an american community and that's required by law. So really it's just a big circle. So thank you.

[Applause] azuro kristino. And you have three minutes.

>> Good evening council members, mayor, mayor pro tem, as well as dedicated austinites who are planning to stay here for the night. I am an immigrant to this country. I moved here when I was 8 1/2-year-old and recently became naturalized in 2008. I have lived in the greater austin area on and off since 198 than but I just moved to windsor park a month and a half ago. When I called all your offices last tuesday to discuss this issue i couldn't help but think how much easier this would have been if I only had one council member that was mine to hound instead of having to come after each and every one of you. As I was doing out roach i asked a gentleman if he would be willing to sign to put cd 1-10 on the ballot and he didn't think there was any possibility that we would actually get council to do what we asked. Now, I know that that isn't true because I saw you pass the responsible resolution and I know it's possible for council to give us the redress that we want to see. I want to believe this council will choose to do the right thing, support cd 10-1 and only 10-1 to go on the ballot in november, and that can be achieved by voting no on both of these resolutions or only voting know on 83. Having geographic representation will make our ability to communicate with council much more effective. Some have argued that this would disenfranchise certain types of voters, but I think that if, for example, I'm a cyclist and I need to reach out to council member riley in order to have something resolved with bike lanes, he's not going to refuse to talk to me simply because i live in 78723. Rather, he would listen to my constituents response and then we would go from there. I still think that I would have more in common with somebody living in my geographic district, whether that perso as asian american, african-american, hispanic or whatever other race, than I would with someone sharing my own ethnic background that lived in, say, 78704. I do like the provision in 83 to move the vote for council from may to november. That's something that hasn't been discussed by any other speaker, but that is something that I think would be a good idea to keep. Other than that I will say that I think 8-2-1 is not the way to go. It will increase voter confusion as a lot of people have said. The mayor indicated that it would be possible for as many as three measures dealing with this issue to be on the ballot, and i think that is just going to be incredibly overwhelming to voters. And finally, I would just add that having the two at large districts would mean that I would have to petition my own geographic representative as well as the mayor plus two at large, and that seems like a large burden in order to just be able to be heard, which is quite patently ridiculous. I want to have one person that I can be in front of the whole way and bother, not have to trace down four, and I would add that since i wouldn't be in the district of any of you currently, wouldn't you rather that i as a constituent be hassling somebody else instead of hassling you? Thank you and have a good evening.

[Applause] all right. Before we go to the next speaker I'll entertain a motion to extend the meeting past 10:00.

>> [Inaudible] council member spelman so moves, seconded by morrison. In favor say aye. Opposed say no.

>> Mayor leffingwell: no. Passes on a vote of 7-0. I'm switching my vote on that.

[Laughter] all right. Next speaker is elisa may. you have three minutes.

>> Good evening, mayor and council members. I'm here representing austinites for geographic representation this evening. I want to thank council member martinez and council member cole for their efforts this evening in merging your -- your proposal with the agr proposal. Thank you for your leadership in that. I basically want to talk about three areas of which i think are most critical as we look at hybrid plans. The first and foremost that I am most concerned and i know we've shared these concerns through the various we've had with you as well as during the public testimony of the charter review committee is that concern that we are concerned that the hybrid plan will not pass the department of justice clearance as it pertains to the protections to african-americans. We do believe that the 10-1 plan is the best opportunity for us to provide an african-american seat and still pass the department of justice mustard. Secondly, you know, I've been in the city since 1976, and I've had the opportunity to work and grow with many of you in this room, and one of the things that I've seen that I've learned is as we've gone through the years, we've all kind of developed ourselves and our leadership and have always worked for the most part for the very same things that we all care about and what make austin so unique. Were you I will tell you that one of the things that concerns me about the hybrid plan that I believe does not remove the concerns of the current system, which is that of the at-large system. The at-large system, frankly, is -- as we see it, is a very problematic system, and I think you would agree with that, but more importantly the hybrid plan would end up being -- which would only end up being the vest taj of vest taj vest taj -- it over -- the problems we have of the city hall and council members because it will remain in the control of a handful of city insiders and power brokers. Earlier you heard proponents of the hybrid plan having four at-large -- two opportunities for the members of the city to participate in electing four at-large -- or participate in electing four council members, so that's not going to change anything. That's just going to leave that power under their control. And I guess the most compelling argument that i would make for you that i would ask you to really consider is that of the hybrid proposal does not include the very broad citywide support that we have mustered under the petition -- our petition and the work of the 10-1 plan is an 18 month long movement that includes neighborhood organizes, it includes community groups, it includes the collective work to structural change how city government is actually governed here in our community. Thank you very much. thank you. Fred lewis?

[Applause] donating time, david orchlick? Okay, rebecca pratt? Rebecca? Is rebecca here? So you have six minutes.

>> [Inaudible]

>> mayor leffingwell: where? What is your name? Linda curtis is donating time so you have nine minutes.

>> I think I can do it in less than that. It's late in the evening. I'm fred lewis. I'll try to make this to the point. I was on the charter revision committee. I'm an attorney. I've worked with election law for many, many years. I wanted to make two big points. I wanted to first of all say that when we were on the charter committee and were trying to work out a consensus, a majority, those

who favored a hybrid system's argument was that if we put two issues on the ballot they would both fail. Now they're here saying give them a choice. Well, the problem with giving them a choice is i don't think they've earned it. One, they don't have the police, the firefighters, lulac, the naacp, the university democrats, the republicans, and all the other groups that worked so hard to support it. Second of all, they didn't get the vote of the charter revision committee. Second of all, they haven't got a petition with 30,000 signatures. And lastly, the overwhelming majority of the testimony in front of the charter commission was in favor of a 10-1 system. So I think there should be one thing on the ballot, and I respect very much council member cole and councilwoman cole and mayor pro tem and council member martinez for putting on -- or proposing to support what the citizens have asked for and what the charter revision committee wants and 27 organizations. The second point I want to make is regardless of how you feel about a hybrid or not a hybrid system, I do not think the citizens should support, I do not think they will support any system that gives the council any control over the drawing of the lines.

[Applause] we have some experience with this. I was appointed on the charter revision committee in 2001. We recommended independent redistricting commission, which I helped draft. The council said no way, you are hopelessly unrealistic. We're not going to let citizens draw the lines. They said, we will draw the lines for the citizens before we vote. The citizens vote. They couldn't come to an agreement in public. And so we went to the citizens with no maps, and that's why we had a debacle and it lost badly. So we've been through this before. Citizens have now come to you twice saying, we want an independent redistricting commission. And let's be real clear about one thing. Whatever disagreements there were about a hybrid or 10-1, there was one person who voted against any independent redistricting on the commission, and it's safe to say that he was in a different position than the other members of the committee. Let's say -- let's be clear about something. We've had independent redistricting commissions in the united states of various sorts for 20 years. They're all still standing. They're all still legal. After hearing some minor objections to it I went home and read a lot of the literature and I can tell you that there's no question that independent redistricting commission as proposed by the charter revision commission and agr and following california, which has put it into place and done well, that it is legal. So let's be clear. I -- we know whatever system we have of independent redistricting commission and whatever human frailties it may have, we know it is better than politicians drawing the lines. How do we know? Because we have watched it for 30 years across the united states. It is an abomination. It was an abomination when tom delay did it. It was an abomination when the texas legislature did it. It is an abomination wherever it's done and it would be an abomination if done by you.

[Applause] and the reason why is because it undermines the whole purpose of fair representation. We're trying to get fair geographic representation. Well, if you can jerry mannedder the lines or you have a self-interest in gerrymandering the lines you can undercut the whole purpose of changing our system. So let me just close with this. An independent citizens redistricting commission is not just the right policy. And it I certainly better than any proposal in which the council can veto a committee, influence it through lawyers or the budget or other ways, which has been tried in other places and not successfully, at least not in the public interest. But the problem is this: The citizens of austin are too familiar with the perils of gerrymandering. They are too familiar with tom delay and the texas legislature and what they tried to do to congressman doggett to ever give elected officials on this council the right to draw the lines and

determine their ability to have their representation. So if you retain in an 8-2-1, if you put it on the ballot, which I do not think you should do, I don't think they've earned it. I think the citizens have a right to have a fair shot on 10-1, but if you decide to put it on the ballot and you put it on the ballot without a fair independent redistricting process, you're going to condemn it to defeat. And that's all I have. I'll be glad to answer any questions. Thank you.

[Applause] fred, I have one question for you. Fred, I have -- fred, I have one quick question for you. I have one quick question for you. I thought you said that in the past -- sometimes in the past, that you went to the without maps and it failed and you should have had maps --

>> no, no, that isn't what i was trying to say. The independent -- the charter committee, the first one in 2001 recommended some sort of single-member district, I don't even remember. It's ten years old, I'm a lot older, and recommended an independent redistricting commission, along the ways of iowa, which was one of the better ones known at that time. The council rejected it within ten seconds, said we're not interested. We'll draw the maps. That's our solution to it. They then fought among oops, we'll draw them for you citizens after the election. It was not a pretty picture of watching the council draw lines, and it did not impress the citizens as reflected in the vote margin.

>> Cole: I misunderstood.

>> That's all I'm saying. This is the second time it's been recommended. I misunderstood you. I'm sorry.

>> I don't know if it will be followed this time but -- teresa anderson.

>> Thank you. teresa anderson.

>> [Inaudible] susan moffett? Do you want extra time? All right. So you're donating time to susan so you have six minutes but feel free to use three, or even less than that.

>> I should read you my fl airport facilities speech because I know you're all really sorry that you missed that.

[Laughter] I'm susan moffett. I'm also a former member of the charter revision committee. We're having a little reunion tonight. But I am asking you to give austin voters the opportunity to choose by placing the 8-2-1 hybrid system on the ballot along with the agr proposal and the independent commission. Given austin's growing size, I completely agree that geographic representation makes sense and is long overdue, but I also believe there are many sound reasons to keep two at-large seats in the mix. Other speakers have addressed some of these issues so I'm just going to focus on two, but I believe these are critically important to every austin voter. First, retaining two at-large seats significantly improves your chance of finding an open door at city hall. Council members are only human. Yes, even you people are only human, and you may not always be able to provide the help that you'd like even if you do live in my area. Council members may not share your interest on an issue or they may flat-out disagree with you on it. They may become incapacitated through illness or accident or family issues. They may have a



legal conflict of interest that prevents them from discussing or voting on your case, which is actually more likely to occur if they do live in your area, and, in fact, just this evening we had a council member who had to recuse herself on a case. They may not form alliances with colleagues or they may just turn out not to be very effective council members, but if they are your district rep, for better or worse, that's who you've got for three years under a pure single-member system. Now, ideally, every council office would remain open to every member of the public under any system, but the reality is that other district representatives will be busy with their own 70,000-plus constituents, who unlike you, can actually vote for them, and they're realistically not going to have the time or incentive to carve out attention for someone else's constituent. In these situations where, for whatever reason, your district member cannot or will not represent you, having two at-large seats serves as a critical insurance policy for every austin resident. Second, keeping two at-large seats let's every austin voter vote for at least one candidate in every city election and vote for a total of four council seats including the mayor. In a pure single-member system you will be limited to two votes, one for your district seat and one for the mayor. Under austin's staggered terms those voters whose districts are grouped with the mayor's race, which is roughly half the city, will sit out every other city election. Now, this scenario is clearly not likely to increase voter engagement or promote the higher voter turnout that we all really do hope to see. As a committee we did discuss whether to recommend ending staggered terms for this reason, but we concluded that no one would be well-served by having an entirely brand-new council taking office at the same time without any more experienced members to keep business moving while the new ones get over the deer in the headline look, and if you've ever served on boards I think everybody knows it takes a couple months to get your bearings and really feel comfortable. Austin is growing. None of the answers are simple. But an 8-2-1 hybrid provides the geographic representation that many of us really want while keeping tested elements of our current system, I do believe that austin voters deserve the chance to consider this model, and I hope that you will consider placing it on the ballot for their choice with the agr -- excuse me -- proposal. I do not think it will be overly confusing to austin voters. I respect voters' intelligence enough to make their own decision on this. And I will say that i actually often sign petitions to put things on ballots, not because I'm intending to vote for them but I think people should have the opportunity to vote. Anyway, thank you for your time, your consideration and for allowing me to serve on the charter revision committee.

[Applause] zack young? Zack young? Donating time to peck is debbie russell. Peck young. Is debbie here?

>> [Inaudible] all right. Stephanie collins? Stephanie? Where?

>> [Inaudible] all right. Simon roig? Simon roig? Don't see him. So you have nine minutes.

>> Thank you, mayor. Mayor, council, I agree with one of my colleagues that you all are actually at a very historic moment for a variety of reasons. One, because the mayor showed the leadership and vision to even bring up this debate in the first place about the districts, and frankly, because you all appointed a good commission to discuss this and to bring -- and to spend a good deal of time taking almost 300 people's testimony and bringing this before the community, but also because you set off something which in the over 40 years that I've been involved in city politics has never happened before, which is a true grassroots movement around

this issue. You allowed people to become involved and engaged, and foren discussing this and debating it, and they came to a consensus, a consensus which was debated first among themselves and then debated before your commission, and which has been debated up until yesterday by some of these groups, and all of those groups came to one answer, except for the one group here tonight, and that answer was 10-1. Those groups include everybody from the austin firefighters to your human rights commission to the gray panthers, to the league of women voters, to the naacp, to lulac, and I'm not going to read you the names. We have sheets out there that do that, but it is probably the broadest-based coalition that I have ever seen, and some of you have a pretty clear idea that when y ever seen that means a good deal because I've been involved in politics here since I was 6 years old and that was a very long time ago.

>> She did.

>> That group didn't come to that conclusion because they had a common political agenda. I can assure you the tejano democrats and the republican county executive committee don't have very much in common, but they all came to the same conclusion that we not only needed to change our form of government, which I think the majority of you all -- not all of you all agree, but that we had to come to a same system as a way of changing. And the reason none of them wanted a hybrid system is because there were some facts they were aware of, one of which is that since 19 -- for the last 41 years, since 1971, when we began electing all of you all on the city government individually, we didn't have the mayor elected by the council anymore, we've had 55% of the elected officials in this city, 50% of the council members and 15 to 17 mayors elected from an area of four zip codes which represent 10% of the population. We've had single-member districts, except there's only been one district, and that was 01, 03, 31 and 59, and that's been the district where the majority of you all are represented.

[Applause] and they thought it was probably a good idea to put an end to that system because no one knows -- 183 has ever had a council member, nobody south of william canon has ever a council member and south 1 council members in 40 years and one mayor and they thought it was time to end that system. They understood something about a hybrid system, and I'm not attacking my friends, but they understood if we went to hybrid system what was going to happen is that same district, which would be a district under the proposal we're in favor of, would end up with one council member and probably the mayor because it's elected all but two in the last 41 years and probably at least one of those two of at-larges, if not two, so they'd end up with three or four seats and still be 10% of the population. And folks finally decided, i know the folks I've met with, that they probably thought that area had had enough representation in the last 41 years to last probably 41 years.

[Applause] now, the truth is, is that i know that none of you sincerely want to kill this issue, that you're sincerely interested in seeing this pass. I know some of you personally and some of you I've only met a little bit, but I don't think any of you genuinely want to see this issue die. But the statesman has told you, and I will tell you, with 40 years of professional political experience, putting more than one thing on the ballot is a bad idea. It runs a very real risk in a november election where everybody has to vote from everybody from president to justice of the peace and then they have to find this issue and they have to find bonds that you want the citizens to pass and a whole lot of other stuff, and the acc people, that matters to me because I work there, that

putting two of these things on the ballot is going to jeopardize them passing it. There's one thing that has 30,000 petitions, and those petitions are sitting here in these boxes next to me. We're not ready to turn them in yet, but we will. And there will be more than 20,000 valid names in those 30,000 petitions. AND MY FRIEND Fred McGee may think 30,000 people signing a petition is a nuisance but I think it's a really important statement by the people of this city of what they want to see on a ballot. And it's a process that --

[applause] -- in our charter. I want to thank mayor pro tem and council member Martinez for supporting putting this on the ballot because I think it's an important process that 30,000 people, 27 organizations, 45 individuals and a thousand volunteers stand for is something that matters in this city. And I frankly think the majority of you all do too. And I don't think when that gets on the ballot it ought to be confused by something that one organization out of 28, 27 being on the other side, thinks is a nice idea ought to be on there to confuse folks. I think you have a historic chance to make a change which a lot of us have tried to make for a very long time, to make that change happen, and I know most of you if not all of you are committed to making that change as much as I am. I used to do this for a living. I don't anymore. I work for acc. The time I've spent on this has all been volunteer, and the truth of the matter is so have almost all the people we have working with us, so have all the citizens on this list of organizations. We want to work with you to make a change to make every part of this city have a voice on this city council. So please put 10-1 on the ballot or don't put anything on the ballot. Let us finish our petitions and we put 10-1 on the ballot. That's my request tonight. Thank you very much. thank you.

[Applause]

>> mayor?

>> Mr. Young? Questi questi on, question for you, Mr. Spelman. Young, I want to ask you a hypothetical question.

>> Sure. Suppose the following scenario. You submit all those petitions and agr makes the ballot. This council decides to put an 8-2-1 proposal on the ballot as well, so we've got two different ballot items available for citizens to vote on. And you are advising the 10-1 folks, maybe you're running the campaign. How would you run that campaign?

>> You're going to put us in a position where you're going to have the people's plan versus the politician's plan and it isn't going to be pretty, and I'm sorry that's the way it's going to be but that's what it's going to be.

[Applause] because the people put this on the ballot, you all put it on the ballot and that's the way it's going to break down. so that's what you're going to say?

>> Pretty much. Because that's going to be the facts. We put this on the ballot, over 20,000 legitimate signatures, over 30,000 total signatures, and some majority of you all put the other one on the ballot. In fairness, how do you think I'm going to present it? well, here's why I ask on --

>> council member, I'm not being ugly, I know you and i like you, but I've done this for a living for 40 years and how would you present it if you were me? My job is to win, my job ain't to be nice, okay? And the bottom line is the facts are the facts. That's the people and there's some of you up there and whatever majority vote for -- opposed to up there, that's how it's going to break down.

>> The reason I asked you and I didn't ask anybody else is because I knew you were going to say and you said exactly what I expected you to say, but more importantly you said what i expected would actually happen if this council did put an 8-2-1 on the ballot and agr did make the ballot as well. And if either of the two succeeds only if a large proportion of people vote for both of them, which i think is accurate, I think a very large plurality of the austin public would be happy with either of these two. But the only way that any of these two will actually get more than 50% if they're both on the ballot is if most of those people decide to vote for both of them. And what you're going to talk about doing is going to make it much more difficult for those people to vote for both of them.

>> What happened when a council did this in 1992, when a petition was put on there for sos and the council put something else on there, the sos petition thing got 64% of the vote and the council thing got 34% of the vote. We don't have to have a majority, and you guys don't have to have a majority for us both to win. But you all are my friend. I supported almost all of you for re-election, okay? This isn't something i enjoy, but you asked me what I need to do to pass the proposition I believe in, and I'll do what I have to do and, no, I don't agree with you that both of them have to win to win. Only the one that has to win is the one that I'm in favor of.

[Cheers and applause] I understand what you're saying, I just want you to understand what I'm saying. In order for your thing to win, most of the people who vote -- well -- probably doesn't matter. Never mind, I see what you're saying and I expected that.

>> [Inaudible] sos followed -- you guys may continue this over a beer or something.

>> Spelman: I gotcha. butts back here how well it worked. all right.

>> Thank you, mayor. you bet. DONNA beth McCormack.

[Applause] DONNA beth McCormack i don't believe is here. Showing for. Leslie icenman.

>> Right here. I donate my time to steve bickerstaff.

>> David rein?

>> Yes, sir, I donate my time to steve bickerstaff. all right. John rabeau?

>> Yes, sir. you got three minutes.

>> All right.

>> Thanks very much for having me. Cd 10-1 I've been collecting petitions for it, signatures, for a few months now, and some of my favorite signatures are austinites who have serious misgivings about 10-1 but sign the petition anyway because they're excited about letting us have this out democratically. Those are some of the most satisfying -- there's a lot more than you think. They're excited about letting this be sorted out democratically. Cd 10-1 has broken every obstacle before it. Don't muddy the waters now with a hastily conceived counter measure born in desperation. If you do, you will have in plain sight jumped the broom from public service to control at any price.

[Applause] okay? I beseech you, consult the better angels of your nature. Leave cd 10-1 alone and let democracy do its work. Thank you very much.

[Applause] emilio lopez? Emilio lopez? Not here. She signed up for. Roger borejay. Roger? Not here. Marissa stewart? Marissa stewart? Not here. Chris neilson is not here. Fra mechanic entire? Okay. -- McENTIRE. Francis, you have three minutes.

>> A lot of people that were here tonight with agr have turned into pumpkins, and I'm getting a little orange.

[Laughter] you have all told me that you support single-member districts. Agr has 30,000 people who have signed the petition that calls for the pure 10-1 system and contains a provision for an independent redistricting commission. 30,000 People are almost as many people that have voted in the last city election. And these people who signed the petition are real bodies. They're real people behind them, and they constitute an established constituency for this -- for this plan. Already convinced that the 10-1 should be the plan and this is the only plan that has a large constituency. We hope you will give deference to those citizens' wishes and put the other arc 10-1 plan with the independent redistricting commission, which is also the only plan that has a that connected to it. Put it on the november ballot to be voted up or down. When we have even more citizens voting, and if you're really supporting give of the single-member districts, then you will not dilute the vote with two competing plans. Those changes can be made at a future charter election. So I am asking you to vote no to 83 and yes to 84 or no to both. Thank you.

[Applause] steve bickerstaff? Leslie ice enman is donating time. Richard anton? Is he here? Claire deyoung. Claire is here. So you have nine minutes.

>> I don't think I'll take that long. mayor, mayor and council, my name is steve bickerstaff, and I for 18 of the last 20 years have taught election law at the university of texas law school. I have just finished an article which I wrote, which is being published by the election law journal, which is a study of the states that have redistricting commissions and also an examination of the 50 largest cities in the united states and how they go about redistricting. , And based upon that I urge that whatever you choose in terms of a system, whether it be all single-member districts or single-member districts in combination with at-large, that you have the districts drawn by independent commission. I think that that is important to passage of any single-member district plan, because I've been in austin since '64. I don't know how that ranks with the rest of the people, but, you know, I've been here a while anyway. I've seen the proposals and I've also seen the skepticism, even cynicism, that exists in the public about any elected officials drawing

districts from which they will be elected. That's sort of what you would expect from people who live in austin, who see the texas legislature and the plans that have been adopted over the years that are plan that serve the interests of particular person, groups or individuals. And if you look at the commissions on a nationwide basis, the commissions are ones which have been much more successful in terms of districts that are supported by the general public that have avoided litigation and that have presented fair representation. And I think that you should -- that you should be concerned about that. There were concerns expressed about the language of the petition. I have listened to your tapes time and time again. I have taken the language and I have compared it to the language in those cities and states which have commissions, and it is my opinion that this plan -- that this petition and all of the language, all the wording meets the legal requirements of state law in texas.

[Applause] finally, I would urge you to be bold. It is customary, and again, if you look at all the jurisdictions around the united states, it's very natural for the legislative body, for the lawmakers to be reluctant to have an autonomous commission that is responsible for drawing the districts, because they can't control the result, and it takes somebody with courage to step out and say, we're willing to do that because it's important to the people of the jurisdiction. And someone read one of the articles out of dallas, it was an editorial written by the dallas morning news, criticizing dallas. Dallas has single-member districts. They used an advisory commission, and the dallas morning news took over the task for months. I can present that for almost all of the cities across the united states, where the members of the council itself have drawn the districts. Even if they use an advisory commission, as they did in dallas, if the council maintains that authority, that control and doesn't trust the people to do it right, then the people will simply reject the idea of single-member districts. I think that's what has occurred in the past in the city of austin. It will occur again. And for that reason I urge that you adopt the independent citizens commission. I'd be glad to answer any questions. mayor, I have a couple questions for mr. bickerstaff. mayor pro tem? when you were testifying I wasn't clear when you talked about an advisory commission, if the advisory commission actually drew the final maps, do you still see the same problem? I understand you're saying if the council starts drawing maps and, you know, that could be problematic, but what result did you see there?

>> Well, an advisory commission by analogy, let's take the shorter re -- charter revision committee, it makes recommendations. It can recommend a map to you, but you don't have to accept it, just as you didn't have to accept the recommendations from the charter revision committee. That is what has happened time and again. That's what happened in dallas, that the advisory commission was made up of people that were selected by the council and they produced a map which pleased some members of the council, didn't please others, and as a result they had a very serious several-month-long dispute. An independent commission, and there are out of those 50 cities about seven that are independent, not advisory -- they're autonomous, they make the decision, they don't make a recommendation, in those that have used an advisory commission or where the council has retained the authority to draw the districts, you had, I think, increased likelihood of litigation and you have increased likelihood of districts that are drawn for the benefit of the incumbents. It's just natural. It's what happens. okay, and I guess this is all kind of situations where it doesn't matter whether particular incumbents or term limited or whatever. Okay. Let me ask you another question. Have you examined austin's charter in connection with the advice you've given the agr?

>> Yes.

>> Cole: okay. Well, we might have to visit later about some concerns that I have about technical issues. I'm just not sure.

>> I will be glad to work with the city attorney or out of house council, whoever it might be, on those issues. I don't think any of them are ones which render the -- what has been proposed, there's a petition of a single-member district and independent commission to render that -- that render that in any way on and off. thank you, steve -- mr. bickerstaff. laura presley.

[Applause]

>> I'm donating my time to laura. what's your name?

>> Dave king. okay, you have six minutes.

>> Thank you, I may not need it. Thank you council, mayor, mayor pro tem. I'm laura presley, a 22 year austinite and I support the 10-1 plan and personally have gotten hundreds of signatures myself. In allandale, on town lake bridge, I tried to chase lance down but couldn't catch him. Twice I saw him, I couldn't get it. I hope someone else did. Franklin barton creek and also in the tsa line at the airport. We have 30,000 signatures. Yeah, that was a good one. 30,000 Signatures and that means 30,000 people, austinites, have signed the 10-1 petition. That's a huge number. And I want to reiterate, this is more people than voted for each one of you on the council. Okay? No one on the council got more than 30,000. Did you this last time? You may have. You're the only one.

[Laughter]

>> you're the only one. So the rest of you, no one got 30,000 votes. And basically you cannot ignore what we the people

[inaudible]. You cannot ignore it. You know, I -- the attempt to get the 8-2-1 on to the ballot has a lot of problems. First of all, the charter revision committee never recommended this. It's coming out of the left field. They never recommended it. How many signatures does 8-2-1 have? They don't have 30,000. There's no way. They haven't been working for six to eight months. I also find the idea very offensive that those that are not asian, african-american or hispanic cannot represent minorities in this town. This is absolutely the silliest thing I've ever heard and that's a nice way to say t I'd like to remind people, the council and also the 8-2-1 guys a little bit about mathematics and probability. There's 800,000 people, let's say roughly, austinites in austin. And, you know, to do an at-large probability of -- you know, you'd be one person in 800,000. Wouldn't you rather be one person in 80,000? So I really don't under that they say it's more probable in an at-large system for somebody, you know, to have representation and to run. You're one in 800 versus one in 80? I'm sorry, the math doesn't work. Doesn't make logical sense to me. Also, if you have these two social classes on the council where you've got an at-large group and you also have the geographical representation group, that to me is not a good idea. You're going to have two social classes on the council, which I think is outrageous. What we're

looking at with the 8-2-1 is we're looking at some really good reasons versus the real reason. You know, I think it was thomas edison quoted saying, there's two reasons people the good reason and the real reason. With 8-2-1 there's a lot of good reasons and I just went through them and they don't make really good sense. The real reason is that if we put multiple plans on the ballot we're going to have problems, and it probably could kill the initiatives. We don't want to do that. We're at a historic point. Let's take that step. I know it's scary to lose power, but it's the right thing to do.

