

City Council Work Session Transcripts - 5/7/2013

>> Mayor Leffingwell: Good morning. I'm austin mayor lee leffingwell. A quorum is present. We'll call this meeting to order. We're meeting in the board and commissions room, austin city hall, west second street, austin, texas. Called to order at 9:07 a.M. Before we start the agenda in the way of housekeeping, as you all know, president obama is coming to town on thursday and just got word last night that he requested we invite all six councilmembers to go to his speech. I'm assuming that everyone wants to go. I believe the speech is at 3:00 p.M. That's the showup time. So if you work in travel times and delay times for starting the speech and all that, I would anticipate that we would not need anything in the afternoon except the citizen's communications and some executive session. Then we have to leave. We'll work on arranging transportation for everybody to leave from here go out to hear the speech. So then we come back and hopefully we get back in time for the proclamations and go from there. Maybe back in time to do the consent zoning items so they don't have to be reposted. That would be a big help, i think. So with that said, does anybody have any questions about it?
[03:06:53]

>> Morrison: When is he speaking?
>> Mayor Leffingwell: I don't know how public the information is yet? But it's not here. It's not at city hall.
>> Morrison: Okay.
>> Mayor Leffingwell: Some travel involved.
>> Morrison: Some people were concerned would there be trouble getting to city hall on thursday. But if he's not speaking it.
>> Mayor Leffingwell: It will not be here. Correct.
>> May, you do you want to entertain any items we could do. We said under our rules we could do briefings today. I don't know if staff is available to do thoez today or perhaps entertain a meeting on friday so we didn't get them to the wee hours of the morning on thursday? Maybe we do briefings for executive session?
>> Mayor Leffingwell: We don't have do that. If we decide to go extend the meeting, we just have to recess the meeting thursday night and reconvene friday morning.
>> Cole: Okay.
>> Mayor Leffingwell: So that's not going to be a problem. The other thing we might want to consider is we have a whole bunch of zoning cases that are going to be on consent or postponed anyway. And we could consider, I think, city attorney might want to back me up on this one. We could consider waving our rule for the 2:00 p.M. Time certain and maybe get the zoning consent items out of the way and postpone the rest so we don't get into the process of having to renotify for all of these cases. So we request do that thursday, I believe.
>> Let me makee that
-- where's my zoning order? We don't have a notice problem on that with the open meetings act. We post for times certain. Generally the public is under notice that those items won't be heard until then. So I don't see her here. But let me just go and talk to her real quick and get back to her on that, mayor.
[03:08:53]

>> Mayor Leffingwell: A good thought.
>> May, you we also have like 14 public hearings.
>> Mayor Leffingwell: Yeah, i was going to mention that. We are going to
-- the staff is going through here basically trying to postpone everything we can. So to lighten
this meeting up to be able to get through what we have so except what we have do. Is that what
you're going to say?
>> I was going to say 14 public hearings held for thursday?
>> Mayor Leffingwell: Most are codes changing and stuff like that?
>> Some will be postponed. There are other issues I want to remind you of that.
>> Mayor Leffingwell: Good, you're going through the list right now. That's good. So with that
said, with ego to the preselected items. And I believe we have three of those.
>> Tovo: May, you could i comment?
>> Mayor Leffingwell: Councilmember tovo?
>> Tovo: Would it be appropriate to go to the article you had out?
>> Mayor Leffingwell: C-1.
>> Tovo: I can't give any of you an article without posting it or give all of you an article without
posting it. This article and the accompanying editorial ran in china daily and I thought it was
interesting to see some of the same issues we've heard here in austin are true in beijing as well.
The scarcity of taxis at rush hour, the
-- notable disparity and income for taxi drive compared to other 6 bejingers. And also discussion
about the leasing fees and the administrative fee that cab drivers are responsible for paying to the
taxi cub franchises
-- I should say companies, I don't know if they're franchises. So it's a very different governmental
structure. But it just
-- I found it to be curious and thought you might be interest in reading that article. You can see
the editorial calls on
-- talks about leasing fees and the need for government intervention on those. And the leasing
fees are equivalent to \$807 a month which is an extraordinary amount. Anyway, I just pass that
out for your interest.
[03:11:11]

>> Mayor Leffingwell: Thank you for the information. We go to item nine by councilmember
spelman. Aviation department capital budget amendment.
>> Spelman: This is item nine of the accompanying item 28.
>> Mayor Leffingwell: Yeah, talk about both at the same time?
>> Spelman: Yeah, sure.
>> Mayor Leffingwell: It says the back up in 28 says the funds will be used for planning and
acquiring establishing and equipping the airport. For \$60 million, we need to be more specific.
What exactly will we be doing with \$60 million, jim?
>> What can you not
--
>> Spelman: Okay, remind us.

>> Each year as part of the budget process, we include the projects that were proposing for the cip.

>> Spelman: Okay.

>> When the '12-'13 budget was domted, it was in there. Most of the time it's terminal improvements, airside improvement, and landslide improvements. The new facility was listed separately, the new east infield terminal expansion to the east was listed separately. Number of smaller projects were aggregated under the three categories of terminal improvements, land side improvements. It would be taxiway, changes, putting shoulders on the taxi way, a variety of things like that. The specific item relative to this is in paying for these projects, the airport is balancing

-- we're trying to balance three things

-- one is the cash that we have in our capital account. Grants that we may get from the federal government to assist with some of these projects, and what we have to borrow and make sense to borrow because of the length of time that these projects will be of use to the airport. And at the same time, we try to balance those off against metrics in the industry which is per plane passenger and the number of days' cash on hand. So at the airport, to maintain our credit rating trying to achieve a higher credit rating, we try to maintain about 300 to 350 days cash on hand. So to do that, sometimes periodically we have to go borrow money in order to help facilitate moving the projects forward. Basically that's what we're doing with this activity. We were able to get a lower interest rate of 2.5% so that the timing was good. So the intention is with the \$60 million is to reimburse some of the expenses that we incur in the last two years in cip. And also to create a pool of MONEY FOR THE CIPs THAT YOU'LL Be visiting this year's budget and next year's budget. So it's really the \$60 million is intended to help us with four years' worth of projects.

[03:14:19]

>> Spelman: Beish shoeing bonds on something like four year, every four-year cycle.

>> If there's enough activity to do that. With the airport being

-- it was opened in '99. So we're 14 years old. There's a lot of things that need updating, changing, repair, replacement. So we're entering one of those phases where it's going be fairly continuous now for a while for us to be having some large projects. And on top of that, we're experiencing extraordinary growth for an airport our size relative to what's going on in other airports.

>> Spelman: Talking about something like \$50 milli in bonded indebtedness. Is that the way I should be thinking about this?

>> Not each year. And obviously we get in too much debt quickly if we have to do that. About every three or four years, something in that range of try dog that. The only next big project that's coming up is we're going to have to pull the trigger on an eight-gate expansion sometime in the next couple of years. And we don't have the exact timing on that. We'll have to see how successful we are with trying to bring in other airlines into the community.

>> Spelman: That's the eastern expansion?

>> The eastern expansion. You've already approved and under way right now is really just an expansion to expand the security check point and the customs and border protection facility as well as our baggage handling capabilities.

>> Spelman: The eight-gate expansion is to make the
-- we built the center section of the airport first and we expand it to the west and they would be to make it symmetrical expansion to the east.
>> Exactly. We haven't brought that project forward yet. We haven't even contemplated yet. It just depends on, again, how successful we are in attracting additional airlines.
>> Spelman: Okay. So if I wanted to go forward, that \$60 million we're talking about today is going to be spent on
-- I can go to the cip we passed last October or September or whenever we passed it. That will have sufficient detail to understand where we are.
[03:16:33]

>> Two things. The projects you approve. Then there's the spending plan. If you approve a project in the cip, it may actually be implemented over a three-year period.
>> Spelman: Okay.
>> So the spending plan doesn't necessarily always match up with what was approved in any one year because you may be spending in the third year of the project that was three years previously. It can get complicated in terms of following with dollars going specifically to what project.
>> Spelman: Sure. And when we're going to start finished projects? What you're asking for approval here is a four-year program with issuing bonds in spending. And do we have
-- and are we
-- are we approve in the past is a list of the projects that will be covered by this \$60 million in spending. But not a schedule for starting and finishing projects. Is that right?
>> Yes.
>> Spelman: Okay. At what point do we get to see what that schedule looks like.
>> We have it for you. Could send it off this afternoon.
>> Spelman: I would appreciate it. That'd be good. Last question. What portion of the airport do we own outright. What proportion of it is bonded?
>> There's about \$280 million I think currently, \$1 million in bonds outstanding. 280 million I think currently \$1 million in bonds outstanding. Those are to the variable rate swap notes. So we repaid some bonds last year, about \$28 million of bonds last year. And we would request to issue \$60 million in these actions.
>> Spelman: Okay, in other departments currently not in the airport, we're thinking in terms of proportion of total assets that we own versus what we are paying for. That's not the way we do it in the airport.
>> I'm not familiar with it from an accounting standpoint how we look at that.
>> We can look at the equity calculation. I don't know the number offhand.
[03:18:38]

>> Spelman: Is it a rough sense of what kind of numbers we're talking about in the airport world? Is it going to be roughly the same in the water world, for example, or is it going to be very different?
>> We can get some industry information.

>> Spelman: I would like to see that. Thanks very much. Of.
>> Mayor? I have a question?
>> Mayor Leffingwell: Mayor pro tem?
>> Cole: I would like to congratulate you on the river car facility out at the airport. Didn't that recently happen?
>> Just the ground breaking.
>> Cole: Ground breaking. So we're getting started on that.
>> Yeah.
>> Cole: We know that our airport is one of the number one assets. We want to exercise due diligence and make sure we understand what we're spending money on and what we're borrowing money for. I remember you did a presentation to council on is. But I just want to highlight some of the things that we will be getting from this funding based on the cip that you talked to councilmember spelman about and your presentation. Will this begin the process of allowing for more domestic and international flights?
>> Yes, in the sense that the largest project we have going now is the what we call the east infield expansion to expand border and protection facilities so they can process more international passengers as well as expand the number of security lanes so people can go through security faster. So both of those are critical ingredients that we need to be able to demonstrate to airlines that we're capable of handling before obviously they'll consider austin as one of the locations to come to. We are getting to the size now we can start talking about some international travel, more than we've had in the past. We needed better customs and border protection facilities as one of the elements to ensure we're attractive enough to an airline to come here for that.
>> Cole: When we talk about custom and border facilities, are you getting at security enhancements?
[03:20:48]

>> That project covers everything. It's off of federal agencies. It's the custom and board protection as well as tsa on the floor above them and the security cameras and the security system and all of that gets built into all of the activities part of the project.
>> Cole: And you talked about us getting to the level of where we are almost bottlenecked to be able to handle the debt we're attracting here as compared to other cities. Do we have any information or statistics about how we stand in comparison to our peer cities on our airport capacity.
>> In terms of the capacity, there's several ways to look at the capacity. The main way that airports look at capacity is what is the capacity of the airfield for planes to land and take off. And in that regard, we are in tremendous shape by building the second runway when the runway opened up. We're running our airfield at about 50% capacity. The good news in that means you don't have to build another runway for 20, 25 years. We're good from a capacity standpoint. Now, incremental capacity improvements to utilize the airfield capacity, then you have to do your terminal capacity. And we do that in incremental stages. That's what I'm saying. Right now we're very successful with the 25 gates. We can handle everything that we anticipate coming in the next year or two. But it's starting to look like we may be pushing up against the barrier. So in the next year to a 18 month, my guess is we're coming back to council and seeing we need to do a substantial project of expanding eight gates.

