

## City Council Meeting Transcript 8/19/2013

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>> Mayor Leffingwell: Good morning. I'm austin mayor lee leffingwell. A quorum is present so I'll call this work session to order on monday, august 19, 2013. The time is 9:03 a.M. We're meeting the the board and commission room, 301 west second street, austin, texas. And before we get started, i think mr. Vanino wants to bring us up to speed. We'll let you make your statement and then start with housing.  
[03:00:49]

[Inaudible].

>> Deputy cfo. We've put a number of documents in front of you based on council offices and also an agenda for today. The first sheet is our agenda for monday, AUGUST 19th, AND THEN MOST Likely continuing into WEDNESDAY, AUGUST 21st, You can see all the departments we have scheduled beginning with housing. I won't go through the whole list, but I will mention starting at number 13 we did add economic development at a council request and then we also added a number of support departments that had higher level vacancy rates that councilmember martinez was interested in. We've added them to the agenda. You will find in your backup materials a sheet that shows different sales tax scenarios. That was a request from council that if we were to make some more aggressive assumptions about our sales tax revenues for the remainder of this fiscal year and on into fiscal year 14 what would the additional revenues be. I would like to spend just a little bit of time on that to explain what you're looking at. The first column shows our proposed sales tax revenues, 175,029,963 for f.Y.13. That's our year-end estimate. And 180,280,862 is the budgeted amount for 14 assuming 3% growth on top of that. Below that gray line then shows

-- shows the additional revenue that could be generated at different sales tax assumptions. Starting off with 3%. 3% is what we assumed for the growth for the remainder of fiscal year 13, but at the time we released our proposed document we only had sales tax data through july and assumed for august and the remaining months of fiscal year 13. What we now have the august payment in, it came in slightly higher than 3%. So if we take that into account and continue our 3% assumption, it already generates a little bit of additional revenue. We could stay at that assumption of 3% for the remaining months of fiscal year 13 and 3% on into 14 and you can see the additional revenues, 251,000 in 13 and 258,000 in fiscal year 14 and it flows from there. If you are to assume 3.5%, 465,000 more revenue in 13, 1,356,000 in fiscal year 14. So just different scenarios of sales tax numbers for you to consider as we go through this. Then the table on the bottom just shows roughly 10 or 11 years of annual sales tax percentage

changes. We have another backup material called f.Y.14 impact of the f.Y.13 midyear budget amendments AND OTHER IFCs. The top part of that chart shows the various items from council that were approved, resolutions that were passed that amended our budget midyear. 14.4 million of budget amendments total in f.Y.13. The bulk of that being one-time expenditures. And then you can see in f.Y. 14 there's \$5.7 million of costs. The most

-- the majority of those budget amendments came during that february mid-year process that we conducted and budget amendments that council approved. There are also a handful of amendments that occurred after the fact. And then down at the bottom you can see two items from council that asked staff to identify opportunities, the potential for increasing funding. These two items have not at this time been included in the proposed budget for fiscal year 14.

[03:04:37]

>> Mayor Leffingwell: Councilmember martinez.

>> Martinez: Thanks for doing all this work and putting these numbers together over the weekend. On your sales tax historical growth graph, can you

-- do you have the average of all of those years through 13? So you show each year the decrease or increase. What does that average over that 10-year period?

>> I think we did the 10-year average, which actually cuts off 2002, 3.6%.

>> Martinez: Thank you.

>> Mayor Leffingwell: I'm going to pose one

-- i haven't asked this question yet, but I want to try to put it on the table as early as possible. Basically it's the same proposal I made in last year's budget session during the budget readings was that we take a look at potentially across-the-board cuts, a percentage. In particular what I would like to look at is a percentage across-the-board cut in all general fund departments except for public safety and that personal would take us down to a property tax rate of 50.29, which would be no rate increase over what we have this year. It would still be a tax increase, fairly substantial. It would be a tax increase i believe from 48.39 to 50.29, which is a big one, but at least it would not be a rate increase year over year. So that's kind of the information I'd like to have early going into the budget readings if it becomes necessary because that's going to be my objective. Based on what I know now, don't want to etch anything in stone, based on what i know now, I will not vote for a property tax rate higher than 50.29.