[Applause] I want to thank -- no one has said it yet. I think to thank peck young and specifically linda curtis for all their hard work. It's been amazing what they've done.

[Applause] so are there any questions? Okay. Thank you. richard franklin?

[Applause]

>> good night. presley now because she just stole my thunder on the mathematics of it all. The hybrid system doesn't make sense at all when it comes to mathematics but we won't go into that now because she just told you what was going on. I'm a member of del valle coalition, community coalition, where we actually had a hybrid system that was proposed after a lawsuit in the '90s. This is settled law in travis county. I don't even know why we're having this conversation. The lawsuit came up when they had an at-large system. This was brought forth to the charter review commission. We told them about it, and i guess no one cares about the law. The reality is we told them when they brought up the fact that they said, well, what we'll do is we'll ease into it and try to give you a hybrid system. The court then said that dilutes minority voting. That is settled law here in travis county. Why are we having this conversation? So with that in mind, i guess we won't look at the law. The real issue as far as I'm concerned is when we're running for office it takes a great deal of money. The more people you have to go out and talk to, if you go to an at-large system with two people out there who are going to be voted on by the whole city, there's no way the people without money are ever going to be part of that process. What we've been talking about is trying to take money out of politics and yet this city, if you allow for this will go back to doing the same thing again. We need to start taking money out of the process and let people have a voice. So I would hope that you would not allow this 8-2-1 on the ballot based on the fact that it has settled law and we really need to get away from having too much money in politics. That's one of the issues we have right now. Also, being a member of del valle, the coalition, I talk to a lot of people in that district. I was wondering if I could get dubs on one of this is tickets to england. Thank you very much.

[Cheers and applause]

>> mayor leffingwellgagavino fernandez? You have three minutes.

>> Good evening, council, my name is gavino hernandez and I'm speaking to you as director of lulac district 12 and the coordinator of con cilia, the coalition of mexican americans associations, east town citizens, and pedernales communities. And I was at home watching this and I was debating whether I should come down here because many of my friends have pretty much said what I wanted to say, but most of my colleagues are in orlando florida right now because we're



holding the lulac national convention. So I called luis figero and he said you need to go down there. Mayor, I need my comments to be made part of this record. He said you need to go down there because if they do what they're thinking of doing we're ready to litigate. He said, we need to have plaintiffs. So I'm here to support the 10-1 and also to support the efforts and the signatures of the people. This petition was of the people, for the people and by the people.

[One moment, please, for ]

>> this is a need for geographic representation because austin has annexed so much since the last time this issue was on the ballot. That many of those persons are the ones that are asking and wanting geographic representation because they don't have one right now. The other thing is that when you have your own geographic representative, he or she lives in your neighborhood. Right now, I'm pretty sure you'll give me an appointee, i know riley would. But it's very important that we get geographic districts. Thank you.

[Applause] steve fair you've got three minutes.

>> Mayor, council members, I'm definitely supporting the 10-1 plan and the independent commission, I've lived in this town since the mid '60 and had the pleasure of knowing arthur dewitty who ran for city council. An african american and later president of the naacp and the current system you're part of now was created, this place system this, at-large system was created to prevent any chance of him being elected to the council in later elections. He was almost elected at a time when they had the top five vote getters and after the unsuccessful race that he lost by just a few vote, the system we've served and you all were elected in, was created. So you're sitting on a system today that was created in the middle of the joe jim crow area and -- era and we need to go forward and many of you have worked strongly in your campaigns day after day after day and we're expecting you to show some leadership on this. You have lewis and gary, naacp, some of the premiere leaders are supporting the 10-1 plan. I lived in san francisco in the MID '70s AND IT'S ALWAYS LEFT Out we know harvey milk and the tremendous contributions he made. He ran for office three times and lost and in an at-large system and every time he ran, he was defeated by the -- a decent man but he was just another democratic hack supported by all of the democratic consultants and some are dear friends and in my opinion, trying to defeat this democratic plan but only when they went to single-member districts that harvey milk was elected to the city council and once he got elected, he made tremendous changes in a short time. I'd like to keep it in mind that you need to show leadership today and the memory of people like harvey and countless others in the civil rights movement and general leaders in the progressive movement in general. You need to join them. Even the own commission, the mayor appointed good hardworking people, they didn't even come up with this alternative plan. It was said. Discussed. We need to see leadership out of you. A lot of us worked hard to get you up on this council, and have a lot of faith in you, and still do, and sometimes I ask myself: Why do I still have faith in them? But I'm trying to. And I leak every single one of you and some more than others, but --

[laughter] you know? We need to see -- we need to see the will of the people is represented by 30,000 signatures and thank you very much for your time.

>> Mayor Leffingwell: All right, nicholas chu.

>> I donate my time.

>> Mayor Leffingwell: All right. James shia. Joe contearo. Conterro. Not here? Heather ebberly. How about jason bunker. You got you. Six minutes.

>> Still on the 10-1 plan? You all prepare know what it is, right?

>> Mayor Leffingwell: Got it.

>> I hope so. A lot of the points I made have been mentioned but if they have been, just carry on and I'll move on. The current at-large system does not represent austinitiss, it's humanly I am upon to represent 800,000 represents. Zoning to education. I know personally that the -- in the current system, I'm not represented. I voted in travis county. Since I turned 18. And I've contacted -- I'm pretty sure each and every one of you guys with no response back. And I was also part of occupy. So I feel as -- I don't know -- what my democratic would be. But I'm not represented. I feel that geographic representation is a building block for a more accountable city government. From campaign integrity on geographic representation is the only way an individual council member can understand and empathize with every issue gee graphically. Having a split system -- geographically and two in charge of everyone. Well, their salary increase for the two with more responsibility? As far as monetary concerns go, although it's not an issue at the forefront of the debate, it's important. Some talk about the financial repercussions of an additional four council members. For us. So perhaps lowering the salaries of -- is a viable option. I know tovo -- I'm not -- receives less. I'm not sure about that. Monetary concerns directly affect my decision to be here, i know none of the members are poor with a salary of \$64,000 and that's what I'm saying, I'm underrepresented as. Maybe we could have one member who is poverty stricken in addition to what we have now.

[Laughter] I was born and raised in austin, an endangered specie, I hear and I feel that geographic representation is the only way to create a accountable and balanced city council. To me, city government representative of its populace attempts to gain input from every demographic, regardless of their race, their gender or age or religion. I live in a predominantly hispanic and asian neighborhood up off 183 and african american and anglos are proportionately lower. I feel that personally, i believe that a white woman is not automatically the best person to represent me. I feel that someone who lives in the same area I live, representing me, would be much more representative of my needs than some random person. The reason we have such a lower voter turnout, is because people feel they're not represented. I petitioned for 10-1 and I've met a number of registered austin voters who feel as I do. That change is needed because they're not represented. They say they don't vote in city elections because they feel they're not represented. They'll vote for the president, which doesn't make sense, but not in city elections because they feel they're underrepresented. The charter commission agrees on joe graphic representation but the most important of the 10-1 plan has been omitted from number 84 -- I don't know if that's because it would be longer. But the non-partisan independent citizens' redistricting committee is essential to avoid the problems at the state level. I think having a 8-2-1

and 10-1 on the same is not only confusing for people not voting for whatever reason but creates animosity toward the issue. Creates voter fatigue and -- that's all I have to say.

[Applause]

>> Mayor Leffingwell: Ok, travis nately -- snavelly. Roger baker. Travis is here. So you'll have to let travis speak first. Travis snavelly is speaking before you, roger.

>> All right.

>> Mayor Leffingwell: You have three minutes.

>> Good evening, everyone. Thank you. I actually -- a lot of people have said the same things so i will antibody quick. I would like to thank council member martinez and -- for adopting the language. I like the idea for the amount of money for a candidate to viably win in an at-large system is much higher than in a district that has districts so i support the districts for that reason as well and I think it's a great thing with the redistricting plan that your representative would be your neighbor. You'd know their integrity based on interactions prior to the actual election occurring and basically I'd like to say of the 30,000 signatures, I think putting the 8-2-1 on the ballot would flow a wrench into the work on everyone on the town lake trail and everywhere through austin trying to get these signature so I ask you not put that on the ballot and go with the citizens of austin and the signatures they've gotten together. Thank you very much.

[Applause]

>> Mayor Leffingwell: All right. Roger baker. Three minutes.

>> Well, I've been a big supporter of the 10-1 plan and i personally worked real hard and put a bunch of time and money into it because I think it really would be real progress toward the grassroots democracy. I -- I strongly believe that and I believe it's a civil rights issue too. And I've long been a supporter of civil rights. You know? Even back before the city was integrated. You know? I helped to, you know, demonstrate for civil rights and helped integrate the city back in the early days, but I think that, you know, the present city council is sort of -- you know, stems from the gentlemen's agreement, which, you know, is not very progressive. I think that, you know, if you -- if you -- if you have a -- a -- 10 districts that complies with the voting rights act and that will be legal and supported by the justice department and that allows people of all races to have a good opportunity to get elected. And that would put, you know -- that would -- that -- that's basically what we need. And if you put a competing proposal on the ballot, it will tend to be kind of a poisoned pill to take away votes and prevent the -- prevent real racial equality from occurring in this city. So I think that's why we need to have 10 clear 10-to-1, up or down, vote, opportunity, is a civil rights issue. So I hope that you don't put competing proposals on the ballot when we did all of this hard work and complied with the process. And your charter review commission endorsed what we did, you know, endorsed the 10-1 proposal. Thank you.

[Applause]

>> Mayor Leffingwell: Nelson lender. Not here? Curt becker. Signed up neutral. And you have three minutes.

>> My guess if you put both on the ballot, they'll both pass, BUT THE '20s, AND '30s, WE Set up the disenfranchied but relatively [inaudible] central city by the separate prosperous suburban ring. Despite complaints of racism, at least the more affluent citizens didn't move away to a separate suburbia. But I don't believe that even in THE '90s, STILL THE PEOPLE Took the initiative and

[inaudible] water quality ordinance for that reason. One of the features of democracy is that it's the depth and bred of views. And trying for the majority viewpoints that the majority doesn't care all that much about. Certainly, many special interests tax rates are the examples of counting the principles too far. But it's healthy to society and the principle that policies should reflect the intensity as well as the breadth of public concern, it's hard it read this fast. I didn't think of that. In the early days of the internet, there were proposals for direct governance, where people logged in and vote on the local agenda. Direct governments to that extent probably isn't a good way to run the city. The main reason is to encourage people to be concerned about the city as a whole and in recent years, parts of the city become concerned over gentrification and wealthier parts -- objecting to high taxes and we've probably reached the point with the donut where we can reduce the focus on the central city. Similarly, perhaps single-member districts won't be nimby on steroids to the extent that the proponents hope. Perhaps not. You're doing the districts wrong. The way to do superstrict, start with 10. 10 Numbers one through 10 in a hat and the year before, drew two numbers from superdistrict one and so on for two, three, four, and five. And encourage people to recognize the concerns of those in other parts of the city. All the more so because the voters never know who will be in the superdistrict in the next election. The -- random superdistricts preclude staggered terms but at least you have staggered superdistricts. Two years too short, four too long. Which argues strongly for three-year elections in may. What's that mean?

>> Mayor Leffingwell: You didn't read quite fast enough.

>> I'll be back in '91.

[Applause]

>> Mayor Leffingwell: David butts. Donating time is nicholas chu and james shia. So you have nine minutes.

>> So much to talk about and so little time. Anyway -- mayor, members of the city council, and city manager and city attorney, what you're faced with here are two questions, I think. First, is are we going to change our system, attempt to change our system of electing council members. And I think clearly there's a majority, if not a committee unanimosity on that point. We want to see a change on that system. Secondly, it's a question of choice. What I've learned about the austin voter is that they appreciate choice. They like having choices. And they like getting the opportunity to vote on issues and so that's the other part of it. A majority of austin supports changing the way we select our council. Unfortunately, we're divide on this issue, as evident by

this discussion tonight. And that leads to the greater question of choice. I think that austin voters would like to see a change and it's my hope that they'll -- if given a choice of two possible alternatives, that they'll choose the one they feel most comfortable with. I've heard some on the other side say that only they should be allowed to be on the ballot. And all I can say about that is: What they afraid of.

>> Not you.

>> Well, you'll find out, won't you? And I've heard -- I've heard -- and you know, how undemocratic and how very un-austin that attitude is. If you don't think the hybrid system isn't supported by a high number of voters in the city, you're in for a very rude awakening. A very rude awakening in november. Each of you council members that were up for election this year were opposed by someone who supported single-member districts only. And if you -- if you support -- and if you supported 10-1, you were opposed by someone who said they were more for 10-1 than you were. Yet, we see who sits here at dais today. Do we not? Don't be intimidated by the talks. The voters have a far more balanced view of these proceedings and they expect you, the city council, to be fair. But to also exercise your best judgment on behalf of the citizens. That are now -- that are here now and will be here in the future, because whatever system you come up with that is approved by the voters probably be here for the next 40, 50 years, in all probability. I want to address just a few questions or a few issues that came up with here with regard to things by other speakers. The sos system, as one of the people who helped give birth to that movement in 1991 and 1992, I want to assure you I was there with sos and saw how it was formed and came about and let me assure you this movement, the petition movement on 10-1 is not sos. It doesn't have the energy that sos had. For the kind of just sheer commitment and I can assure you of that. Secondly, I know how many council members were elected from the siamesed over all of these years. Let me point out -- the same zip code. Let me point out, you're not in any of those zip codes he was referring to. The process, you know, picks and chooses candidates, based on their ability to appeal to the voters who participate. If we're going to move to november, which I hope we do, i think the voters will approve that, we're going to see a participation level that will be remarkable, but it won't be because of the city council elections. It will be because it's in november, in a general election and in all likelihood, at least two out of three occasions, anyway. If we were to have this election, this year, in november, for city council, there would probably be anywhere from 25,000 to 35,000 votes per district. Whether it was a 10-1 or an 8-2-1. So, there's going to be a participation level that you haven't seen before, and the consequences of that, we don't really fully understand. But let me assure you, as far as the effect of money, money is going to continue to play a role. I don't like that. And no one else does, I hope. But it's not going -- having a single-member district system does not enin your of from the -- enure from large amounts of cash being poured into a district. This city council makes decisions that affect, shall we say the largess, the well-being of certain interests and they're quite willing to invest in council districts. Whether it's at an at-large system or a single-member district system. Don' yourselves one minute about that. So far as someone referring we can't have single-member district or at-large because of some court ruling, let me say this, the president of the austin independent school district has two at-large districts. If there's a issue legally about us having at-large seats, why is the asid have two at-large seats? Candidly, I don't think it's an issue of that at all and as far asight versus 10, your own legal counsel on tuesday, your outside legal counsel said you could draw districts that would affect two hispanic seats and

an african american seat. On an 8-2-1 plan. And the same would be basically the same effect for a 10-1 plan. Since everyone is practicing law here without a license, I'll go out on a limb and say that the justice department will probably say, yeah, that's ok. Yeah. 8-2-1 Is fine. So, you know, are there any questions?

>> Mayor Leffingwell: Council member spelman.

>> Spelman: I'm going to give you the same scenario I gave peck a few minutes ago. We got two proposals on the ballot. 8-2-1 And 10-1. You somehow end up being in charge of the 8-2-1 forces and you're coming up with a good strategy. Peck young has just done his scorched earth thing trying to blast 8-2-1 and talked about the tragic things that would happen if 8-2-1 gets more votes or somehow gets over 50%, passes.

>> Right.

>> Spelman: How are you going to respond?

>> Well, I think the issue is, you know, if we basically pull up next to each other and just blast away at each other, there's a chance neither one will win. That's obvious. My inclination is to believe if the 10-1 campaign is so confident that they have -- can get a majority of the support in this city, they should basically campaign and sell their product, shall we say? And I'll be happy to sell our product and we'll see who comes out on top. I'm not interested in having a big navy campaign. I'm reminded of what happened -- if you have read that short story, the devil and daniel webster, how he all of a sudden realizes this negativity, if you want to call it that, is actually going to boomerang on him and he pulls back from it. So if we want to change this system and I think the voter like a choice and don't appreciate people who are trying to preempt them from having a choice, I assure you. I've seen it on many occasions in the city and I've been here 42 years and I've been in most of the political campaigns that occurred in this city in one way or the other. So that would be my response. If that's an effective answer for you.

>> Spelman: Let me push you just a little bit.

>> Ok.

>> Spelman: I heard you say, you think the right situation is -- you sell your product, he sells his, you don't mess with you, and he doesn't mess with you and we'll find out what happens.

>> Let me say, I think comparisons are fine.

>> Spelman: Yeah.

>> You know, they have something to compare. We have something to compare. It's when you start going into this ininvestigative and personal -- invective talks and a vilification of the city council in the process and an attempt to paint the council as having attempted to thwart the will of the people. There are going to be 250,000 to 300,000 people voting in this race and while it's

nothing to sneeze at, it hardly decides this election and I suspect a number of the people won't necessarily be voting for 10-1.

>> Spelman: Because you'll persuade them that 8-2-1 is better?

>> What did you say.

>> Spelman: That 8-2-1 is a better idea after all.

>> One would hope.

>> Spelman: I see your point. Thank you, sir.

[Applause]

>> thank you very much.

>> Mayor Leffingwell: Let me say, I'm a little bit surprised that the two primary antagonists are divulging their strategies.

[Laughter] tina cannon. Maybe they're not telling us all. I would assume.

>> Good morning, mayor, council members. Bill, mr. bill. When I was running for office, obviously, I talked to a lot of voters and surprised to their reaction when he said in answer would you be my representative, my council person. My answer was always mixed. It was yes, but no. We went to probably, I don't know, 40, 50 events as a group and I guarantee that most of you had to google map yourself there. To say you're going to represent all of austin is a hard push. I took a look at 8-2-1 plan early on.

>> And the arguments I kept hearing for 8-2-1 was, well, the asian-american community won't be represented. The gay lesbian community won't be represented. I think I saw council member kim in the audience a few memos ago. And I'm familiar with council member shade. We can get elected. It doesn't matter the color of your skin and I find it preposterous that in a city of austin, texas, that that's the movement, that somehow, if we don't have at-large districts cole will never be elected again. This is austin, texas, one of the most diverse cities in the world. And take it to dallas. Leave austin alone. To say -- I'll tell you, I've butts in my life and I'm happy he's not on the 10-1 side, because if I ever become as smug as that, you have my permission to punch me square in the face.

[Applause] to say we'll be surprised, I'm surprised I don't see 30,000 signatures for 8-2-1 and 25 endorsements for 8-2-1. I'm surprised we're not voting for 4-4-1, or the 9-9-9 plan.

[Laughter] sorry, richard, I stole your line. The citizens are speaking loud and clear, and come election time, they'll remember, it will become a wedge issue and I hope to run in a new seat, if not, i can guarantee, I'll be running for one of your seats. I thank you for your time and service, I know it's hard work.

[Applause]

>> Mayor Leffingwell: Great, joyce stats.

>> Good evening, mayor and council.

>> I reigned a different kind of group, a neighborhood association. I'm sort of surprised there haven't been more of us out here tonight. For us, having local representatives is a very important thing. Trying to get a neighborhood issue addressed by visiting every member of council is not a easy path and so it's an important issue for us to see a single-member district. We did a poll, the northwest austin civic association which serves the community that lives north of 2222, south of spicewood spring, east of 360 and west of mopac. A large chunk of the city in northwest austin and that community favors the 10-1 system by about 3-to-1 over a hybrid system.

[Applause] that community favors very strongly, having an independent citizens redistricting commission. Only -- only 4% of those polled favored having council draw the lines. More than 57% favored having an independent commission and some 38 would allow you to work together with an independent commission. The strongest vote, though, was on please move these elections to november and that's come up only a little bit tonight. But 92% of the people said let's please do that and save some money. I think most of us from our neighborhoods would like to see single member districts happen. And i, too, feel that putting two things on the ballot is going to dilute the focus and make it harder for people to get that accomplished. I'd like to not see this happen again and again. Six times is enough. Let's get it done this time. And if you're a little bit afraid of not being able to get elected, we'd let you move into our neighborhood and then you could get elected from our section of town. Thank you.

>> Mayor Leffingwell: stats, not a question, just a comment. You referenced moving elections from may to november, that's already set to be on the ballot. Council passed that last april. That's done.

>> That's great. Thank you.

[Applause]

>> Mayor Leffingwell: Bob nicks. Oliver close -- closeoff. Hugh jacks. All right. Those are all the speakers we have signed up to speak.

[Applause]

>> mayor.

>> Mayor Leffingwell: Ok. Is there another speaker that --

>> I don't know -- I don't know about the last two.

>> Mayor Leffingwell: Are you signed up?



>> I didn't, I'd be happy to.

>> Mayor Leffingwell: Introduce yourself.

>> Hi, I'm joe dusseltell, a citizen of auction and I was watching this on the internet on channel 6 and I've heard a lot of these different arguments having worked this last campaign cycle and just listening to the different aspects of the single-member district argument, I think a lot of what we need to do is help educate voters and i think giving options is one of the ways to do that, just to continue this conversation, because I remember when the conversation about 10-1 first started, there wasn't a lot of talk or organization on the other side to give a different perspective about what a different option would look like but to hear all the negative talk about how bad our at-large system is really doesn't, to me, add up to the fact what I've seen working in the city and living in the city and what actually brought me to the city because whether it's being number one on some list or just, you know, whether it's the economy or our quality of life, I don't think we could have that if we had such a bad system that we just have to throw the whole thing out or move to some completely different radical system. If you think this is radical, just to go to the other side. You know, I think, you know, we just finished an election cycle where all three of the incumbents who, you know -- who were on the ballot actually won and they had competing plans on the ballot. I know the mayor had two other competing plans on the ballot. Council member spelman five competing plans. Whether -- six, excuse me.

[Laughter] when voters go to that place, they had to choose between five or six different plans and i heard a lot of those different ones but he managed to get over 50%. So did the mayor. He had the only other multicontestsed race. Multi-contested race. Giving choice is a good thing and I can't imagine if council member spelman said, if I have more than two people to run against me, that's going to make it harder to win. If he could, he probably would have eliminated the two but we have this system and we have different ideas and we get that opportunity to do so and make a choice and in this election, we need to give voters a choice and the competing plans will actually allow us to give that opportunity to educate voters more because there's competing ideas and interests and voters actually continue to elect this council and they had an opportunity when the same discussion was up and if -- if 20,000 voters is enough that you're so -- so confident that voters have elected the one on the ballot, unless somehow they signed up for the 10-1 or changed their mind, this is -- you know, this is choice, i think is what voters want.

>> Mayor Leffingwell: Thank you, joe.

[Applause] that's all the speakers I have signed up that wish to speak on items 83 and a84. Council member martinez.

>> Martinez: Since we took the public testimony on both of these at the same time, I'm wondering if it's appropriate to take either item and if so, I'd like to try to start to make a motion.

>> Mayor Leffingwell: You have the floor.

>> Martinez: I wanted to ask staff, sabine a, if I can ask you a couple of questions. I've stated the intention that i plan to make a motion that would accomplish the exact language in the petition

drive, but I want to confirm because of that substantial change, that law is asking us to pass it on first reading only so we can get that exact language and you can go over it and be sure it's exactly as the motion is stated.

>> The city law department, the city code requires every ordinance pass on three readings and if there are at least five votes you can do up to three readings all at once. So you could pass it tonight on all three readings or you could choose just on one. If you do it on first reading, it will come back for further review. If it's done on all three, it will not come back for further review.

>> Martinez: I understand. The consideration I have to make, if we get new votes and only do it on first -- enough votes, there will be still a lot of people who want the final product is and we don't have another council meeting until august 2nd and frankly, based on what shirley has told us, that may be too long to not turns in signatures, if that's contemplated and giving her new time to validate them. I'm happy with making -- enough time to validate them. I'm happy to make a motion, as long as the understanding is that motion would be to adopt the exact same language that austinitiss for geographic representation have in the petition they're currently seeking signatures for. Would that be appropriate?

>> You can do that, although when you mentioned it the first time, if I heard you correctly, I heard you mention that you had some concerns and you wanted those addressed. So if there's direction to staff --

>> Martinez: bicker staff has offered to meet with you and discuss concerns you might have, staff might have. You know, I realize that's not necessary if we're going to make a motion. Council can direct what we want. But I want to give donald trump give deference tothat. I think that can occur still post-third reading, but if we adopt it to say exactly as it is, unless we reconsider it in the body and amend it later. That's right.

>> Martinez: All right. So -- I'm going to make a motion and make comments I have to say, in some respects, neither side did yourself much service tonight. And it's unfortunate, that's where we're headed this november. But I'm making this decision based on what I believe is sound reasoning and I want to articulate what some of that is. Because it's not an easy decision but I do think it's the right one. I'll go back to 2004. In 2004, I was elected president of the firefighters in january. By the first week of february, of that same year, we launched a petition drive to get collective bargaining for firefighters. By the end of february, we turned in 24,000 signatures to shirley. To get it on the may ballot. And to find that insiders in city hall created a pac fund to oppose the firefighters was extremely disheartening. Not just disheartening, it was disrespectful. Call the referendum, if the citizens don't want it, let them vote it up or down. But to have inside city staff. Who are no longer here and i won't mention names, I felt that was extremely inappropriate so i feel it work equally inappropriate to not honor the work being done whether you agree with it or not. My first term, I supported single-member districts. Didn't make it. we were proposing i think six districts at the time but the committee didn't get off the ground. The mayor and I's resolution spoke to 6-2-1, the hybrid man. I'm not opposed to a hybrid plan but there's a fundamental difference, that is that a movement has occurred and there are thousands and thousands of signatures and a realize they're not verified but the work has been done and it should be respected and honored and so i put this item on and we talked about the legal concerns

in the work session, it was mentioned -- not mentioned, told to us, that anything deemed illegal in the petition drive simply won't be implemented and it won't null and void everything else. So I feel comfortable if challenged and something is deemed not legal, we have to find a remedy as a body and community. So from that respect, I think my concerns have been alleviated. But I keep hearing a lot of different debates about how single member districts -- you won't have a representative to go to and I get the perspectives. Very good points on each side. And congressman doingette is our congressman and if you don't live in district 51, eddie rodriguez doesn't represent you but we go to him and donna howard. That's the system that's in place and I don't just go to commissioner davis because i live in his district. I go to margaret and judge bisco. That to me, I get the points made, but I don't think in and of itself, single-member districts just totally kill representation for the community. I don't buy that. Because it exists in every other form of government above us, except here at the local level. So the go point's made, fair points on both sides but because of that element of 30,000 signatures, I'm going to move that we pass on all three readings item -- what is it? Item 84, mayor? Item 84, and that we adopt the languages that posted on the website of austinities for geographic representation and all of the petition language that exists in that petition.

>> Mayor Leffingwell: Motion by council member martinez to pass item 84 with the change. That the ordinance would reflect exactly the language contained in the petition. That's being put forward.

>> Cole: I'll second that motion.

>> Mayor Leffingwell: Second by mayor pro tem sheryl cole.

>> Cole: Let me ask you a question about the legalities of what we're doing. We're passing the agr motion on all three readings but once staff has a chance to visit with bickerstaff and we get a chance and maybe with agr representatives, if there are changes that need to be made, how would we implement those?

>> If the motion is for all three readings, that motion needs to include directions to staff to make appropriate changes to address concerns.

>> Martinez: I would not be comfortable with that. If there are proposed changes i would want it to come back to this body to be adopted.

>> Council member martinez, that could happen.

>> Cole: Be clear on this.

>> Mayor Leffingwell: One at a time.

>> You can amend it.