>> Cole: This project, this east infield project is needed right now. It's my understanding.
>> Yes.
>> Cole: Okay, thank you. Mayor.
>> Mayor Leffingwell: Any other comments? Okay. Councilmember tovo?
>> Tovo: Just a very quick one. There's been discussion until the newspaper lately of various other issues in the airport including the proposal, mayor, that you were looking.
[03:22:54]

>> Not a proposal. Not at the proal stage. It was mischaracterized as that. Its's just a suggestion of discussion. It's a future point.
>> Tovo: Got it. I just wanted to give you the opportunity to explain if it's appropriate to to do so that what is on our agenda for thursday has nothing to do with anyhow did you characterize it, mayor, any issue to be discussed at some point
-- a discussion to be discussed at some future point. Nothing on our agenda on thursday has anything to do with the consideration of options to lease out the airport?
>> It increases the ability to balance grants with cash with borrowed money to get our necessary capital projects funded appropriately in a way that we can then maintain a solid credit rating with the people who rate us.
>> Tovo: Okay, thanks, again. Clear from your previous discussion that it doesn't. But I wanted it to be abundantly clear for the public. Thanks.
>> Mayor Leffingwell: No secret plot with this item.
>> Tovo: Glad to hear it.
>> Mayor Leffingwell: Yeah. Before we go to the next discussion item, I want to clarify one more time
-- I guess I made the assumption that everybody did want to go this afternoon? Does anybody
-- we have to get the names in so they can do background checks on everybody. Huh? Thursday afternoon. I want to confirm that everybody wants go to hear the president's speech on thursday afternoon or not. We're going rsvp all six names. All right, we go to item 39. For discussion by councilmember morrison?
>> Morrison: Thank you, mayor. This is the perennial east riverside corridor item. And staff has come
-- an issue has arisen that's a bit of a mechanical issue that staff issued to me in working on proposals to address the issue and I wonern
-- and I have copies that I'll be proposing that I've worked honestly on. And I wonder if I can just turn it over to staff to talk about what
-- to explain the situation.
[03:25:23]

>> Sure, good morning, mayor, council. As we have begun work on the downtown density bonus program, we realized that the 26 way the inland fees for the density bonus program should probably be upset by ordinance rather than by code. T some point council wants to change the in lieu fee, the process to change the fee by ordinance is much simpler than if you had to go back

through the process of actually changing the code. So when we realized that was true for the downtown density program, I went back and looked at the east riverside program and realized it would require that same more arduous change and so fweel it just makes more sense to set the ordinance

-- set the fee by ordinance rather than the code. And it's the way it's done with the interim density bonus program. So there's a precedence for doing it that way.

>> Morrison: Do we do it ordinance? Or are we teasing it?

>> It's

--

>> Morrison: I think it was in the code and now we're changing it to be an ordinance. This will be a uniform approach. There are three specific items that needed to be change. Too with the plan to replicate the ordinance instead of the specifics. And then there'll be a new section listed here at the bottom of the ordinance that establishes the fund and initially sets it at 50 cents, which is what we had said, originally. So I wanted to give everyone a chance though see that today rather than on thursday.

[03:27:27]

>> Thank you.

>> Martinez: Mayor?

>> Mayor Leffingwell: Councilmember martinez?

>> Martinez: Since the item is pulled, I wanted to talk about what happened on the last meeting. I hear I'm the swing vote on a 3-3 deadlock.

>> Morrison: Congratulations.

>> Martinez: An e-mail that was sent to me. Just for clarification purposes, because I met with you folks yesterday who seemed to

-- i guess

-- they seemed to believe that nonconforming use can exist in perpetuity. My recollection was that a nonconform use can only exist for up to ten years. And that was the e-mail that you were copied in. So I just wondered if

-- if we went with what was proposed by councilmember morrison as five years allowable drivethroughs, would there then be ten years of nonconforming use on top of that allowing for the next 15 years of drivethroughs? Or would it be in perpetuity as some of the folks interpret nonconform use.

>> Well, so the drivethrough issue is actually a facility

-- not a huge issue. So

-- and I don't know if anyone wants to join me. But basically there are

-- there's two different portions of the code. One of them applies to nonconforming uses and the other is noncomplying facilities. And the drivethroughs we're talking about facilities. I have never heard of the ten years

>> Martinez: Five years' cap and that would be it.

>> If that was adopted, uh-huh.

>> Martinez: Why is this belief out there that nonconforming

--

>> you abandon your facility

--

>> Martinez: Your microphone is not on.

[03:29:30]

>> Mayor Leffingwell: You need to introduce yourself too.

>> Maria sanchez, assistant city attorney. If you abandon the facilities, then you're

-- the use for it at that point, the facility, would become noncomplying.

>> Martinez: I'm talking about remaining as it is today, how long will they be able to maintain the use or the facility, I'm sorry.

>> There's no term limit.

>> I'm not aware of any term limit.

>> Martinez: Thomas, you want to weigh in on this?

>> Martinez: I want some clarity. I'm hearing things that aren't meshing up. I'm going to be a swing vote on this. And I'm trying to balance this difficult decision of copyrights versus planning or design and development.

>> I'll look at the code just to make sure. If what we're talking about is an outdoor

-- an outside use. Is it an outside driveway? Let me check. I can do that right now and be back.

>> Martinez: It's okay. I want to be up to speed by thursday. We have plenty of time to discuss it. Maybe we'll schedule that meeting and go over it for a time to look at it.

>> Tovo: Mayor?

>> Mayor Leffingwell: Councilmember tovo?

>> Tovo: Can I just have a quick question for ms. Thomas for consideration too. Discussion at council, there's also

-- we talked about abandonment. I believe it was said that if, for example, the gas station owner decided not to continue the business, and decided instead to put it on the market for sales of somebody else, i believe the statement was made at our hearing that as long as the pumps were still there, there was not a legal abandonment. So in other words, if I'm the gas station owner andedy side i don't know to do it anymore I'm going to put it up for sale. And for a period of time, there's no gas station operating at that site but the pumps are still there, somebody e can come along, purchase it, and continue to have a service station. I think that's important as we're thinking through the abandonment. What constituted abandonment. Thank you.

[03:32:04]

>> Mayor Leffingwell: Anymore discussion? Councilmember riley?

>> Riley: There's one item that I would have been looking at that I want to give everybody a heads up about. That relates to a potential

-- a

-- the effect of single family residential within the corridor. We've been talking to staff about modifying the compatibility provisions so to provide that single family properties within the corridor would not restrict the height of other properties within the corridor. And the idea is that we know that we understand that single family homeownership is a long trending goal for the east riverside corridor and we made

-- we've taken steps to vie to allow for more of that. But at the same time, we also have concerns about achieving the density targets within the nodes, especially. And I want to make sure the continued single family uses within the corridor does not stifle the achievement of the density targets we need for the corridor to function as we hope it will. And so I do have language not now with me at the moment, but I'll be offering some yellow sheet on thursday to

-- to modify the compatibility provisions for

-- for

-- arising from single family properties within the corridor.

>> Mayor?

>> Mayor Leffingwell: Councilmember morrison?

>> Morrison: Can you describe to us number one what the situation is now in the plan? And also, I thought that compatibility must have been discussed nauseam with the stake holder discussions. So was this specifically addressed one way or the other during this discussion?

>> During the

-- excuse me. During the public planning process, we did discuss compatibility extensively. And after a lot of community input, what was put forward was that no properties within the hubs would trigger compatibility. But that other single family properties outside of the hub would. And so that is what came out of the planning process. But it does, as councilmember riley mentioned, it does have potential consequences

[03:34:36]

>> Morrison: Have you

-- have we done an analysis of what

-- what impact the single families outside of the hub would have on the density. I guess

-- I wanted to say that I'm real concerns with switching something like that which i assume a carefully crafted compromise as it is now at the last moment without being able to open up the discussion somewhat.

>> It would obviously kind of depend on what actuall developed. It's real easy to determine based on existing single family within the corridor of which there are a few properties.

>> Morrison: Are we talking uses or are we talking

--

>> it can be both. Either would trigger compatibility. For example, we made a decision to exempt some properties on penik along east river side because there was a desire on the part of the council to provide for single family homeownership there right there on riverside drive. That will certainly

-- that's consistent with long-standing goals but it also raises attention

-- raises some tension with other goals related to achievement of density among the corridor. So this is a way of reconciling those too. Saying yes, we will have single family but we still hope to be able to achieve certain density targets.

>> Morrison: I understand we're trying to reconcile those things. We've been working on trying to find the balance to not reconcile those for four years. And so I woneve

-- wonder if there's outreach to stake holders who had concern about that, about the change that will be an issue for them. And guess one thing that I can see is that if the plan came to us originally with those specific properties on penik as whatever the scenario was not actually

triggering compatibility. They had a different land use of what came to us. But they would have remained single family use. They would have remained triggering compatibility.
[03:37:05]

>> Actually, the properties that you all are excluding on penik drive are undeveloped properties. They're across the street from single family houses. So those properties themselves aren't being used. But they are zoned for a single family.

>> Morrison: Zoned for a single family. I guess

-- since the hearing is closed, I think due diligence will be in order to reach out to the folks that were a part of that. And also to get some information about where along the corridor those properties are that would be affected by this proposal.

>> And as I was starting to say, that's relatively easy for existing ones. It would be more challenging for tracks where a single family could be developed there. But it might not be single family.

>> Morrison: Mm-hmm.

>> Can you tell me the folks at the table that might have the biggest interest in terms of maintaining what it is right now. Would that be the eroc neighborhood content team?

>> Probably them and penik. Probably pen kirks and the people who do own it on either side because it can have an impact. Those are the people that I can foresee as having the most interest.

>> Morrison: Are the single family zoned and uses sprinkled throughout the corridor? .

>> There are two major areas that I can think of. Some areas that are not planned to berezoned. Those would trigger compatibility properties. And if you don't rezone, the kenik properties would trigger. And any of the neighborhoods in the residential sub district of it if they were developed as le families would trigger the compatibility standards as well. If they're in the hub switch, they're not.

[03:39:27]

>> Riley: Mayor, wouldn't that include the affordable housing? Proposed affordable housing environment that we looked at. The cesar chavez project. I don't know what the incarnation is. But there was an affordable housing environment that was in the boundaries of the corridor.

>> That is proposed to the neighborhood residential and there is decent potential that it could be developed as a single family.

>> Morrison: One last question. Could you remind me the affordability standards themselves in the plan.

>> There are tailored compatibility standards within the plan.

>> Morrison: Can you show a summary of what they are? Or would you like to read the regulating plan again?

>> So the compatibility standards within the regulating plan include a height, stair step that extends 300 feet from a triggering property rather than 540. 540. And there are more carefully tailored regulations for part of the track that's closest to the triggering property. Some landscaping standards potential limited uses, that type of thing. So probably the biggest.

>> Morrison: Thank you.

>> Mayor Leffingwell: Basically it's a modified compatibility standard which we've done it before, I think we did it in the judges hill neighborhood. We have it modified compatibility standard. So I'm not sure I completely understand what you're going to be proposing. Is it something different from the existing

-- from the modifying compatibility standard that's in the regulating plan now?

>> Riley: Actually, we were just proposing the properties within the corridor trigger compatibility. One alternative would be to get the properties, put them in the corridor, would trigger the modified compatibility standards. That would be another approach.

[03:41:32]

>> They do already trigger modified.

>> Riley: So currently sit the modified. So the change is they would not trigger. There is still concern that the modified compatibility standards would hinder the achievement of the

-- of the density targets that we have. And so

--

>> Mayor Leffingwell: To me, it seems like a major philosophical change. It's very significant. One option we have to consider at this point basically if we're going make that kind of a change, maybe we postpone this thing again. We're looking for things to postpone on thursday. Aye don't -- there doesn't seem to be any hurry on this plan that I know of. Maybe you can correct me on that.

>> There are new developments coming in. It's the standards you wish to apply to the developments.

>> Mayor Leffingwell: People want to get their developments under existing regulations as opposed to what we're proposing here?

>> Yes, I think so.

>> Mayor Leffingwell: It wouldn't be a bad thing myself. I think it's something to consider. I am concerned as councilmember morrison pointed out, a lot of give and take went into establishing these kinds of things. And right up to the last minute just prior to changing

-- just prior to adoption. We've been through two readings already is concerning to me.

>> Martinez: Mayor?

>> Mayor Leffingwell: Councilmember martinez?

>> Martinez: Shocking as it may sound, we agree on this. We made decisions on specific zoning categories for tracts with compatibility in mind. For me, I'm not completely averse to the idea.

But I would like to know the effect it's going to have on decisions we've made. That to me is more difficult to grasp that, you know, on first and second reading, you've made zoning decisions that now are going to have a different consequence if we relax compatibility standards. Mayor?

[03:44:06]

>> Riley: Could we ask staff about these implications we would see about the compatibility in the corridor?

>> Mayor Leffingwell: We could. Sounds to me like it would be a big complicated thing to kind

of, you know, like people frequently do. Here's a piece of paper. Study this in the next 30 seconds.

>> Riley: We're talking about a very small number of tracks that would trigger compatibility as a result of single family development. And there is a finite number of parcels affected by those tracks and I don't know it would be that complicated to take a look at what

-- how those

-- what the tracks are and how they would be affected.

>> Mayor Leffingwell: Any other comments on this item? Councilmember morrison and then tovo?

>> Tovo: It would be

-- if we're going to have this discussion, it will be important to me to get input from the folks that were at the table before. Is there some way that you might be able to

-- probably each one of us could reach out. But I wonder if there's some way that you might reach out and see any of the individuals would have an opportunity to

-- you know, have some thought the challenge is going to be that the contact team will not have a chance to call a meeting between now and thursday.

>> I will have limited time about consultants for the downtown calibrations are coming own for a couple of hours and we'll be here until thursday. So we have a number of things really related to that.

>> Tovo: I'll rea out to them. I hope others might too.

>> Tovo: Mayor, a quick question?

>> Mayor Leffingwell: Quick question?

>> Cole: In the stake holder debate between kpasability and density, was there any group or discussion about willow and potential financing mechanism on east riverside and what we were trialing to do in the meeting dense the i?