>> Mayor?

>> Mayor Leffingwell: Councilmember morrison.

>> Morrison: Do you off the top of your head know

-- maybe ed does know the difference in the absolute dollar amount that that would be if it was at 50.29?

[03:06:46]

>> It's \$7.3 million.

>> Morrison: Okay.

>> I did want to ask confirmation, mayor, because I think we can do very quickly if you are looking at the percentage, if we exclude public safety from the question, that would be a one percent or one and a half percent across-the-board reduction for nonsafety departments. That we can do quickly. If you are looking for the details, that would take longer obviously.

>> Mayor Leffingwell: Well, you know, the reason I'm proposing it now and we can go into as much detail because I kind of feel like this fine tuning how those cuts are going to be directed is a management function. And so that may take a little bit of

-- may take a little time to do. I don't want to say cut x from parks and x from public works, et cetera, I want to have that flexibility to make cuts where they are appropriate and best made, and 1999-2000 there was a few comments made last year that I proposed this at the last minute and there wasn't time to figure out those details and that's why I put it on the table this year early. Because I think athlete for me that priority is going to be holding the line on the property tax rate. Councilmember martinez.

>> Martinez: I want to join you in committing to get to that nominal rate. I think that's a goal everyone shares. Nobody wants to raise taxes. I think it's

-- it's just like last year, it's going to be how we all get there and the choices that we make. I think when you give a across-the-board cut as you proposed last year, I find it hard to believe staff is not going to come back and make up that cut through vacancy savings because that is the most readily available monetary asset is an open position or proposed position that's asked to be funded. I share your desire to achieve the same outcome and I'd like for staff to show us what that looks like, but also I would like more details on what exactly is going to be used to achieve those savings, whether it is personnel or other expenses and I know that's going to take a lot longer to do, but I

-- unfortunately I'm going to share in the mayor's request to try to get that information because we can't make these decisions without that detailed information, in my opinion. Even though it is a management function to figure out how to get there, I would still like to see what it looks like.

[03:09:19]

>> Mayor Leffingwell: Yeah, and I definitely think vacancy savings should be on the table. I walk into -- I walk into the idea or I assume, work on the assumption that that has been considered, these vacancies are all vacancies that either need to be filled or plan to be filled or both and that's why i think certainly while those kinds of savings should be on the table and could be part of how we get there, i think it has to be subject to the same kind of analysis that any other cut would be. You know, whether it be we're going to cut from five boxes of copy paper from department a down to three, anything like that. Mayor pro tem.

>> Cole: I would just like to add to that request that we not be arbitrary with the 1%. I'd like to see something between what

-- going all the way back to not raising taxes at all to perhaps, say, .05, just like you did with the sales tax scenarios. I don't want us locked into some particular numbers just to get down to no increase at all for us to be able to contemplate based on the numbers and increase in the middle or somewhere in the middle. And I imagine you can do that relatively easily.

>> Yes, ma'am.

>> Mayor Leffingwell: Any other comments?

>> One last document, the thickest of the documents. This was a request from councilmember tovo that we provide a summary of all unmet service demands requested by our departments and what was included or not included in the fiscal year 14 budget. That's what's before you so you can see the

-- the

-- you know, you can see the department, the title, the description of the unmet service demands, what was requested in f.Y.14 and what was actually included in the proposed budget. If there's no numbers in the columns, there was nothing included. Some of these got included at partial levels. If it was a partial approval, then you'll also be able to see that, that it was

-- you know, it was included four of the eight FTEs WERE INCLUDED IN THE Budget. These changes, the approved changes will track for the most part about 95%, they are going to track with your significant changes in your budget document under that category we call new investments. These track very closely to the new investments significant changes. It's not one to one. There are some new investments that weren't on this list, basically funding for mid-year approvals and things of that nature. But those are the three pieces of information we have for you this morning and with that I think we're ready to turn it over to betsy and neighborhood housing to get into your questions about their budget.

[03:12:15]

>> Mayor Leffingwell: Councilmember tovo.

>> Tovo: I just want to say thank you. We very much appreciate it. I'm sure it will be useful to our discussions.