>> Cole: She wasn't speaking into her mic, I couldn't hear. That's why I said that.

>> Or the council has the right to bring it back and amend it.

>> Cole: We can bring it back to amend it and we're not giving any specific directions to staff at this time.

>> Martinez: Mayor.

>> Mayor Leffingwell: Council member martinez.

>> Martinez: I want to be clear that my motion is final, it ends tonight unless two members or three on this council put an item from council back on the agenda at a later date with the specific intention of amending it.

>> I want the folks to know this is it. This is what is going on the ballot, if two or more want to put something on to amend it later, that's another item from council, but right now, this is titlity. If agr and city staff meet and atthey agree to tweak, they have to come to us and say please put this back on the ballot. But tonight's purpose, it's third reading and this is what will go on the november ballot unless it's brought back.

>> Cole: My request tonight -- I'm seconding that motion -- is that legal meet with bickerstaff and discuss some of the concerns in the ballot item and if you all bring us something we need to address, let us know.

>> Just to clarify for staff, if the motion is put in the petition language, as it is, with no changes, then it would be council that needs to bring it back to amend it, staff wouldn't bring that item back?

>> Cole: I will check in --

>> Mayor Leffingwell: That is the motion.

>> Cole: And that is the motion. With that said this is an historical moment and I know that november 6 will also be a historical moment. The issue of changing our structure of government has been in the front of my mind ever since I joined the council. At first african american female. And when I sat here tonight and listened to all the testimony, it made me think about a quote of my grandmother's, which is that you can never impact the length of your life, but you can certainly change the depth of your life. Now, as a city, we're digging very, very deep. what are we made of? The most disturbing issue was hearing all the different ethnic groups, including african americans and myself, having talked about this, dispute, which plan was going to have sufficient amount of representation and then recalling based on the history about dewitty, that the reason that a lot of the dialogue was occurring and so tugging at myself and many others that i watched in the audience, was because there was a time when african americans and hispanics, but especially in texas, african americans could not be elected. And that's the reason we have to go to justice, that's the reason this discussion is kind of all tinged in racial overtones. But then I realized that even though a segment of the discussion, whether you're talking 10-1 or 8-2-1, was talking about racial disenfranchisement or racial empowerment, that was just a small segment.

What was really driving this change was a desire for geographic representation. And it's fascinating to take a tool that was designed to empower racial minorities of a particular class that I'm a member, and see it used for another problem. And that's a problem. And whether we like to believe it or not, and I don't like to believe that I don't represent south austin or north of 183 because I don't live there, perception is 9/10 of reality and if the citizens of this community feel they're not being represented, then they need to have the opportunity to go to the ballot and express that. I am bringing this item with council member martinez for that reason. I think we need to have this dialogue, and as painful as it may be, it's very, very healthy. But I do want you to know it's painful. Because our city should not be torn apart. It should be coming together all the time. And so with that, I have seconded the motion and I just move approval, mayor.

[Applause]

>> Mayor Leffingwell: Council member martinez has already moved approval and you've seconded it. Council member morrison.

>> Morrison: Thank you, mayor. First, I want to say I think it's been really fascinating tonight to watch this phenomenon because this room is filmed with a lot of people that care -- filled with a lot of people that care about this city and I have a tremendous amount of respect for and they disagree mightily on an issue. And it's an issue that I first encountered in about 2005 when i was president of the austin neighborhoods' council and it was very, very clear from that position and the work I did with neighborhoods around the city that we didn't feel council members knew enough about the different parts of the city. And that it was easy enough to access and get people that cared and so we actually started working with sort of a cross group of folks that some of them are still involved on both side of the issue tonight, to try and get things going and that's when I first became familiar with the different approaches for single-member districting and deviled into and -- delved to and started to believe in the idea of a hybrid system and i think, you know, we've talked a lot about tonight, different pros and cons of hybrid or non-hybrid, pure, single-member districts, but for me, the defining thing about it that keeps drawing me back it a hybrid system is while I fully believe and have experienced the need for representation on the council at the district level, i don't feel our geography defines everything about us and for that reason, it really is a better system if we're going to have some at-large on the council. So I understand and fully respect the work that the folks of agr have done and I fully intend to support the motion that on the table today. Because I think it's absolutely the right thing to do. Nobody mentioned that it's also going to save our clerk and clerk's staff a tremendous amount of time and resource and city staff and money, because they won't have to be going through the -- to validate the signatures, so I think it's absolutely the right thing to do and I appreciate the -- this approach. But I'll say I'm also going to support item number 83, because I think it's appropriate to give the voters an option and, you know, I feel like it's my responsibility as a council member who believes that -- that is an option that is very viable and would be good for the citizens of austin to have that choice. So it's my responsibility as a council member to support putting that also on the ballot. So with that, yes, I will fully support this motion that's on the table and I also want my colleagues to know that should it not get the five votes it needs and needs separate readings, I would also be available for a special-called meeting until I go on vacation, so all next week I'll be here and would be happy to show up.

>> Mayor Leffingwell: Ok. I'm going to say a couple of words. I've supported geographic representation since I first ran in 2005. I've been through four campaigns, so publicly, supported geographic representation in every one of those campaigns and I still do. It's been pointed out here, i think, that I'm the guy that put this before us in the first place, about 18 months ago, this council passed a resolution to put a hybrid but geographically based system before the voters and start this process. Initially, a lot of people support that had 6-2-1. There was an editorial in the "austin american" shortly thereafter, that was signed by nelson lender and gus garcia in support of the 6-2-1 system. I supported putting this entire thing before the taskforce we established. The taskforce went through a lot of hard work and I appreciate that, and I respect that. But I still have a responsibility as a council member to evaluate the recommendation that they made. I'm very respectful of the perspective of giving the voters a choice. Having two different plans, and I would like to be able to support that. But I can't do it, because the motion as it is now stated, which mirrors the petition that was put forward, based on all of the advice I've received, legal advice that I've received and this council has received, it appears that there are a lot of things that are not legal, or could not be -- might not be legal within this process. Has not had a chance to be vetted thoroughly. Either in the public, or on this -- in this dais with a group of lawyers, not just one or two lawyers, that have -- that represent one side. There were differing opinions on that. There's a high probability, i think, that big parts of this would be illegal and I just can't vote for something that has not been vetted for legality and I have good reason to believe it -- parts of it are not legal. So I'm not going to be able to support the motion although i would like to be able to put both -- both systems before -- and that can still be done, if the petitioners want to put their petition to the city clerk, have that approved, that will still be a choice for the voters on the ballot. Most of these legal questions have to do with the districting commission. And I don't oppose an independent districting commission. I just think it has to be very carefully thought out and i would very much prefer it not be in the charter. That could be established at a later date, by a council-passed ordinance, that could establish an independent commission and i would support that. I support the concept. I just think it has to be done right. So regrettably, I'm not going able to support the motion. Council member riley.

>> Riley: I'm going to support the motion, I share many of the concerns expressed but it's clear that a lot of work has gone into getting the signatures for the 10-1 position and i expect it would be on the ballot and my hope is that approving this motion would afford an opportunity for a continued conversation with the supporters of the petition and if they're persuaded some tweaks to the language would be made to address any legal concerns that they would be amenable to supporting those and we could -- so this motion would provide an opportunity to have that conversation and fix the problems.

The alternative would be would go on the ballot with those flaws and there'd be no opportunity to correct them opinion so I'm going to support placing that on the ballot and -- but really encourage continued conversations about the language to see if there's anything that should be addressed.

Like council member morrison, and I also support the hybrid system than shouldn't come as a surprise.

I can't think of any issue discussed more in both of the campaigns when I ran for office and I was consistently on record every time saying I preferred the hybrid and I would support putting that on the ballot i hope that the voters aren't too hostile to that concept.

Otherwise they wouldn't have elected me.

The benefits of the hybrid system have been pointed out.

I will just say there's value in having some members who are in a position of looking at things

[00:02:00]

from a -- the perspective of the whole city as opposed looking out for their own district.

And just -- the design of the system is important and presents a opportunity for the minorities dispersed having a better shot having their own seat.

For those reason, I'm going for support placing both items on the ballot and so I do support this motion.

[One moment, please, for change in captioners] and I think for a city of our size, for all the reasons many of you have said, we need a system of geographical representation.

I'm going to cast my vote for a hybrid system.

I think it is in my assessment based on the research I've done and the feedback I've heard from lots of you -- a a fairer system.

It allows a better opportunity for representation.

Would I rather -- I'd rather have four representatives versus two, and so I think, you know, that's the way I'm going make my decision, but I'm awed by the effort that all of you have done

[00:04:01]

to get -- what you have done to take the polls to the community -- pulse of the community and collect signatures and I think that's a tremendous effort and I do believe that the voters in austin deserve the opportunity to make a decision on this.

And so I look forward to seeing the results of that in the fall and I will be supporting the motion to put both of those items on the ballot, both the item before discuss the one that we'll be taking up next.

>> Councilor spelman.

>> I guess I better speak, too.

I'm in a funny position.

I am very unhappy with our current system of government.

Fen -- if an 821 were on the ballot and nothing else were on the ballot, I would cheerfully both were on the ballot, would I vote for both of them.

-- I would vote for both of them because I think they're much, much better than what we got right now.

A couple of you were laughing.

He can't decide.

Well, what you have to happen, if it's of those two is going to pass, you got to have a bunch of people in my position who are willing to vote for both of them.

Because -- the in -- not the majority.

The pluralt of folks who can live with either one of those two don't vote for both of them, they're both going down in flames and I think if this council does what it seals to be doing is putting both the 101 and 821 on the ballot together, then all people in this room are going to split.

A few of us will both for vote, but most of us are going to pick one or the other.

Neither of the two is going to get over 50% and they're going to crash and burn.

I want single districts.

I did since march 1988 and first

[00:06:00]

found out that we didn't have single member district in this bizarre town.

I campaigned on it.

I'm telling people for the last six months I want it and I put to put my mother where -- and i want to put my money where my mouth is.

I will vote for the plan which will most likely succeed.

I think what's true is the least likely to succeed is the one that shares a ballot with other plan.

And if we don't to -- [applause]



>> if we continue to move in the direction we're in, we're not going to get what we want.

So now I'm in the bizarre position of advantage to vote against two plans, either of which I could support and if they both end up on the ballot, both of which I will vote for.

But I think the only way for me to get what I want is to vote no on this motion and no on what I suspect will be the next motion to put a hybrid on the ballot.

Because from my point of view, the best thing to do is wait for a month and see what happens.

And for all of you who got those petitions signed and you got those big boxes for you to submit them for the city clerk to count them and make sure you got 20,000 signatures and if you got 20,000 signatures then you got kings x over the rest of us because you're on the ballot.

And for those of us -- I suspect I may be the only person, but there may be a few others in the rest of the world and I can persuade some folks who believe that putting two things on the ballot means they're both going to lose, then you guys getting on the ballot for sure means that those of us who prefer a hybrid have a little bit of soul searching to do.

Do we want to blow up both of these things and not get single member districts or are we going to stick by our guns and get a hybrid kind of knowing in advance it's not going to work.

I'm going to vote against the motion and I suspect the next motion.

But I would encourage those who worked hard to get all those signatures to submit those signatures to the city clerk just as quickly as you can so we can actually start counting them

[00:08:00]

so that when we we come back FROM A BREAK AUGUST 2nd, I Know where you stand.

You know where you stand.

And maybe we can sort all this out.

[Applause]

>> mayor.

>> Councilman metro.

>> I believe I can count and so, this is only to go on first reading.

>> No.

I don't think you can count at all.

[Laughter]

>> who switched their vote?

>> You just heard everyone on the -- speak and voice their opinion how they're going to vote.

>> Council --

>> okay.

So it sounds like it's going to go on all through readings and the point I wanted to make, though, bill, is by doing this, doesn't require the signatures to be turned in and/or verified.

Now we can literally sit down and if -- there is amenable language that both sides can agree to, then we can bring it back as a council.

Waiting a month isn't going to do anything if they don't turn in their signatures.

>> I can't see, given the division in the house this evening, that the hybrid folks are going to back down and I'm certainly certain that the agr folks aren't going to back down and I think we're still stuck one 101 and a-21 both being on the ballot.

I don't think passing this motion on all three reads is going to change that -- readings is going to change that.

Passing it on first reading, however, might buy a little time for things to resolve.

It's worth a try.

[Applause]

>> all right.

All in favor of the motion say aye.

>> Opposed say no.

No.

Passes on all three readings on a vote of 5-2.

With myself and council member spelman voting no.

[00:10:03]

Entertain a motion on item 83?

Council member morrison moves -- 83 on all three readings.

Is there a second?

Second by council member tovo.

Council member morrison.

>> I want to mention two quick things about this.

This is the a-21 proposal and we have a revised version up here on the dias that removes any reference to november.

There was some confusion before so that this means that this is just straight about the a-21 and the november will be dealt with elsewhere.

I also want to highlight that i am fully supportive of having an independent -- independence in our redistricting process, and I'm glad to hear the mayor mention his support of that also.

Just -- this charter ballot would allow that to be developed by ordinance.

I look forward to working on that in the near future.

>> Okay.

And I have a question for city attorney.

Appears that there are going to be at least two I tem or the ballot or the possibility of two this one passes or there may be three.

How -- can you suggest some language to resolve the situation in the event that more than one I these items -- one of these item gets more than 50%.

>> City law department.

You could put words into the proposed amendment that would provide if both it and another provision both passnate prevails.

[00:12:00]

-- Pass that it prevails or set the conditions under which it will prevail or you can provide that it flat-out prevails.

>> I would like to make an amendment that that language be added to this.

Item no. 83.

>> Mayor and you're saying that that language would be -- that whichever --

>> if this item passes, it prevails over any other item.

>> I -- because I would prefer the alternate.

I would prefer that it be a condition that -- effectively -- if both get over 50 perfection, the one with the greater number over 50% would prevail.

So I wouldn't accept that as friendly.

[Applause]

>> are you proposing that as a change to your own motion?

>> So I would like to change my motion to actually amend it to say that the -- in the case that two conflicting are passed by the voters, the one with the highest number of support --

>> highest number of votes.

>> Prevails.

>> And council member tovo, do you accept that as a friendly amendment?

All right.

That's incorporated.

stiner might have a question.

>> Would you like me to suggest the words that would be?

>> That would be great.

>> With respect to the section 1, on page 1 of the draft ordinance, I would move the current provision that begins with paragraph a with section a down to section b, and then i would put in a new section a that would say, if another provision of the charter addressing the composition of the council is adopted on the same day as this section, this section supercedes, pre-empts, and replaces that provision if

[00:14:00]

the ballot proposition that adopted this section received more favorable votes than the ballot proposition that adopted the other provision.

If the ballot proposition that adopted the other provision received more favorable votes than this section, the other provision supercedes this provision to the extent of any conflict.

>> That sounds terrific.

That's what I meant.

What you said.

>> Also on the provision, section 2, redistricting transition, I would move the current section a to section b, and substitute a new -- addressing the drawing of council districts -- to a council that includes members elected from geographical single member districts is adopted on the same day as this section, this section supercedes, pre-empts and replaces that section -- if it received more valuable -- if the ballot proposition that adopted the other proposition received more favorable votes, the other provision supercedes this provision to the extent of any conflict.

>> Thank you.

>> Okay.

So I just have one question.

Does that cover all the contingencies?

If there are three items on the ballot and all three get over 50%?

I mean, there is a possible bit there could be -- possibility there could be 3 if the petitions decide to -- petitioners decide to file their petition and item 84 as passed where it came back to the council because of flaws and was -- flaws and was changed, there could be three different propositions.

>> These words would mean that this would supercede any proposition that didn't get more favorable votes than it got.

And any proposition that got more favorable votes than it could would supercede if.

If two other -- both got more favorable votes than this one,

[00:16:00]

then we would have to sort out those other two.

But so far, there's only two.

If there is a third one, then we'll have to --

>> have to deal with that.

>> Have to deal with that one.

>> Mayor.

>> Council member martinez.

Some there is an attempt to have a third --

>> if there is an attempt to have a third measure on this, i will ask this body to rescind the action that we just took.

I don't see how that would serve any purpose to have two 10-1 motion that we adapted takes their exact language.

So the the -- if the majority wants to add an item, that's fine.

>> In any event, according to stiner, it's something we can deal with.

Sounds like we're ready to vote.

All all in favor of the motion to approve item 84 as amended say aye.

83.

83.

Thank you.

Say aye.

>> Opposed say no.

>> It passes on a vote of 5-2.

Council member martinez and spelman.

No?

Okay.

This motion passes on first reading only.

All right.

We'll move on to the next item, which is item no. 89.

So we have several speakers signed up to speak.

First is heather eberle.

[00:18:03]

Heather eberle is not here.

Azurea crispino?

Could we hold the conversation down in the back, please, or move out of the chambers.

Travis snavly?

Those are the speakers that we have signed up.

None are present?

>> Second.

>> Council member martinez moves to approve item 89 on all three readings.

And second by council member morrison.

I have a question.

From the attorney.

Or just -- just a clarification.

Suppose this says to -- a charter amendment to reduce the number of signatures needed for a citizen-initiated ordinance or referendum to I assume whatever is required for a charter change.

Is that correct?

>> Yes, sir.

>> So if the charter -- if the numbers of signatures required for a charter change were to change, this would flow with it?

>> Yes, sir.

>> Okay.

I just wanted to clarify that.

Any further discussion?

Okay.

The motion is on the table.

Correct.

All in favor say aye.

Opposed say no.

Passes on a vote of 7-3.

-7-0 On all three readings.

That takes to item -- us to item

[00:20:03]

91, I believe.

Takes us to item no. 90.

We have one speaker signed up.

will McCloud.

IS will McCloud here?

He's not here.

Those are all the experience that we have signed up.

So I'll entertain a motion on item no. 90.

Council member spelman moves approval.

>> I'll second that.

I would like to ask a question of staff.

John, we've talked about some -- a couple different possible interpretations of this amendment.



And talked about a possibly adding some clarifying language.

Have you gotten that?

>> Yes, sir.

Earlier you asked me about effect this would have on the contribution limit, which i think as drafted, it was not intended to have any effect on the contribution limit and you asked for some clarifying language.

So I would suggest the following.

That the proposition would say, shall the city charter be amended to allow council members to raise political funds for 30 days after an election, adding the words in which the council member was elected, to make it clear that that refers to the immediately election.

And make that, corresponding change in section 8, f5 of the city charter and add a new paragraph 9 to section 8f, of the city charter that would say this.

Adopt limit on contribution set by subsection a, which is are the individuals contribution limits, applies to contributions under this subsection f.

For the purpose of a dollar

[00:22:01]

limit on contributions, the contribution after an election permitted by this subsection is considered a contribution in the immediately preceding election.

>> Okay.

And so the idea is that you can't -- you don't get the same total limit applies.

You can't hit that limit twice, before and after.

>> Yes, the contribution limit is per donor per election and this would say that the after-election contributions for purposes of that would be contributions in the same election.

So the per donor per election contribution limit would continue and all this would do is extend the contribution period for an extra 30 days but it wouldn't change the effect of either individual or aggregate contribution limits.

>> Okay, thanks.

>> A motion on the table?

All in favor say aye.

Opposed say no.

Passes on a vote of 6-1.

Council member tovo voting no.

Now we go to item no. 91.

Number of experience signed up -- speakers signed up?

On 91?

will McCloud.

We'll go through them here.

Debbie russell.

All right.

Is teresa anderson here?

No?

David ar -- simon roy?

You have three minutes.

>> Thank you.

Chris bailey reminded you ail earlier that you served at the will of those who see power to you.

So proposing language for a ballot item in relation to term limits or any restructuring of our government as we know by now should be approached with caution and most of all honesty, honesty making the best policy.

We must educate the voters at the ballot box who don't know a lot of these voters will be new

[00:24:00]

to city elections in november and they're not going to know when your term limits are now when they get to the ballot box and they have -- after voting on 50 different individuals, they're going to get who a whole bunch of propositions and they need to know that this is extending your term

limits and i think that 2 honest thing to do to put in the ballot language that the proposition is to extend term limits to four years.

You are asking the voters to keep you in office longer.

And so now -- in reference to the draft ordinance language, and I actually sent you something, if you can put it up on the screen.

I'm sorry.

I'd sent you all an email earlier.

I'm sorry, my bad.

It says if the charter does not other provide from a transition -- for staggering the terms of council members, the council shall provide by ordinance.

..

So what we're doing here is randomly lengthening and shortening your own terms.

Deciding amongst yourselves who stays and who goes.

And you're asking the voters to empower play you to tend your own terms at your will.

So if you look at the language of the agr proposal in the last section, transition at the very last piece of our language, which I'm sure -- most of you have seen by now, it's well crafted by attorneys that know election law inside and out and it spells out exactly what places are up when and lays out the timeline and inscribes that those elected this year will be giving up their seats a year ahead of their originally elected term, but those council members could run again.

In their respective districts.

But it provides for the city clerk to -- the process.

It doesn't leave it open as to who would do that in this draft language and then -- it goes into a lot more details.

And so I'm just proposing that you think more carefully about

[00:26:01]

this language, because it does leave a lot open to you guys after we vote this in for you if in fact we do that.

So if you do really think this is good for our cities to go to four-year terms in partisan elections that are not supposed to be partisan, let's not leave the voters unclear as to what they're voting on.

Thank you.

>> Leslie Icenman?

Kirk Becker?

Those are all the speakers that we have.

Motion by council member Martinez to approve item 91 on all three readings.

Seconded by the mayor pro tem.

Further discussion.

>> I think I've expressed before that I'm of the same mind as the charter committee that did not recommend -- well, they recommended that this not be put on the ballot because they thought that three years was long enough, and I certainly agree with that.

But I do want to suggest, two things for my colleagues to consider possibly as amendments as they look at this.

Number one, as we discussed before, we have a separate item that's going on the ballot that says May versus November.

As the voter -- ask the voters to say May or November.

This ordinance as crafted still includes the shift to November.

So I think that it really makes sense that if this is -- it go on without the whole discussion or any consideration of when the elections are and that that be left just separately.

I guess at that point, there could be some -- we're considering the same thing in two different places.

There could be some conflict.

So I do want to make a motion -- I mean, suggest as a friendly amendment, I guess I should say, that we change this.

And I minimize, I did get -- Apple

[00:28:00]

swrietsz, I did get some drafted language from our staff and i don't have nine copies of it right now.

But I do have some language that changes it.

Basically in section a, I guess it is, takes out the november -- takes out the november and then goes on on reorganize it just a little bit, but the language is all the same.

But effectively, this is language that our staff have provided, that removes the reference to changing it to move and changes language also to reflect that.

So I wanted to know if that would be a friendly amendment.

>> Could I -- can I make a comment?

Actually, council member martinez is saying no.

But the whole purpose of the four-year terms was to provide for the elections to be held in even numbered years.

If have you three-year terms, you can't do that.

You're going to have in odd years and in some even years.

It does not conflict with the existing -- the one that's already approved.

The item that's already approved by council to move the elections to may to november.

Just duplicates it.

It's redundant, I agree with you.

But it reinforces the reason for having this on here, is to have the elections in november of even numbered years.

If there's some reason we were to have the elections in may of even numbered years, that would be the worst of all possible worlds.

That puts us back into this situation that we experienced this year in may where the city is going to have to pay a lot of extra money to hold an election.

We're going to have conflicts with the election date in may in the primary, and the primary runoff, the same conflict that we dealt with this year.

So that's the whole reason to

[00:30:01]

ensure that if we do go to four-year terms, in even number years, that it's even number years.

And that's the concept.

So that's not accepted.

>> I ged I'd like to -- I guess I'd like to make that motion to amend that we could then vote on.

>> Motion for an amendment, and I suppose everybody understands their amendment by council member morrison?

>> I have a quick question.

For council member morrison.

>> Let's see if we can get a second first for her amendment.

>> Okay.

>> Council member tovo, second.

And now mayor pro tem.

>> Council member morrison, you're just dealing with removing the language from may to november, not the four years?

>> Priest sigh list.

>> -- Precisely.

>> Okay.

>> All right.

Any further discussion?

Obviously I'm going to be opposing the amendment for all the reasons just stated.

All in favor of the amendment say aye.

All owe supposed say no.

No.

Council member riley, no?

Okay.

So the amendment fails on a vote of 3-4 with council member riley, martinez, myself, and spelman voting no.

Council member spelman voting no.

>> Mayor, I have one other item I wanted to bring out about this and I do have copies here.

On this one.

And that is, right now you know, we all sort of -- serve up to three-year -- three three-year terms so that's nine years total.

If we go to four year terms, it doesn't change the number of terms we could serve.

So all of a sudden we could be serving up to 12 years.

So I wanted to suggest an amendment that actually instead of still allowing three terms, 12 years, that we would change it to two terms if we went to four-year terms.

And that way we would be limited to serving eight years, which is

[00:32:02]

close to nine years, as it is now.

As opposed to 12, which is really in my view quite a long time.

So I'd like to make that --

>> friendly amendment to change the term limits to two terms in the case of four-year terms.

That's accepted by council member martinez.

Mayor pro tem, you accept that?

All right.

Actually, I have no objection to that.

That's -- 12 years is enough for -- so we have a motion on the table with a friendly amendment.

All in favor of that say aye.

Aye.

Opposed say no.

>> Passes on all three readings on a vote of 5-2 with council members tovo and morrison voting no.

..

>> I did vote no and I thought i made it clear from the very beginning that I had to vote no.

I just wanted to make it a little better if it did go on.

Sorry.

>> Well, it's just the idea of afterring abamendment and get -- offering an amendment and getting accepted and then voting against it.

>> I'll go offline.

>> All right.

That brings us to item no. 111.

Es.

>> Good morning, mayor and council.

I item 111 and 112 are related items, and if you don't mind, i can present both of them.

We'll have to take separate votes on them, but that might in the interest of time be a little bit better.

[00:34:00]

111 Is case npa, this is an amendment to the oak hill combined nobody plan.

To change the future land use map.

The proposal is to designate the tract single-family use and the planning commission granted if change to the future land use map for single family in related to zoning change case is item twon 12.

-- 112 For the property at 4806 1/2 trail west drive to changet to single family rest different, standard lot or combined district zoning.



The planning commission's recommendation was to grant the single family residence standard lot.

And had some conditions.

The conditions being that the property be limited to a maximum of 12 units.

The lot size be 8,000 square feet minimum.

And 6 1/2 acres of open space.

The property is currently owned by the Austin Independent School District and it's on their surplus land tract.

I'll tell you, on the zoning case, I had I think seven changes to the petitions through time.

The most recent being this morning.

It currently is not a valid position.

It stands at about 18.9%.

There somebody some yellow -- there have been some yellow copies on the dias.

And the area being rezoned is currently been reduced down to 4.21 acres.

The property is undeveloped at this time.

The remainder of the portions of the property would be left as p-public.

[00:36:01]

And the current land use designation of flum is being open space recreation would still remain for those portions of the property that are not being changed in the future line use map.

And are not being rezoned.

The environmental board did review the case.

The environmental board voted to postpone the case to the environmental research management group so they could visit this site.

Staff did look at the site and did determine that there were no critical environmental features on the property.

There were some areas of interest, but no critical environmental features were found.

The adjacent properties to the north, south, east, and west are developed with a single-family land uses and also are zoned as sf2.

I think I'll pause.

If you have any questions, I can certainly answer them after you've heard from the applicant and their agents.

guernsey, council member tovo.

>> Thanks.

I think I heard you say the petition has been revise seven times?

>> Yeah.

>> Is that the -- and was it valid yesterday?

>> There was a period that we believe it was valid.

We didn't calculate it.

At the time.

It started out the last time was -- before this time it was about 18.8%.

After some discussions of reviewing attorney general opinions and discussions with at the law department, staff determined that there's some portions of right ofway that should have been clued in the

[00:38:00]

petition area.