[03:46:12]

>> We didn't specifically talk about the tax increments, financing as part of the public process. But there were studies about the potential for creating the tif along the corridor, kind of in the same time period. So

-- so it has been looked at. But it wasn't

-- wasn't else inially part of the public discussion.

>> Cole: I see. I know that the discussion on east riverside has been part of the discussion in the past, but not immediately. But we have a long presentation yesterday in comprehensive planning and transportation about project connect and it included east riverside. So I think that it's a link between what we do with compatibility versus what we do with density is at least a piece of that discussion that I would like to see brought in in the report and I don't know if that

-- how much that slows things up. I don't know who you would have to contact. I guess we already have that information.

>> I doubt that that is something that could be pulled together for thursday and I'm not entirely tern what that would entail.

>> Mayor Leffingwell: There's no plan for riverse for many, many years. It's not certainly in phase one.

>> Cole: We don't have any analysis to play in this decision right now?

>> Mayor Leffingwell: Not to my knowledge.

>> Cole: Thank you, don't worry about it.

>> Mayor Leffingwell: Councilmember tovo?

>> Tovo: A quick question. I agree. I think it is a major philosophical shift. It's one we're contemplating, we owe it to the public to reopen the public hearing in light of the fact that the two days before and getting together a stake holder group would be challenging under any circumstances even if you didn't have the downtown density components come in. There's a tract at penik and riverside. A house straddled the property line. They request that their tract

-- I think I'll let you articulate what they requested but you were going look at whether or not it's possible to zone the part that is sort of on pen, kirks in the penik circle one way and the frontage on riverside in another way? So the homeowner

-- the property owner's request was to change the designations from residential to neighborhood mixed use. And it's a large lot. I don't have the dimensions in my head at the moment. But it could obviously be subdivided into two. But it would result in a

-- a basically a single family sized tract along riverside which is a fairly small tract to develop something commercially on.

[03:49:31]

>> Tovo: So it looks on the map as if it were two lots. But are you saying it's not right now? It's one lot that would have to be subdivide?

>> Correct.

>> Tovo: They would be two sort of smallish ones?

>> Yes.

>> Tovo: Thanks.

>> Mayor Leffingwell: Councilmember morrison?

>> Morrison: I want to go back to the point that mayor pro tem was raising and mention that when we kicked off this whole effort, one of the things and the result somewhat because of council discussion was that we asked staff to work with folks to actually do some analysis about what kind of density we're going to need in different areas of the corridor to actually support rail. And, you know, to say what it means to support rail probably it wasn't detailed that it would support a tif. But just in terms of being able to generate the appropriate ridership and those numbers were looked at. And it did sort of form the foundation of the discussion which I think was really helpful. Because it gave some folks a comfort that we weren't going to be just maximizing density everywhere. There was some rationale to it. And I think staff are actually making that happen. I think that's part of why we have a lot of people at the table supporting what we have now. So I wanted to mention that we did an litically look at densities and some people said we need more density in this area. Please make it more dense zoning here and there. But overall, that was looked at and I assume the compatibility and the fact that the compatibility standards were adjusted played into that whole discussion also, is that correct?

>> Yes. Ridership, definitely. We just didn't specifically tie it to the tif which was

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[03:51:34]

>> sorry I added that. I knew

-- I read many, many years ago, I thought we looked at it.

>> Morrison: I had the comfort that the balance we did get to is a reasonable balance and can lead to a successful corridor.

>> Riley: Mayor?

>> Mayor Leffingwell: Councilmember Riley.

>> Riley: We know exactly how much we need to achieve the goals. Not just accommodating rail, but providing a walkable environment that supports the sufficient level to support the use to make it an appealing place, to live, to work, to play and meet your daily needs. So if what the current regulations are on the table, if we're confident they were going to easily hit all of the density targets and have successful rail and urban districts, there's no cause for concern. I have spoken to the stake holders when you look at the parcels that are available, it would be challenging to achieve the density environment we think is necessary to support that urban environment. That's why I'm offering this. We heard from stake holders that they had real anxiety about the direction we're headed based on the evolving circumstances the corridor and the developments we're seeing and especially with the prospect of additional single family development in the area which with the compatibility rules in place would further stifle additional density in those nodes. That's why I offered this amendment. This would not solve the problem. I think we have an uncertainty about whether we're hitting those density targets. Am I way off base in thinking there is a real concern about hitting the density targets? Or not?

[03:53:48]

>> Four hubs analyze in the corridor. The two that are closest to i-35

-- actually, the Pleasant Valley one since it doesn't have a lot of family nearby, it could accommodate a great thriving neighborhood center. The hub closest to i-35, it actually has quite a bit of single family adjacent to it. Kind of to the south of Riverside Drive. And so that one is, to some extent, limited in size. And we did actually have two new single family developments that went near Grove Montopolous that were within the hub, had potential for much greater density that was developed. And there have been inquiries about other uses for single family. I would say actually since we had the discussion, there has been properties that have already been taken off of the table for higher density development and others may develop that way. It could have an impact.

>> Riley: I'm not sure I

-- I'm sorry

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>> Councilmember? Assistant City Manager.

>> Mayor Leffingwell: Yes?

>> I think the point is that when he started, Riverside was one way and four years later, it looks different. And so the longer you wait in order to implement this, the more opportunity there is for single family and the less opportunity there is for the density that we were wanting to see.

[03:56:03]

>> Mayor Leffingwell: Let me just say, I agree with councilmember riley that is a concern. But where I'm having a problem is that it's been a concern throughout the development of this entire plan. And that assumption is these concepts have already been raised and there's been a back and forth and tradeoffs and compromises to get to where we are right now. I know you say a couple of lots are affected by what you're proposing. It could, as councilmember martinez said affect decisions we've already made. Not on all three readings. It seems like you would almost have to revisit the entire plan if you're going to go back and do this. Go back and reargue with all of the stake holders. There are some stake holders that have this opinion and there are other stake holders. That's why they call it stake holders. They have different opinions about things. So it's a concern to me. And you know, if you want to reopen the whole plan and redesign it and redo it, I don't have a problem with that.

>> Spelm: I believe that's what's called the nuclear option.

>> Mayor Leffingwell: Seems like that's what you'll have to do. Councilmember morrison.

>> Morrison: Thank you, erica, for the great work she's done and the amazing patience she had. Secondly to remind everyone that councilmember riley and I did a resolution not so long ago asking staff to expedite the development of the plan. Thank goodness we did because otherwise who knows how long it would have taken.

>> Mayor Leffingwell: Any more comments? All right. I guess we have ped item b-1 it was only if necessary because we schedule we adopted for the consideration of the energy governance ordinance called for a possible discussion on may 7. But I don't think anybody has actually asked for that.

[03:58:15]

>> Tovo: Mayor?

>> Mayor Leffingwell: Councilmember tovo?

>> Tovo: I have one more question on the agenda? Can I do that and then move on?

>> Mayor Leffingwell: No, i think we'll do this now. Item a, preselected items, we've done all of those. Item b is what we're talking about right nouchlt so any wish to revisit item b-1, still on schedule. I'm going to say at the appropriate time on thursday, I'll ask for a time certain of 7:00 p.M. For consideration of this item because that's where we'll get to it anyway. So are you anxious to talk about a specific item? Go ahead.

>> Tovo: I'm anxious to talk about this one.

>> Mayor Leffingwell: I thought we moved on from that?

>> Tovo: That's why I looked so anxious. I need to get a sense of what

-- whate're going to be talking about on thursday. And since I'm not working with any of you, I just want to hear whether it is anybody would be willing to share what

-- what some of the proposals might be that we're looking at on thursday. Are we voting strictly on the ordinance?

>> Mayor Leffingwell: We have

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>> Tovo: Are some of you working on a different proposal?

>> Mayor Leffingwell: We have it passed on the first readling.

>> Tovo: I'm aware of all of that. Obviously based on the discussion last time, there's thoughts in the works and I have some of my own. I just want to see what you want to throw out there what

the question of

-- is anybody want to talk about other motions or proposals you might bring forward on thursday? And do we think, you know, let's give the community a realistic expectation. Are we going to try to make a decision on thursday? Are we going take more time on this critical and important issue?

[04:00:17]

>> Mayor Leffingwell: Posted for second and third readings. See how it goes. Councilmember martinez?

>> Tovo: I thought that was the work session

-- to hash that sort of thing out.

>> Martinez: I'll provide this. These are my thoughtings. If we're not going to continue to adopting what we did on first reading and substantially amend it, I would hope we would not take action to the third reading and let the citizens have some time to look at whatever it is that we're coming up with that is an amended version of what we adopted on first reading. I don't think we should substantially change it and adopt it this thursday. I just don't think that would be appropriate.

>> Mayor Leffingwell: Obviously if it's substantially changed, there would have to be revisions that go up. It would not be practical, i think, to do second and third readings both.

>> Martinez: I agree. Based on what I'm reading in editorials, there are differing opinions.

Whichever ones stand

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>> Mayor Leffingwell: The sa differing opinions.

>> Martinez: I think there are a lot of similarities. We are not all that different. We're all moving to try to improve austin energy, period, that's our goal. Some of us just have different ways to achieve that goal. I would like more time to be considered before we take final action and maybe that's the last meeting in may. Maybe it's the first meeting in june.

>> Mayor Leffingwell: Councilmember spelman?

>> Spelman: We need to look at some things. Some people suggested that we needed to spell out exactly what the qualifications of the independent hearings examiner ought to look like and not leave that to an administrative action later on. That seems like a reasonable thing to me. The biggest issue, though, is to incorporate councilmember riley's suggestion about having the bulk of policy decisionings by the board to be appealable by the city council. Because councilmember riley and the mayor and mayor pro tem and I were not speaking to each other on this subject in the beginning of this discussion. We're not able to work this out in anything other than an open session, that we won't be able to come to closure on this on thursday. Unless we come to closure now. Unless councilmember riley has some language, that's conceivable. We have to talk about a second reading only as we come to a meeting of the minds and the third reading in the third meeting.

[04:03:15]

>> Mayor Leffingwell: That's a great likelihood. A second reading only process. Councilman Riley?

>> Riley: I do think there's room for agreement on both sides. You end up with an editorial saying yes, the other is no about the realities when you look carefully and think about the problem that we're trying to solve that I think

-- I think there's a fair

-- more common ground that you might think at first. In particular, a fundamental problem we're dealing with is that we need to ensure that we have strong oversight of the utility. The main body that the council relies on to provide oversight at least from the standpoint of the

-- the communities

-- community interface with the utility, is the utility commission and we hear over and over again with increasing emphasis that the council feels that it is unable to effectively carry out that responsibility of overseeing the utility. That's the fundamental problem we're all recognizing and grappling with. So I think there's room for agreement on some newly constituted body that might be called the electric utility board that would oversee the utility. There's a general agreement that they should have that that board

-- that the council should remain in position to decide a handful of issues that include rate setting, budget adoption, large transactions, purchase power agreements, capital projects. We can talk about what the number should be that probably somewhere in the ballpark of \$50 million give or take \$50 million. Strategic and generation plans, debt, eminent domain, sale and legal issues of utility property. All of those things remain in the responsibility of the council to decide. Otherwise, with respect to all of the decisions that have to be made to govern the utility that we would be comfortable allowing the board to make those decisions as long as the council has some opportunity to remove those decisions at some point. And in the event that there is some decision that warrants further review on part of council, we would have an opportunity to do that. And I think we can all generally find some common ground on that basis. So a new board that makes recommendations on the key issues that council has to decide and makes decisions on everything else subject to the possibility of council review. Then you would have the general manager of the utility reporting directly to the

-- to the electric utility board. And you would entrust the board with keeping an eye on

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[04:06:18]

>> Mayor Leffingwell: That's not a part of it. That's the part we can't use.

>> Riley: That's true. And, of course, in terms of the

-- in terms of it was general manager

-- yeah, the general manager reports to the

-- the city manager as I said, is the city manager out of the charter that oversees all

-- all staff, including the general manager utility. And by reporting directly to the board, I just really mean interfacing with the board. That we would ask the city manager to direct the general manager of the utility to interface directly with the board so that the board has a regular interaction that is necessary in order for the board to engage in meaningful oversight of the utility. And that would occur on a monthly basis. This is one idea that I would like to put out there for some discussion. I also think that in addition to a

-- a board like that, I think we ought to think seriously about the possibility of a council sub committee that would provide an additional layer of
-- of oversight. When I heard that, I had reservations. We have limited bandwidth. But I realized the council was about to gain some bandwidth with additional members starting in a year and a half or so. And I think
-- and combined with the fact that we had some board, like the
-- the electric utility board to raise the question of what would be the
-- would there be an electric utility commission, some citizen's panel. And contemplated an electric utility advisory panel that seems redundant. It seems like we're adding one more body of citizens that the utility has to report to. I don't think it makes sense to continue other citizen board in addition to some other board. But it might not be comfortable with just relying on the electric utility board with no other mechanism for reviewing the decisions. A council sub committee could be the appropriate way of doing that. Like the other committees, it would meet once a month. Could hear reports from the chair of the board and the general utility could make recommendations to the council. With the board having the level of expertise that we expect and having the review we expect, hopefully the committee we would
-- it would not be long arduous meetings. It would be a fairly straightforward manner once a month. And reviewing those actions. I think with those two things
-- the electric utility board and the council committee, I hope is that we could find room for agreement that on
-- on a new mechanism it would provide the kind of governance that we know we need for the utility.