>> Mayor Leffingwell: Any more questions to housing? Good job. Councilmember morrison.

>> Morrison: Surely we have questions and discussion to have. So we have been talking about different ways of funding housing. Could you review for us the approach that was integrated into the proposed budget. And I just want to get on the table now that we're planning to do a bond ballot item in november if it would make sense to adjust what you've got, so I just want to get some orientation there.

>> Sure, betsy spencer, director of neighborhood housing community development. In this budget you'll see a few changes. One is an increase in the general fund contribution to the department. There's a little over \$200,000 of a contribution of general fund versus sustainability fund. There was a proposal several months ago to do roughly a five year shift from sustainable shift to general fund. You will see the beginning of that. Then the other significant change you'll see, it's not wildly significant but the shift in how we calculate the housing trust fund which produces actually \$78,000 more to the department this year. The calculation proposal change is going from 40% of city owned property in the desired development zone to a .25% calls of o and m.

>> That's correct and i would only add to that that was staff's probably when we were looking on alternative ways to fund the

-- that was tied to a

-- not tied too but done in conjunction with an anticipated \$27.3 million bond program. Given council's discussion and I don't think you really liked staff's proposal and so we went with a larger bond amount

and so, you know, staff intent at this point pursuant to what we hear today would be to come back on september 9th with a revision to our budget recommendation from the dais that would keep the current holding trust fund calculation and in so doing would free up \$78,000. But yes, staff's recommendation was a collective recommendation of changing the housing trust fund and using a smaller bond dollar amount. That's not the path we went down, so

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[03:15:04]

>> Morrison: So you are going to come back on the 9th with sort of the status quo of what we were doing before?

>> Pursuant to any conversation that occur today, but that was our

-- based upon previous conversations, that was our intent.

>> Morrison: Okay. All right. And the shift from the sustainability fund to the general fund contribution, would that be also adjusted in your proposal or is that a separate issue?

>> I think that's a separate issue and we were not at this time planning on changing that recommendation ON THE 9th, BUT, AGAIN, Pursuant to what we hear today, that may need to change.

>> Morrison: Right. And can you just give us a snapshot overview about the shifting from sustainability to general fund, that means there's \$200,000 that doesn't need to be in the sustainability fund so where is that? Who would contribute that?

>> Well, let me just, if you don't mind, if I could step back and broaden the issue, the sustainability fund funds more than neighborhood housing. It provides funding to health and human services for some of their workforce development programs. This year as part of a four-year transition, staff's recommendation a four-year transition to move away from that funding source and to move those programs into the general fund was in the neighborhood of \$1.3 million.

>> Morrison: This year. 1.3 million less coming out of the sustainability fund and 1.3 million more coming out of the general fund. Most of that being related to health and human services.

>> Morrison: Most of the 1.3?

>> Most of the 1.3. Within 100,000 or so, but about \$1.1 million of workforce development programs, social service contracts that were funded out of the sustainability fund, we moved those into health and human services budget and then \$200,000 that would have gone to neighborhood housing, we started a transfer from the general fund. So about 1.3 million give or take total and that, of course, puts a greater burden on the general fund, but it reduces the burden on the water utility and resource recovery.

[03:17:18]

>> Morrison: Okay. And do we see the benefits to the water utility and the resource recovery in not having to contribute to the sustainability fund in terms of lower rates?

>> You certainly see the benefit in terms of a lower cost structure. I would like to defer until we get to the water utility to talk about the impact that had on their rates, the lowering it had on their rates.

>> Morrison: Okay, and I appreciate that and I know we've gone over that several times and I will confess I don't have it all in my head right now, but I think it deserves sort of a comprehensive discussion. I know we've talked about it sort of in terms of a presentation and all, but maybe never really had a discussion among the councilmembers of yes, let's go with this approach.

>> Mayor Leffingwell: Well, I'd like to agree with councilmember Morrison and keep that concept on the table because it's something we talked about for a long time, now that we're going to begin to more honestly fund departments instead of using one for cash cow to divide the costs up reflect I have of what the potential gains were. I would like to keep that discussion on the table for the time being.