-- Included in the petition area because they were within 200 feet.

Although the lot where the person was opposed was not within 200 feet because the roadways that were surrounding this tract were created by a subdivision.

Their presumption is that the owner of the property that's adjacent to the roadway would own to the center line if there was a vacation on the roadway.

So we would exclude those and there was a pry assumption by staff that that -- presumption by staff that that would probably change the petition and probably would become valid slightly.

We determined this last night, both parties I think -- both sides -- the applicant then came back I think, got his surveyor to go out early yesterday morning.

Give us a new survey.

We got back with our ctm staff.

They recalculated it because he pulled back enough that not -- the only half of the roadway that was subject to the petition would be that where the property actually joins the roadway.

Kind of in the upper left-hand corner or the northeast -- or northwest corner.

-- Corner of the site.

Then it dropped back down below 20 or base clay maintained about 18 -- basically maintained about 18.9.

>> So it's too late in the evening to follow all those ins and outs, but the basic point is last night, which was the latest news I had, last night the petition was sealed, the applicant --

>> we had staff available to us last night.

>> But it probably was.

>> We kind of figured this out.

But we felt -- my staff felt that it would be valid at the time.

[00:40:01]

We made the information and certainly and the applicant.

And they --

>> the applicant revise their petition -- I mean, revise their area.

>> Thank you -- they shrunk the application --

>> and that's happened seven times, more or less.

>> Yes, one, two, three, four, five, six, seven times I think we calculated it.

It was valid, valid, invalid, invalid, valid, valid, invalid --

>> thanks, mr. guernsey.

>> And then that includes names being added by both the adjacent property owners' names being added and the applicant reducing it in size.

So there was some give and take there.

And with regards to becoming valid or not valid or becoming more valid than before.

It's been as high as 76% on the petition.

And the low is 18.7.

But we currently stand by 18.9%.

>> All right.

So we'll hear from the applicant or the applicant's representative for my minutes.

-- For five minutes.

>> Mayor, coin, I'm jim bennett.

I'm here tonight on -- today on behalf of independent realties request to rezone a portion of the 12-acre tract.

2 acres of the original 12-acre tract.

The 12-acre tract is so p-public as mr. gans indicated to you.

We originally filed for an application to rezone the entire 12 achessers to sf2.

As is all the properties surrounding this tract.

There is a restrictive covenant in a you probably have a copy of that was dated 5/21 of '79 which restricted this property to

[00:42:00]

public schools or single-family residential use.

So anyone that's bought property in this area was given a copy of this restrictive covenant along with their closing documents that says this tract will be a public school or residential.

In addition to that, I would like to address the petition that we've been talking about.

Originally as I indicated we filed for the whole 12 acres.

Tality there was a very large petition.

I think it was be 75 or 80%.

So at that original hearing, we offered to the association that we would build 12 homes as against indicated, 8,000-square-foot lots minimum, that we would dedicate the hike and bile trail to the association, or the green space.

They didn't want to accept that.

So as a result of that, we modified our application, went down from the whole site, down to the area in the middle or the center portion of it, if you will.

That was our first change from the original application.

The city staff in doing their computerization on the petition had actually cut off or thrown out two pieces of property because there seems to be a problem with who could sign for those two properties and who had powers of attorney.

After it was discovered by staff in a they were part of that -- that they were part of that and should be turned on so no longer the petition was not invalid anymore, we had to adjust because of that error.

So we did make that adjustment.

As we understand it, this very latest petition was revised because all of a sudden the way the city staff is measured, the petition was no longer the way that this city should have measured the petition because the local government codes.

The city legal department and the directors.

So once again, we had to modify

[00:44:01]

our application.

That was done -- you can call it yesterday or last night or this morning, but it was actually done thursday morning.

That was the result of because now that's not the way we measure like we have before.

So obviously wed to -- we had to amend our application.

From the original application because of the -- one, the computer glitch and the second one is now because of the way it's measured.

This property is owned by the school district.

The property has been put under contract as surplus property.

My clientles have entered into an agreement with the school district for the purchase of the property.

And as we understand it now, council, because of those factors, we now have a petition that's 18.9% I believe.

Instead of the overwhelming petition that gifted previously -- existed previously.

I believe there are other speakers to follow, but I could answer questions now or later.

Thank you.

>> I know this is going to sound unusual, but without objection, I'd like to table this item just for a moment while we postpone some stuff.

I would entertain a motion to postpones 132, 133, 133, and 135.

-- 34, 135.

Council member martinez so moves.

Seconded by -- until august 2nd, POSTPONED TO AUGUST 2nd.

Without objection.

[00:46:01]

So let's go back to take this item off the table and we'll start with those in favor.

And it's a little bit confusing here because we have people signed up in favor and all have been donating time to them or against.

-- And all of them donating time to them are against.

Cynthia wilcox, were you for --

>> cynthia is against.

>> Zoning application -- was she.

Okay.

How about trudy weatherford?

Are you for this zoning case or against it?

Pat epstein, same thing.

Frank bryan.

Laura dunne.

All right.

So nicholas dean.

You have three minutes.

>> I think --

>> wait a minute.

Donating time is dotted stanon.

Are you here?

Okay.

Misha --

>> I think I'll only need six minutes.

>> I want to find out if she's here.

>> Up you can use any time you want up to nine minutes.

>> Okay.

Honorable mayor and the council members, my name is nicholas dean and I'm in favor of this zoning request.

Zoning is land use.

Please consider official reports from your credible city staff to help you substantiate your decisions.

Ultimately, the questions for this case is, is the change from p to sf2 zoning appropriate on this particular lot.

[00:48:01]

Yellow in this picture is sf2.

From the standpoint of what's reasonable, fair, compatible and appropriate, sf2 needs these the behind zoning determination guidelines.

According to the separate analysis done by your city staff, and neighborhood planning department, the proposed f2 zoning is recommended by the staff.

-- 36 Goals that this proposal complies with.

It makes sense from the sound planning principles being surrounded on all four sides by 1500 other residential homes of the same sf2 zoning.

Furthermore, single single-family use is what's written.

01 of the covenants states, that land use should be restricted to single-family residential use if a public school is not built.

The lot was intended to be developed from the beginning.

Either the school or single-family.

And this covenant designates how it should be developed.

City of Austin's administration has done a great job balancing development with maintaining environmental quality.

Austin is now constantly ranked as one of the best cities in the nation and it's poised to grow and be even better.

All these things that we love and enjoy daily are a tribute to development and growth.

No development is not the answer.

Responsible development that is conscious of the environment is.

We're proposing to develop only about four acres or roughly one-third of a 12 1/2-acre site while preserving about eight acres as a green belt with hiking trails that connect with community greenbelts and existing streets.

A report conducted by the

[00:50:00]



watershed department states no critical environmental features -- have been identified on this site.

There were no open k features on site, no floodplain, no visible infiltration recharge features.

Financially, this proposal is a win for the isd community and various community pats of -- municipalities ofience.

-- With this proposal to rezone to sf2, isd will receive almost \$1 million through its educational budget, along with the immediate results, the following amounts are estimated revenue generated from property tax from the new homes.

90,000 To -- 35,000 to the city of austin, 35,000 to travis county, 12 1/2 thousand to hospitals, 6,000 to homeowners association.

In total, this project is estimated to create about \$180,000 in perpetual annual revenue along with providing additional high-quality new housing and creating my jobs in the city of austin.

Both of these goals being a mission of this city.

Great financial benefits cannot be overlooked, whether instant or annual.

Proposed sf2 zoning has been approved by recommended by the planning commission.

They've heard all arguments, evaluated the information, and came up to the conclusion that granting sf2 zoning would be appropriate action in this situation, given all the factors.

-- Will provide certainty over p-zoning, which currently allows worse things for the neighborhood and the

[00:52:01]

environment.

Neighborhood has been divided by this issue.

With a large number of homeowners who are in support of the proposal as you will hear in their presentations after mine.

We have made a lot of progress in working with a significant number of homeowners who have expressed a desire to achieve a win-win condition.

The -- we really appreciate the time and effort that a lot of the neighbors have put in into this process, and I would like to thank them all for being here and working with us.

Thank you.

>> It's impossible to make everyone happy but I think we have put a lot of effort into coming up with a solution that works for motion.

Our proposal is a great combination that addresses the vast majority of everyone's needs.

It will provide financial assistance to isd, along with ongoing annual revenue from property taxes.

It will provide new high quality housing in the city of austin.

It will create many new jobs associated with construction.

It will also add an additional greenbelt which hike and bike trails to the community.

And I think most importantly, as planning commissioner dave anderson pointed out, it will provide future certainty and help stop ongoing arguments.

Based on the goals for sound development and zoning practices, undeniable financial benefits, planning commission approval, I would like to ask you to approve this rezoning request.

Thank you.

>> Next speaker is -- it's actually jim bennett and he's already spoken.

Donating time is rodney bennett.

You want to speak.

And kathyie hemrick.

Doesn't want to speak.

Bob sandera?

He's four.

You're for?

This zoning request.

>> Yes, mr. mayor .

[00:54:00]

>> And donating time to you is sharon -- is sharon here?

Okay, so you have to six minutes.

>> And do I have any residual time from mr. dean?

>> You have six minutes.

>> Mayor, council members, I'm bon sandera.

My wife and I have been travis country residents for 29 years.

I'm here representing myself and the homeowners for responsible development, also known as hrd.

We are a group of concerned tc homeowners whose main objective has been to attempt to foster a cooperative working relationship between the travis country board of directors and the pros inspective developer -- prospective developer.

In the hope that a meaningful dialogue could result in a win-win solution that would yield a balanced -- of the aisd parcel, also known as lot 60.

We anticipated that if -- since the board would not talk to the developer, that they would at least talk to the representatives of the homeowners, our group specifically the responsible development -- homeowners for responsible development.

Regretfully, all of our attempts to communicate with them and carry on a meaningful dialogue had fell on deaf ears and for all practical purposes, nothing really ever happened.

Hrd's failure to affect this meaningful dialogue let alone a win-win solution can be attributed directly to a single primary source.

Those homeowners and members of the travis county board who oppose the zoning request adopted a position in late 2010 that they would never accept any developments of lot 60 under any circumstances, in any manner, at any time, at any cost.

[00:56:01]

The main strategy in support of this was to turn a deaf ear to any attempt by us to carry on a meaningful discussion to look for possibilities to have a win should have win development of this four acres.

Two examples -- slide, please.

Of what I'm talking about are illustrated here.

The charter griffin by the travels county board to its new committee -- directed thome advise the board on land use and preservation, to perform necessary research, and to add by various means identify environmental issues, and restrictions that will deter development.

A clear statement of their intent.

In other words, some of the board members in support of a handful of homeowners who live primarily around the perimeter of lot 60 had already decided that they would not tolerate any development before they even considered the possibility that there might be an acceptable alternative.

-- That would enshiewr the rights of the memorial service were protected during development.

The two acknowledges that i received were little more than a list of excuses as to why they would not interface with the developer.

I believe that the statement made by anthony peterman, the president of the tc board of directors, made during the monthly board meeting last thursday, actually says it all and it's depicted at the bottom of the slide.

I'm quoting.

I think the thing that's hard about this issue is that there's no middle ground.

There's no way to compromise, unquote.

[00:58:42]

We can't find a win-win solution when one of the parties isn't even looking for one.

By this ordinance now before council, your decision today will determine how lot 60 will be built out.

Either it will remain p/np, and thus expose a neighborhood to the risk of a developer who will erecollect any one of several eligible civic use facilities.

Hardly any one of which would be suitable for our residential neighborhood.

Also, it is my understanding that from -- as information provided by the city planning commission, that as long as such developer operates within the permit given for the particular project on a p-zoned lot, there is no vehicle and no community for travis country homeowners to make any input to the developer regarding how they can or cannot -- what they can and cannot do with their project.

So if they're concerned about losing control of input to the development of this land, this 57600

>> thank you, bob.

Next we have marion milcox?

Okay, next we have kent latick?

And kent, jennifer has donated three minutes to you and so you have six minutes.

>> Okay, thank you.

Good evening -- I'm the homeowner that sent you the history of the asc, brief history the last two and a half years.

I came to austin in 1975 on air force, i had previously flown in vietnam from '67 and '68 and I didn't realize how old I was until you heard you discussing about the helicopter.

The mission I did was frequently referred to as flying alone, unarmed and unafraid, a mission that has been taken over by the drone.

I served on the committee and served there for three years.

I'm a member of the austin community emergency response team, cert and a friend of the park.

On 29 february I attended the february at the travis county pavilion with independent reality.

The meeting was so contentious it was embarrassing for homeowners who had come to see what was proposed for the property.

I thought for a moment that independent reality was also alone, unarmed and unafraid in the hostile skies of the travis county tripavilion and after the board voted 17-0 to reseason from pnp to sf-2 a few homeowners deciding to try to resolve the issue before host hostilities became unbearable and we became known as homeowners for responsible development.

The fact that we are here this morning is evidence that they have not been successful.

Those who started to reserve the land two years ago, august 2010 had not only gained a lot of momentum but they had swayed the board to preserve the land.

Even the board had made an attempt to buy the land in september 2010.

That same month, the land preservation committee was organized with a charter to preserve land and the aisd property was the target.

Almost two years later, it is still the target, even though independent appellate has a reality has a contract on the land.

If you have not been to travis county recently we're going to show you some slides of the open space in both the travis county green and the property.

On the right is the aisd property, and we took a lot of photos but we are only showing you a few.

These are representative of the open space in both.

We have over 200 acres of open space, mostly along sycamore creek which be secret bisects our neighborhood west to east and we also have consideringable open space on the north side abutting the martin creek preserve and the aisd property represents about 5% of our total open space.

We have easy access to almost 40 acres of gaining greek park and we are certainly not lacking for open space.

And you can see the open space will also be called tinder, that which burns.

We believe that the best way to preserve the land is to take care of the land that we presently have.

We all know what happened last labor day in central texas and we don't want to see any more of that.

The year is almost half over and it's been very dry and I don't think the board has spent any of the \$10,000 budgeted for fire wise.

It's a prettien of what is needed.

We have lingering oak wilt and lots of dead trees.

I believe we need to get very serious will the issue in travis c travis county and in the city of austin.

If a wildfire comes there may be lots of open space that nobody wanted.

The last picture you're looking at how is in the northeast corner of our property.

On the left side is city of austin property, it's the barton creek preserve, and if you look to the right side, you will see a cedar fence that belongs to one of the homeowners and that goes all the way to the 4,000 acres of the barton creek preserve.

And so let's do the right thing and the smart thing and approve independent realities rezoning request to make this land sf-2.

The austin independent school district and the city of austin and travis county and travis county and others will benefit and we'll gain 12 new neighbors that will enjoy living in the first environmentally developed neighborhood in austin.

And all of us can get back to doing things that need to be done and treating our neighbors with respect and decency.

Let's preserve what we have, thank you.

>> Dana strippling.

You have three minutes.

>> Thank you.

.>> First of all I want to thank you for crashing any as operations my 11-year-old had for public service because he decided you all work way too hard and too late and he left us about five hours ago but thank you for your time and your serious consideration of this.

I don't want to repeat what has already been said and hashed out over and over but I do want to introduce myself as an adjacent property owner on the southern point of the aisd lot.

I'm an avid and long-time supporter of wildlife and preservation, globally and locally.

I have a child here in the school system of the aisd and I'm in support of the rezoning of this area as requested by independent reality.

Because the current developer developer proposes limited and reasonable development with a huge commitment of property to the neighborhood association for neighborhood access and because many of the original concerns that gave rise to neighborhood alarms but the potential development of that lot has dissipated I do support the rezoning or the zone change to single-family residence use.

Travis county's self-proclaimed motto is environmentally planned neighborhood and indeed it is.

If you look at the welcome packet given out to every member it says we are proud to be able to claim to be austin's first environmentally planned neighborhood, the streets and open spaces planned in harmony with the green belt that surrounds us and this is a part of the plan from the invention was that this lot would be developed and in fact, I assume those covenants are enforceable by our homeowners association to ensure that we stay consistent with that long vision environmental plan that set travis county in a very delicate area to begin with.

A part of that plan provided for green belts that wind through the neighborhood and connect to the barton creek area, and they provide a continuum for wildlife and species that is critical to conservation but this is a lot surrounded completely by single-family resident zoning and it's not

connected with any other green source or green belt unlike the other green spaces open in travis county.

To date after two years of vetting and environmental studies as already pointed out there have been no discoveries of delicate eco systems, protected species involved on this four-acre developmental lot.

None.

I originally signed the neighborhood petition and pledged funds I simply don't have in order to oppose development of the lot when the official developer -- the first bids were taken in and waterloo development proposed development but the concerns about that high-density development from that developer are no longer an issue.

I urge you to consider this rezoning.

Thank you.

>> Thank you.

Dan mayor.

>> Evening, mayor and city council, I'm dan moore, i strongly favor redeveloping and rezoning.

I read your biographies this morning and I have nothing else to do and I'm surprised that nothing said anything about stamina, and I'm quite amazed.

This is the first time I've been to a city council meeting and hopefully the last time.

>> We're amazed at your stamina, too.

>> Thank you very much, it's the diet coke.

I lived in travis county probably longer than most people here.

When I first set foot on that lot and I hiked quite a bit when I first bought out there, there was a windmill on the lot, a nice old texas windmill with a water tank and a lot of cattle droppings and there will there was no livestock there, the windmill creaked and pashesly passionately partially filled this and the wildlife used it and then we got a letter wanting to know who stole the windmill, it had been trucked off, but anyway, that lot now needs a lot of maintenance, it needs an arborist, it's completely overgrown in areas and obviously all of the cattle droppings were great fertilizer.

Several years ago we had to pay a lot of money to do trenching around a part of the lot.



Several of the board heavies urged it on and organized it prevent oak wilt from creeping across an area on to the lot but it was quite expensive and if not developed we will be maintaining that lot at great expense.

Thank you.

>> Thank you.

Is erin here --

>> erin martin?

She is not here.

>> So you have three minutes.

>> And frank christopher is donating his time to me -- frank christopher, is he here --

>> he is here.

>> Well, I am not seeing him on the list, wh he is not, and so if you want to donate time, you have to sign up.

>> All right, six minutes, get we'll get it taken care of.

>> Thank you, and good morning.

I currently serve on the homeowners association board, my fourth year of service.

I'm not representing the board position tonight but am here tonight as a resident of traskt travis county, the board has a lot of good folks who are serving hard and doing a great job but i respectfully disagree with the board's position.

At the last council meeting councilmember morris asked the community to come up with solutions and councilmember tovo mentioned that a part of the rationale was to visit with independent reality in the spirit of opening a dialogue with the board and independent reality, on june 7, 2012 I asked my fellow board members to call a special meeting to discuss the matter.

I did not receive one favorable response.

It did not require that the board and the company reach agreement but that the board have a discussion with the neighbors who opposed as well as neighbors who supported the development with conservation.

Rather than having this discussion the board choose to maintain its position not to meet with independent realitiy until questions were answered, most of those are not typically answered

until after the zone rezoning position, unfortunately I was out of town and was unable to attend the June 2, 2012 meeting.

The board is required to provide three days' notice prior to a board meeting.

And generally our agenda is posted on a community website and signs are posted at the entrance.

Granted it is impossible to provide notice on every single little item but the board has adopted a policy to provide notice of items that effect the entire community and this is such an item and should have been provided notice.

-- Passed at the June 21, 2012 meeting were contained in the packet in th provided to board members.

I'm at a loss why the board disregarded this policy.

It has not been the practice and policy of this board to have this disconnect.

This is the first time I'm experienced this issue.

This all or nothing approach shows lack of communication and leaves neighbors upset with the process.

Everyone needs the opportunity to be heard.

The number of e-mails sent to the board and council demonstrate the support of the neighbors who support the rezoning.

In addition, Traif's country has aging amenities.

In 1970's we have a blue valley pool and outdoor pavilion and it is desperately in need of updating and remodeling and it's been estimated that the costs will be over a million when the community decides to embark on this project.

The board decided to increase the dues and not to purchase land.

We cannot afford the purchase of this lot and it's not been demonstrated that the majority of the community is in favor of this.

Instead a small group motivated by their own self-interests wish to purchase this lot to the detriment of Aisd.

In other situation land was developed with single-family housing.

In the event that the land is not rezoned, Aisd will not only lose its contract price but a stream of tax dollar.

The community is not in a position to make up the lost funds and the price will decrease.

And aid will have to sit on this land for several years to come and who knows how it will be developed.

I ask that the city council approve the rezoning application and provide the needed funds to aid and conservation funding for our neighborhood.

Thank you for all of your hard work and you've definitely earned a vacation in my opinion.

>> Brett -- you have six minutes.

>> Honorable mayor leffingwell, and members of the city council, I'm here and I've lived here since June 1975 before it was even part of the Austin area.

I agree heartily and endorse the statements of my Travis County neighbors who have spoken before me in favor of rezoning the aid's property to SF-2.

I'm disappointed that our board of directors approved matching pledges for those opposing rezoning because I didn't have a chance to vote on it.

I now feel that I would be better represented by the city of Austin, Mayor Leffingwell, and this city council than by our current board of directors.

I am concerned that the position of the board of directors is biased and is not based on substance.

That's why I'm here this morning, to appeal to you to do the right thing, in spite of what the Travis County Homeowners Association and those who are joined forces with them to oppose rezoning.

I do not feel that the board of directors fairly represent the majority of the 1,507 homeowners and instead listen to a special small interest group, some of whom have been trespassing on aid land.

Independent Realty has attempted to meet with the Travis County Homeowners Association board of directors to work out a solution for all Travis County as instructed by this council at its last meeting.

Unfortunately, neither the opposition nor the homeowner association board has been responsive to Independent Realty's request to sit down and work things out.

Additionally, the homeowner association board maybe unresponsive to homeowners who wanted to sit down and try to work out a solution.

As our last homeowner association board meeting when many homeowners were in attendance, the opposition publicly attacked our character and said we are dangerous simply because we disagree.

How can anyone work out a solution with people who entertain such an attitude about their neighbors?

Perhaps if our homeowner association board and the opposition had been working for travis county you would not have endured an avalanche of e-mails and we would not be here this morning.

Please vote for the rezoning of the property to sf-2 so the declaration of covenants section 13 is adhered to, so that travis county, aisd, and the city of austin which needs the money for a helicopter and travis county benefit financially and so that travis county gains approximately seven more acres of green belt open space and so that the recommendation of the city planning commission and the work of the city of austin staff are supported, and so that 11 or 12 wonderful new homes are built for new travis county neighbors and so that home building jobs are created and so that the current aisd tinder box in the heart of travis county will have been cleaned up to make the area more fire-wise, please vote yes on this rezoning issue.

Thank you very much.

>> All right, we'll hear from those signed up against, beginning with cynthia willcox.

Cynthia willcox here?

And diane wright, is diane here, all right, don cassiter.

Is don here?

Okay.

Rebecca pratt and christina comber.

So you have a mere 12 minutes.

>> Actually, I'm not cynthia.

Mayor leffingwell, if it's already with you we have an order and we are all lined up, do you mind if we go in order.

>> Just tell me who you are.

>> Very well -- this is anthony peterman, our hoa president.

>> Anthony peterman, okay.

And you are perks, brookens, and jeccho.

>> I think she is here --

>> no?

David suntrom.

You have six minutes.

>> Okay, I'm anthony petterman president of the homeowners association, and the number of issues you have is daunting, appreciate your time and attention to this matter tonight, I sent an e-mail that addressed a number of the issues that have been raised tonight.

I don't want to repeat that but I want to make three main points.

Our board did vote last week to oppose this zoning change and the land-use change.

Second is why would we do that?

We feel we are supporting the majority of the homeowners in the community based on the feedback we've seen.

We also know that 90% of the homes right around the land, so the people most affected support opposing this zoning and land use change.

The point I made at our homeowners meet when I said there is no compromise was in not agreeing with some of the opinions of some of our homeowners that doesn't mean we are not hearing what they are saying.

I think I made the point in my e-mail, and it's just the nature of this issue that there is not really a middle ground to this.

And the third point is I think this is different from just a straight zoning question.

This land has been used as a civic use and a public zoning use as it sat for 40 years in the middle of our community and that use makes this a different issue.

It's not just like a new piece of land out in an area of development.

It's been used as a civic and as a public use for 40 years.

Because of that the homeowners and the association came up with an alternative to selling which is the conservation easement and the right of to use tdr's in the future.

That bid was not selected but selected and but we think it's a great option and is a good use of the land and so the second motion we passed last week was to ask that council, rather than move forward with the zoning change, think about supporting the idea of allowing tdr's in future if that opportunity comes up.

So that is all.

Those are the three points i wanted to make.

I ask that you vote tonight to oppose the both the land use and the zoning change.

And I want to make one other point.

It looks to me in the motion you have before you that the planning commission recommendation for this isn't a part of your motion.

I don't know if that is intentional or not but I wanted to make that point.

Thank you.

>> Okay, who is next?

>> Trudy sweaterford.

Weatherford, and youcan only donate time to one american.

Person.

>> I only need six minutes orless.

Or less.

>> I have I have to find someone to donate to you, erika hook is not here okay, so you have six minutes.

>> Will those opposed to the neighborhood plan and zoning change please stand?

We are the concerned citizens of travis county, we had over 75 00 this afternoon, the middle row, you saw us, and we have lost many of those who needed to go home for their families but we still have dedicated and concerned residents here at this time of night who stayed this late.

Thank you, and we have six more speakers from the neighborhood and we will try to be brief and not repeat ourselves.

The city of austin zoning principles support our position against this rezoning and neighborhood plan change.

Zoning principle number one is that zoning should be consistent with an adopted study for future land use map or an adopted neighborhood plan.

The zoning is not consistent with the neighborhood plan or the future land use map.

The oak hill neighborhood plan and map were passed in 2008 by all of you with the exception of councilmember tovo who was not yet elected and areas were based neighborhood plans process, and the city and neighborhood stakeholders and now a few short years later we are being asked to accept another zoning change, this time against our will.

The neighborhood will recommends preserving and improving the neighborhood.

The vision statement calls for maintaining the integrity of communities and neighborhoods.

And multiple sections call for preserving neighborhood character, and section 6 states to find the optimal and most appropriate use of land and in objective four, we have goals that include maintaining wildlife corridors and rural density and regional water quality goals and directing development away from the aquifer and to develop more open spaces and seek appropriate methods to funds this.

Both the oak hill neighborhood and team have passed a resolution to keep the travis county land as a permanent open-space preserve.

And the contact team also voted to keep the land currently on the protd their rationale being that the neighborhood goals are more compelling than the surrounding land use.

In other words, the team does not believe this request is compatible with the plan and that the bidder has not demonstrated a compelling reason to redevelop the land when the goals are conservation.

For these reasons we ask that you vote to reject the neighborhood plan change tonight, and number 2, rezoning consistent with the policies and goals adopted by the city.

The imagine austin plan stresses water quality and quantity and seeks engaged citizens and from the vision statement says our open spaces should preserve shi precity preserve city planning and reduce costs and preserve water, and plant and animal habitat and should conserve natural resources by limiting development in areas over the aquifer and in recharge zone.

We won't go over the principles tonight that support that, but they are listed on the slide and it concerns the environment, priorities, compatibility, infrastructure, and setting precedent.

Zoning principle 3, the proposed zoning should satisfy a real a grant of special privilege to an individual owner and should not result in spot rezoning.

The bidder's application here indicate a spot rezoning request and on this basis alone, the neighborhood plan and rezoning change should be denied.

Principle four, rezoning should not contribute to the overzoning of the area.

The surrounding land is sf-2 and we understand this area is already more densely developed than current regulations allow 40% impervious cover, and this will contribute to the overzoning of the

area, and zoning principle six, the goal of open space protection, and the two changes asked for in the map -- zoning principles and the basic neighborhood plan goals of the application and zoning request should be denied.