[04:09:36]

>> Spelman: Mayor?

>> Mayor Leffingwell: One clarification. You mentioned the big things that the electric utility board would be doing, such as rates. Rates, issuance, capital projects, etc. Currently that is in the

-- in the ordinance of pass in first reading, that's in there that the council has the ability to review and overturn those actions by the board? Are you talking about something different?

>> Riley: Yes, mayor. I would suggest that the board should not have the authority to actually make decisions. I think council has a responsibility to set rates, to do eminent domain and do sell and lease of utility property. As to those matters, those are the council's responsibility that we would get input from the board, but those would not be

-- the board

-- those would not be the kind of decisions we leave them to the board.

>> Mayor Leffingwell: You have a whole process in the ordinance so there would be a weight-setting process that the electric board would do. You suggesting it would be done

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>> Riley: Go through the process and make recommendations to council. It would be the council's responsibility.

>> Mayor Leffingwell: Only be a recommendation. Not have the authority to do anything like that?

>> Riley: Absolutely. Throughout the process, we have agreement that council would retain

ultimate authority on those core issues. So I was just suggesting that since that is a matter in which we've all agreed that those matters the board would simply make recommendations to the council. As to everything else, outside of those use, we would leave it to the forward make decisions. We would have the opportunity to review the decisions but they would be the board's decisions and they would stand unless the council decides otherwise.

>> Cole: Question for councilmember riley.

>> Mayor Leffingwell: Mayor pro tem?

>> Cole: When you talked about the

-- you used to talk about an appeals process. And actually the decisions of the board coming to council in lump sum all of them and us being able to pull them and overturn them. Now it looks like you have kind of moved away from that when we had council up front where we would make the decisions

-- that would be final. We would never give any of that up on those particular items. Am I right on that?

[04:12:10]

>> No change at all.

>> Riley: We've talked about the council maintaining responsibility for the core

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>> Cole: You named some additional items, I knew rates, eminent domain.

>> Riley: Those are on the list. Sale and legals of the property, eminent domain, those are still council's responsibility to make those decisions.

>> Mayor Leffingwell: To review the decisions.

>> Cole: That's where we're getting stuck. To review or

--

>> Riley: I think we're talking about a matter of semantics here. I thought it was helpful to make clear those are the council's decisions and we would be the ones making them. That's cause for confusion and concern.

>> Cole: I need to talk about it. I think we need to be clear on it. I do. I do.

>> Riley: Either the count similar would have ultimate authority either way. I thought it was helpful

-- as to those core issues, I thought it would be helpful to emphasize the council decisions. Since we agreed though etz are the council's decisions to make. But if the council would

-- from a matter of

-- if the goal was similar policy, well could simply say that, yeah, sure, the board makes all of the decisions and we have an opportunity to review them. That would be more powerful to the council, then that would be fine. >>pelman: I'M COMFORTABLE With the way you phrased it the first time. I think a lot of people are concerned about the board running away and the council hiding and not reviewing the decisionings that ought to be reviewing. And clarifying the things like rates and eminent domain and bonds are the council's authority and responsibility and they can't run away from that. They have to look at that stuff. I think it will ensure a lot of people that the council needs to see, particularly the council must see. I was wondering what would be -- if we're establishing a sub committee to review utility, whether the subcommittee's action would be the trigger for putting the trigger on the city council agenda of an appealable decision.

>> Riley: If I may, mayor. I backed away from the idea of the trigger because it gets more complicated and it seems more straightforward just to put all of the decisions on the council agenda routinely rather than trying to worry about if that trigger for any particular decision coming to our review. I think that would be up to the subcommittee to call out certain matters that they identify as warranting for the consideration. But because I can imagine as a matter of practice, when the

-- when the council routinely has numerous matters coming from the utility, that have already been considered and decided about the electric utility board that ordinarily wouldn't get very exhaustive review. You wouldn't

-- like typically burrow down the details of each item. You would see them. You wouldn't

-- it would be up to the council subcommittee to do some burrowing and to call out any particular items for further consideration. 6

[04:15:07]

>> Spelman: That seems reasonable to me. I can imagine another way if the board made a decision if some stake holder group were very unhappy with, then what would happen has already happened to the @ stake holder group would send representatives to knock on a whole bunch of doors and let all of us know, look, item 17, they screwed that one up. Can you take a look at it?

>> Riley: Right, right.

>> Spelman: And whether the subcommittee said we needed to look at item 17 or not, there would be a large number of councilmembers would be predisposed to review that because there's a possibility that they didn't see it. So as long as there's a couple of ways for this to happen and as long as the council as a group has the opportunity to review something and is not delegating the responsibility only to a subcommittee to reviewing? That will ensure people also that the entire council will be able to take charge of items that if need to.

>> Riley: Right, right.

>> Martinez: Mayor?

>> Mayor Leffingwell: Councilman martinez?

>> Martinez: Chris and in were talking about this. I appreciate you're trying to clearly define this. What you're terming as review, is not substantially different in practicality what he's terming authority. Your version of review would still retain council's authority to overturn a decision or reverse a decision. But what's happened on the public's view is what you're going to see tomorrow at the press conference is that we're selling the utility to some private board and giving up all control. And that's where I think the clarity and definition will make a decision. I'm hoping -- I'm sure we're head in the same direction, we all want the same things. I do appreciate chris' effort in this regard because we're getting crazy stuff about what we're doing and it's not near what we're doing. I'll keep working with chris and the rest of you all and hopefully we'll come to a decision in the appropriate time when the public has had time to review it.

[04:17:18]

>> Mayor Leffingwell: I would say I'm hearing a lot of that stuff too. And what I'm hearing from the opposition is basically a indication that they understand it. They don't understand what is being proposed or the existing state law or the charge. So it's the old thing, you're not going to explain it to you, but I can't make you understand it.

>> Tovo: Mayor?

>> Mayor Leffingwell: Councilmember tovo.

>> Tovo: The conversation started by talking about

-- about granting an independent board as much authority as was allowable under state law. So in fairness to the public, listening to the conversation, that's where we started. And so the discussion we're having now is measurably different, I think. So I think what we're talking about now is it sounds like in have some questions for you, chris, is really a sovereign board.

Reconstituted the euc as a sovereign board with some areas of sovereignty. p I SEE YOUR HEAD SHAKING. I'm trying to talk it out as much as I know about your proposal, obviously. And that's not dissimilar. If that's true, it's not dissimilar from the planning commission and a few other commissions that have some very limited power of sovereignty over certain kinds of decisions that means basically they're the decision maker unless somebody appeals it. But could you clarify it for me. Are there any issues that this electric utility board would make that would not be reviewable by the council or would every one of them be

-- have the opportunity to

-- the council would have the opportunity to review every one of those decisions?

>> Riley: Under the suggestion that I was making based on what heard, there are no decisions that the board would make that would not be reviewable by council. We would still retain authority over all utility matters. Now, the

-- the board

-- the board's decisions, as to many utility matters, the board decisions would become final unless council took action to intervene. And I don't know whether that makes the board sovereign or not. For purposes of ethics and financial disclosure and so on, and certainly they would be

-- we would expect the board to

-- to adhere to the highest standards of

-- of all of those rules. And so I suppose in that sense at least we would want to treat them as a sovereign board. And with that

-- they are not

-- they are not

-- when sometimes when we use that term, we are referring to a board like the board of adjustment whose decisions are only appealable to district court. And even the planning commission has certain powers that are not reviewable by council. And sometimes we call them sovereign in that sense. If that is the litmus test, whether you can do things that cannot be reviewed by council, no, the board would not be

-- the board I'm suggesting would not be a sovereign entity.

[04:20:15]

>> Tovo: Thank you, that is helpful. I want to rephrase it now. Tell me if I understand it properly. Any decision this board would make would be reviewable by council. But there might

-- would all of the decisions come to the council for review?

>> Riley: Yes.

>> Tovo: So I think it would be very helpful if we start talking about this potential board in different language. It's not an independent board and in many cases, it's not a sovereign board like the planning commission. As you said, there's certain decisions that the planning commission makes that are not appealable to the city council. We have a couple of boards in the city structure that make decisions not appealable to the council and we refer to them as sovereign boards because they have some sovereign decision making. They make decisions on their own and not appealable.

>> Riley: In conversations about this, I have been asking people what they mean by independent board. It's independent in the sense it's a third party. It is not

-- they are exercising oversight from the perspective of outsider, essentially. They are not

-- they are not staffers. Of the utility. They're not within the utility hierarchy. They are casting an

-- an objective eye on

-- on the conduct of the utility. And I suppose in some sense that could be considered independent. They are not independent in the sense of being some other entity outside of the control of council. And so I

-- I think is what comes to people's minds when they hear the term "independent board."

>> Tovo: T's right.

>> Riley: In the way that, yes, other boards might truly be independent. They're not

-- they can be

-- their decisions would continue to be subject. Their decisions would be subject to council review.

>> Tovo: Again, in fairness to the public, the discussion began in the public board with making decisions outside of the control of council. We started this discussion in the charter review, that's what arose. So I just want to say I think what I like about what I said is I do think that it makes sense to reconstitute a board as the electric utility board, rather than try to have the electric utility commission and the electric utility board. I think it would be redundant. I think what we're asking or it seems to me what the proposal is asking for is a reconstitution of an advisory group with some stepped up recommendation powers to focus on some key issues. I like the idea of a subcommittee. That came to us on the public. I think it was a good one. I think it does address the conference about the council not always digging in as deeply as possible. It will help give focus to the electric utility board and more conversation between the council and the citizen group that's making recommendations about areas that we want them to focus on. One example -- we heard some concerns about we're not digging into competitive financial matters, perhaps, as thoroughly as we need to. Well, I had a commissioner on the electric utility commission who tried several times to put the discussion of hedging on the electric utility commission agenda and it was asked that, you know, it happened in a few months. There is opportunity for the citizen board to revised it. For whatever reason, the electric utility commission may not see the issues within the scope of recommendation opportunities. And so, you know, I saw with my commissioner, my former commissioner now, you know, there were several things she was trying to get a discussion going about on the electric utility commission. Again, it didn't happen in the context. We can provide the board with key areas of recommendation on. These are the key areas of focus that we need your help in sorting through. So I 24i in terms of what you're discussing here today with the opportunity of council review, i think that's a much more palatable model going forward. It does address some of the concerns is that we need more

focussed attention on some of these issues. But I do want to talk about transparency. I reached out to some

-- or my staff has

-- reached out to some folks who are supporting an independent

-- a truly independent model and, again and again, you know, the question of transparency comes up and really being able to get the information that we as decision makers to make on the issues as well and to look at how to improve that. Austin energy, I look to all of you. You heard the concerns too. I don't know

-- I'm not

-- i don't have enough examples to know how to

-- how to address that challenge. But I do hear it. I heard it enough from the commissioner, from li9 zhens, from others, to know that it's

-- it's an area we have to give attention to and figure out if we're rethinking about a board, a citizen board that was advised on austin energy issues, we need to figure out what the solution is there. And perhaps part of it is having

-- having a board that's looking at issues closely enough that they know what information to request and know that if they're not getting the information they request, they need to tell the subcommittee, hey, we're not getting the kind of information we need to really fully make a careful and thorough evaluation and recommendation to you.

[04:26:17]

>> Riley: Mayor?

>> Mayor Leffingwell: Councilmember riley?

>> Riley: I appreciate kathy's comments and I heard the same input from a number of stake holders including the chair of the electric utility commission. The concern is specifically that there are essentially leaks in the

-- in the utilities budget so long as the there is an ain't to look to the budget of the utility to support general fund needs. And there have been instances in which there have been many times when

-- when there have been transfers outside that the general fund transfer that

-- and that

-- that is

-- a particular cause for concern that the chair and over stake holders have raised and I hear about the concerns about transparency, that's something that comes up. In the course of preparing the budget, we essentially

-- the utility is a sieve. Theory sources are going to have to support the general fund needs. I would suggest we address that by including that in the charge to both the electric utility board and the council subcommittee to keep a careful eye on any transfers away from the utility, especially transfers outside of the general fund transfer and make recommendations to council about how to address that. I've been gratified to see that we are now moving in the direction of reducing the the reliance on the general fund to

-- the reliance on the electric utility to support egrso. I think we could use the help of the board and the council subcommittee and keep an eye on that and providing input as we continue to make progress on that sort of thing with the goal of getting to the point where we have a fixed

general fund transfer and to the utilities to the general fund and to the extent that we have any transfers outside of that amount that we're aware of it, we talk about it. And we consider whether that's the appropriate action. That's the kind of transparency that I think we have been asked to provide and be in position to provide with a reconstituted board and subcommittee.