>> Morrison: Right, and the other perspective not necessarily that we're using the other departments as cash cows, but since we owned basically those business entities that were able to dedicate some of the profits to sustaining, so that's

-- that's the crux of the discussion that we have.

>> Mayor Leffingwell: That's what I meant by cash cow.

>> Morrison: Well, I don't like to call it a cash cow because I find it denegrating.

>> Mayor Leffingwell: I find it very descriptive. Mayor pro tem Cole I would like to go back to what we should expect to see on the 9th because we had a change

-- we originally gave you directions and we did that and then we decided we wanted to go in another direction. I'm anticipating on September 9th you are going to bring back a presentation with the \$65 million bond over a five-year period without the general fund transfer. Is that correct?

[03:19:31]

>> Yeah, I don't think there would be a presentation. It would really be a one line amendment to the budget recommendation that I read into the record which would be to maintain the current housing trust fund calculation and reduce the general fund transfer to that fund by \$78,000.

>> Cole: And we'll vote on that as part of the budget presented.

>> That will become part of the budget you are taking

-- a total of \$1.3 million that's been included in the general fund budget as part of this four-year transition away from the sustainability fund. The workforce development shifted to health and \$200,000 for neighborhood housing.

>> Mayor Leffingwell: Any more questions for housing? Councilman Spelman.

>> Spelman: In the general budget summary, Betsy, the percentage of the total amount for neighborhood housing that is set for support services is set at 31.3%. And that is a larger percentage figure than the vast majority of city departments. I think that may be among the highest of city departments. Explain why.

>> Which page are you on?

>> Spelman: I'll find that page. Just a moment. Page 225.

>> Okay.

>> Spelman: That blue summary on the front. Funds for housing, 14% for community development and 31% for support services.

>> I would say the largest percentage of that besides salaries is our rent. We actually in our rent we

-- the building that we office out of is on 11th street and so that's actually economic development and community development activity. So we pay the debt service on our building pretty much through our rent, so in that I think it's a really unique opportunity to be able to make sure that we revitalize 11th street but a big part of that, about 15% of that overall number is our rent.

[03:21:46]

>> Spelman: So about 15% of the 31 so that would be 16% left over that is not rent? 64, almost 65% is salaries, 15% is rent, 8% is contractual items. We also have a small percentage, about 3.5% is what we call our technical assistance fund. That's an opportunity for us to utilize local funds before we have set something up with federal funds. We are not allowed to use federal funds on expenditure before we've set it up so it's a small revolving account where we utilize those funds for personnel until we can set it up on the federal side. That's the bulk of what our support services is.

>> Spelman: I would imagine that given so much of your department budget comes from federal funds, i worked off federal grants for many years and am aware the reporting requirements are much greater than the requirements for almost anybody else. Does that have an effect on the amount you can spend on such things?

>> It affects it

-- we have a lot of contract administration and so a significant part of what we do is contract you'll compliance in nature. We have a lot of record keeping for record keeping in our contract compliance is significant portion of our administrative side of build the house.

>> Spelman: You don't fix up the houses, you don't build affordable housing, you contract with other folks, that means you have to watch what your contracts are looking for and this would be relatively unique to other departments around the city.

>> The other thing we do we also run and operate the austin housing finance corporation. In essence we run two businesses. We have a city department and then we also have roughly 16 employees that operate and work under the finance corporation. So in that sense it doesn't cost us any more for that, but they function in two separate categories, if that makes sense. Through that we administer a lot of our housing programs and contracts.

[03:23:58]

>> Spelman: Great. Thank you very much. I've got a couple of things on

-- inside. On page 240, on the homeowner assistance program, you are suffering reduction of  
-- from \$6.4 million to \$3.4 million. Approximately a 50% cut in the total requirements for homeowner assistance. But you say you're going to be able to assist just as many households this coming year as you were last year. I wonder if you could explain how you are going to do just as much work for half the money. 6.4 now as estimated for this year and you are proposing 3.4. But the number of households is staying the same. How are you going to do that?