>> Frank brian.

>> Frank brian, okay.

Nancy jewel, all right.

Deanna brian, is she here --

>> oh, no, she is not here.

>> Lee zigglar, so you have nine minutes.

>> I don't think I will need all of that, thank you, but I do have -- I'm also -- these should have been handed out to you and hopefully they will make it up on the screen at some point.

All right, thank you.

Mayor and city councilmember, thank you very much for your time and attention to this matter.

As you know, the applicant in this case is a company called independent reality, independent reality was formed august 25, 2011 about three weeks before the deadline on the aisd bid.

>> Please start the clock.

>> Independent -- should I --

>> no, go ahead.

>> Independent reality is 100% owned by one person, nick dean, and if you go on the secretary of state website and look at the documents filed under that company's name there is one listed manager and one listed agent and the business address is an apartment.

Nick dean to my knowledge has never developed any residential project anywhere, he hasn't donnie project over the martin springs zone, and I want to respond to a couple of things he said, he said up here that this residential development is going to create many new jobs.

He has previously told the neighborhoods that independent realitiy is going to build all of the houses in the development.

I don't know what their staff is but that is what he previously told the neighborhood.



Some of the speakers you heard for independent reality, they stated that the hoa board is biased against them.

I would point out that the oak hill planning neighborhood contact team, they voted to continue the civic land designation use for the neighborhood plan.

Your own environmental board voted that the property should remain not developed.

Those bodies are not biased against independent reality, there is something about their plan that has been rejected over and over again by the 200 and the hoa and the oak hill neighborhood planning contact team and by the city's environmental board.

If you look at the first slide here, the top of the slide shows the layout that is proposed for the residential development.

The bottom slide here shows the zoning boundaries.

As you have heard already, independent reality redrew the zoning boundaries six times prior to today -- prior to thursday -- and obviously they did that to shrink the boundaries in 200 feet to cut out the participation of the people that live adjacent to the property in order to defeat a valid petition.

And someone miscalculated and it turned out they didn't shrink it down quite enough and when they found out this morning, thursday morning that it was still valid, they had to shrink it down a little bit more to defeat the valid petition and cut out the people who live around the property.

If you look at the bottom diagram there, the grayed in here, 100% of the people within 200 feet oppose the project.

I want to submit that this project as it's proposed is unworkable.

And it's not just me saying that, that is your own watershed protection department says that this plan is unworkable and the reason it's unworkable, if you look at the bottom diagram there, what is being proposed is the blue area will be rezoned from public to sf-2 and the pink area, the 200-foot perimeter will be -- will remain public.

According to watershed protection and you can ask them yourself when they come up, my understanding is you cannot put retention ponds in the perimeter pink area when it's zoned p and so their proposal is to put a street in this central dough nut hole shaped other where the retention pond is going to go.

It must go in the pink area, and watershed protection says you can't do it, got to have the retention pond under sos and code, and so I would submit that as proposed this design doesn't work.

There is a second obstacle i would submit, that the developer faces in putting in a residential development.

If you go to the next slide, please.

There is a city map that shows faults that run across the property north to south all the way across the property, and if you go to the next slide, please, what I did is basically I overlaid the fault on top of the proposed development and if the fault is determined to be a point recharge feature and the land development code section 2581 subsection 9 that is going to require a 150-foot buffer on upside of the fault where there can't be my development and that is going to knock out the majority of the houses proposed and that is a substantial obstacle to development here as proposed and certainly the applicant hasn't shown they can get around that problem.

I would also point to -- this is two more -- land development code section 25-2-624 tells you what -- it's the next one -- tells you what the uses are for public designated zoning and those uses are governmental, civic, public, institutional, and I would argue that there is no zoning principle that supports the way this proposal is designed.

We have a residential development in the shape of a doughnut hole and the doughnut 200-foot perimeter is zoned for institutional or public or civic -- you're not going to build a school around a residential development in a circle.

It doesn't make any sense, it's not supported by any sound zoning principle.

Finally, what my argument today would be, when you have this set of circumstances where the applicant does not own the property and he has no development experience, the property is in the barton springs zone, the applicant cannot demonstrate and has not demonstrated that this is a viable proposal.

It's unworkable.

It's opposed by the 200-footers and opposed by the hoa and the zoning boundary has been gerrymandered to get it down and there are no sound design principles to support the design that under those unique circumstances you should deny the zoning.

Thank you very much for your time.

.>>

>> thank you, there are a couple of points brought up that i would love to get staff input on.

Number one the hike and bike -- is that an allowable use?

>> Generally hike and bike trails are allowed in p public, we have lots of p public lick we we have school and park zoning that are zoned p public as well, and the issue about a retention pond, that would not be allowed in that area and so that is a correct statement made in that regard.

And if there were a regional water quality pond or retention, that could be looked at but that would be a city-maintained structure but it's my understanding that is not what is proposed on this development.

>> This might be a question for watershed but is it expected that the water retention can be handled in just the portion that is being considered for rezoning tonight?

>> Chuck, environmental officer, watershed protection.

We haven't evaluated whether or not there would be space.

When they submit site plan or a subdivision plan, they have to demonstrate there is sufficient space in the property assuming it's approved for whatever water quality controls are in effect at the time and if there are 12 houses they will have to provide adequate space and the applicant is aware of that.

>> Thank you.

>> Next speaker.

>> Cynthia Willcox.

I would like to --

>> Diane Wright?

Okay.

Don, Rebecca Pratt?

Christina Killmer, you have up .

>> The petition in this case has been recalculated at least 12 times and each version was contained errors or omission when work to the benefit of the bidder.

At least three of the versions have been reported to be invalid when in fact they were valid, including the one presented at the June 7 city council hearing and the version for today's meeting -- at least that is what we were told.

The repeated last-minute manipulations on this project are making it difficult or impossible for staff to even accurately calculate the correct petition percentage.

And for the petitioner to have confidence in this system is very difficult right now.

We understand that although the boundaries are redrawn, that this case is unusual in that the high percentage of petition signers in the case and the number of times that the petition has been altered and the repeated changes at the last minute.

It seems to be making a mockery of the petition law and of the public process.

As it stands now, the boundary and the acreage of the neighborhood plan change are not consistent with the boundary and the acreage requesting zoning change and we are not sure what this really means if the two boundaries are different on the two cases.

We've shared our information can city staff and council aides about the petition.

We haven't been hiding any information or holding it until the last minute or anything and we've carefully checked every version of the petition as soon as we receive it even though we don't always get them very promptly.

We checked all six petitions and the six that we have seen so far.

And every single one of them had errors and omissions.

The reason this petition has been now redone at least seven times is because no matter what sort of sh drawn on that property, the overwhelming people adjacent opposed and every single version has overreported the petitioners and underreported the other percentage, and it became ridiculous and we requested the petition data from gis so we could calculate the petition percentage ourselves and we discovered that the petition that we were told was invalid, the petition number six was indeed valid and then we did what we thought was the honorable thing and we informed staff and we asked to be -- from that point on, from petition number six on we asked if we could please be informed immediately if there were changes in the future so we could check the accuracy ourselves.

When we arrived here today, the petition was valid, we knew, we calculated it and then a while ago in the hall I was told that the boundaries can be redrawn yet again for version number 8 and it is being called yet again invalid, and whether it's invalid or not is anybody's guess, but clearly the only reason for the boundary manipulation is just to block the petition and so circumvent neighbors.

It has nothing to do with hike and bike trails or with good design or green space or the environment or what is good for the neighborhood.

I just wanted to make that clear and then I w brief about the environmental future of the property.

You know how beautiful it is, and it lies in the barton springs and the groundwater filters through the aquifer into lady bird lake and it connects with the waterway on the north side of the property to barton creek.

The watershed department has found 16 areas of interest that should be considered for recharge features and most of the cave development in the barton springs area occurs, a botany survey documented it as a state rarity, and therefore it has a high ranking for conevacuation.

Conservation.

We would like to continue to protect this plan and restore it to be a living example of texas ecological and historical heritage, and we really appreciate your consideration of this case and all of the time that everybody has spent on it.

Thank you.

>> Next speaker.

>> Hi, my name is laura dunn.

>> Hold on.

I don't need extra time.

>> Sorry, it's a public hearing and I have to call the names.

>> -- That respect both the public process and aisd as a stakeholder.

I simply want to report our findings and further assert.

>> And the city has a history of supporting such ordinances.

We -- although aisd has -- i will do that -- imoffous cover, -- money raised by neighborhood, possible tdr's and money supplemented to the county, there are just a lot of ways to accomplish a true win-win-win.

Zoning is done purely at the discretion of the counsel and by doing spot zoning you will remove any further petition from the neighborhood and close the door to preservation, and so please deny the rezoning and keep the door open for a creative solution.

Thank you.

>> Next.

Tell me your name first.

>> Charlie willcox.

>> All right.

>> Independent reality --

>> hold on, hold on, charlie willcox, and ann fein?

Michael wellman, all right, so you have six minutes.

Independent reality does not own the land and never owned the land.

They are asking you to attach some rezoning and contingencies to this land, we are asking that you not approve this rezoning.

A similar case came before you recently when the austin water utility tried to upzone its property on honey tree, and prior to auctioning the land an appraisal estimated it would be worth an additional \$50,000 after rezoning.

This case would be even more dramatic.

Third-party appraisals value it between \$400,000 and \$600,000.

The earnest money is still fully refundable is seeking to up the value of the property but rezoning and this is being used to close the gap between the appraised value and the bid amount of \$980,000.

In other words, the bidder and aisd are asking the city council and the surrounding property owners to absorb the \$80,000 risk premium on this land.

This should take place with no contingencies and as-is.

That is the only way to arrive fair market value based on the highest and best value and preserve the surrounding property rights.

Like the neighbors of the austin water utility we are not here opposed the sale of the property but do oppose the speculative up-zoning of this property.

This is public land and when it decides on a land use, we should consider the public values just as aisd did when it recently 5 million tax abatement for heritage homes.

We ask that you reject this zoning request and keep the current zoning in place.

Thank you.

>> All right, next speaker.

>> I'm pat epstein.

>> Okay, pat, judy ostrander?

All right, karen monteiff?

Tammy cleer?

Teresa ruts, 15 minutes.

>> Don't worry!

I've been sitting back there thinking it's very late and I'm very tired and I'm not nearly as clever as you guys and I've been trying to think of a clever way to get your attention and make her point and everything.

A lot of folks have told you how many years they've lived in travis country, I can't match them, I've been there five years.

I came from dallas, where we are family for the joni mitchell song, pave paradise and put up a parking lot?

One things I love about austin since coming here is that doesn't seem to be your focal point and there is a majority reason that the majority of the folks living in our neighborhood and the majority of our residents want to see this property but we want to do it in a way that is fair to everybody and we are really working hard to achieve that.

I am on the hoa board, and I can tell you that we do get the majority of the e-mails and the majority of the communication we received has been in favor of conservation of this property.

>> Certainly those that live within what would be a typical neighborhood are vastly overwhelmingly in support of conservation.

Our pledge drive that you've I want you to keep -- here is a way to look at that.

Over 20% of the homeowners, lot owners in the neighborhood contributed to that pledge drive.

That in itself is a valid petition of the whole neighborhood.

The travis country homeowners association planned it and the planning team had the claim use property and against the neighborhood plan change.

The oak hill neighborhood association of planned neighborhood passed resolution of conservation, the city of austin voted to move that the property remain undeveloped.

This is pretty overwhelming.

I will be honest with you and i have been elected to public office as school board trust tree at richardson isd and this overwhelming support, I don't understand what the issue is trying to find what laura calls ha win win win, a win for the community that lives in this -- surrounding this

area, a win for the watershed and certainly as a past board trustee, my heart and soul is with education and with kids and with schools.

I sent you an email not going into it but I hope you understand why I am feeling strongly about this issue.

The residents in support of conservation have been in support of hoa meetings the last two years and not talking the last two months since the bid came in.

Working on this two years and attended regular meetings and provided every ounce of information requested by the board.

Whatever that was asked that was provided and communicated with and through elected board members.

Independent reality was given multiple opportunities to communicate with the board.

They were given our facilities to hold a forum -- I heard there were rude people there and i think they were talking about -- they have been invited to speak at board meetings.

They have published material on the hoa newsletter.

They have had opportunities and this concept they have not had opportunities is just not true.

Our board and our residents have many questions about this altered plan.

This came at us very quickly.

We don't know -- you see you've got that white area in the middle of -- sorry, I have a projectile coming here.

We have the white area in the middle of this green.

We don't know what is going in there, guys.

Is it going to be sidewalks?

That wouldn't be can keeping in the character of our neighborhood.

Our houses -- these houses are set back, 30-foot setbacks, also our houses are small.

The biggest one in that area are my house is like 1900 square feet.

I mean, these are not mansions around here or anything so we don't know what's going in there and we do know that public record twice, the independent reality has -- has stated that they



would be doing flag lots and we are afraid of that because it doesn't fit in the character of our neighborhood.

How will the nondegradation require beside possible under sos be possible when the retention ponds have to be placed in certain area and the zoning boundary and the drainage has to be split.

Austin principles zoning changes should not result in detrimental impact to the character.

This bizarre spot zoning as i said makes the flag lots inevitable, we think.

It almost -- also almost guarantees that the bidder will have the request a series of variances in the barton springs zone.

There is too many unknowns for this plan.

That's what we are really concerned about.

This is the only point in time at which our residents -- and i am saying this as a board member and as a person who lives in travis, our residents who have any opportunity to say anything about what happens in their neighborhood has made it.

-If rezoned, we are done, we go home and this partial is like in the geographic center of our neighborhood.

And contrary to what -- yeah we have all been in a drought because there is dead stuff in austin but this is a beautiful piece of land and I am sorry council member riley, you were spotted.

We know you have been out there.

We know some of you have been out there ande have our little goggles on.

We are watching everybody.

[Laughter] but we know that some of you have taken the time to come and look at it and you know what a beautiful piece of property is.

And it really is.

The idea -- we've heard it trivialized like they are out there walking their dogs.

No, we are hiking through there.

Yes, I am cutting through to see people on the other side of they neighborhood but it is used bid more people in our neighborhood than owl of our greenbelts combined, with the possible exception of the one that's now the public hall blue valley which you heard of the [indiscernible]

but it was -- it is not something we want -- but anyway, is, except for that one area, this is used by more people on regular basis, historically it has been.

I think one of our earlier speakers said something about it having been -- oh, or, now I am having one of my [indiscernible] let's just say it is used all the time regularly.

It is part of the ours.

Imagine austin's plan includes community needs and values and recognize the leadership comes from its citizens.

I am going to stop talking.

I am just going to ask you guys to please deny the zoning request and please keep beautiful piece of property the way it is and please find another way.

We are not against aid but for aid but there are other ways to make this happen.

next speaker.

>> My name is marianne molotok.

you have three minutes.

>> I have been living in travis country for about four years now.

I live at the other end of the subdivision from where this little piece of land is and i don't actually use this very much because I back up to the barton creek greenbelt and that's where I typically go.

But the first time I was shown this piece of property, I just went crazy, because it is so sweet and it is so beautiful and so many people love it, and our neighborhood has people supporting this preservation from all over our neighborhood, not just the people who are right around it, people like myself, who have -- who almost never go there, who really love it and want it to stay that way and want to support it.

We have, on the other hand, people who are applying for zoning change who have absolutely no experience with developing.

As far as I can tell, they don't have any kind of viable plan.

They have shown so many different plans and now they are drawing so many different drawings of what they have that there is really absolutely no way to know what they are thinking they are going to put on the land or if they are even thinking they are going to put anything on the land.

It's -- it may well be that they are going to try to get a zoning change and then flip it and our neighborhood is overwhelmingly in favor of preservation.

We have a huge amount of people who are actively working for it, have pledged money or have sent letters to you or to the hoa and anybody you ask just about, except for this small group of people who you have heard just about every single one of them here tonight for it, just about everybody else you'll ask is against it.

So I ask you to reject this zoning change and the land use planning change.

Thank you.

last speaker is roy wayly.

Not here.

So those are all of the speakers that I have signed up for and against on items 111 and 112.

If there is anybody who signed up to speak and I haven't called your name, let me know now.

If not, we will hear rebuttal statement from the applicant's representative.

Three minutes.

>> I am jim bennett.

Mayor, council members, tonight we have heard a lot of drama here.

I have heard some things that didn't really sound genuine that I know of and some coming from attorneys saying the property is undeveloped, undevelopable, related by city staff.

I don't know what city staff has said that it is not developable.

We had to comply to the city codes, of course, but I believe the property could be developed and is capable of having housing built on it.

The density we are talking about is less than what exists in the surrounding travis country community -- travis country community.

Those houses are built about four to five per acre.

We are proposing total site, twelve houses on twelve acre spots because of the reduction building it on 4.2-acres.

Additionally, it has been called everything from a doughnut to a helipad.

It has been dynamic.

It has been dynamic and I have heard 7 or 8 petitions.

Those petitions were not created by us.

Those petitions were created by the people who are here in opposition.

The reason they have been modified, your city staff is here, I think they will tell you, that in -- as I told you earlier, one case it was because of their computations of their computer system, secondly, the latest one, the one that just happened was a result of the changing of the staff's way that they do their measurement, which they have done for quite some time, 50-100 years to -- how did they compute a valid petition.

As indicated to you earlier, that was presented to us this morning.

Yes, we changed it this morning.

Why?

That's when we find out staff has been wrong for the last 80 years.

So these the reason it was changed late this morning.

It is no secret that we have had a large petition and we change our boundaries so that we can conform to the requirements and what's permitted by code.

And we have done so openly.

It's not anything covertly that we have tried to do.

We have created a buffer that we initially tried to create when we did the whole track at twelve acres of sf<sup>2</sup>.

This is not spot zoning.

Everything around us is sf<sup>2</sup>.

It is not the only greenbelt in travis country.

Keep public does not stand for preserve as someone indicated to you.

It is stands for zonings that called p public, that's because of the governmental agencies that own it and for the public uses for the property.

Additionally, the public is brought about from the -- [buzzer alarming] adoption of the neighborhood plan.

>> Mayor Leffingwell: okay.

Thank you.

Now, we have heard the briefing and the public hearings for items 111-112 together.

We will take them by separate motions.

Is there a motion on item 111?

Mayor pro tem.

>> Cole: I wasn't doing that.

>> Mayor Leffingwell: okay.

If you don't want to speak, please say so.

>> Cole: I am not ready.

Well, I do have a question, I take that back.

I have a question for Mr. Guernsey.

Guernsey, we have heard testimony from the neighborhoods about their efforts to conserve the property and can you tell us if we have any authority over that process at all?

>> Guernsey: Well, it would take an action first of AID to come to you.

Right now our ordinance doesn't provide for our transfer development rights typically under -- within the Barton Springs zone.

Outside the Barton Springs zone, where you might have development, let's say in the suburban watershed, on the eastside or north side of town, where you have development occurring, going from one subdivision to another subdivision, where it is identified up front that can be done as part of the subdivision process, and --

>> Cole: But AID would have to initiate that?

>> Guernsey: But AID would need to come to you but we don't have a process for transfer development rights in the Barton Springs zone.

There was a case that we had where the council, as part of a settlement, certainly extended increase in impervious cover that could be used elsewhere but it is almost like a one off situation.

It had to do with a tract of land that the city very much wanted to purchase across from barton creek mall along the greenbelt, almost on the opposite side of travis country.

>> Cole: Thank you, mr. guernsey.

so i understand that aisd has said they are not interested in the tdr proposal?

Is that correct or not?

>> Guernsey: That I am not sure -- that would require a variance.

-- That would require a variance to sos to even do one.

>> Yes.

That's correct.

Aisd sent a letter to your office, mayor, on the 25th, saying they were not interested in tdrs.

They didn't have a use for it at the time -- or at this time and that's correct, even to do a tdr in this area would require and so so amend.

>> Mayor leffingwell: okay.

Thanks.

>> It would require an sos amendment.

council member morrison.

>> Morrison: We got copies of that letter from aisd.

Correct.

I did want to be clear that -- we have -- we have development agreements with aisd, so we can put into a development agreement what we agreed to put into it, presumably.

>> Still requiring an sos variance.

>> Morrison: If it were to transfer if department right into that area.

>> Yes.

Even if it was part of interlocal agreement within aisd it would still require an agreement to sos.

>> Morrison: If we were transferring them to the barton springs -- no.

>> No, any transfer in sos area is prohibited by the sos ordinance, whether it is inside or outside.

>> Morrison: Whether it transfers outside of it.

>> Yes.

>> Morrison: Mayor, I did want to make a motion, because this is a very sensitive area and i think one of the speakers mentioned the fact that it was already developed, this subdivision is developed already at a density that is beyond what we would develop under sos, the numbers that I have gotten from my staff and there was some work in conjunction with staff, but they are estimates through approximately 376-acres of developable land is within the subdivision and if you use a generous estimate of about three units per acre under sos, that is 3 times 376 which takes you to 1100 and it is currently developed at 1500, so I think that with that understanding, it's not unreasonable to have the perspective that this land shouldn't be developed, so -- and I do think the neighbors have brought up some good ideas in terms of alternatives that really do exist, because everybody here certainly wants to make sure that aisd would be whole but there are sources of funds that I think are available, so for both of those reasons, I would make a motion that we deny.

>> Second.

motion by council member morrison.

Second by council member spelman.

Council member riley.

>> Riley: Council member morrison when you say there are sources of funds that would be available.

What sources are you talking about?

>> Morrison: Well, what we have heard from the neighbors, talking about their own -- their own fundraising that they have done, there is also a nonprofit, the prairie --

>> [indiscernible]

>> Morrison: Thank you.

Yes, that is interested in participating.

The county may well have -- has expressed an interest and said it's the -- it's a reasonable site for some of their bond funds for open space, so I think putting those kinds of things together, in addition -- and what I heard was there was additional fundraising that they were planning to undertake.

>> Riley: As I understand it, that has been going on for quite some time.

>> Morrison: My understanding was tonight I heard that the neighborhood fundraising and pledging effort stopped when this -- when this effort started, when they were dealing with this.

Can you come up and give us the details on that quickly.

>> Yes, thank you.

Since -- it was a four-week window and Cynthia Wilcox can speak to that if you want more details but there was a four week window and raised \$250,000 and since the land was under contract, the pledge drive has not been ongoing but given the opportunity, we would -- we would start it up again for sure and then we have identified several potential sources in addition to possible tdrs if that were to be something that Aisd requested so we are really committed to making sure Aisd is made whole through this process.

>> Riley: Hey.

Council member Riley.

>> Riley: Aisd has been emphatic that they don't see any value in tdrs.

And so if we assume that that is not part of the picture, do you -- do you see the do you foresee the homeowners and nonprofit you mentioned coming up with enough money to provide a competitive bid in comparison with the one on the table now.

>> If I can answer that in two ways.

One, yes, and I think the county bond money is viable.

There has been a call for applications.

There will be a process to apply for that around \$8 million of open space bond money.

A process of applying but the one of the sources identified and yes, I think the neighborhood is committed and is able to raise additional funds.

Third of all, I understand the letter from Aisd saying at the very bottom, my understanding from the letter they are saying there is a mechanism -- a legal viable mechanism by which tdrs have happened and could happen again.



They have a little paragraph at the end stating that their construction department does not think that they need it -- doesn't see the value at this time and we respect that and have reviewed the master plan and we know there are areas that are expanding that could need potential impervious cover even a school like walnut creek, and I don't know if it is south central or east but they had to remove for impervious cover, on the little we have done it is clear it can be valuable to aisd and that that conversation has not had an opportunity to truly happen.

I am not going to support the motion to deny.

I understand the neighborhood's desire to preserve this land as open space.

I would like to have open space next to me, too, but if I did, i would expect to pay for it, and this is aisd's property.

It has to be compliant with sos regulations if it is developed.

They already agreed to dedicate about 2/3 of the property permanently as park land surrounding, and I just don't think it is fair to aisd, as hard up as they are for money these days, to say, well, we will work on getting them the money.

I think it is their property.

They have a right to sell it.

Zoning is compatible to the surrounding neighborhood and sos compliant.

I do not see any reason to deny this zoning, so I will oppose it.

Document riley.

>> Riley: And I have to say I -- reluctantly that I agree with the gist of the mayor's comments.

I have to decide -- I can certainly see why the neighbors want it preserved.

It is a beautiful tract of land and I can understand the attachment that has grown up over the decades and the real anxiety about seeing any changes to that land, but at the same time, it is -- we have a responsibility to zone it fairly in keeping with surrounding land uses, and I just don't see a basis for denying that zoning in this case.

I am not going to be able to support the motion.

>> Mayor.

I won't say anything clever tonight.

It is too late for that.

Now I will say one thing that i think is clever and maybe it is 25 thinking, I teach public management and public policy using cases.

He said they have titles like general motors and paint shop and.

Is going to work on providing a reasonable amount of money back to aisd and it is my understanding that it would.

dunn, can you very, very briefly explain what the deal would be with the native prairie's association, would it just be money or put up their own money, too?

Ms. wilcox.

Great.

Thank you.

If.

>> Yes the native prairie is a land trust that exist through pledges and all of the native prairie association funds come through pledges and it would make it -- it would be a larger dollar amount to be able to purchase the conservation easement, the more pledges that they got and so we are committed to making sure we get as many pledges as we can possibly make sure they get.

>> Okay.

Have you gotten any education from aisd as to what the reservation price is --

>> well the third party appraisal districts is 6,000 and minimum bid was 750,000 -- somewhere around there.

>> The appraisal is making sure certain assumptions to make sure what they can and cannot build on this property as well?

Do you think you can get somewhere in the neighborhood of half a mill?

>> Definitely.

Absolutely.

I think we are -- yes.

>> We will have two stages.

We will apply and within two weeks we will know whether we have gotten through the next round and we said -- all of the particulars of our case indicate that it is a good fit.

That's the best she could say given it is a governmental process and then there would be another probably six weeks after that, she said, when they would be assessing whether or not this is one of the projects that they want to support, and then it would go to --

>> Cole: Let me ask you something.

When you apply -- would you be asking for specific sum or you would -- so you would ask --

>> well, I think we would -- one of the ideas I had was to have them match the money that the neighborhood has put forth and so --

>> Cole: The neighborhood has put forth \$253,000.

>> \$253,000 Within a four-week window and we know we can raise more.

>> Cole: Okay.

So I think what we are contemplating or at least i would like to see is aid be made whole to their, I guess, 660,000 appraisal or --

>> 600,000.

>> 600,000 Appraisal.

>> Yes.

Yes.

>> Cole: So we would need your assurances that you were going to continue to raise the private money from the neighborhood and, also, the grants from other governmental --

>> we are so committed, council member.

We really are.

We have an amazing group of people who is work on this and i personally have been working on it for three months and we are -- it is very possible and it is very viable and I say that putting -- staking my reputation on that, for sure.

>> Cole: Okay.

Well you know we come out there and peek so you know we will find you.

[Laughter]

>> yes.

I have one more question.

I seemed to recall -- I maybe thinking about something else entirely but was there not a corn ten generalcy plan that if -- contingency plan that if aisd didn't use this property to build a school it would revert to single family use?

>> I assembly during the course of the testimony you heard today, mayor, there was a reference to a covenant that indicated if the property was not used for school, that it would be limited to a single family use.

if it was not a covenant, if it was a covenant that said that.

>> Guernsey: That's right.

on the property.

And that's exactly what they are asking for right now.

They are not going to use it so they want it to revert to single family use.

I believe the number was 750,000, was their minimum price, area.

Should -- I just have been handed this, refers to this property -- should said site not be developed as a public school or should ever -- should the -- such use ever be terminated, it is the intent of the declareant that such lot be restricted to single family residential use.

Motion on the table to close public hearing and deny the land use change request.

Second by council member spelman, I believe it is.

"

opposed say no.

No.

Motion denied.