[04:28:47]

>> Cole: Mayor?

>> Mayor Leffingwell: Mayor pro tem?

>> Cole: We've blamed it on the idea that we have not transferred all of our power, any of our power, really, in the notion of an independent board misrepresenting what we're contemplating here. Maybe we should take that language out of the ordinance. Because we have board defined as the electric utility board. But in other places we refer to it as the independent board. And also I was thinking about the board requirements. That would be removed and actually go to the subcommittee of council looking at the electric utility to help with the transparency issues you were talking about in the whole concept of things speaking through austin energy with recommendations to council about budget requests is one way to handle that. There might be other items like that like we said in our discussions like purchases of \$50 million in certain circumstances that if, you know, is in conflict with our generation plan or requires a technical definition of our generation plan. I don't know if we need to spell those out actually. But I think a few examples would help in terms of understanding what the new council subcommittee should be considering in terms of alleviating some of the concern in the community, you know, overview of transfers to

-- to out of the austin energy general funds. We need to give a few examples of that to alleviate the public concern. I assume you're writing that

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[04:30:57]

>> Mayor Leffingwell: Councilman spelman?

>> Spelman: I would like to resurrect the word "independent" in a slightly different context. By independent

-- on thursday, four of us will ask the council to consider five members of the civil service commission. Most of the boards and commissions are appointed as a one councilmember, one appointee on one councilmember, one appointee basis so it's different in the sense that it will recommend the slate of five civil service commissioners that we ask the council to take a look at. And the proposal on the table for the electric utility commission is going to be the same or the board or whatever we call it. It's going to be the same thing. Some group of councilmembers will put a slate together so all stake holders' interests are being represented. We have someone outside of the city of austin but inside the service area and so on. We have a slate which is properly balanced. And that group will ask the rest of the council to vote for it. In that sense, the individual members of the board will be independent of the individual members of the city council. So in that sense; if I don't like what one board member is doing, I do not have the authority to yank that person's chain and say, you know, get back with the program or we're

going to replace you. None of us will have that authority. They will be more independent than our current board and commission members are to us as individuals. That's an important issue. To the extent that the board's actions will be isolated or divorced from politics, it will be a little more divorced from politics because it won't be a one councilmember-one board member relationship. Although this is not a councilmember riley, your proposal is to not create a sovereign board. That sounds reasonable to me. At some point in the future, we might conclude having gone through this for a few months or years, we never review the following types of things, we let the board handle that. We can create a sovereign board at that time we're comfortable with the decisions we're making and what are the boundaries we want to put on that sovereign grant at that point? And even before that point is made, I suspect that it is true that if we are successful in appointing the right people to the board, then the vast, vast majority of decisions the board makes will not be reviewed by the council because they won't need to be. Either all of us will say that makes sense, the stakeholders will not squawk because the decision is reasonably made and we won't have to go back and do all of the stuff again. In a real sense my point of view is the reason we're doing it in the first place, if we're delegating responsibilities, we're looking closely at what the electric utility is doing to a group of people who are well positioned to make the decisions about it, we're going to get more oversight over the activities of the utility than we currently have. Because we're spread over departments and that group would only have
-- you would only be able to focus on one department.
[04:34:18]

>> Mayor Leffingwell: Who's first? Councilmember morrison?

>> Morrison: Thank you. I guess I want to say that I think I agree with pretty much everything that's been said here today. So I'm

-- I'm very encouraged and councilmember spelman. The idea that you threw it in there that we have a slate nominated by council for the board is a fabulous idea because it's absolutely clear that we need to spell out the kinds of perspectives and expertise that need to be on the board and there's no way to actually make that happen if we each individually do it. So that's a terrific addition. Having spoken

-- I got to speak with councilmember riley's appointee and understand some of the frustrations that the council, at least from his perspective, have experienced. This structure is going to alleviate those and allow us to rely

-- really rely more heavily on the expertise that they bring to the table. I also want to address the issue about the conversations that's going on in the public. I think that it would be really helpful to be able to somehow get this

-- get this proposal solidified so that it could be reviewed because, you know, it's significantly, you know, in some ways, significantly different than what's in the backup. And so I guess my question would be to the city manager and attorney is how would we be able to go forward to actually ask for a draft maybe for councilmember riley and whoever. Certain of us have been talking to come out with a draft that captures this discussion. It might

-- I think it would need a different posting because it has different elements to it. And I would think that having a draft as soon as possible to be able to promote that public conversation to get feedback from the public and promote the understanding of the public about what we're talking

about, how can we make that
-- that happen?
[04:36:40]

>> Mayor Leffingwell: The obvious answer is that we commit to doing only the second reading from thursday. And with these

-- of these be fleshed out, it may when we're properly posed for action as proposals and they could be incorporated back up for when ever it comes back. Councilmember martinez?

>> Martinez: You handed karen the bullet points of what would be contemplated. The question is can we contemplate the first reading considering the existing posting and the existing

--

>> Mayor Leffingwell: The second reading you mean?

>> Martinez: I mean the second reading. Would it be redrafted in the ordinance entirely.

>> I believe the current posting is sufficient. I think we posted it broad enough that we can make all kinds of amendments to it. As far as getting these

-- I see chad and andy out there in the audience. They've been taking notes. I would get this to them and we will work feverishly between now and

-- and as soon aptz we can on thursday to get a draft to you. But I think the posting is sufficient to consider this as your second reading amendment. You know? Or a substitution. I don't think that there's a necessity to start with the first reading. And we're just going to substitute this out as another

-- other provisions in which you've already adopted. So I don't think we need to repost that.

>> Mayor Leffingwell: I have a sheet frankly the discussion has been a little bit confusing and I don't know exactly if there's been some kind of a consensus on what's been said or not. But I think the appropriate place to do it would be

-- we know that we have the latitude to offer amendments and that would be the way do it on thursday.

>> It's appropriate to pass it out here. You have the discussion here. If you want to share it with the other members of the count sishlgs that's appropriate to do that now.

[04:38:48]

>> Spelman: Thank you, karen.

>> Martinez: I would go back and agree with you that committing to adopting it on second reading only would be most appropriate so we can allow time for further discussion. But before we move on, I want to add one final wrinkle in the armor. It's actually a good thing, though. I talked to chris about it. Kind of touched on how the appointments will be made so that they are shielded from politics. I want to further evolve that conversation to terms. Because I think that this board is going to be a highly sought after position by citizens who want to be a part of this moving forward. Because of what we're creating. So do we need to contemplate terms? Do we need to contemplate a provision for how one might be removed by a super majority of the council, etc. I think it's

--

>> Mayor Leffingwell: It's all in there, I believe.
>> Martinez: It's in line with the current boards and commissions policies. That's a one-on-one councilmember appointment which is different than what we're discussing.
>> Mayor Leffingwell: No, the terms are laid out
-- the terms are laid out. The procedure for removal is laid out.
>> Martinez: Great.
>> The terms the of
-- a the terms of the appointees under the ordinance and
--
>> Riley: Under the current ordinance, they are selected by a council subcommittee and i think it would be proposed. I this think we've got that issue addressed and the provision provides for a 2/3 super majority to remove?
>> What are the term s?
>> They are two four-year terms.
[04:40:54]

>> Mayor Leffingwell: The board has no sovereign authority at this point. And it becomes basically an e8 electric utility commission with another name and I think under what
-- if what a lot of I heard today is incorporated in it, that's the way it's going to be perceived elsewhere as an attempt to dodge this effort to create an independent board to create a shell basically another city commission that has no sovereign authority. Councilmember tovo?
>> Tovo: There's value in reconstituting that board and providing them focus. That's beneficial to us all. If you talk about about the slate, that's a good task for the council subcommittee to do what we did. To review the applicants and review them and propose a slate that's balanced and perhaps we can think about what some other focussed
-- what is the other sort of focussed mission for that council subcommittee so that we can really pull that in. But I do think that I appreciate you sharing this bullet point and I look forward to seeing you. Seeing the new draft. Because it is
-- it does seem to me measurably different what's on the table for second and third reading on thursday. I think it would be helpful to see it in a few frame rather than try to do it piecemeal with amendments. It sends a different message to the community about whether we
-- what it is we're making a decision about.
>> Riley: Mayor?
>> Mayor Leffingwell: Councilmember riley?
>> Riley: One focus would be to monitor the work of the delay board as to ensure it does not become the kind of body that the mayor described. It's the utility commission that has the same community and meaningful oversight. If that proves to be the case maybe what is needed would be a change of the composition of the board. Perhaps the board should be given some additional sovereign authority over purchasing. There are a number of decisions down the road and could be a council subcommittee in place to consider exactly those sorts of add justments to observe we have the meaningful utility. The electric utility commission does not currently provide the oversight we need by its own insistence and so we would be on course to ensure that we are correcting that by having a body that is able to engage in meaningful oversight of the utility. And this is not

-- we would not simply put this in place and go home and assume that everything is fine. To make sure that we have the same oversight that we need.

[04:44:27]

>> Mayor Leffingwe YOU Suggest that the subcommittee have the sovereign authority to grant additional powers to the board?

>> Riley: No, no.

>> Mayor Leffingwell: That's what I heard, I'm sorry.

>> Riley: The subcommittee would monitor the work of the electric utility board if we find that the board is unable to conduct the

-- to oversee the utility more effectively than the el electric utility commission currently is able to, then the board would make a recommendation to council about changing

-- about making changes to the makeup of

-- or the conduct of the

-- of the board. To address that problem.

>> Mayor Leffingwell: Okay, you didn't say that the first time.

>> Riley: I tried to.

>> Mayor Leffingwell: The committee would make recommendations to the council to change it?

>> Riley: Right.

>> Mayor Leffingwell: Councilmember spelman?

>> Spelman: We don't have now an objective of creating a board that willve the kind of moral authority if not necessarily statutory authority, to make itself to understand when things are

-- what's going on in the utility and making intelligent decisions about it.

>> Right.

>> Spelman: They don't have the reputation

-- they can't command the attention of the staff to make the decisions that we would like them to be made.

>> Riley: A clear statement to the electric commission and anyone else listening

-- we have heard you. We know we need to do a better job of overseeing the utility and we're going to fix that problem.

>> Spelman: The council will delegate a specific number of people to the task of making sure that the utility commission has the authority and the

-- and is actually able to do that.

>> The board?

>> Spelman: No, the subcommittee. The subcommittee of the council, make sure the board gets what it needs.

>> Riley: Exactly.

>> Mayor Leffingwell: Are we going have an el electric utility commission?

[04:46:30]

>> Riley: A board and a council subcommittee that oversees the board and makes the recommendations to council.

>> Morrison: Mayor.

>> Mayor Leffingwell: Councilmember morrison?

>> Morrison: The last work session I was talking about the work I was going to pull out and understand what were the issues on the table. They were flexibility and oversight transparency and accountability and I think this framework actually really moves us forward on all of those -- each of those different realms. And as you said, it's not like we can't ever change it again. We can see how it works and continue to make improvements. I did want to add one other thing -- with regard to the bullet list, I don't think

-- there was never a

-- in the current draft that's in the backup there, there's a process with the independent examiner and all of that. It's my understanding or certainly my desire that we keep n there. There's no intention to take that out. Great, thanks.

>> Tovo: Mayor?

>> Mayor Leffingwell: Councilmember tovo?

>> Tovo: The last comment that I'm starting to think about the subcommittee. It strikes me -- I like what you said. It makes good sense about the subcommittee meeting. The eyes and ears of the city council, what changes need to happen in regards to the electric utility board. But we have a moto of this close interaction of a subcommittee and the group in the minority and women-owned business subcommittee that has a corresponding supervisory council. There's always a representative of that body who comes to the subcommittee and can let us know what they need and report on their action ms. And I think that kind of month lip interaction is really critical. So I hope we can build that into the structure as well. That there's sort of a monthly representative of the electric utility board pefr month that comes to this to the subcommittee and talks about what they've done, why they've done it, what they need if anything.

[04:48:34]

>> Mayor Leffingwell: So the council subcommittee would become the governing body. Is that what you're saying?

>> No. No.

>> Riley: No, we would have an electric utility board overseeing the utility. The council subcommittee would be in place to ensure that the board is able to carry out its function as we intend. It would make recommendations to the council that it finds that adjustments are else in.

>> Mayor Leffingwell: The council subcommittee would not do things like review board actions?