>> Part of it is timing. So as with all of our programs, some programs take longer to administer than

others. So we've got some federal funds, the majority of the federal funds we get, remember the home funds and the cdbg we have two years to commit and five years to spend. There's always a lag time. So some of the households you will see served whether federally funded or locally funded, a lot of times we will realize the units a year or two later. And so you are going to see a lot of that in both the federally funded and the local funded. We may not actually realize the unit until the following year. Based on our pipeline that we've got right now, we would anticipate assisting the same number of households. Households.

>> Spelman: If the total requirements goes

-- continues to stay lower over the next three to four years we would see that number drop unless we could find some way to bring it back up again. Is there demand for 656, 688 units per year?

[03:25:59]

>> Oh, absolutely, yes, sir, I would believe there is demand. I'll also note there's another difference you'll see. Last year's budget when we get our three-year grants like last year we get a lead based housing reduction grant, this year we also got a healthy homes and lead grant. Those we will list in our budget as a one time even though it's a three year. A lot of times you'll see two and a half million dollars in our budget extra because of those

-- but we need to budget them the year we get them. We receive them the year we get them and we'll spend them over the course of three years. I know we did get 2.5 last year so that's part of what you are seeing here as well.

>> Spelman: Okay. So there's a one-time bump of 2.5 million. We bank that but we're going to spend it over a three-year period so requirements for spinning is that 2.5 stretched into 3.

>> Yes, sir.

>> Last question I've got, on the developers assistance program, this number goes up and down. We were able to deliver 517 units in 12, you only proposed 13 but were able to get to 155, why is this going up and down so much?

>> So this time last year we were not anticipating significant

-- there were no general obligation bonds for the housing developer assistance program. All we'll really having is a small amount of home funds. Last year we had a big decrease in home funds and we had committed all the g.O. Bonds so we really weren't anticipating any units. And then

-- but because of timing, and I think we illustrated in one of our budget documents the cycle of g.O. Bonds, sometimes they come faster and sometimes they take longer. So actually we actually got more of the rental units this year than we expected that was probably funded two, three years ago. We did not, just so you know, the funds that we received in december, january, we did not have any performance measures significant for this budget cycle because we won't see those for a couple of years. A big part of this, though, really is timing. Most of the larger developments for the rental housing developer assistance is kind of like the federal funds. It may take about two years to actually commit the funds to a project and can take up to three to four years, sometimes five years to realize the final product.

[03:28:32]



>> Spelman: Gotcha.

>> It's real hard for us to pinpoint exactly how many units out of this program we will realize each year.

>> Spelman: Okay. If the bonds pass, when the bonds pass, and we have more money to spend, will we see an immediate bump in these numbers do you think or is it going to take two or three years before we're able to see delivery?

>> I would expect that it will take two to three years. We will finance obviously g.O.

-- The home repair program. They are not large numbers, but those you will see relatively quickly. The developer assistance usually takes two to three years.

>> There's going to be a gap of our record, we'll be knocking out four or 500 units and a whole associated with the fact partly timing and partly we don't have g.O. Bonds to spend and then we'll come back up.

>> That would be my expectation.

>> Spelman: Thank you, ma'am.

>> Mayor Leffingwell: Councilmember tovo.

>> Tovo: I have two quick questions. We received a recommendation from the community development commission recently to include \$3 million for housing repair funds in the budget. Can you tell me, I'm not saying how much is included in the budget and I'm sure it's in your budget detail, but it's just not jumping out at me.

>> So in the budget it's actually 400,000. When we prepared this budget, it was

-- let me back up. When we received the \$10 million in december, january, the first million went to the home repair program. And then for this fiscal year without a significant contribution of funds we set aside 400,000 of cdbg for home repair. If the won't is successful we'll allocate more.

>> Tovo: So the community development commission recommendation was to substantially

-- they were talking about in this budget that we're contemplating right now.

[03:30:32]

>> Yes, ma'am. We don't have \$3 million in our budget to put in.

>> Tovo: Right. Okay. And on page 242, the tenant based rental assistance, so it talks about

-- it looks like from 2010 to the proposed budget, the percent of households being assisted by tenant based rental assistance had been 30%, 100% at 30% mfi or below and it's shifting to 70% and i was wondering if you could address that, please. 30%, does that mean that 30% of those getting tenant based rental assistance are at income levels higher than 30% mfi?