Passes on a vote of 5-2 with council member riley and myself voting no.

[Applause].

I guess we have to deal with item 112.

Entertain a motion -- a motion to close the public hearing and deny by council member morrison, second by council member martinez.

Any discussion?

"

opposed say no.

No.

Passes on a vote of 5-2, with council member riley and myself voting no.

Let's go to item 118.

>> Thank you, mayor and council.

Item number 118 and 119 are related items.

I can present both of them in matter of.

present them both.

>> Guernsey: Thank you, item 118 npa-2012-0026.01-601.

And it was to have a mixed use and the plaintiffs wanted to deny mixed use designation on this and the zoning case is 119-case 14-2012-0023, again, for the property at 601 west apple gate drive.

This is a request to zone the property, community commercial mixed use, np, combined district zoning, the planning commission recommendation was to deny the request request for gr-mu-combined district zoning and the property itself is about .78-acres of land and is located along apple gate drive.

The properties to the north and to the east are same family residential, further to the south is multi-family and to the west are more commercial uses in nature.

The area was subject to a neighborhood plan that was adopted around june of 2010 that gave the current designation of mixed use office to this property.

That designation was looked at as a transition from the more intensive commercial uses for the -- to the west to the more restricted uses on the single family to the north and to the east.

The property is used right now as an automobile repair business and the property owner is seeking the zoning change to bring the property into conformance with sobeing regulations -- with zoning regulations and also to thing the flum to make sure that the mixed use designation would provide for that zoning change.

I think I can pause right there.

If you have any questions.

I know -- I think it is landrom who is here and he can speak to the particulars about the property.

>> Mayor leffingwell: okay.

The agent is here.

Correct.

You have up to five minutes.

>> I am landum and I apologize for interrupting asking for postponement and the reason we asked for postponement we were told we could canvass the neighborhood.

This area is a heavy percentage of hispanics and many people in the area can't speak english and I can't speak spanish so I have a young lady named giovana who is a bilingual and I asked her to come out on sunday and canvass the area because most people are home on sunday.

However, when she attempted to contact the people, she was confronted by mona null who lives at 600 west apple gate and she told giovana she was going to call the police on her and she did call the police.

Giovana is young and hispanic and was very intimidated so she just called me and said, I don't want to do this.

I said what we are doing is legal.

We are allowed to canvass the area.

She said, yeah, she is calling the police and she said I am scared and I don't want to do this.

The reason I asked for the postponement was so that we could have a little more time to contact the people in there so we just got busy on monday and tuesday and wednesday and were able to contact.

We got 82 signatures here for zoning change.

There is probably a couple here who -- at the time we had them, we didn't have the signatures andkiget more because people in the area are okay with this.

I purchased in property in 1992 and at that time it was being used for an auto motive body shop and repair shop and had been since 1981 and probably before that.

I don't know -- I don't know any history before 1981.

After the people that I was renting it to at that time left, I rented to George Millheim who had a towing service for several years and when he left, I rented to Alex Hurtado who is Hispanic and is being used for that purpose ever since.

There were 7 Hispanic guys working back there when I was forced to close this down and they all lost their job.

Last year due to a weak economy -- and I have a used car lot here on North Lamar -- just North Lamar and West Apple Gate and I will show you some -- here is -- it was necessary for me to take out a sizable loan of my bank where I lived in Gold Plate Texas and I was hoping for the income off this property to help pay off that loan.

I was getting \$2,600 a month rent out of this property.

Of course the people who are opposing this rezoning request have no investment whatsoever in it, the loss of income is nothing for them and I have a sizable investment in it.

The last four months have not reflected -- cost me 10,400 which is about 31,000 a year.

The problem with rezoning request is people for it are not going to come to this meeting and they aren't going to send in those questionnaires, are you for it or not, so the only people you hear from are the ones that are in opposition to it.

In 2006, the city council granted a CRO zoning on this property.

These numbers don't mean a heck of a lot bigger -- [buzzer alarming] we don't have zoning in Gold Plate.

that is your time.

Your time has expired.

>> It is expired?

yes, it expired, yes, sir.

Giovana Cisneros could donate time for you.

>> She had to leave.

She couldn't stay any longer.

she can't donate.

That's all you have.

>> I would like to have continued here.

you will have an opportunity rebuttal.

Lynn galbrinth.

All right.

Is mona null here around lisa garner.

So you have up to 9 minutes.

>> Thank you.

I am representing the position contact team for the neighborhood.

They asked that I come to speak to you.

We -- first of all, those 82 signatures, I don't know if there is any verification process that goes on with that but I would strongly recommend one.

There is only twelve houses within the immediate area of this and it is residential neighborhood but I don't know where all of those signatures came from.

We hadn't been made aware of them earlier.

We also have talked to neighbors who do live on this street, either paying rent or on property and they have signatures and addresses and these have been verified, if that's of any value.

So our contact team had a meetible in april and invited landrum and it was facilitated by city staff in which we considered his desire to rezone his property.

We visited the site, everybody had a chance to think it over, talk it over, ask questions, and the consensus -- actually it was unanimous to reject -- to not change the zoning from what is in our neighborhood plan to this more intensive use.

So that's our position.

We want to retain our -- retain what is in our flum.

Our neighborhood plan was adopted very recently, just in 2010, nothing significant has changed about that street.

It's -- it's a residential street.



Everything around this, f2 and f3 and are extremely eugenias in the flum in high intense use, all places that make sense, along lamar and anderson and top borders and along i-35 and we were trying to step down into the residential areas with the less extensive uses without just cutting it off, heavy intensive and sf and we went for a stepdown approach in this meeting and they went on -- the meetings went on for two years, landrum could have attended like many other property owners attended.

He wasn't present.

But the whole goal was to provide a tran vision from the car lot which is levy use of sf2sf3 and mf around it.

Our neighborhood plan objective 13 is to establish north lamar boulevard as a mixed use pedestrian friend liquor door.

It supported by our recommendation 125 to incorporate small scale neighborhood suffering commercial or retail establishments, neighborhood plan recommendation 70, top priority action in the plan calls for sidewalks along applegate.

The idea being the heavy more vehicular traffic on north lamar steps down with the sidewalks and a lighter use but still potentially commercial or neighborhood serving type use.

This property is located about 500 feet from north lamar from the commercial corridor.

A small scale neighborhood serving ll business at this location would be supported by upcoming improvements in the area which we also have been working on very hard as a result of getting our neighborhood plan passed.

The city received a campo grant to start in this section of lamar to help this and cap metro working on bus stops along lamar with bus route facilities to start this year and 2010 bond mobility funded a design study for north lamar corridor transportation improvements which were completed this year.

Funding to begin constructing these improvements as proposed for the november 2012 bond landrum is a business owner.

He is smart savvy man with a car lot and he wants to lease this property blind it to somebody.

The easy button is to continue the nonconforming use for the past 15 years for every kind of zoning it had and release it to auto repair and storage facility and that would lead people who have been complaining the last 15 years and code and everybody who say why is their auto repair and storage lot right in the middle of the residential neighborhood.

We can keep doing that.

We would like to stop it once and for all.

People shouldn't have to follow up, follow up, follow up, that kind of thing.

We totally support landrum'sing his property for somebody under appropriate use under if neighborhood plan.

In fact, we put him in touch with another business person in the neighborhood who had a discussion with him and was interested in pursue an urban farm and this person has experience, and knowledge and runs a business doing greenhouse and farm stuff.

I don't know the status of that.

I notice no longer viable or for some reason it is not going to happen.

The point being, there is many acceptable uses under the current zoning, under the flum that this property could be leased for.

Yeah, the ease sir button goes for another non -- the easy button is nonconforming business and probably illegal business because nobody can find the ocopinioncy or the -- occupancy or permit or get creative and find an opportunity to lease the land so someone who is going to use it for an appropriate use.

In 2005, it finally came -- there was finally enough problems where -- with neighborhood unhappiness, with the auto repair, storage and towing all of that, where landrum chose to speak alternate zoning.

The neighborhood and council worked with him and took it from single family, which is what it was, to a commercial -- no, recreational -- a cr, which basically, the commitment on landrum's part he was going to create storage units and store only recreational vehicles and do those kinds of repairs there with conditional overlays and would you come to the first picture?

This is our contact team website.

So this ordinance was passed in early 2006.

landrum promised -- made promises and these are current pictures or pictures taken this year.

This first one is an overhead of the lot this year, and it's auto repair, auto and struck storage, there is no recreational vehicles.

There is no bays to keep recreational vehicles in.

He just continued the same uses.

If you could go down to the next couple of pictures.

This is more pictures of how it currently looks and I would like to draw your attention to the picture that shows the street and fence.

Some of the conditional overlays -- recreational equipment, maintenance and storage was the only permitted use, or use.

Limit access to the thru way previously considered mother all drive and the neighbors have had to consistently complain that that has not been observed, and then this photo shows that the conditional overlay of the vegetative buffer was completely nonobserved, no effort has been made in the last -- well, since 2006.

And as I said, nobody can find applications for a site plan, building permit, certificate of occupancy, even following the 2006 zoning change.

This is kind of what it comes down to for us is -- as the contact team and the neighborhood.

Are we serious about our neighborhood plans or not?

I personally put two years into this thing.

And since then I have been working heavily with the other people who are really working on significant improvements to the north lamar roundberg area, the place everybody is afraid to go and it turns out it is a pretty awesome neighborhood -- rundberg neighborhood, tremendous diversity and so much opportunity there.

Sorry, I digress.

Are we serious about our plan?

The time we put into all of the consensus to come up with the plan and the plan and priority and objectives which are totally consistent with the current zoning, do we hold the line somewhere or not when a property owner shows up and says, yeah, i have been doing this a long time.

[Buzzer alarming] thanks, I appreciate your help.

thank you.

landrum, three minutes for rebuttal.

>> No questions?

>> First off, I think I probably was in violation on the use of the property, as I stated, i live in golds way, we don't have these problems that you have here in austin.

We don't have any zoning, so --

>> >> professor: lucky you.

[Laughter] lucky you.

>> Yes, but it is a nice place.

But.

>> But since the property was being used for this when i purchased the property, I didn't think I was doing anything wrong.

When it came out on if -- the problem I ran into is when I ran into -- when I rented the very back end of it to some people and they were supposed to store cars back there, well, the guy in mona's way when she was trying to get on the driveway and she called and code enforcement people came out and he said you have to get rid of this stuff and can't have this here and I got all of that off and then he came back and i said, okay, I've got it cleared.

He gave me ten days period, and then call him and he said, well, wait a minute.

I had rented to these 7 hispanic people and they had parts they taken off cars and plan to reuse them and he said, this is worse, you have to get rid of all of that and it went downhill from there.

Okay.

I said, this has been -- become a personal vendetta for mona who lives right across the street there.

This -- this is my used car lot here on north lamar.

This was mother all street right and I bought just all of this property.

I bought this right here.

It is all one continuous piece of property that goes back here and this is what we are going to get rezoned from here to back here around since part of this same property, [indiscernible] who is -- why don't you use the microphone there.

>> Sir.

use the microphone, please.

>> Sorry.

that's better.

>> He told me that -- if i understand it right, that i could use this property because I couldn't rent it out, so i didn't know what the difference the there but there is not any really good reason why this property shouldn't be used.

I know for 31 years as this back here and if you can't -- if you can't go along with what I am asking for here, at least put me back to what the council did in 2006.

See, there group came along and changed the change.

[Buzzer alarming] in 2010 where I couldn't use it anymore and I could at least do something with it and get some income out of it because I do have -- I borrowed a bunch of money last year to --

>> mayor leffingwell: okay.

Thank you.

>> I need this income.

Thanks for your time.

thank you.

Council member spelman.

>> Spelman: Council member morrison and I were drawing lots for this one.

Mayor, the staff recommendation actually I think summarizes the case in my mind.

A requested change in future land use map does not meet the goals objectives and recommendations of the neighborhood plan and, furthermore, in this case, there is no compelling reason to change the neighborhood plan with respect to this property.

The current zone of lo-mu does landrum with reasonable use of his property and I think he ought to put it to that use.

I move to deny.

council member spelman moves to close the public hearing and to deny the land use change request.

Second by council member morrison.

Council member riley.

>> Riley: Yes, I am going to support the motion and I respect and appreciate the landowner's commitment to the property but i also respect and appreciate all of the work that the neighborhood invested in that neighborhood plan.

I visited the neighborhood and the site this past weekend and it really is a very wonderful place and one that really could use -- it seems to be on an upward trend and I really hope to see continued improvements in alignment with the neighborhood plan, and so consistent with that hope, I will support the motion.

council member morrison.

>> Morrison: I just want to briefly acknowledge the work that the neighbors have done that have really taken us -- put the neighborhood on a path for some real improvements and real changes and the community can be develop add and I think it is really important that we respect that and that the neighborhood plan that they came up with was a really good neighborhood plan and we need to stick with it.

all those in "

all those "

aye.

P opposed say no.

Passeses on vote 7-0.

Take up 119, related zoning case.

>> Spelman: Close public hearing and deny.

council member spelman moves to close public hearing and deny.

Second by council member morrison.

Any further discussion?

"

aye.

Opposed say no.

That pass on a vote of 7-0.

127 --

>> thank you mayor and council, item number 127 and 12 are related and I would like to present both of them and I would like to take them.

you are mumbling can't hear you.

>> 127 And 128 are related items and if I may I would like to present both of them and you can take action individually.

Item 127 is c14-2012-0002, this is for the domain property at 10,728 to 11306 and 11500 to 11600 burnet road, 3300 west braker lane, 11105 and 11401-11925, domain drive and 2900-3210 esperanza crossing this is a zoning request for mi-pda district zoning to change a condition of zoning.

It was recommended to you by the planning commission to grant mi-pda zoning to change the zoning.

Item number 128, c-14-2010,--87.

It has those same addresses.

And speaks to amending a restricted covenant.

This covenant would move basically an acre of zero impervious cover for one portion of a 9-acre park area to another.

It was recommended to you by the commission.

In the property itself, that we are talking about, is approximately 168-acres of land.

It is currently developed with the mixture of residential office and commercial uses.

And the park area, regarding in the restricted covenant, would move location of a zero impervious cover area.

There would be no increase in that amount of impervious cover but it would be used to basically offset other areas that they would like to develop.

I will pause at this time.

I know the applicant agent is here and has a presentation and I believe we have at least one person here who would like to speak to these items as well.

all right.

We will hear from the applicant.

Discussing 127, 128 together.

You have five minutes.

>> Good evening, mayor, mayor pro tem and council members.

I am my shell hausman representing endeavor real estate group on these two items.

As you see here on the screen, the area shaded in blue is the area owned by endeavor real estate group that is part of the domain and the subject of these two cases.

Go to the next one.

Thank you.

And this here is master plan for the domain and it will be developed over time.

[One moment, please, for change in captioners]

>> slide 21.

Well, the basic answer to the question since I heard the concerning earlier today is the fact that there are two processes going on right now, the valencia hotel is going to be constructed on the last domain drives and they are under construction, and so the entire length of domain all the way north will have a solid sidewalk connection, the other piece actually off the domain property is a piece that the city of austin is going to have a project that will connect the edge of domain to the bus stop, and so again a city project connection around valencia, so you will be able to get off the 57600 .

Captions temporarily suspended, ] .

>> I believe this is ready for all three readings.

>> Councilmember tovo.

>> I just wanted to make sure you didn't other questions with the sidewalk that we can answer.

>> It's hard to see the map and 00 in the morning and so I don't know right now, but i don't have questions off the top of my head.

I just have reservations -- they made promises to the council before and I think it's really important to send a clear message we are not going to tolerate that and maybe a postponement of what we are asking for until construction begins.

I just don't want to see a situation where we let them build the cocktail lounge and then they kill someone and it's oh, yeah, we should have waited until we had that in.



It would be on my conscience and I don't want that.

>> Thanks.

Can you help me understand the connection between the cocktail lounge and the sidewalk issue?

Is there any way in which we can better codify the construction of the sidewalk with relationship to the --

>> can I see what we got there?

>> I remember the initial discussion about this two years ago because I was on planning commission at the time.

The access -- the discussion about access really are important.

>> As far as the sidewalk is concerned about the construction associated with the cocktail lounge, there is probably a way we can ensure that the sidewalk is constructed as a part of that project.

The city portion that michelle mentioned I'm not sure, we'll have to just check on the status of that because that would be separate and apart from what is proposed with this project.

The other portion that spoke to the hotel I think that was under construction, usually the sidewalks would go in as a part of the construction at the and so you actually probably have three project, one being the city park and one in conjunction with the hotel but for the portion that the cocktail lounge is proposed we could probably do something with that to ensure that the sidewalk is constructed with that piece, and if the hotel is under construction now sounds like that would be completed -- with the hotel?

>> [Inaudible] where the cocktail lounge is located on the a loft, that is on the endeavors property, and the hotel which is on domain drive where the concern is where there are no sidewalks is on the side of the development on domain, and the piece that is going to be constructed is actually not property in this zoning case but in front of the cocktail lounge itself, it's already a constructed building and there is a sidewalk, and as long as valencia is connected then that entire sidewalk will be up to the cocktail lounge.

>> So with the construction of the hotel, the corresponding sidewalk will be completed with the occupancy of that building because that would be a separate project from the cocktail lounge.

>> Okay, thanks.

>> And we can provide sounds like we have a map that is larger in scale and color she can take with her and if we can get back with her on the city project, that is the one part that I can't address at the moment.

Councilmember riley.

>> I will move that we close the public hearing and approve the requesting rezoning.

Motion by councilmember riley and second by mayor pro-tem.

Discussion?

>> Just a quick remark.

Greg, I wonder if you could provide information to us once ut find out about the city --

>> absolutely.

>> Thank you.

>> And I'm glad that you were here because this is a serious issue and we absolutely stay after this and make sure that the sidewalks are put into place, and from what I heard from staff tonight, I have every reason to believe that they will be in place, I'm optimistic about that.

>> All in favor, aye, opposed no, passed by a vote of 7-0, takes us to item 128 which is relaed and there are no speakers.

We heard the speakers -- it would be the same speakers we already heard and I believe this is ready and only requires approval.

Just approval --

>> of the amendment to the covenant.

>> Change of restrictive covenant.

Entertain a motion on that item?

Councilmember riley.

>> Move we close the public hearing and approve the restrictive covenant amendment.

>> Second.

>> Close the public hearing and remove the restrictive covenant, motion by councilmember o'reilly and second by the mayor pro-tem.

Aye, opposed?

Passes by a vote of 6-0, councilmember -- [inaudible] off the dias.

--

>> I was is there --

>> okay, 7-0, I didn't see around that corner.

>> And that brings us to 130.

>> 130.

Mayor and council, item 130s ck142012 --

>> item 130.

>> This is for the rezoning of the property on east second street, and 111 east third street to, rezone the property to central urban district to change conditions of zoning.

It's for the jw marriott, the planning commission recommendation was to grant approval of the zoning change to cbd cure, the property is 83 acres in size and that the recommendation to change the zoning was recommended by the commission on a vote of 6-0.

The portions of the recommendation would modify cure in the following ways.

To modify the number of off-street loading spaces from six to three spaces such that there would be two off-street faces that is 10 by 55 and one 10 by 30, and so clarify that the access is allowed from third street.

Third, that there be a provision to allow maneuvering in the public right-of-way for off-street loading and a trash receptacle and four to allow a curb cut for an off-street loading or trash receptacle location to exceed a width of 30 feet and finally to allow tandem parking and modify the parking requirement to 438 spaces to include tandem spaces.

The applicant is here to make his presentation.

We have a large model of the hotel and I know that we have some folks here that would like to also speak in regards to this case.

And if you have questions I will be happy to answer them at this time or later.

>> The applicant, five minutes.

>> Mayor and council, richard settle, here on behalf of the applicant and in light of the hour, I will say we adopt the staff recommendation and the unanimous plans recommendation and the ada and the hotel convention and bureau, and one of two of our property owners support this and I will be happen to answer questions you have on the four items in the back-up and described by the staff.

We have the model here in case you're interested in seeing it, and we have rendering and site plans and it's kind of at your pleasure at this hour.

>> Questions?

All right.

Speakers in favor?

Molly alexander, scott -- not here?

Speakers against?

Cynthia perez.

Is courtney seals here?

Zachary seals?

Not here?

So you have six minutes.

>> Buenos ias.

Dias.

Good morning, my heart goes out to you, what is struggle but this is the best time to come lieu of all the things here before you and you see the calamity your city is going through as it grows through its growing pains.

We were all part of the people forced into supporting the marriott, we vacanted the alley for \$11,000 and the findlies got 69, and we also supported the idea of commercial growth because the city needed it.

We also supported the idea of all of these things that were happening at the time, and unfortunately what happened is in march, mayor, we caught up with the issue of the loading docks being turned on to third street, and so we were surprised because we then became very concerned under the circumstances that we know they don't work with us in the alley, then we are up the creek so to speak, and so then as I tried to get a grip on how the board of adjustment works and to do the thing -- the trans -- as the city is a convoluted process to securing the ability to make changes and acquire new structures to get the changes you need, here I stand before 00 in the morning asking that he packaged five variances together, one to pack up on third and another one to put only three loading docks when the code originally said eight and then it was modified to six because of san diego and I really don't understand what the hell san diego has to

do with austin but they modified it to six and we compromised at four when he had already initiated this process.

I want to say I really appreciate richard because my high blood pressure wasn't up as high as last time he was here because he didn't do the passive aggressive dance with me because I want to appreciate my situation in that I have to address these things on my own.

I'm trying to find an attorney who wants to do it.

The two people I've been to see in past weeks don't want to do 00 in the morning trying to arbitrate some of these issues.

So here we go.

One, his statement was that this 1,012-room hotel should have the same as the w.

The w only has 251 rooms.

Two, he wants to cut the curb bigger and the aide from sheryl crow says it was there idea to move the transformer, and you, crow on the only ones I didn't get a chance to talk to directly and with these variations of reducing 538 down to 438 parking spaces by being able to package the mixed use and the cure together and once they have changed the cbd because that allows them not to pay the \$2 million nor have to deal with the extra height or anything for the neighborhood, all of these things coming together were quite a bundle for me to try to unravel.

Unravel.

In fact, I spent many days in the 505 building, and would you please show the parking behind the w, so they get an idea.

These are pictures of the w with the trucks coming in and out.

The other reason for third street not to have the loading docks is you're going to put the lance armstrong bikeway there, losing all parking there, and those are just the things I was able to get my hands on and find other information.

Then people were feeding me all kinds of information about rom romney and the jw marriott and the \$24 million they had to pay for a kick-back scandal they had and even I violated, mayor, on third street.

It's against the law to have the cisco truck unload on the side there, that is why you need those loading docks and why alleys are important, you go to the picture of the truck and that is my building.

He was not delivering to me, but that already happen and just because I'm a good citizen, you closed this street completely and you may want to make this a two-way street in the meantime

because people keep turn ago round, we have asked the company in writing to provide to us two things, the parking and the construction on the loading dock and I don't know how good the writing is now that I am coming 00 in the morning.

The second thing we have asked is that the gentleman from florida who was just relocated he had an appointment the day he came to see me, and we have earmarked the water and sewer lines and their site plan was set back on the 12th of june and they got an extension to october and there are many things they still need to accomplish.

>> Okay, thank you.

>> Thank you.

>> Lydia perez, is lydia perez here?

Yes?

>> The other thing, mayor, i know you thought that I was just trying to delay the process, but 45, elaine hart, appointed today to the hilton hotel submitted some answers to questions I had requested from the city since march, and I asked dean and melissa torrez.

They are on the 15th floor of the 505 building in reality ti andi could not get some of the information.

So it was not that I was trying to delay the process, I was trying to learn the process and decide how it works so I could use my last penny in an efficient and effective way.

We want to work on congress, we had a successful business and i don't think people realize how hard it is to grow a business because it's just like the seven trees that are being knocked down that wouldn't be protected?

It takes an eno amount of time to grow those things and people that have supported us in austin?

We started out as waitresses and taco vendors.

The other thing is that I think that that is the critical issue here that everybody is struggling against.

The critical issue here that everybody is struggling against is that we do corporate welfare.

But small business and people of color pay the price.

And it's represented in the way that the district lines are shown.

It is represented in the insiders gam city politics.

It is represented in who gives you an appointment and who calls you back and if you get in the door.

People who know this know these things.

My issue is not against these people.

My issue is to try to come together and work as a community to give them their big hotel so they can have their hotel next to the convention because the people are here and because formula one is coming and all of these things but to allow austin to live because we're the ones that made it a great place because today you know it's a pain in the ass to come here, too, because people always go a, las mañanitas and I want my enchiladas and my tacos and melvin said are you open yet, some people want to know, and we were trying to create a bridge, a place where poor people can come, and richard came in the other day and the person there was very unsightly and poor, and I said the marriott is not going to wait on these people, and we don't have a problem, they about workers and they are going to be downtown anyway.

>> Thank you.

>> Thank you very much for your time.

>> Mayor.

>> Councilmember?

>> So you would like the applicant to consider --

>> we would like them to consider parking issues but eating up all of the parking on second and brazos and they would like them to consider giving us these things in writing and adhering because this whole hotel transformation has taken place and it's not what they initially presented to us and so we are concerned and fearful.

>> So you're concerned about their level of parking and loading docks and you're not interested in sharing parking.

>> We thought we were going to work together in the alley, that is the way it was presented to us in the beginning.

And we figured if we are all working together there is no problem.

And then when the transformation took place, we didn't find out about it until much later --

>> what were your expectations about how you were going to work together in the alley?

>> Everything was in the alley, and then initially the board of adjustment request was to move the required code from eight loading docks to only three, and so then they came with their

managers from the different hotels and different cities and their ability to make it very efficient, and so then -- but then we became aware that it was going to go on third street and then we became aware of the other variances they needed and then we became aware that they were going to do some other additional things and so I was like you recreate a process in this democracy, and I'm here, and I want to tell you something.

I was upset because I thought that the mayor was going to try to pass it in the first reading and I think we deserve due process, too, so it has been a long haul for us.

Because if you remember correctly, we moved out in seven days.

Findley asked us to move in seven days.

He gave us an additional four because hurricane ike came because we've been in that place for 27 years but we did it, we adhered to everything they requested and I don't think there is something they can point so that we did not adhere to, and now as things are transforming we would like to be included into the process, you know and treated fairly and honestly.

>> Thank you.

>> And unfortunately I can't pass anything on first reading by myself.

>> Thank you, thank god!

[Laughter]

>> I didn't ask for a month last time, mayor, but thank you, i appreciate how hard you work and I can understand you being grumpy, I understand.

>> All right.

>> And I want to say something.

I want to thank shirley, too, because it takes everybody to be here at 3:00 in the morning.

>> And we appreciate that, thank you.

>> Thank you.

Did you get three minutes rebuttal.

>> Mayor and council, the item cynthia talks about on the alley is directly addressed in a turn-around easement that we have given them in our building.

We did not vacate the alley behind cynthia's building, there is a stub out there and we've actually given them a turn-around easement so their trucks can back in and pull back out so that is



taking care of by our trucks and by us loading and unloading on third street, p council, we are taking our trucks to third street and we leave the entire alley for them, and their next door neighbor by themselves with a turn-around easement in our building, and that is recorded area for their loading and unloading.

>> Councilmember tovo.

>> Would you mind repeating the last thing you said --

>> sure, and I have a site plan if you would like, maybe it's easier to show you on a board --

>> that's okay, I just wanted you to repeat it.

>> We are staying out of the alley, we have no-loading or unloading in the alley now.

The alley is theirs and in addition we have a turn-around easement that comes on to our property where their trucks can pull into their alley and make a three-point turn and pull back out and so we've provided them with a turn-around easement in the alley.

>> And that is recorded you said.

>> It is recorded.

>> And can you confirm that?