>> Riley: Well, the board

-- the board, yes, we would count on the council subcommittee to help with identifying items that warrant further council consideration. I mean, if there is some procurement item that comes to the committee's attention and as being problematic, the committee could say that

-- could call that out for the council, make a recommendation to the council, just flagging that item. The real decision making would be taking place at the

-- and the

-- and at the board, the electric utility board. Subject to review by the council. And first through

the filter of the council subcommittee and ultimately by the whole council.

>> Martinez: Mayor?

>> Mayor Leffingwell: Councilmember martinez?

>> Martinez: I just look at it differently. I look at it if we create a council subcommittee, that's the group that austin energy's new board comes to and says this is what we need from you all to help us do our job better, to help you make better decisions. I don't view it as we're going review and drill down and tear apart everything you do. Now, if we have to, we will and reretain that authority. But I fundamentally look at it as we're adding a layer of transparency and adding layer of response, if you will, for this advisory board to come uh to us on a monthly basis and say here's what we did, why we did it, here's what we need from you moving forward to make things better.

[04:50:42]

>> Mayor Leffingwell: I don't

-- there may be another so-called independent board that operates this way. I have not heard that. And I know the typical thing is for the did you have a comment, councilmember morrison?

Typically, the way that happens is there would be a liaison on the board who's also a member of the council. That would with the mayor. And he would make the reports back to the council on a regular basis whatever is deemed necessary. But yoically basically bypassing. You're having the board report to the subcommittee instead of reporting to the council.

>> Martinez: It's adding an additional layer. I'll say this. It goes back to the first amendment on the item when it was laid before the count similar, the way the language was drafted, it was ceding in and all authority except for what we don't give way. We made an amendment to say we're not giving any authority up except what we specifically give away. That's what we're doing here

>> Mayor Leffingwell: I disagreed with that at the time obviously. I think what we're doing here at this point in time is creating the illusion that we have independent governance of the electric utility when we don't and I think everybody will see right through that.

>> Martinez: I strongly disagree. I don't think anyone is trying to create illusion. We're trying to make it very, very clear, we retain authority over austin energy. There's no illusion to that.

>> Mayor Leffingwell: We have a disagreement on that. I think that we started off with a reasonable approach to creating independent governance and it's been deleted in stages to where now, in my opinion, it's basically meaningless.

>> Cole: I would like to make a difference suggestion?

>> Mayor Leffingwell: Mayor pro tem?

[04:52:43]

>> Cole: I want to throw this out there because I know we have other utilities. I think this council subcommittee, we should think about them having authority over the water and waste water utilities, putting it out there. If they are existing. We have challenges with thoelsz utilities as well.

>> Mayor Leffingwell: You want to create an independent board for the water and

--

>> just a subcommittee. Just an idea that we have broad committees, comprehensive planning subcommittee. We don't just have to have a council subcommittee on austin energy. We can have a council subcommittee on infrastructure and utilities. And then it's not as much of an issue, I think, as you have with it just being focussed all on austin energy and what they are doing actually is focussed on all of our utilities because frankly those are the hardest ones to drill down on in council meetings anyway.

>> Mayor Leffingwell: Councilmember tovo?

>> Tovo: I want to say I think that's an idea really worthy about for the reasons you say because we don't always drill down on the utilities or the interprise funds and maybe another way to think about it. I think as we move forward, i hope we'll contemplate on that whether that committee should a broader focus?

>> Mayor Leffingwell: Any other comments? Okay. We go on to the next subject which is a briefing. From c. Holmes and the library.

>> Mayor, city council, assistant manager over committee services. Staff is here this morning to do a briefing on an item that you are considering for city council agenda on thursday on the construction manager at risk. The staff will be presenting this morning as to try to give you a sense of what this item will be in consideration with your agenda on thursday. One of the items that it has on here is an exciting project that we're

-- you know, were quite ed about, I guess. It's a new library with a component of the second street extension and the bridge over shell creek and the improvement over c. Hall. With us, jordan, a project manager. Lazaru director of public works and rosen truelove as well. Howard will do the presentation. So I'll turn it over to him.

[04:55:33]

>> Thank you very much. And thank you to the members of council to provide the time to come to you today. We want to address council action on project funding. Yesterday the councilmember with the men ram dumb myself. Finding some details on the aspects of the project and what we're asking you to consider on thursday. Also, in addition to cindy, rosy and I are joined today by members of the library staff, the director and john gill lam. Rosy is the assistant director is here. And also greg canalla who has been our sherpa through the himalayas of the funding earths is with

-- issues is with us as well. This is the bridge over shoal creek and the seaholm substation wall. It's combined to a project with the fiscal connections and the fiscal connections means of knowledge them. We'll address them as we go through the presentation. So to answer the question, why are we here? The question before council is authorize funding for the new central library and authorize staff to negotiate and award a contract with the hensel Phelps construction company in an amount not to eck seed \$111,900,000. The funding is broken up among the elements as shown on the

-- on the

-- on the chart in front of you. A standard introduction, the elements are all interrelated and by combining those together, we placed responsibility for delivery on a single end tip and will avoid potential construction objects to multiple workers working in overlapped work zones. It doesn't put an owner's contingency spread among the different work elements. It will work under a

contract which we hope to finalize in July. At that point, Hensel Phelps will be responsible for any overruns in the existing scope and point. Just to go through the history of how we got here, the new central library was approved and

-- was authorized in 2008 using 2006 bond funds. Design was initiated in 2009. A construction risk of 2010. And due to the connected nature, the substation wall was added to the Hensel Phelps' scope in 2010 as well. In 2010, the total project budget was set at the current \$120 million. And in 2011, council approved the schematic design. Staff came back to council to combine the second street bridge and roadway extension into one contract under Hensel Phelps. Also early last year, council approved the schematic design for the Seaholm wall and provided the services to the Hensel Phelps' contract to make sure all of the projects were coordinated and integrated. At this time, since we brought ourselves up to the current place where we are historically, the team thinks it would be helpful to provide council with an update on where we are in support of the pending action. The aerial photograph you see in front of you depicts the current conditions. To orient you a little bit, the pretzel-like shape in the middle is former green site and the corner is the Seaholm power plant. The area becomes a mixed use anchor for the southwest part of downtown, access to the library, Seaholm library would be enhanced and improvements to the trail connections via Shoal Creek and the bikeway. Going through some images. This is approaching the intersection of Nueces and Second Street. It does continue the bridge in a way that you see downtown. It's included in the statement of work in development of the green site. It's not part of what we're asking for today. The Second Street bridge is a prominent feature in the area. The bridge is a cantilevered art design which earned the nickname of being a butterfly bridge. Finally, on the north side of the energy you can see the wall. The view of the library from the northeast corner highlights many of the dramatic features. You can see the green roof and the butterfly garden on top. On the southeast corner you can see the reading porches that extend off the children's area and the fifth floor. On the northeast corner you see the large windows that open up the reading area and to downtown. On the street level you can see the cafe and outdoor area. On the trail level you can see the bike trail connections. Approaching from the southwest along Caesar Chavez, the library serves as an entry point to downtown. Sidewalk and bikeways will extend to patients. The side is not part of the funding we're asking for today, part of the seton. To the southeast corner you can see connections to the hike and bike trail. In the foreground, an amphitheater will create additional opportunities to join the library with setting along Shoal Creek and outdoor reading porches are prominently displayed in this rendering. This portrays the trail improvements looking north from the library toward the bridge. There is a change in the texture of the pavement by the library that indicates to walkers and bikers that this is a shared space. Going inside the building, the library will feature an event forum and ground level. The room is capable of hosting gatherings up to 350 people. An entry to the room can be separated from the main library which facilitates the use when the remainder of the library is closed. Over the next few renderings, the open nature of the main library areas are featured. The stairways encourage exploration of the building as well as moving from floor to floor. One of the two reading porches is accessed via the children's area providing an opportunity for quiet space along what is envisioned to be a highly active part of the library. The teen area is designed to provide opportunities for young adults to study and work in small groups. It's physically separated from the children's area, recognizing and respecting the different needs of teens. Every great library has a reading room and the new central library will honor that tradition. As I mentioned before, the windows open the reading room to vistas of the downtown so that you can see out among all the development that is in the

-- that's going on in and around downtown. So last renderings emphasize the open nature of the building. The building is designed to allow natural lighting to penetrate throughout the building. The approach is not only energy efficient but it also carries the connections to shoal creek throughout the building. So our next steps. On thursday, we'll ask council to approve the construction manager at risk construction cost limitation. Later the city approves a guaranteed maximum price for package 1 which is the utility scope of work. Attend of the month we'll celebrate at the ground breaking ceremony, which is scheduled for THE 30th. When we get into june, construction will start in earnest with the 2nd street utilities and the low ground work including the excavation and retention system and the beginnings of the garage. In july, we hope to get to where we negotiate at a guaranteed max price for package 2 of the remaining scope of work which is the library its 16 2nd street and substation wall. In december, the remaining scope of work will begin, and then we really are embarking upon an almost three-year construction period, construction anticipated to be complete early in 2016 and allowing for a move-in, we're looking at a grand opening around summer of 2016. So that time, our team here is able to respond to any questions you may have either about the library or what the question is before you on thursday.

[05:05:53]

>> Thank you for the excellent presentation. I know the library has been through a lot of challenges. So I appreciate all the time that all of you have put into it to make it actually happen and come forth before the early voting on thursday. Any questions or comments? Council member spelman.

>> Spelman: Do you know the guaranteed price is scheduled on the 20th of may, what is the value of approving the cmr two weeks before that point? Couldn't we wait for the guarantee of price to make that decision?

>> We're asking for the funding to be approved so that we can start the early work. The cost estimates we've received to date are all within the construction cost limitation that we're asking for, so it's a schedule issue really so that we can begin work on t 2nd street area primarily and tundz ground work. Work.

>> Director of contract management. The initial gnp executed in may will be for the utility scope. We anticipate a proposal for the guaranteed maximum price for the remainder of the work later in the summer in july. So we want to start with the construction early and then we'll have a fully executed gmp for the challenge of the work in july.

>> How should I consider those estimates of 119 million, i guess, which is under the \$120 million cap? We haven't gotten a guaranteed maximum price yet. Is it likely, unlikely, possible, impossible, for the gnp to be greater than the \$20 million we have in the bank?

>> Nothing is 100% guaranteed right now, you can tell you that. The cost estimates we've gotten are consistently within the budgeted amount. If we get an estimate for the entire gnp that is above the available funds, we have the ability to go back to the architect and engineers and have them redesign and if we need to w come back to council. There is no reason to believe at this point it will exceed the funds given that they have consistently been within the available funds, and the project design is advanced well enough to get reliable estimates off it.

[05:08:16]

>> Spelman: From my point of view, the most important part of what you said is that the architect and the designers know that we can go back to them and ask for a change in the design if it comes in for over \$120 million, before, they will come in for less than \$120 million and save everybody a lot of trouble.

>> Council member, as I said, the estimates have been consistently within the available funds and the design is about 60-plus%, so there is no reason to believe that there is going to be a wild variation.

>> I understand. Thank you.

>> Thank you. Any other questions? Council member Riley.

>> Riley: Yeah, I want to thank you for the presentation. It's great to see the updates because there is always exciting, great stuff. So it's fun to see. Just a couple of questions about timing. Well, first one question about the scope. I know right now we're focusing on the improvement centering around the library. But I do see mention of another element that's further to the west, and that's the pass, which is also to be funded through the c home tif. I wanted to confirm that is a plan and on track. I saw a timetable indicating we have real dates now in terms of a schedule for that project and I just wanted to confirm that is still on track.

>> The project is still on track. It's separately funded. It's not part of this project, but we can give you an update on that separately as well.

>> But it is to be funded through the c home tif?

>> Council member, that is part of the budget including the tif fund, exactly.

>> That was the only reason for my concern. I wanted to make sure we're on the same page that is still moving forward and has a schedule. Also, on the matter of timing, we've got the

-- I know we've just celebrated the commencement of work on the c home, which I know we're excited about. We're not quite at that point on green yet, though we hope to be there before too long. So there is still uncertainty about the greenwater treatment plant and the progress on that, the timing of the progress on that side and, so, I just have a couple of questions about access to a library, when it opens in 2016. Will second street actually be complete all the way through the green site and across shoal creek at the time the library opens in 2016?

[05:11:00]

>> Council member, yes. Part of the mva council approved with Trammell Crow calls for them to construct their portion of second street from San Antonio, I believe, to the creek up to the bridge, is where the city takes over the project. All that work has been coordinated. Cindy Jordan has been working with staff on the time of this. They're on the hook for building out that street so the access will be continuous.

>> When the library opens, people will be able to access it from second street?

>> Yes, tenets way it's currently planned and scheduled.

>> Similarly, west to west avenue, we expect to have the extension of west avenue complete all the way through to Caesar Chavez at the time the library opens in 2016?

>> That's also correct.

>> Great. We've also been working hard with staff on fixing the gap in the shoal creek trail between 5th and west avenue, so we'll have multiple points to access to the library on the day it

opens, so I'm very encouraged to hear about all the progress we're making and I want to thank everybody who's been contributing to it.