>> The 70 that you are looking at I believe is the number of households. All of the individuals will be 30% below.

>> Tovo: Well, it's listed as percent of households, not number. The number of households is proposed at 115. The percent of households assisted is

-- I think that is a percent.

>> My

--

>> Tovo: If you would like

--

>> we may have to go back and take a look. My understanding on the tbaio program, all individuals will be at 80% or below.

>> Tovo: Did you say 80%?

>> I'm sorry, 30. It's a program actually that works with the salvation army and the housing authority. So all of these individuals are homeless and then the salvation army refers them to the housing authority. And the housing authority administers the rental voucher. So all the individuals are basically homeless. So I'm almost positive that everyone

-- my guess is because they are

-- we're using home funds for this program, they could be up to 80% mfi, but my understanding is the individuals that receive benefit from this program are at 30% and below. But I will go back and double-check why we've got 70%.

[03:32:44]

>> Mayor Leffingwell: Councilmember riley.

>> Riley: Just one question over on page 234. I wanted to ask about the financial empowerment program. That program had a good year this year, it was up to about half a million dollars, which was the highest for

-- in recent years. And that was largely the result of a grant received this year in the amount of \$300,000. What strikes me is that we HAD NO FTEs DEDICATED TO This program for the past few years and still achieved goals and I'm not sure how WE DID THAT WITH NO FTEs. For the coming year we don't anticipate any more grant funding so the funding will drop substantially but we're adding one f.T.E. Help me understand how we were able to accomplish the GOALS WITH NO FTEs AND WHY We're adding one.

>> The grant is not going away. It's a five-year grant. Unlike the entitlement funds when we get a one time grant we book it once. So we booked that last year basically. When we get the new grants, we typically utilize all of our existing staff to manage the programs. So all we're doing here is taking our housing counselor and they are going to work this program as well as the housing smarts program. So we're not adding any FTEs. We're just going to use the administrative costs that come with this grant to help off set the salary for the housing counselor that we already have on staff.

>> Riley: Got it. Thanks.

>> Mayor Leffingwell: Okay. Thank you very much.

>> Yes, sir, thank you.

>> Mayor Leffingwell: We'll go to parks. Questions for the parks department? I'm going to be a little shocked if there are no questions for the parks department, but

-- councilmember tovo.

[03:35:22]

>> Tovo: Okay. They are just in a variety of places here. So I guess the first quick question I wanted to ask had to do with roving leaders and

-- well, let's start there, roving leaders. So that was

-- we added some money in through the budget process last year for rover leaders. Whether is that actually getting started because i think it hasn't started yet and if there's money in the budget in this year's budget proposed for continuing the program through next year.

>> The roving

-- kimberly McKNEELY, ASSISTANT Director. The roving leaders program has the truck that it has been ordered and it is being wired, all of the computer systems have been ordered which include both mac and i believe dell computers that runs for basic data processing and the mac are more for video image and graphic art type of activities. Those are being currently being wired so all of the items have been ordered, the trailer has been ordered and it has been received. The truck has been ordered and been received so we're finishing the wiring so we can then take those vehicles out and about in the community. In the meantime, we have hosted multiple events at multiple recreation centers introducing the program and introducing the exciting things that will be part of the program, recruiting teens to participate. So we're basically taking advance registration for roving leaders and getting the students and children excited about what's about to come. When we have the full trailer and the full -- fully wired and we're able to put it on display, we're going to invite each of those pre-registered individuals, and please know anyone can register, but these are just the kids getting excited about it in advance of the actual vehicle out to each of the centers to have a celebration and reintroduce the entire program to the community. So while we don't have all of the items that we need to actually start going out to all of the neighborhoods, we are at the recreation centers getting individuals excited about the program. In answer to the question about the budget, the money that we've received last year, there is money, operating money that continues as perpetual. Not only did we purchase the one-time capital, but there's perpetual operating budget that continues every year for that particular program. So we still have that in the next budget year.

[03:38:07]

>> Tovo: So you have the program

-- you will have the program staff to continue the program or start the program in this case.