>> I'm aware there was something done to that effect, and I'm just going to add three things that we had worked with the applicant on back in may and that we did not see as a part of the documents before you, but these would be conditions that would -- staff would ask council to place as a part of this.

The applicant has agreed prior to the release of any site plan on the property that the three loading spaces would be approved with conditions, first that there be establishment of dock policies to ensure that deliverers are scheduled by appointment so we don't have multiple trucks lining up and that is -- scheduled deliveries would take place at off peak times to maximize to the extent possible to minimize bicycle and pedestrian complex and so the deliveries are not going to occur at rush hour, and that thunderbird we keep an employee to guide delivery trucks into the loading docks to ensure safe maneuvering in the right-of-way and so when the truck oos s arrive, there is an attendment and the applicant has agreed to this and we've did you said this also with law tonight and we would like to incorporate those three items if you sho choose to so choose to approve this tonight and they would be executed with a bike lake.

>> Applicant agrees to all of the conditions.

>> I have a.

have you had discussions about limiting taxi traffic but having the stand in front of the hotel.

>> That is really on the other side.

Most of the things we are talking about with this curement is the second street side of the property and specifically dealing with all of the loading elements and parking required on the property.

>> Let me ask the applicant, have you given my thought to the taxi traffic.

>> There is actually a whole plan to take this to two-way which will allow taxis to load and come around to the access on second or they can stack up up and down second, so there will be adequate taxi either on brazos or second.

Brazos or second.

>> Mayor, I'm prepared to make a motion.

This passed unanimously from the planning commission and we've been dealing with various aspects of this for quite some time now and so I want to include in my motion the gurnsey read, and help me one was to release the site plan and two to deal with the loading docks being scheduled and three to make sure that there was an attendant in placeto monitor the traffic.

>> And actually the first one is to make sure prior that basically there will be prior to release of the site plan there is a covenant that they would agree to and the only one i think you didn't mention is they schedule to the maximum extent possible, deliveries in the off-peak times.

>> Consider that in my motion.

>> A motion by the mayor pro-tem to close the public hearing and approve this on all three readings with additional conditions that were just outlined.

Is there a second to that?

A second by councilmember spelman.

Councilmember morrison.

>> There were a couple of things I spoke with the applicant about, one was the whole issue with loading and the variance for an extra wide cut, and the gates.

If there could be some effort to make the gates something more than just mechanical ugly gates, acknowledging that if it is going to be a pedestrian corridor, and we talked about the possibility of working with the design commission to discuss the project and I don't know if we need to put that in as a condition or if that is something --

>> I commit to you and we've taken that suggestion and we are working on getting on the design commission for their recommendat on how we can make that a better situation on the gate.

>> And was there a plan for the marriott to be doing their laundry on site which is one of the reasons that the deliveries were expected to be less.

>> Yes, in a hotel often a thousand sheets being delivered every day since we are doing that on site --

>> I was hoping to add a friendly amendment --

>> second.

>> Laundry on site, web spelman.

>> Only if you vote for it.

>> Laundry, okay.

>> Councilmember riley.

>> I have no problem with reducing the loading docks or the parking spaces but I do have concerns about the other three items, relating to the off-street loading and the maneuvering in the right-of-way and allowing a 30-foot curb cut.

I would note all of those things are going to create issues on third street, and of course there is where our lance armstrong bikeway is going to be and all of those will possess issues and all of those would have been unnecessary had we not vacanted the alley and I'm frowd say that I voted against that and I think it was a mistake but that decision has been made and that is water under the bridge, and I realize that this is a very significant and important project and so in light of that and the fact that we have to live with the decision that has been made, I will support the motion.

>> All in favor, say aye, opposed say no.

Passes on a vote of 7-0.

Now councilmember martinez moves to reconsider items 132 through items 135 which were previously postponed.

Second by councilmember morrison.

All in favor of that say aye have.

Opposed no, passes on a vote of 6-0 with councilmember tovo off the dias and we'll hear those now.

>> Item 132, the estancia hill and planning development located in south travis county, the proposed project is a 596-acre mixed use pod, and staff has reviewed and we believe that the

applicant will be able to meet and intends to meet the tier 2 and the applicant does not wish to speak and that concludes my briefing.

And 135, this is a 1600 acre pud, this is comprised of districts 1 through 4 which you already consented to the creation of, and as I said, a mixed-use pud, and staff feel there is no reason the applicant should not be able to get to that point, this concludes my presentation.

>> And item 134?

53-acre project located at south riverside drive and south first street, for a mixed-use development comprised of multifamily and some retail and the applicant has indicated a willingness to meet the tier 1, 2, and 3 requirements.

The applicant does not wish to speak and that concludes my presentation.

Okay.

Councilmember martinez.

>> Just a note that it's clearly not the intention of the pud and this can be the norm on the briefing.

norm but this cannot be the standard practice.

>> And we have review and agree that the applicant will be able to get there after their formal submittal, the applicant does not wish to speak and I'm available for any questions.

>> Any questions?

With that, that concludes our agenda for today.

Without objection, we stand adjourned at 3:47 a.m.

>> As a point of information, we will have a citizen communication sign-up sheet for those who want to speak during citizen's communication, you will be given 3 minutes.

Please sign up.

Hey, brian.

>> Good afternoon, everybody.

Apologize for running a little late but I promise you this meeting won't last until 4:00 a.m.

and I want to call to order the special committee on economic incentives, this is our first meeting and it is friday july 29th, as I said, and we are in the boards and commissioners room of city hall and the first order of business is election of the chair of the committee.

>> Morrison: Move to nominate council member martinez.

>> Martinez: Thank you.

I have a motion and a second.

Is there any discussion?

All those in favor, say "

those opposed.

I will abstain and it passes on a vote of 2-0-1.

Thank you.

The next item is -- before we go into citizens communication, obviously we are going to have time for comments.

This is our first meeting.

We will do general overview presentations but we do -- we will also go through a work schedule for the meetings that we currently have planned, obviously, if necessary, we will add more meetings in, and if the agenda seems a little more lengthy and like we will have a bigger crowd, we will contemplate moving the meetings to regular council chambers.

So with that, if somebody could bring me the citizen's communication list, I will be happy to start that.

Thank you, rosy.

The first person signed up for citizen's communication is dave porter.

Welcome, mr. porter.

You have 3 minutes.

>> Thank you very much.

Dave porter, senior vice president economic development for the greater austin chamber.

The chamber's top priority is job creation.

We have learned from the painful lessons of the past when we have taken our eye off the ball and lost focus on economic development.

Previously, the austin economy had very high, highs and very low lows.

The global economy is only changing more rapidly and we must remain vigilant, committed to our strategy, and in the game.

That's why the chamber led the effort to create opportunity austin that launched back in 2004.

We have been humbled and honored with the pledge of more than \$30 million since its inception to implement this comprehensive economic development strategy.

We have partnered with our local school districts and community college to address the short-term and long-term workforce development needs of our cunt and future employers.

We strongly advocate for maintaining and enhancing our infrastructure so that employers are connected to customers.

Employees are connected to their jobs.

And natural resources are available to meet business needs.

Through opportunity austin, we have placed our attention on primary job creation.

Those are jobs that export goods and services to other parts of the nation and world while bringing those hard-earned dollars back to that supports the local economy and our many small business owners.

The strength of our region's economic priorities has been its focus on measurable outcomes, such as job creation and overall regional payroll.

Since 2004, both of these numbers are up and compare very favorably against any other region in the nation.

That has been achieved through strong partnership at all levels of government.

The private sector has provided 90% of the funding for opportunity austin strategy.

The city of austin has a policy in place and used it for targeted significant job creation.

The county, and in rare cases, the school districts have also partnered in creating job opportunities with significant capital investments.

In all of these areas, the state has been a leading partner to secure these agreements through the texas enterprise fund and the texas economic development act.

We are in it together and everybody needs to do their part.

These job opportunity agreements have been and must continue to be targeted and judicious, performance based and cash positive.

I am thankful our region has weathered the global economic storm better than others but that was by no accident.

[Buzzer alarming] our local.

I need to sit down.

>> Martinez: Please wrap up.

>> Our elected officials.

>> Martinez: We have four speakers signed up so we will give you a little leeway.

>> The community business stepped up and we prioritized job creation and our work is not over.

The recent unemployment rate is almost double than when we began, tens of thousands of friends have no job today.

Quality life starts with a quality job.

We thank the city of austin and its partnership in support of job opportunities.

We look forward to working with you through this process.

>> Martinez: Thanks, dave.

And at some point, i presume, at least this is my personal desire to actually have the chamber do a presentation on opportunity austin, the jobs that are created, the public investment, private investment that comes with creating those jobs and how we have done over time.

Thank you.

>> Thank you.

>> Martinez: Our next speaker is susan moffett.

Welcome.

You have three minutes.

>> Thank you.

I am impressed to see you all looking so perky.

I am susan moffett and i want to thank you for taking the time to thoughtfully review the city's economic policy.

As a frame for this discussion I think it is important to take a breath and look back at certain things, what certain problems are the city trying to solve the incentives, how we will identify and ensure they are targeted to them, how will we monitor the public investments to make sure they are working to solve the identified problems, how will we update our goals and policies to keep pace with economic changes and finally the big one, whether and why public dollars should be used to tip the scale in favor of very few private enterprises over all other business interest in our community.

Each year hundreds of companies open relocate or expand in austin creating thousands of jobs and enriching our tax base without benefits of public incentives.

According to the statesman, quote, austin ranked number 1 among the nation's 50 largest metro areas in job growth over the past 8 years.

It's 140,200 new jobs 3% increase from the start of 2004.

With an 18% population increase over the past 5 years, austin is one of the nation's fastest growing cities and is clearly attractive to thousands of individuals and businesses on its own merits.

In fact, we now struggle to keep pace with growth, even as we face shrinking vital resources such as water, transportation, education and health care.

For these reasons, it is imperative that any future economic incentive be used in extreme lip limited and strategic ways to address clearly identified problems and meet a very high bar of specified outcomes, simply creating jobs and adding to tax base shouldn't qualify as tax base for incentive, everybody does these every day and the city isn't prepared to give them handouts.

I am not antibusiness.

My husband is the cofunder of two successful businesses that provide hundreds of well paid jobs for excellent health benefits over 25 years but I am in favor of a level playing field and like many others across the political spectrum, I am personally opposed to using any public money to subsidize one private for profit business over another.

Thomas sagrew of the university of pennsylvania recently said that city policy should be judged by what they do for the bottom 50% of our population.

If austin continues to give economic incentives, i believe they should be very narrowly focused to provide job tcaining and living wage jobs with excellent health benefits to residents who have been left behind in austin's increasingly divided economy.



They report to do that but you can't support a family in austin on \$10 an hour and jobs that don't provide health benefits just end up costing taxpayers to pay more for health care for the working poor employees for companies we have given a tax break to and a figure to hold in your mind over 60% of aisd students are currently identified at low income and our poverty rates are disproportionally hitting families and as a part of your discussion, i strongly encourage you to work for the austin travis county health and human services, workforce solution center and to have a fact base on providing incentives for our purpose which i believe should be focused on low income residents -- [buzzer alarming] and identify certain actions steps to meet the goals.

I will be hounding you with many specifics as you go forward but I wanted to put this in a framework for you.

>> Thank you.

The next speaker is jim o.

Quinn.

Welcome.

quinn and with lady of guadalupe catholic church and austin interface as a owner of small business, I know when residents can't pay the bills, for the last esl decades the economy's gains have failed to reach most worker's paychecks.

The mit economist said that while productivity doubled in almost 25 years, real wages have remained relatively stagnant.

Pressure on social safety nets are great and texas has one of the most largest population of uninsured children in the nation.

2011 We saw american corporations set record profits and executives handsome rewards, 90 percent of the income gains went to 1% of the population.

We are not here today that workers pay be doubled.

We are not asking that the city of austin subsidize insurance or curb executive pay, nor are we asking for city wide minimum wage.

Our focus is narrow.

When wealth is transferred from taxpayers to private corporations in the form of subsidies, tax abatements, discount in land and utilities, we believe that there is an obligation to ensure that the jobs that emerge from these projects do not add additional burdens on to the social safety net.

You know, in other words, you know, we are transferring millions of dollars to companies that are worth millions of dollars and executives are being paid millions of dollars.

We have to make sure the workers for those jobs come away with enough money to feed their children, purchase housing and take care of health care.

Austin interfaith will participate with the commission as community stakeholder and invested partner.

We want to invite economists from local universities and think tanks to weigh in on what it takes to make a living wage here in austin.

Ultimately we would like to see an ordinance that establishes living wage for jobs that emerge from subsidized projects.

I would like to thank the council members for committing to determine this wage.

I know there are discussions of exceptions but we firmly believe that you can't even begin the discussion of exceptions without setting a standard.

I know that council members morrison, tovo, nasdaq, you have made public commitment to over 500 delegates at austin interface to establish this minimum standard and we look forward to working with you in the future.

>> Thank you.

>> Martinez: Thank you.

The next speaker is jim rodriquez.

[Applause].

Welcome, mr. rodriquez.

>> Thank you.

I won't take the full three minutes.

My name is jim rodriquez.

I am with tex health central texas.

We are a local nonprofit health benefits company and what we do is we offer a health benefits program that's low cost to the working uninsured through their small businesses.

We have over 250 small businesses currently in our program and what we know from our experience with small businesses is that a health benefits program is very, very important to their operations and for their economic well-being and development.

We know that they use health benefits programs to recruit good employees, to keep the best employees and it helps them also because the employees stay healthier while they are on the job.

There is a thing called presentism and that means -- presentism which means they are focused on their job and not worried about the health care and an illness they may be fighting when they come to work because if they don't work they don't get paid and that is reality in the small business world.

I want to thank you very much for the economic committee being formed and I want to thank you very much for allowing me to comment.

>> Martinez: Thank you, Mr. Rodriguez.

The last speaker signed up Emily Tim, from Workers Defense.

Welcome Emily.

Happy belated birthday.

>> Thank you.

Good afternoon, my name is Emily Tim, I am a policy analyst with the Workers Defense Project and also a chair of the construction advisory committee of -- for the city of Austin.

And I just wanted to recognize the effort of this committee and say we are very glad to see this conversation is happening and that we are excited to be able to include in -- the discussion around working conditions for construction workers who are building projects under these economic development agreements.

We know this hasn't previously been part of the conversation until recently.

We are very excited it has become part of the discussion, construction working conditions in Austin and in Texas are -- are extremely dangerous.

Workers face deadly conditions, where they are not receiving safety trainings, where they are not receiving -- we don't have the skilled workforce that we need and we believe that when the city is offering these incentives, the city is offering public funds to these projects, that we need to make sure that we are looking at not only what long-term jobs are created but what jobs are being created to build the new infrastructure required for the new companies moving to Austin.

And the construction advisory committee has taken a look at this issue and is very interested in hearing just at our last meeting, we passed a recommendation, that should be sent out to council offices this week.

Also, requesting additional information from developers, when they bring -- when they bring forward proposals, we would like to see what sort of construction jobs are being created, what

the wages are, the lowest 10% of the workforce, and, also, looking at sort of what local hiring programs are in place.

We are, again, like I said, excited to be part of this commission.

We will be happy to participate in any way that we can as a stakeholder, and we really believe that when we are using public funds to two our city, that we do need to be making sure that we are not only building austin for those who have resources, but also for the working class and to be creating good jobs that are really able to help our economy grow and become more sustainable and move people into pathways and careers that will allow them to move out of the poverty.

Thank you.

>> Martinez: Thank you, ms. tim.

Those are all of the speakers that are signed up.

Is there anyone else who would like to address the committee in citizens communication?

All right.

If not, we will go on to agenda item number 3, which is the staff briefing on municipal authority relating to economic development agreements.

>> Kevin johns, director of economic growth.

Thank you very much forgiving us the opportunity to staff and work with you on this analysis.

It is true what the speakers have said here today, that the nationwide economy and the local economy are still very vulnerable and our lowest -- lowest income people are the most vulnerable in that arena.

You may recall a 2010 study done by egrso, evaluating the unemployed and the people who had given up and the most card core unemployed people in the city.

So we were able to measure that as a means of developing targets so that our estimate is that there is at least 10,000 superpoor people who have been released from prison, people who have dropped out of high school, people who have been homeless, people who are a target audience that demand the most public services, and, as a result, by finding those people jobs, we find ourselves in a position of both revitalizing the economy, and also reducing the strain on government.

So we are very aware of that and I have worked with our partners in the chamber of commerce and workforce to most recently, the fair thing was the first full effort on that but I would say the

effort with the new family business loan program which you approved yesterday -- thank you very much -- is targeted towards mom and pop family businesses, and we've got credit unions.

We've got local lenders through rosy halefey's meet the lender program that are going to be doing a full core press to help small and mom and pop businesses, minority businesses in our blighted inner city commercial areas to hire locally.

We are also working very hard on the inland port and the trade efforts try to bring logistics and manufacturing companies here because those are the kind of jobs that pay 35-\$45,000 a year for forklift operators.

So it is a part of our strategy, to both tackle trade, revitalize the inner city and, also, to jump start the small businesses.

So with that, the presentation is going to be led by rosy helefeys who our assistant -- I won't call you city manager -- but the assistant director and we have taken the liberty -- I promoted her.

It is because of the harvard awards and the two international development awards, I can't help myself but we have taken the liberty of combining the powerpoint to include both the update as well as the legal framework so that you will get a complete picture of the two thrusts that i think are what you are looking at to make refinements in.

So I will turn it over to rosy and she will introduce the other two folks.

>> As kevin mentioned, I am rosy and a assistant director for the city's growth and economic services office and with me today is jackie kullum who is an attorney with our city's law department and brian gilday who is the economic development manager.

We have over -- among our strategies, to keep our local economy robust and diverse, we have used two agreements that our council approved, two forms of agreements.

Master development agreements and chapter 380 master development agreements, you know, you will hear staff, which I often say the alphabet soup, we call them shortly mdas and then the chapter 380 agreements, sometimes you will hear the shorthand words of edas or economic agreements, but that's what we are referring to when we say mdas and chapter 830 agreements.

-- Chapter 380 agreements.

The master development agreements primarily focus on land development and redevelopment through public and private partnerships and sales of public land.

Mdas are performance-based agreements.

Our chapter 380 agreements, they primarily focus on job -- job creation as well as recruitment of businesses and expansion and they, too, are performance based.

So again, the two types of businesses we use are mda and 380 chapter agreements and both require council approval and both of them are performance-based.

Today, the overall goal of our joint presentation today, we hope to be able to provide you with information that we hope will serve as a foundation for this council subcommittee as it performs its future deliberations.

We are going to cover six major topics today that we are calling kind of like beginning points as you start your work.

Jackie will be -- we will begin with jackie's presentation that will provide us the legal context, the legal framework for the work that we do.

Pardon me, I forgot to mention.

We will focus on chapter 380 agreements today, is what our focus is on our presentation.

We are going to give you a brief overview or history of the the history of our economic development policy and program.

We are going to compare council approved ed agreements with announced relocations and expansions.

We will explain the financial structure of these agreements, and finally, we will show you how ed agreements are leveraged with the state of texas economic development fund.

As I mentioned I will turn this presentation over to the attorney, jacqueline, who will explain to you the legal context.

>> Good afternoon, council members.

My comments are going to be very broad today.

Again, as rosy said, I want the give you a legal framework to base your work on.

With that said, the law department is certainly available to help you all when you get down to drafting new policies and all.

My first slide cites to a very important texas constitutional provision.

This provision is real important to the lawyers here because economic development has to be a public -- has to be a public purpose and a public reason for extending those public funds.

There is a very well established texas constitutional provision which says you can only extend public funds for public purposes, so in 1987, the texas voters were presented with a

constitutional amendment which made it very clear that expending funds for the recruitment and, you know, expansion of business was a public purpose.

In response to the enactment of that constitutional provision in 1987, the legislature took action in 1989 and passed what we call chapter 380.

It is actually a provision in the texas local government code.

You wouldn't believe it but it is actually very short and very brief.

It is worded very broadly and it has been interpreted to provide great flexibility to municipalities, and so when -- when we talk about your incentives that you are going to be looking at, it basically is interpreted to provide a range of incentives.

There is nothing in the statute that says this is what you should include.

It gives you a lot of latitude on what to do.

Now, there are -- there is one very strong general principal about what must go into your 380 agreements and that's, again, based on the constitutional principals.

There must be sufficient controls in your agreement to make sure that the public purpose is actually realized.

And I will share with you, in my recent experience with your egrso department -- they do an excellent job of enforcing those controls.

They have a really great audit process and I believe your agreements are very constitutionally sound.

There is one other statute that has to go in -- a provision in your 380 agreements and that's related to the undocumented workers and the legislature passed that a couple of sessions ago.

So that's a requirement.

So as you go forward with your mission, the answer is you certainly can include any provisions in your standard templates that are not -- that are not unlawful, any community values you would like to see in there that is within your discretion.

That's all.

Thank you.

>> Having worked for the city of austin for many years, I have become kind of like a historian, if you will, of things that have happened in the past with different aspects of our government, and I want to visit a little bit about the history of the city of austin's economic policy.

In 2001, our local economy began to stagnate.

We were feeling the aftereffects or the effects of a national recession, as well as the dot-com impulse in austin.

We begin to experience rising unemployment, declining property values and closing of a number of large companies resulting in loss of jobs, decreased tax revenues.

This gave complications to our city government as -- gave us some serious challenges as we are trying to provide basic city services to our citizens and december 2003, council pointed the mayor's task force on the economy and organized itself around the traditional incentives, small business, and culture vitality.

More than 80 stakeholders attended.

Countless meetings of these subcommittee groups and some of these stakeholders included ic squared, area -- educational institutions, , acc, aisd, live with the city participated and of course we had banks, major corporates.

Nonprofit organizations, entrepreneurs, small business owners as well as all of our areas of chambers of commerce.

They made numerous recommendation that is were catalogued and then they were reviewed by an internal working committee of nine city departments.

We held about three public forums to gather more input, if you will, from the community, and these recommendations formulate at the formal economic development policy and program which city council adopted.

Also, at that time, egrso, economic growth and redevelopment services offices was formulated, if you will, and appointed to implement the city's economic development policy soon after the initial approval of that ed policy, council added a fourth focus, and that was emerging technologies.

I will now turn the presentation over to brian, who is going to provide more in depth information on the 380 agreements.

>> Thank you, rosy.

Just a follow-up to the history that rosy just provided.

The next slide really goes into some of the amendments -- all of the amendments really will be presented the next several slides related to that economic policy adopted in 2003.

So since then, we have adopted the firm based incentive matrix.



We have required compliance with all of the city of austin and water quality regulations, required compliance with m/wbe ordinance.

We have implemented third party review of all of our economic incentive agreements.

We have also eliminated incentives for large scale mixed use development that include a retail component and we amended business information form to include domestic partner benefits and nondiscrimination policies based on sexual orientation and gender identity.

We implemented the formal cost benefit analysis, which is what we use web look i for so we can get a look at the cost and benefit associated with all of these projects and we also followed the clear and open process with regards to the time lines, that all of these projects follow in terms of going through the city council process.

The first of that is to put that on the council agenda with a time certain item with staff presentation and then the economic incentive proposal and backup materials and all unrestricted information made available to the public no before the sixth date with the agenda item with the staff presentation, so when we make that information available, we put the matrix, the web look I report, the chapter 380 agreement, the project summary and the business information form all on that site for public review.

All written comments are reviewed by staff and given to council in a timely matter.

And in public hearing and city council action occurs at the next city council meeting after the agenda item with staff presentation, so it is a two council meeting process.

The most recent amendment added requirements to gather information related to transit oriented developments, so for all companies seeking firm based economic development proposals, we ask them specific questions related to their intent to locate near transit development and transportation hubs and we submit information to them related to public transportation that's available near those locations they are considering.

Next area would like to address is the financial structure of the chapter 380 agreements.

As mentioned earlier, all of the chapter 380 agreements are performance based and reviewed both internally and by an independent third party.

And then there are different types of payment structures that occur with these chapter 380 agreements.

First is tax incnet increments so when a company comes in and generates real personal and or property taxes, the city will rebate them a certain percentage of the taxes generated as a result of the project.

In that case the net overall impact is positive as we look at both the tax components and the additional spend permits, et cetera, that are factored with our web look i analysis.

And the other way to do chapter 380 agreements is through the economic incentive fund, where we use a per job incentive because the companies coming in here creating value, creating jobs but they aren't building a new facility.

Some examples of that are facebook around ebay, where they are locating in existing facilities so there is not a large property tax increment but they are nonetheless creating significant economic impact to the community, so, therefore, we use those types of agreements where we do a per job incentive and, again, all of this is audits and reviewed by independent third party and internally as well.

The next slide is going to be very difficult to read.

It's a flowchart that we have that provide to prospects so they understand our incentive process, but because it is difficult to read, we have several slides that really delve into that process so you don't have to try to read all of that.

The first step is a company would complete our business information form.

That provides us all of the information with regards to the project, their capital investment, the number of jobs, the average wages, the types of benefits they provide.

Based on that information, we then take that and we use the council approved matrix to either qualify or disqualify a project from incentives.

The minimum score a project has to meet in order to even move forward with the process is a 60 out of 100.

So that enables us to evaluate the project in terms of whether it would or would not qualify.

We also have performed the web I look analysis so we can get the look at the cost and benefits are so we aren't just looking at the project and say it looks good but what is the bottom line associated with the project coming to austin -- webloci -- and assumes it passes both of those tests, meaning it scores at least a 60 and creates a positive net benefit, the next step we would do is what incentive would we recommend for the city manager to put into a letter that would go to the companies.

So the letter basically states if you do these things outlined in the economic development agreement, we would recommend an incentive spelled out in the letter.

It gives the company an idea of what incentive are on the table.

Obvious let it requires council approval but it gives them an idea so they can look at their evaluation.

Oftentimes in a competitive situation with other communities to have incentives on the table and so they want to know what is their bottom line and how does an incentive impact their overall decision process.

Assuming that everything is moving forward, our next step, then, is to go into more detail.

So we brief the minority chambers on the prospects so they understand the parameters of the project, and also are familiar with who will be involved in that process as well.

The legal department drafts the economic development agreement or the chapter 380 agreement.

After we have gone through if negotiation, the drafting of that agreement so that things are ready to move forward, the minority chambers meet so they can discuss what the project entails and how the minority chambers can help them in recruitment of employees to help fulfilled the proposed jobs.

Once that project is completed, egrso makes a presentation to cmo, this is advance of anything going to council.

Once that occurs, then we put all of the documents, all backup materials on our website and they are made available for the public for their review.

The next step, then, would be for staff presentation to city council, which also allows for public comment.

That is followed by a public hearing, which is the next meeting, followed by council action.

Assuming all moves through that process, the next step would be to execute the economic development agreement and then connect the process with msbr to ensure mbwe compliance as they move through the process.

And to give you a little additional information related to the matrix, it is as mentioned a council after proved scoring tool and we use these following criteria to evaluate each process.

We look at the overall economic and fiscal impact, the linkages to the local economy, infrastructure impact, character of jobs, labor force practices, quality of life and cultural vitality.

The council-approved fiscal impact analysis tool, web loci that is mentioned.

That helps us determine a bottom line for each and every project.

Just to give you kind of an idea in terms of the frequency with which we use economic development agreements.

In 2011, there were 60 announced relocations and expansions.

This resulted in the creation of between 6,990 jobs and 7,105.

Four of these 60 received city of austin incentives which is equal to approximately 7%.

Those included us, advisory board company, ebay, paypal, farathane and from them, 1,797 jobs required to be created pursuant to chapter 380 agreements which represents about 25% of the total jobs created as a result of the expansions and relocations.

Thusfar in 2012, there have been 16 announced relocations and expansions.

For relocations, 12 expansions resulting in 813 jobs.

None of those have received city of austin incentives.