>> One of the individuals who is not here who also deserves a lot of credit for overseeing the work is fred evans. Fred has been the primary contact between cindy and the private developers. As you pointed out, there are a lot of moving parts here and all things indic that they're all amesh. In 2016, when we sit down, all will be golden.

>> Great.

>> Council member riley, what i was going to point out is exactly that issue. This team, we started to focus on the new central library, we actually took it a much more broader view. The team that we form actually focused on the whole redevelopment and library being a component of that and getting exactly what you just pointed out and, that way, that is not to just look at the facility and put it on a piece of property, but all the connectivity and all the pieces associated with it, that's why it's so critical that we bring to you this item because it has various components we believe are essential for a library that would be open in 2016, but fred evans has been an integral part of this team and when we have our meetings, we get a sense of what's happening with the redevelopment, how that connects back to the overall library project and what we should be focusing on not just for the facility itself but the surrounding area, and we've looked at everything from the creek to the extensions to the bridge and the street connectivity. You know, how folks are going to utilize transportation in and out. So I have to commend the team because we have really tried to focus on as many of those issues as possible and I think we've tried to do the west we can.

[05:13:50]

>> One last means of access, I'll mention that we will be continuing to work on this at capital metro to ensure that we provide good transit service to the new central library. We already have good transit service to the current central library and we want to ensure we still have good transit access when this library opens in 2016 and with the assurances we've heard about the opening of the roads around there, we should have no difficulty in planning around that to ensure we have service to the library when it opens.

>> Council member morrison, to follow up, thank you, this is very exciting, I can't wait to be in the library and to be around it. To follow up a bit on council member spelman's questions, as you may recall, the last big project we did ended up with surprises in council because we didn't ask enough questions and didn't have enough information on what was and wasn't being guaranteed. I don't know if you remember all of that, but I wonder if you could explain to us why we're not going to run into the same situation on this project.

>> The comparison between the water treatment plant 4 and the library is plant 4 had a longer design period and was entered into the gnp, then chose to manage the risk associated with delivering that design by being actively engaged and issuing a series of smaller work packages. If you look at how that's been handled, it's been successful. On the library side, we have a smaller number of work packages that are more advanced in their design stage so that the essence we are getting now are more firm so the risk will be transferred to the construction manager at risk because the designer is at the point where they can give us an estimate that doesn't have to account for a large degree of uncertainty. So the short answer, then, is that there are fewer parts to it. They're all more advanced in the design phase, so we will get a hard,

guaranteed maximum price from hansel helps at a much earlier phase.

[05:16:19]

>> And treatment plant number 4, when we focused in on the number at the top level, we didn't have all the guaranteed maximum prices in place at that time. Is that correct in we were still working honest mats?

>> At the time we entered into the construction manager risk contract, many of the work elements were only at about a 20% design, so if we would have asked for a guaranteed max price at that point, the total gnp would have had to account for what c mar that was its risk at that point. So by managing over time, we're able to keep the funds tied up down to a lower amount and we came awfully darn close to the number when we had all the work packages awarded. So it's really a difference in the approach to managing risk through the contract and then do you want to add anything to that?

>> I think you did a good job of explaining it. You know, we're coming at this now with a construction cost limitation request because we feel confident in the numbers that we're getting and the estimates that we're getting and I think that we're at a good place to move forward with this.

>> And we're going to be voting on 120 million, you're going to go back and come up with a negotiated agreement that's under that, or if you don't, we will work on what kind of change of scope we want and then that contract is really going to be the guaranteed maximum price and we're comfortable because of the maturity of the design.

>> Yeah.

>> And, frankly, the contractor is comfortable accepting that risk because of the maturity of the design.

>> You're going to see two major amendments to the contract. The first is going to be for the early out utility scope tha howard mentioned that we're going to be getting a gmp from hansel helps here in the next couple of weeks. The second piece will be for kind of the balance of the work and that will be a guaranteed maximum price that we're anticipating to execute that in july. When we guarantee that price amendment, it's going to be just that. It's going to be the price. It's not going to be fully bought out where we're given the notice to proceed on any of this work. It's going to be us saying and the construction manager in agreement that this is the price that we're going to pay for the balance of that work. They'll have to come back and bid each of those packages out. They will have to go through all of the steps we would expect and want them to do. They will obtain their complains and give us a proposal, basically, for the work authorization for each of the remaining chunks all underneath that maximum guaranteed price and we'll give notice to proceed once we're comfortable with that. But they're going to be managing the risk, they're going to be handling and accepting that once we execute the agreement we're going to in july.

[05:19:11]

>> But once we have the guaranteed maximum price, they will find a way to get that work done and we won't pay any snore.

>> Unless there is something that happens that would be a scope change.

>> Scope change, sure.

>> Yeah, for the scope that we know right now and the conditions that we know right now, that's our expectation, we will have a certain amount of contingency that the city will maintain to help cover some of those, you know, potential unforeseen conditions that might be out, and howard might speak a little bit more about what that is. That's why, when you look at the rca, you're going to see abamount for the construction cost limitation plus a certain amount that's going to be owner contingency, so that allows a small amount of flexibility if we encounters things in enforcement.

>> Thank you.

>> Cole: Any further questions? Okay. I guess we'll move on to items that are on the agenda that have not been pulled that council members want to talk about. Council member tovo.

>> Tovo: I do have one item, and I think it is number

-- what number is it? It's the federal legislative agenda, which I just had in front of me.

>> It's number 11.

>> Tovo: Thanks, number 11. So we passed a resolution recently

-- unfortunately, i didn't pull this in advance, so I don't think we've got anybody here to speak to it

-- but we did pass a resolution recently calling on our leaders at the state and federal level to enact legislation to require background checks for all gun sales and provides prosecution for traffickers, limits of size of magazines and we ask this be communicated again to our state and federal legislators and i don't see it in our federal legislation program, so I would either ask that that be revised between now and thursday or bring forward an amendment to do that to make sure that our federal legislative program also speaks to our support for

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[05:21:14]

>> I think the city manager has a comment on that.

>> Well, ray is over this area. Ray, can you shed any light on that?

>> Tovo: I guess I would be interested to know what is your process for pulling together a federal legislative program and the extent to which you go back through recent resolutions to see what the council may have spoken about.

>> Mayor, council, beret. We certainly add that as soon as that is adopted by council. I'm not aware of that one but we'll go back to make sure we make that addition. Typically, if we passed previous resolutions over the last year, year and a half, we certainly try and make sure that we continue adding that on to the program to see if there is going to be any kind of movement on those specific items. But specific to the one you mentioned, I'll take a look at that and speak to john.

>> Tovo: I know in our recent meetings we've had things be added, resolutions come forward to add things to the legislative agenda

--

>> right.

>> Tovo:

-- The resolution we passed with regard to gun sales and regulations did not specifically ask it be

added to a legislative agenda. Is that necessary or is it sufficient to look at the language and see if we are encouraging our leaders to make these kinds of changes that that in and of itself suggests we ought to communicate that not just through the letter but legislative agenda. The upshot, do I need to bring forth a resolution asking that it be added to the legislative agenda or is our past action sufficient to do that?

>> I'm going to point to a solution adopted by council back in January where you asked us to include support for a constitutional amendment with regard to Citizens United, so we added that to the program. Typically, when we get an ifc and it mentions you want to express opposition to a piece of legislation, we typically will send a letter to the congressional delegation, other members also, whether the president and the administration all the way down. We pretty much follow the letter of the ifc. In this case, whether or not it was itemized for agenda, we would typically not add it unless you asked to add to the agenda, we would place it in the program and then, when we bring it to the council for adoption, we would then, of course, include it for your consideration.

[05:23:50]

>> Tovo: So I think the answer is no, even if we speak to our council support for an issue related to an issue that our federal legislators might take action on, unless we say add it to our legislative agenda, it will not be added.

>> That's correct.

>> What would be the best way to effect the change Thursday? Bring forward an amendment asking that it be added?

>> Yes.

>> Is it possible between now and Thursday to see what other issues we may have taken action on and asked a particular position be communicated to our federal legislators but not necessarily ask that it be added to the legislative agenda so we could capture those?

>> Exactly, we can ask the staff to look for other resolutions to see if they have been adopted or included in the program.

>> Tovo: Very helpful. HELPFUL.>> Martinez: If this body takes action on an item only to be affected by the federal government, why wouldn't it automatically be added to the federal legislative agenda because in this item we don't speak to immigration reform but this council has taken action as relates to immigration reform. We can't affect federal immigration reform, only the U.S. Congress can.

>> Right.

>> Martinez: I don't see why we would have to specifically put something into the resolve that you added to the legislative agenda. That would seem implicit, if we take action recommending

--

>> one of the things the governor staff will typically do whether a state or federal program is they visit with the departments to see if there are any kind of initiatives or legislation to be added to the program. But we also, then, my understanding is to visit with council or council offices. The only thing is that, because the open meetings concerns, whatever, them being sensitive about the meetings, we have not done with that council offices as in the past. We typically would have staff visiting with council members talking about the federal program. We have not done that

because of open meetings or the sensitivity to open meetings.

[05:26:21]

>> I think what mr. Beret is articulating the process used traditionally over the years and that's exactly correct, that's how we do it. More generally speaking, I think we all know there are times in the course of your public discourse that we get a sense of what council is interested in doing and don't always require you to take some formal action to give us direction to, you know, carry it out. We've done that in other matters. I think that we all know that. I guess I would just tell you that, in this particular case, i certainly don't have a problem with us going back and assessing the issues as described by council member tovo, and unless ir any objections, otherwise making some adjustment to the program that's going to be before you on thursday, unless i hear objections from someone.

>> Is there a time line that we're under that we would need to adopt this on thursday, or

--

>> not at all.

>> So we could review it and take more time if necessary.

>> That's correct.

>> Because I really would like to know what didn't make it into this package that this council has taken action on that maybe should be in.

>> Mayor pro tem. .

>> I wanted to make sure we could actually put a draft of this on a work session agenda for discussion and to get it, you know, it's good to, iink, overall, just to get a broad base on fundamental understanding. I'd rather be able to talk about it and hear a quick briefing on it, I think, would be good.

>> We could do that.

>> Cole: I have a quick question. I noted on the legislative program that the violet crown trail system and wallace creek trail system were no longer considered priority projects. Can you tell me why that is the case?

[05:28:32]

>> I would have to go back to staff to see why they were taken out.

>> Cole: This seems like an item that needs to be given a lot of council questions thursday. I guess I'm trying to alert the public to the fact that we probably will not take action on this item on thursday. Okay. Thank you. Further questions? Comments?

>> Riley: Mayor pro tem.

>> Cole: Council member riley.

>> Riley: There is another agenda item'd like to raise briefly and that is item 32. I patrol jiz for not having pre-flagged this. This is an item from council on multifamily energy efficiency program. This is a matter in which the elected utility commission has been interested in the past. I have noted that they

-- well, first, by its terms, the resolution would take effect june 1, that that's the date when the c manager would collect the funds for multiple family properties. The electric commission needs

till may 20th which is just before our council meeting on may 23rd and I'd suggest to hold action to allow the electric utility commission to consider the may 23rd and make recommendation it cares to, council to act on may 23rd and could still go into effect on the intended date of june 1. So I suggest we withhold action to this week and plan on taking action next week with the input of the electric utility commission.

>> Cole: Any comments? Council member tovo.

>> Tovo: You're asking to delay it to the next meeting?

>> Riley: Yes tav tav let me think about that. This council passed a resolution to direct the city manager to craft an ordinance that would require there to be restrictions placed on recipients of multifamily energy efficiency rebate and that is an issue that went before the electric utility commission. All this is doing is asking participants who are applying for money through our programs to provide information about what their average rents are and some other additional information. So, you know, it's not changing the program in any way or the criteria for the program or the standards under which the recipients will have to operate. All it's asking for is additional information from the people who are getting those multifamily energy efficiency rebates from the utility. So I'm concerned that

-- I mean, one of my early meetings, november or december of 2011, you know, was the first time this was raised, and asked of austin energy do you have information. I may have been the one to ask what are the average rents in this apartment complex receiving the rebates on today's agenda and austin energy said we don't collect that information. We don't know. So here a year and a half later we still don't have the ability to collect the information and know who our recipients

-- you know, who the

-- who are the recipients of these energy efficiency rebates and to what extent are we reaching the whole community and to what extent are rebates going to low-income properties more moderately priced versus higher priced departments. It's just the kind of data we need to collect. Another month is probably not a big delay but I'm wondering if it's necessary given the utility commission already weighed in on the other thing we sent them and weighed in they didn't want to see the program changed in such a way that recipients had to basically explain any rent increases and not able to increase the rent based on energy efficiency upgrades. So they've given us feedback on that and we are now asking people receiving rate payer dollars to provide additional information up front, later in the process, I should say, after they've done the upgrade.
[05:33:02]

>> Cole: Council member riley.