>> Yes. And the program staff member has been hired to be able to do that, which is the person who was out in the recreation centers recruiting the children to participate this the program.

>> Tovo: Do you have a sense of when it will start?

>> We are hoping sometime in mid-september. And as I had said before, we'll definitely give an in invite to councilmembers as soon as we know that our truck is wired and that our computers are working as they should.

>> Tovo: Great. Do you have a

-- do you have a sense of how many children are pre-registered at this point?

>> I don't have

-- I don't have a total number, but i can get that for you.

>> Tovo: And are they

-- how

-- who is being recruited? Is that pretty geographically specific, are you recruiting in particular neighborhoods, is it citywide? We're starting

-- it's citywide but recruiting efforts are being focused in the areas of lower socioeconomic so areas we believe have a higher need. And we're also concentrating on the age group of

-- while the program is for almost any age 8 and up, we're really focusing on the 12 and up age group because that's where we know that we have a bit of a gap in services.

>> Tovo: Great. I'm glad to see that getting started. I think that's going to be a good addition. The senior meals that were

-- are they funded in this?

>> Yes.

>> Tovo: At what level?

>> There was 76,500, i believe. I'd have to look, I know it's 76. It's not the full 104,000 and the reason why was because meals and wheels and the capital area food bank and the capital area capcog, they came back and said we thought it was going to be 104 but it only really needs 76,000, I think it's 76,500 to close the gap. So that is something that council approved in the midyear budget amendment and it will come in the next budget year also and you will be seeing an amendment to the contract in the near future, we're finishing that up so we can bring it before council.

[03:40:27]

>> Tovo: Great. So we had approved funding for july, basically july and august, but I think the actual resolution asked to look for funding up to that 104,000 amount and the reason was it sounded -- and this is based on the best information I had which might not be all the information you have, almost certainly not all the information you had, but it sounded like the outreach effort for that program had been cut back to try to lower the cots, and really that's how they got from 104,000 to 76,000, not because there's not need for that 104,000 but because the budget was so tight that they had actually cut back. Anyway, we don't need to resolve it today, but i wonder if you could look into that issue and try to get to the bottom of it because I hate for us to set our eyes on the target that is lower than the need just because we think that's what we can allocate to the program.

>> Absolutely.

>> Tovo: How far

-- there was comment in our description about facilities and looking at facilities

-- well, we all know there's been ongoing discussion about facilities and covering the cost of

-- covering the parks department costs of those facilities for the people who are renting them. I wonder if you can give us a sense how far off cost of service we might be on some of those facility rental dallas.

>> I'll start. We're doing some analysis still now, we have a lot of facilities and a lot of rentals and a lot of rental rates. We are adjusting some this year. You'll see actual park facilities. When you start looking at true cost of service, we're looking at the staff costs that have to go in prior to the event, cleaning the

facility and then showing back up after the event because sometimes we have three, four events different sites booked in one day for, you know, different hours. One of the reasons we've had only an all day rental or half day is because we didn't have the ability to rent it in smaller blocks. We're looking at that now. But to do true cost of service, we're not there yet, but we're starting slowly to add those fees and you'll see some of those changes in our fee schedule this year. To do that, though, it is significant in some areas because, again, you're talking about the electricity and the water cost and things that normally if the building was not being used we wouldn't have it going and we would have it shut down. And then, of course, the cost to have the maintenance cleanup services, but our costs prohibitive at times. I'll let cora add in.

[03:43:14]

>> Thank you and good morning. Let me just walk you through several of the incremental efforts that we've made over the last few years. In 2009 and 10 we looked at maintenance fees and areas where we had none applied in the fee schedule. An example of that would be the addition of a maintenance fee for fiesta gardens, believe it or not we've never charged for that. In 2010 and 11 we started to look at how maintenance fees were assessed across our system trying to make sure we levelize them because the issue is about how much it costs for us to