I do want to mention obviously the apple proposal went through in 2012 which is resulting in a commitment for 3,600 new jobs which 6 million in city incentives leveraged by 21 million from the state.

The reason we don't have that listed in those 16 is because they haven't gone forth and made that official announcement so we didn't want to include that in the category but wanted to make sure we address that project specifically as well.

We use our incentives that we think offer great value and overall benefit to city.

The state requires state financial participation before they offer any state level incentives.

Since 2004, 14 chapter 380 economic development agreements have been approved by council.

Of those, 11 are active and those represent just over 8,000 jobs, 4 billion in capital investment required 5 million has been committed from the texas interprize fund, while 8 million in incentives have been approved by council and just to note, of 8 million, approximately 60 million of that is specific to samsung, due to their overall large investment.

The state is able to utilize enterprise fund to provide a per job incentive but they don't capture the property taxes so a larger project like samsung, generally local incentive will be greater.

However, other projects that are job specific and we are not using the tax increment, the state has generally provided a higher level of incentive with those projects than has the city.

That concludes our presentation for the policy and the economic policy for the city of austin.

>> Martinez: Thanks.

I will hope it up for questions from any members, comments.

Council member tovo.

>> Tovo: Thanks so much for that overview.

It was really helpful.

The last comment you made i missed.

It was something about the state's participation is higher for certain kinds of -- for the one versus the other kind of incentives.

Would you mind restating that, please?

>> Yes, when we have a project such as samsung, there are significant property taxes collected locally.

The state does not collect those.

So we have greater increment with which to work.

Their incentives are going to be based on a per job creation number.

So when you have a project like samsung, which is livier in capital investment and the job numbers while significant aren't as large as for projects, like, say, apple, then the state's level of participation will be a little less than the city.

Whereas when the job creation is more significant than the capital investment, often times the state's incentive is greater than the cities.

>> Tovo: Got it.

Thanks.

Could you remind me what the threshold is for a chapter 380 agreement?

>> When you say a threshold, we don't have a minimum per job threshold, if you will.

They have to, as i mentioned, score a minimum of 60 on our matrix.

But what I will tell you is projects that have 50, 60, 70 jobs created generally don't create enough of an economic benefit in terms of bottom line for us to then use a portion of that for incentives so the smallest project we have done using a chapter 380 agreement is 200 jobs and that's because we have got to look at what the overall impact of that project is.

>> Tovo: When you say 200, probably at the lowest end --

>> it depends, because if you have a project that has 100 jobs with significant wages and significant capital inves.

Ment, it will create a larger impact, so I wouldn't say that is a bottom line but it is anticipation that the lower number of jobs, the less impact and the less we have to work with.

>> Tovo: Great.

So I know some of the agreements have not been -- and I appreciate the comment about enforcing the city's role in enforcing the controls and I know that resulted in several of the incentives either not given or being pulled back.

Up am not sure that is the case in the circumstances where that has been true.

Can you give us some examples of how many chapter 380 agreements out there are not being -- where the city is not paying incentives because the requirements of the agreement haven't been met?

>> We have three out of the 14 that are inactive.

Those include friday night lights, because they went through their process and they are no longer filming, so it is no longer active.

Sun power is another economic development agreement that was approved by council.

We met with them probably 8 months ago and they let us know they won't be in compliance with their job creation goals and thought it would be difficult for them to catch up to those in subsequent years, so they solitarily terminated the agreement.

The other is ying le solar, it was council approved solar economic agreement in 2010 and they ended up putting those plans on indefinite hold so that project simply did not move forward.

>> Tovo: Really just the second of the three that you mentioned didn't perform to the level they anticipated?

I mean the first one finished, the third one didn't move forward at all and then the second one moved forward but not at the -- didn't have the job creation, is that what you said?

>> Yes.

>> Before they fell down.

Can you give me some examples of community values we might embed in our 380 agreement that the courts have said are not lawful?

You mentioned we can embed values in there as long as they are lawful.

Do you have a few examples from case law.

>> There are some cases addressing that.

General, the general rule would be because the 380 statute is worded very broadly, I believe you would have great discretion to include any community value as long as it was lawful.

>> Tovo: What would be an example of something that we might want to include that wouldn't be?

>> I believe you already have -- brian may have touched on it but the council recently passed resolutions where you added your smbr provisions.

I believe you also -- council also passed a resolution relating to your water quality standards.

So I would characterize those as community values that have been incorporated into your agreement.

>> I would say maybe in the example of unlawful would be if we entertained an agreement that said you must hire from x union in order to get this knicks, I think that would be one of those challenges we face and could be deemed unlawful.

>> Exactly.

>> Tovo: The example I was thinking of was similar, and I in particular wanted to ask you about it.

Could we set up a situation where we said to get the incentives, you must hire x number locally and you must document that they are local?

>> I wish rodney were here to speak to that.

>> Tovo: Answer over the course of these sessions.

>> Okay.

>> Tovo: It is something that --

>> let me work with rodney and get -- analyze that very fully for you.

>> As we go on, let me say this -- I meant to say this earlier.

We are going to have questions, and we -- I don't expect every question to be answered today.

What I do -- what I would like to see is somewhere on the committee website a running list of those questions, when and if they get answered -- not if, but when they get answered, whatever the answer is, that it's posted so that the community can also follow up as well.

And if you don't know or if it is a scenario you never encountered, please feel free to say that.

We are really going to ask just about anything that comes to mind so we can get to the best policy point.

>> To that point, I want to add, we do ask, especially up front in the business information form what percentage of the new jobs they expect to hire within the austin msa, the austin area, and one of the main things that companies look at when they are coming here is the availability of talent, and so that's something they are very focused on.

However, at that point in time, they have no idea exactly who they are going to hire, exactly where those people may live, so it can become an issue when you start saying you have to hire a certain percent from a certain area because at that point in time they are going in, wanting to know what the overall picture is in terms of talent but they aren't looking specifically at residency.

>> It is a good question and we have wrestled with that question and I guess all of the questions that have come up over the last year on how to look at -- in your -- in the example you gave, of how to hire people who are just from austin, and the enforceability of that and the quantification of it is a nightmare.

You can't figure out, really, how to make that happen, to guarantee that people are actual residents or they have been in place or someone has hired, where they are a resident or they are here and then they move to round rock.

So it becomes very complicated.

So we will help wrestle those with you and see if we can come up with some reasonable answers that might be good refinements.

>> Tovo: Interesting, too, to go back as an exercise, to go back and look at a few of those agreements and look at the business information form and see how well some of those things that maybe weren't necessarily requirements but were expectation that the business put forward, for example, local hiring around is see how well they did and I take your point, it might be very difficult to quantify but at least we will get some sense of how well the information we get up front is really borne out in the course of that company doing business.

I think I have just one last -- well, I guess I have two last ones but I will make them quick.

I noticed on timetable, it talked about the timing for council action and at least one of the screens it said the timing for council action is a week after the briefing or a meeting after the briefing.

I can certainly see the interest in having a minimum amount of time for the public to review the documents but what is the rationale for a specified time for council action.



I can envision a scenario where it might be appropriate to have several meetings to really work through that deal.

>> Well, that is the time line that was laid out by the resolution that was discussed so we -- we do follow that specifically.

There are times when it's a longer period of time because there may be two weeks between council meetings.

Everything is always available 6 days before the first meetings and I say 6 days as a minimum, but then it is the second council meeting generally where, you know, we do the public hearing and the council votes on that chapter 380 agreement.

>> Morrison: Can I jump in here because I was part of the resolution and what we were up against was -- and what we were up against is there had been situations where basically the information was made available and then three days later it was in front of council and what we were struggling with was trying to find the balance between when the information becomes available and making sure there is some kind of adequate opportunity for the public to look at and respond to and council to hear input, but then there are some -- there were some limits and pressures the applicant's side in terms of once the information becomes available, from a business perspective, sort of needing to get an answer quickly because -- you can probably help us out here, Dave, but there are issues that come up in terms of the information being public and, you know, all -- for instance, I remember when Hanger -- that was our first one under the new time line, they were talking about relocating under the people that were going to either be moving from Maryland to Austin or losing their jobs, and so there is -- there is some of that, trying to find that balance, but I do think that's one of the things we need to relook at, because what we -- what we need to make sure is that we have a process in place whereby when it comes to council, it is not a done deal and we have the opportunity to make changes, and that that works and is understood by the -- by the applicant.

It is a delicate balance and I don't know if -- were you hereby then, Kevin?

We had some pretty dicey discussion about six days versus all of that but it is an important point we need to look at.

>> It is a very important point and I think that minimum is a very good time period to release the information and, also, respect the issues that the company has, and in several cases, for example, with Apple, I think there was delay, even though they were pressed to move forward, so I think striking a balance is really what it's all about.

We want to make sure everything is vetted properly, but I think everybody will agree that the discussions that occurred improved the contract.

>> Morrison: And just a little bit of history on that and we had a working group to put webloci in that place and Brian Farmer and Austin Interfaith and Austin was the first one under that and it was

a vast improvement from where we were and it was workable and so we had brian rogers and gary parmer were both up there saying, this is great.

This is great.

But it has been years.

>> Now they are both saying, this is terrible.

[Laughter]

>> Tovo: Anyway, i appreciate that context.

I am familiar with some of it but not in great detail.

That is helpful.

I really appreciate the presentation and also that you have woven in here master development agreements and I hope that will continue to be part of how we proceed thinking through those and I also would like to -- just as sort of in the next steps, i would also like to thank through, as part of -- think through as part of in committee, a large scale freeway groups we do and how those factor into our discussions.

The last question of mine is one that i, unfortunately, in my befuddled brain i can't remember much about today but I read the history about the buck fours clause and how it has been part of the economic incentives in the past and I may have to get back to you.

It may have come back in the cap capcog discussions we had recently, that some programs are based around or have as one of their components a clause that the incentive can only be given if the company wouldn't locate here but for the incentive, and I would like to, as we go forward, explore some of that, you know, explore -- look at some programs that use that criteria.

>> So you understand, when we are talking to the companies we do put it in a situation -- but for the incentive, this project may not happen.

If a company has pulled permits and has a shovel in the ground and ready to move forward and they say, you know, we really would like an incentive on this, that argument can't be made.

They are already moving forward so you can't say but for this incentive this project may not occur because in honesty it already is.

We look at that very seriously.

>> Tovo: Yeah.

Thank you for pointing that.

>> Can you point us -- of the 60 you pointed out of the agreements, which ones were here with the shovel in the ground before they came and asked us?

>> When you say 60 agreements --

>> well, I am --

>> announcements?

I would have to look into.

>> Martinez: The scenario you are bringing up -- and i appreciate the comment hand the concern about the but for clause, but of the -- of the incentive agreements we have entertained as a city, how many of those have already started their relocation here in terms of filing permits and made that commitment and then came to the city and said, we are moving here, we would like ..

>> We haven't had any that gone through our process that started their process of moving forward with the project.

Meaning they have pulled permits.

They have a shovel in the ground.

I have fielded calls, requests related to that and that's one of the first things I ask them, where are you in your process?

Now, we don't run any of them through our process.

Some of these that are listed in the 60s wouldn't qualify for incentives because the economic impact is not significant enough to warrant it.

They may locate outside of the desired development zone, in which case we don't provide incentives to any so I would have to look back to see which ones perhaps were already far into the process when they approached us but it is not common.

We let them know right up front.

>> Tovo: And just to be clear and then I am going to quiet down and let me colleagues jump in.

I am not really talking about companies that are here that started work and I am wondering if there are municipalities that have applied that clause to really thinking of economic need of the company and whether or not the financial incentive is really going to be critical to their ability to function in a new municipality.

It's -- and I raise this because it certainly is something I heard from constituents when we were contemplating the apple agreement.

>> Well, obviously, a company like apple is going to be able to obtain incentives based on a project of that scope from a lot of different areas just because those communities want those jobs.

But it's also important to know that without the city getting involved in providing a local benefit, then you take the state's role and their incentive off the table and once you start pulling off that away, then it does impact that company and then when they start looking at whether or not they want to move forward with the project they will look at the incentive and how it affects the overall bottom line of that project.

>> Tovo: Thanks.

>> Morrison: You were talking about the incentives that we have paid out.

Am I correct in remembering that there was one year when friday night lights did not comply or meet the performance requirements and we actually did withhold the payment?

So there was actually one time when we did that?

>> Yes.

That's correct.

>> Morrison: Okay.

And then I want to go back to a couple of questions on the slides, on number 3, when we were talking about public purpose and having broad discretion.

I take it where -- that's where we get to incorporate our values and we are doing this for the public because, for instance, we want to help raise up people that need training and things like that?

>> That's exactly right.

>> Morrison: And so that's -- so we could entertain, for instance, a minimum wage at that point?

I know we haven't done that yet and we have looked at that just as information, but is there anything that would bar us from imposing a minimum wage?

>> I don't believe so but i will preserve my error and visit with lee crawford at our office who is very knowledgeable about that but I believe it is one thing you could add.

>> Morrison: On the issue of local hires, I a wonder, just in terms of hiring, a company hiring, is there a prohibition against saying, sorry, you don't live in the right area so i can't hire you?

I mean there is several fair hiring practices and I think that would be an important thing to look at.

>> Okay.

>> Morrison: Let's see.

And then I wanted to just get on the table a little bit more the matrix that we used right now and the entry criteria.

There is a couple of things embedded in that.

One is, I think that there is a size limitation or number of jobs being created or something like that.

Is that correct?

Are we only looking at large -- relatively large businesses?

>> Not necessarily.

As I mentioned, we don't have a minimum job creation requirement.

However, as I have stated, also, when you have a smaller project and smaller number of jobs, the impact of that project isn't going to be significant enough to warrant incentives in terms of chapter 380 agreements because the economic benefits to the community aren't that significant, but it does not, as I mentioned, have a firm minimum, if you will.

>> Morrison: Couldn't we look at that if there are sort of much smaller benefits to the community, say, by a factor of 10, you could look at that in terms of a much smaller incentive to be paid so that maybe it's not worth the paperwork or something like that to the city or the bureaucracy, but, on the other hand, you know, an incentive -- one counts the size of what we have approved for apple could be very, very meaningful for a small company, so I guess I want to make sure we get that on the table, that there is -- I don't want to stay a prejudice, but there is something inherent in what we are doing that is -- is marginalizing smaller companies.

>> One of the ideas related to that that we have been considering is, first, we want to make sure that the companies do come to us.

We don't want to screen anybody out before we have had a chance to see if they score the minimum, but we could also look at a bonus system for companies to get more if they delivered more.

And by doing that, we would give more incentives, but we could say, if you hired a certain number of people or if you had a certain wage or you had other, if you reach those specific goals, then they would receive a bonus.

That would allow us to go forward without screening companies out, but, instead, it would allow us to focus on the positive of trying to get more -- give them more money for the bonus system if they were able to deliver measurable results in these areas.

It's a thought.

It is one of the things we are -- depending on the feedback we get from you, we WILL LOOK AT HOW WEH;f4 MIGHT Make that part of our refinement.

>> Morrison: I guess I am sort of wondering why -- thinking in terms of, you know, we might look at inflict package with a company that's making -- that's going to be bringing in 1,000 new jobs.

Well, why not look at 10 that are each bringing 100?

It's the same total and what is driving us to just go for the one that's 1,000.

>> Good point.

>> Morrison: Just trying to figure that out.

>> A couple of points if i could mention to that.

For example, facebook was a 200,000 incentive over a ten-year period for 200 jobs.

The state has a minimum of 100 jobs.

So if a project doesn't create that, then this state is not involved.

In the past, county had minimum of 500 jobs.

They are looking to revise their policy, and one of the discussions right now is lowering that to 50 so there is room in there to create that, as has been done with other entities.

>> Morrison: Okay.

And then just one more question on where -- what we have got going in the matrix already and that is it has to be in a targeted industry, and that set of targeted industries, can you talk about where those come from, how often they change and is council ever involved in that discussion?

Things like that.

>> The original target industries list and it predates me, but it came from opportunity austin and they are looking at the overall strengths of the economy locally to be able to determine what are the areas where we think we have the best opportunity for growth.

Then they were also part of the 2003 economic development policy that was created.

And we haven't amended those.

They are still -- the existing ones are still the original but as the economy has changed and as opportunities arise, there is always opportunity to revisit that.

>> Yeah.

In fact, as you recall from the John Hokenu study there was evaluation in the various creative industry and you saw the gaming industry took off so the creative industry in general grew 5% a year during the recession in general.

I think you will hear later at a different meeting from Opportunity Austin what their analysis for 0 or 0 or whatever the next phases are, are finding the weak trends and trying to identify them and so I am sure there will be an opportunity to -- to take advantage of where to focus -- to get anchor tenants into the industry groups that will create us the most jobs that we need.

>> Morrison: And I know this will be part of what we are going to discuss in a minute, but it seems to me it would be good to have more transparency and discussion, certainly those that list has to evolve and it would be good to have transparency and discussion about that, obviously with the expertise for folks who do it as a business through there is value and policy and decisions to be made in that regard and I think that we should think of -- consider, you know, being more open about that.

And then my last comment, and then maybe we can get to discussion is, you were I hope that we can maybe left a briefing or have a visit from someone from the county so we can get up to date on what they are doing and maybe take advantage of some of the -- the thought process that they have already gone through.

Anyways, I am looking forward to discussion with both of you because I have some thoughts I want to share but we will leave it on that.

>> Thank you.

We have -- my office and I have started reviewing the county's reiteration of their policy, and I will just start by saying one of the things that I appreciate and that I am glad to see is obviously, over time, since EGRSO and 380 agreements became a part of business, we evolved with the times, up to, including 1, 2, 3, 4, 5, 6, 7 council -- 8 council ordinance amendments since then.

And so I think this is just a continuation of that process.

As council member Morrison said, you know, two citizens on totally opposite ends of this were standing together back in the day, whenever that was, a few years ago, '09, and really glad with what we were doing, moving things forward.

But we have to keep doing that.

I think that's what this is.

I do not see this -- I am speaking only for myself.

I did not sponsor this resolution.

I did not ask for this committee with the intention of ceasing economic development and growth in austin.

I did not.

My intention is to improve upon that, to impart our values and to ensure that those values and criteria are met if we are to continue entertaining those moving forward, including master development agreements and fee waivers and such.

So those are my intentions.

One of the things that i appreciate kevin saying that he and I share meeting, one of the things that I would like for us to consider moving forward is not just what we have on the ground now in terms of meeting criteria through the matrix, but turning it into an incentive-based program.

We call these economic incentives.

But we run them through this matrix at the beginning and say, if you do this, you are going to get this for the next ten years.

That, to me, loses incentive over time.

What I would like to see is establishing -- having that criteria, maybe establishing some more criteria and saying, you can earn this over the next ten years if you continue with this or if you improve on these values, so maybe it is difficult to inspect and certify and verify they have hired austin folks, but if you incentivize it and say 50% of your tax abatement moving forward can be abated if you achieve this goal of hiring assuring workforce of austin, I promise you, they will demonstrate that to you.

You don't have to even ask they will come running to the door.

That to me is an incentive, that to me is what will I want to see happen and of courses that one of those values, there is so many others, with opportunity austin and one of those that will be an issue not only for austin but for the country for the next 15 years is veterans needing employment.

What are we doing to incentivize these companies, taking these veterans coming we are having a huge job fair and parade here in austin the next week that the three of us actually sponsored, but i



about -- but it is one of the issues that we will face as policy makers that we have thousands and thousands of veterans that will need farathane said is true, former felons, others, and through hard work, we can impart things like permanent supportive housing and working through a group like safe place, workforce defense, capital alliance, minority trade groups, our local trade unions.

Those are all things, i think if you create true incentive based program, then it doesn't become this illegal impediment, because we are not mandating it.

We are just day saying, if you do it, you can achieve up to 100% of what you are questions, because I think that to me is a really sound policy moving forward and when I think about what the county has done and then we have aspects of the policy up to and including a provision that the company must certify they hire 50% from travis county.

I don't know how they do it, but it is in there, so i think there is room for us to have that conversation.

One thing that has been brought out is the state has created this great policy that said you can ask us for money but you can't get it unless you get a commitment from the city.

I say that's pretty smart on their part.

Can we contemplate a policy that says you can ask it, but we are not going to agree to it until you get the county to commit.

Creating this -- what i believe is a true wrap-around conversation of the entities that are being sought for economic incentives.

I don't know how that works, if it works, but, again, i don't appreciate the position that we are put in sometimes that says if you do this, you are going to kill 3,000 jobs.

I mean, it's not a fair conversation, in my mind, as on elected official.

I am not about trying to kill jobs.

I want to bring those here.

[One moment, please, for change in captioners]

>> Martinez: Number five.

>> Morrison: I wanted to throw off some ideas I had on a work plan.

First, one of the things we've alluded to is what exactly are we talking about?

We're talking about master development agreements and economic incentives.

Chapter 3 of the agreement, and I thought it would be important to look at all of the other places in our system where we do, in fact, incentivize with cash or other things.

And a few things that come to mind are infrastructure reimbursements, service extension requests and things like that.

We have -- I don't know if we want to -- I mean, we sort of went through this process with PUDs ALREADY AND TRYING TO Instill our values into that process and I don't know that we really want to open that up, but it might just be a follow-on thing to look at after we look at the values we've looked -- laid out in these discussions to go back and circle back around with those.

And I don't know what else we should be talking about, but I think it would be good to get the table what is the scope of work is in terms of what we're trying to address.

>> Martinez: I think the resolution was fairly clear but I don't think it was written so normal that we couldn't insert other things.

But the goal, look at master development agreements and as council member tovo said the fee waivers.

>> Tovo: What would be --

>> Morrison: What would be an example.

>> Tovo: You talked about infrastructure and we're talking the same.

>> Martinez: The reason I agree with the large fee waivers, I was the council member who imposed a large wage on the marriott for the right to after those fee waivers, I don't know if they're going to provide a fair minimum wage, but if they don't, they don't get the sidewalk fees waived.

>> Morrison: I think that we can set the standards, people will know and --

>> Martinez: Again, what I'll say, I'm open to whatever conversation we want to have.

The double edge sword is that the economy is thriving and economic incentive deals are going to continue to come to council so the longer we delay imposing new policies, I think those deals are still going to come to us and having gone through our existing policy, I'm not saying is bad or wrong, it doesn't have all of this we're talking about, so I want us to be open to a broader conversation and also stay focused, my anticipation -- I don't know if you have the meeting schedule -- I anticipated having today's meeting plus at least three more over the next two months.

But as you can see, between the last two meetings, there's a full month of september and I'm certainly open to adding meetings on specific topics as necessary.

I think the resolution had a response date to council.

October?

Ok.

>> Morrison: And I think that's great.

We don't want to get mired and -- so I think one of the things that we do need to get our arms around is what is the public purpose we're trying to serve and I think it's sorts the point that as was brought up in the first place, what is the problem we're trying to solve with these?

And it's interesting -- I mean, it sounds like we're talking -- sort of talking around that we're dedicated to helping people rise up and dealing with folks that are unemployed or under-employed and low-income people.

And I guess I'd like to sort of make sure we have the conversation really figure out what it is we are doing.

We had a interesting conversation at the community action network recently, porter was there and one of the things that jumped out at me are especially when we looked at the fact that our population of travis county grew 26% over the first decade of this century.

The poverty level population of travis county grew by 96%.

And -- which is, you know -- that's something to be -- to be working on, no doubt about that, but the interesting thing that struck me, we were talking about the multiplier effect and when we -- when a new job comes into the city, there might be two or four jobs that get created because of that.

But I'm interested to know what kind of -- what kind of jobs those are and are those very low-paid service jobs and are we creating a bigger wedge, but to me, that sort of says -- it would help me if I got a policy-level context.

I don't know if you all have access to that and could help us struggle through some of the -- some of the foundational elements of why we're doing this and what is effective.

>> I think we sure can.

This discussion is healthy.

The analysis is the direct impact and we could that for the immediate return on investment so we know how much not to give.

But your point is very well taken.

There are computer models and academic research on income 0 modeled and multiple pliers.

And looking at both would go to your discussion with daft r dave porter and the -- with dave porter to have a comparison analysis of both and I think in a case, for example, like samsung, we have recently kind of drilled down to find out that samsung supports 800 small businesses in austin.

And we don't know how many peoples that or how many businesses and families, but we know their delivery since insuranc -- delivery and insurance and health and the people who do the boxing, there's a whole network we can get more information on that would be helpful in addressing the poverty issues as we go forward so we have more intelligence it.

>> Morrison: Clearly in this community, having these discussion there will be different partnerships and different policy approach to things and some are going to be -- suggest everything is terrific and others the opposite and I think it would be good w if we can have the full discussion so we foe what kind of discussions we're -- decisions we're making.

>> That's true.

In 2010, the analysis we did only for the city of austin, we had 26,000 people who were unemployed an additional 10,000 who weren't on the unemployment rolls who were more hardcore unemployed and in order to begin tosome the problem, you have to know the magnitude of it.

So we know there were at least 38,000 unemployed people we needed to tackle.

Some for technology jobs but a large percent for other kinds of jobs where we want to get a good wage for.

That does not include an analysis of the people working part time or who have given up.

There needs to be ongoing work to address the concerns you're raising.

But I think we're all -- hopeful we can continue to refine the process and make improvements like you want.

>> Morrison: The way I see it, what is of public purpose we're trying to fix with this and make sure it's going after those issues with incentives or whatever it is, is an effective thing to do.

That's where you get into the policy research and make sure sure we're on solid ground and to delineate all of those values and see how we can incorporate them in.

We've mentioned a bunch already.

And then thirdly, sort of a process issue.

You know, what are the specifics?

If we're going to look at timelines and senior -- I know the issues raised about web loci.

>> Or in addition, rather than -- I think it serves itself extremely well.

It's a very, very good tool and if I may, I would add to your very good list, it would be good to quantify the number of people that are focused.

We're already quantifying the industry groups and how we target them.

But it would be good to know how many people do we need to help.

>> Morrison: Right.

>> So we can better incentivize and know what the return on investment is.

>> Morrison: And lastly, to build something in, to realize this is going to be or look in 2012 and build something into the structure and be sure it evolved.

2012 Is much different than 2001 when this whole plan, idea, came to light in terms of what the economic situation and so we're doing this now, but to build something in to make sure it's a continually evolving thing.

>> Thanks.

>> Martinez: I'll just add my I agree that we need to not be creating and incentivizing jobs that create more of a social network problem.

Not social network, but social service network problem.

But when we talk about what problem we're trying to solve, i want us to be mindful of the fact it's not just about solving problems.

It's about preventing more.

We hear this all the time at city hall.

Yes, austin's number one on this or that list.

But my electric bill still goes up or the price of gas or my taxes just went up.

For me what comes to mind, is how much would they have gone up if we hadn't tried to go out and keep the economy thriving?

I want to keep that in full context because we pay \$500 million a year for a fire department and they're not trying to solve a problem.

For a fire, police and ems.

They're there to prevent problems.

And I think that's part of what economic development is.

If you don't do it, how much worse could it be.

How many folks in our community need assistance that we might be able to assist through our new policy, but if we do that, it's only fair to have the how many more would we have to help if we hadn't done what we'd done and try to make it better and make a bigger impact.

All right.

Any other comments?

Council member morrison.

>> Morrison: I'd be happy to commit to these but I don't have my -- I don't know if we've listed -

-

>> Martinez: We did.

We're going to go ahead and schedule this and post it so that the community knows this is our intentions.

But understand the cliché about intentions.

We'll check with everybody's office and make sure everybody can commit to that, and if not, we'll certainly entertain rescheduling.

>> Morrison: What's the cliché?

>> Martinez: [Inaudible] [laughter]

>> Martinez: No, intentions, the road to hell is paved with good intentions.

>> Morrison: There you go.

[Laughter]

>> Martinez: Any other comments?

Thank you all very much.

30 and we stand adjourned.