>> Riley: That's what I'm suggesting but not resulting any delay in the beginning of the collection of the data. The resolution calls for beginning of collection of data june 1. If we take action at our next meeting may 23, that could still happen but still have the benefit of the electric utility input in a matter we know the commission is interested in and I can imagine that some members to have the commission may be interested to know about the particular data that's being called for, and just to call out a few things that this would require of anyone receiving these rebates, that anyone receiving the rebates would have to provide, among other things, the range of rental rates at the time of the application and one year after the work is completed and two years after the work is completed they would need to be

-- the owners would have to

-- if the rental rates increased over that time, the owner would have to attribute those increases to something, would have to explain why those increases occurred, and would also have to provide the average monthly electric bill before and after the energy efficiency upgrades. I'm not sure exactly where that data would be pulled from. That would be up to the complex or the utility. But I suspect that the electric utility commission might be interested in this. If not, either way, if they think it's just fine and there is no problem, then that's great and we can act on may 23 and still goes into effect june 1. If they have concern, that would be helpful to know. I don't see the harm of asking the euc for input in a matter of which we know they're interested when doing so would not cause delay in our action.

>> Morrison: Just to reiterate, council member riley, you're not suggesting the implementation be postponed, merely that the euc have a chance to weigh in and then we would take action after that?

[05:35:14]

>> That's right.

>> Morrison: I think you have to support that suggestion. They may well have good input, but considering our conversation earlier this morning in terms of looking for ways to promote connection between the euc, i guess I don't see any harm in doing that and maybe somebody could suggest there would be harm in doing that.

>> Cole: I think the harm would be from my position and the little bit I heard the euc comment on it, they are concerned about it, so the harm would be not giving them an opportunity to look at it. So I would support the postponement especially since it doesn't interfere with the dates in the be it resolved clause that we're trying to get the additional information. And to ask you, council member tovo, I was looking, I'm wondering if this resolution would disproportionately impact low-income customers?

>> Tovo: Thanks for the opportunity to address that. And I would say, if it goes to the electric utility commission, perhaps there is also an opportunity for it to go to the community development commission who weighs in on issues relate to housing. So part of the question I would like to answer as a city is whether or not, you know, how are multifamily energy efficiency rebates

-- let me rephrase that. Whether

-- let me rephrase that a fourth time. Whether our multifamily energy efficiency rebates have any impact on rental rates because, well, the last thing I want to see us do is provide 90% of the cost of an energy efficiency upgrade and then have the property owners turn around and raise rent as a result. So, you know, now the system we've got, it had been up to 100%. Austin energy was providing up to 100% of the cost of those energy efficiency upgrades. Now we're doing 90%. So there is some cost the property owner is putting in. What we don't want to do is be helping price people out of their apartments. So we don't know how this is affecting low-income residents in those properties. But I want to be sure that if we're investing in private property that we're not doing so at the expense of the tenants who live there, that they're not going to have a rent increase as a result of any of those energy efficiency upgrades. Do you know what I'm saying? In terms of the resolution, the resolution, I would say, you know, if anything, will give us some information to help assess whether

-- you know, whether we are
-- you know, we want to support
-- we want to see
-- we want to see those upgrades happen because it results in lower bills and the goal of those is to reduce bills for the tenants. So that's a good thing, and it's a good thing because it's less demand on our power supply, but, again, I don't want to see that happen at the expense of peoples' rental rates.
[05:38:31]

>> Cole: I understand.
>> Tovo: Hopefully this will help us assess that.
>> Cole: Council member spelman.
>> Spelman: I disagree in part with council member tovo and disagree in part with council member riley.
>> Morrison: With me?
>> Spelman: I don't know. From my view, a rebate up to 90%, and the property owner puts money into their building so the bills to his or her tenants will be lower then, it seems to me, it is only reasonable for the property owner to be able to charge a slightly higher rent to pay back for the 10% of the total cost the property owner had to bear in order to make life better for tenants. In the long run, however, it should be better for the tenants if their utility bills are lower that it will more than compensate for the slight increase in rent. That keeps the program going on and on so the rebates are actually meaningful and the property owners of multifamily dwellings are taking us up on it. If they're not able to put some of that money back into increased rents to get their money back, they won't do it and the whole program grounds to a halt. So what this does is gives us the information we need to verify that, in fact, the increases in properties and rents are not greater than the reductions in utility bills, but we need information on both rents and utility bills to verify that and this would help us downstream to identify what's the proper rebate level is 90% too low, too high, whatever we need in order for the program to be able to continue creating the benefits we want it to create. I have no objection to the utility commission taking a look at that as long as they recognize that the value of doing so
-- as long as they realize we're asking for information on both rents and utility bills to verify that the program will be able to continue and be sustainable.
[05:40:32]

>> Cole: I have a question to a point you had before. I am concerned, particularly about low income rate payers, and from a different angle. The different angle being they pay, say, \$300 in rent. We have an apartment owner who goes in and puts in \$10,000 worth of improvement. They up their rent to \$310, but their energy bill goes down by \$20.
>> Right.
>> So it's a net.
>> How is that supposed to work
--

>> Cole: That's a good deal. So council member tovo's concern, that works because even though they went up in rent, their net outflow is less.

>> Spelman: Yes.

>> Cole: That net outflow we are capturing, does that justify the privacy issue of me having to put in writing to a public entity my rental amount if i receive other governmental assistance? Do we want to mandate that?

>> Spelman: Do we not collect that sort of information in other situations?

>> Cole: Well, my mortgage is not public information. I don't think anybody's mortgage is public information. My mortgage

-- even on our forms, we report the value of our asset, but you don't know how much I have to pay monthly. So I'm just saying, generally, people

-- do you know that? We have a debt and if you want to calculate it over the 15 or 30 years, you can probably figure it out, but I an elected official and I asked for that. No matter what.

[05:42:36]

> Spelman: Right.

>> Cole: But as a general rule, we are not telling people to tell us how much you pay a month inent. There is a privacy interest there that kind of makes me uncomfortable.

>> Spelman: Let me explain that slightly, if I could. We're not telling you you have to take advantage of the rebate either.

>> Cole: Okay.

>> Spelman: Part of the price of taking advantage of the rebate is you have to tell us what your rents are. That is a condition we have not heretofore put on people who take us up on the rebate. So by increasing the price by slightly costing somebody in privacy, we might be scaring some potential users away and that's a sufficient reason for us to have the electric utility commission to take a look at that a little harder as we've had a chance to any about it here.

>> Morrison: Just to be clear, I wasn't clear based on your comment after I commented. I'm in support of having it go to the euc.

>> Cole: I am, too.

>> Morrison: I just wanted to make sure. And we're finding out when the CDC

-- MAY 14th. But the community development COMMISSION MEETS MAY 14th, SO I think it might be good to suggest it go there also because this data

-- I'm fully in support of this and I think it's a very important issue that we address. The cdc in particular miff some ideas about capturing data in such a way that it's really useful and assessing affordability and impacts on affordability. So I think they also could have important input. I wanted to mention that we also have another item on our agenda. It's item number 31 that I spoke with council members martinez and tovo about preservation of affordable housing and if you will read through all the whereases, you will see we tried to address that in the past years but never have got an formality to it. And I think the item number 32, the issue about efficiency upgrades and impacts on affordability absolutely ties in to trying to be more sophisticated, more mature and involving our understanding of preservation of affordability because if our rebates are driving a loss in affordability, which is what we're trying to find out, then we need to adjust that. So I think all around it's important and we have good input that we could get from our commissions. I want to mention one other thing and that is with regard to privacy issues. As I

read the resolution, it is asking for average rents, ranges of rents. So I don't see that, in any way, is it going to do any more than advertisement would do in terms of giving out information about rent. So that privacy issue for me doesn't really rise.

[05:45:44]

>> Tovo: That clearly articulates the link between this item and the larger goal of affordability of housing. Our rebates are providing up to \$200,000 of public dollars to private owners of apartment complexes and, so, when we're making that kind of investment, I think it's appropriate we ask for the kind of data we need to assess its value. So I know there are concerns out there about even just asking for this information, and there may be some owners who don't want to participate in the program because they don't want to provide us average rent. I think that's the kind of information that's available if you're going to a complex and asking information about what the average rents are, so I don't think it's beyond what the public can figure out, but will provide us with some information. But again, if you as a private property owner don't want to provide us with that information and the opportunity to follow-up on that a year later and two years later so we can assess the effectiveness of those public dollars, then you should not be participating and not be requesting grants of up to \$200 for public dollars. I want to send out a request to Austin Energy. I think it's important it go to the community development commission as well as the electric utility commission and I want to provide a few anecdotes from last night's energy efficiency stakeholders meeting and ask Austin Energy present it in a slightly better way than they did last night. I wasn't there, but one of my staff members was and apparently the introduction to this item went sort of like this

-- it discussed the first resolution that passed through counsel and talked about a possible rent cap and went on to present this issue and there was language used like "when we took the measure of multifamily owners, they told us that they would walk away from the program if they had to provide this kind of data. Could you please let us know what you think about the resolution."

Let me say it doesn't do any of us any service if we're discussing issues in that narrow manner and I believe there was also a statement made about Austin Energy is in the business of providing affordable energy, not affordable housing. That's absolutely true but we as a city are concerned about all these issues which is why I brought a resolution like this forward to make sure all our goals are working in concert and not in opposition to one another. So I'd ask our city manager to talk to Austin Energy staff to see how it might be presented to the electric utility commission how it can be presented in the spirit it's offered, with city goals across all the city departments.

[05:48:47]

>> I think I agreed with all I heard council member Spelman say. I don't know any area on which I disagree. I do want to take some issue with one thing I think I heard from council member Tovo which was that the idea that we don't want to see any increases in rent as a result of these energy efficiency improvements. Maybe that's a mischaracterization. I think council member Spelman described it very well, that we want to make sure that we are providing an appropriate rebate, and that being one that is no greater than necessary to achieve the kind of energy efficiency permits that we want to see. We are striving for energy efficiency improvements. We also hope

that consumers will be fully informed about the energy efficiency conditions at whatever apartment complex they're looking at and would make their decisions on where to live, taking those condition into account. That's the spirit of the whole ordinance, that was an ordinance that contemplated consumers would be empowered with data that would enable them to make well informed decisions about where they live. If that's the kind of decision they're making, then one would expect them to be willing to pay somewhat higher rents for relatively -- for units that have relatively greater energy efficiency. That is a rational decision because if you're going to be paying lower utility bills then you would be willing to pay higher rents. A rational consumer would make that kind of informed decision and that's exactly what we want. We do not want the property owners to be enjoying a wind fall at taxpayers' expense, and that is a possibility if the rebates are at greater level than necessary to secure the energy efficiency so I'm not taking issue with the spirit of the proposal but I do think we need to be careful about it and I think it would be helpful to have input from both the euc and .

[05:51:04]

>> Cole: Council member tovo.

>> Tovo: I want to make sure we're not tying restrictions to the recipient rebates other than they provide us with information. So there is plenty of time to have the conversation about the extend to which property owners can increase their rent based on whatever they've put into upgrades because we're not at that decision making point. We did have a decision at council but it's clear there is concern in the community about the deciuion to go forward with the ordinance and bring it to council for consideration can. So we're not having the discussion to the extent to which people can recover the upgrades. But I remind you there are federal requirements when we had federal dollars for weatherization, there were requirements and other states have adopt similar requirements for recipients of the rebates but, again, we're not contemplating adjustments in terms of the requirements at this point. I want to be clear about that because there are terms like rent caps, rent free floating out there and we're asking for information to help us assess whether there is any impact on rental rates and, if so, whether the council which may be a different council at that point but whether the council feels like any changes are warranted.

>> Cole: Thank you. Any further questions, comments? Council member riley.

>> Riley: In light of the mayor's comments earlier about identifying items that might be suitable for postponement, especially considering a day will be interrupted and we have a full agenda, one item that might be appropriate for conversation tore postponement is the item related to short-term rentals.

[Laughter] I believe it's item 70, and i think that we have gotten some input on that. I'm not sure. I think it probably will require some careful consideration. There may well be members of the public wanting to provide input on it and seems like an item that might be appropriate for postponement.

[05:53:12]

>> Cole: Comments, discussion? Sounds like council member tovo and council member morrison agree that we should alert the public pursuant to this work session that it is highly likely this item number 70 related to short-term rentals will be postponed. Council member morrison.

>> Morrison: You said you were working on a list you would propose for postponement. When might we get the list and is there a way to make it public so people will know what staff is suggesting for postponement?

>> We can probably get it for you this afternoon.

>> Okay. If there are any items you know are time consuming feel free to say.

>> Morrison: Not at this moment.

>> Cole: Any other comments, questions? Without objection, the meeting of the austin city council work session is adjourned.