-- how many staff resources it costs to restore a facility and get it ready for the next rental. So we levelized that across all of the facilities. We created a nonresident and a commercial use fee for our rental facilities and for picnic rates in 2010 and 11, we created a maintenance fee for our larger picnic rentals as well. Then we created a two-tier special events fee for properties. In other words, for those events that drew attractions of people 10,000 or so is one level and then we added a level for those events that are over 10,000. Again we're trying to make the fees commensurate with the kind of impact that a large-scale event might have on our park resources. And then we enhanced our dollar per ticket ordinance fee. At one time we were only able to charge one dollar per ticket, and in 2010 and 11 we improved that by charging one dollar per ticket per day, and that is for those events where you can buy a ticket for multiple days because that impact obviously hit our resources. In 2011 and 12 we looked at mayfield. That was an increased number of photography fees, professional photography fees, so we did add that at mayfield and 2013 our current year we started adding varying categories for the use of plaza saltillo. Our biggest concern there was the ability for smaller groups to access plaza for smaller blocks of time so we made that adjustment. And then in 2014 we're looking at creating rental brackets for our downtown parks. And so you'll see in this coming fiscal year

-- I mean budget we're proposing a three-tiered approach to events. One we have our current dollar per ticket per day for most of the events that we have, and then we've added a second tier and that's two dollars per ticket for those events that charge more, for those events that are \$50 to \$100 we have charged an additional dollar per ticket per day. And then for those events at our highest level where the ticket price is over \$100 and plus, we're proposing a three dollar per ticket. Our efforts are to try to recoup sufficient resources to maintain those parks that get the highest utilization while also making them accessible for smaller groups for smaller blocks of time.

[03:46:33]

>> Tovo: Thanks for that detail. I wonder if it's possible to make that available for the q and a just so we can refer back to it.

>> Absolutely.

>> Tovo: I'm glad that work is ongoing and I think it's really critical especially as we contemplate a proposal like the one the mayor discussed earlier where we might be looking at turning budgets, we can't overlook opportunities to recover costs where that's possible. We've got a group of very strong advocates asking that more money be allocated to the parks budget and I think it's critical that we look for ways to do that, but where that money is going to come from isn't immediately apparent at least to me. And I guess I would say also we don't need to talk about it here, but moving forward in terms of making sure

-- moving forward on the plan to increase nonresident fees for our youth programming and camps and other things i think is certainly a priority of mine and we had a good discussion at audit and finance about that so i hope that's

--

>> we're moving along actually very soon, very soon. And we're actually working out the numbers, excuse me, on how that would look. We should have a report back actually to the audit and finance committee in the next three months.

>> Tovo: Great. So there's not possibility of doing some of those through this budget process?

>> We're doing some increase in fees, but we weren't

-- there are some we are not recommending until next fiscal year, but we are recommending some for this fiscal year. So to do it fairly and to really do it more cast a broad net, that's the extra months we needed to really look at the fees and decide what that amount would be. And as you heard kimberly say, I believe at the audit and finance committee, there's a handful of programs that actually we need to adjust downward and not upward, which is we need to address.

>> Tovo: Okay. Two slightly different questions. The urban trio-urban forest grant, it's my understanding the urban forest grant is handled through the austin community foundation. I don't know if this is something I need to do through the q and a process or if any of you are prepared to speak to it today, but it's my understanding there may be a cost of \$200,000 to administer that fund and i just wanted to verify whether that's accurate. I'll do it through the q and a so make sure we all have accurate information. I guess my followup question on that would be what are the other options. If we are paying an administration fee.

[03:49:16]

>> Will, obviously there's a \$200,000 fee to manage a grant through another foundation, it seems to me that we might be able to do that in house. We have a grants person.

>> Tovo: Sure.

>> So there's that option.

>> Tovo: That would be a very high fee. I will submit it through the q and a so we have an accurate understanding what that might be. There was a recommendation and this is my last question, there was a recommendation through the lake austin task force to look at concessions on the lake as a way of potentially funding some of the improvements that are critical out there. I wonder if you could speak to whether we have any

-- I'm sorry, I do have one more question after this. I just remembered. But is there anything in this budget that speaks to that recommendation?

>> Well, let me say that I've had the opportunity to read and meet with some representatives of the lake austin task force and the staff has given their comments back actually to each item that involves or has anything to do with parks and recreation. The idea of concessions is win that's not new to us quite frankly and we've been moving towards that, not only that but looking at our position at the boat landing. But one of the things, if we're looking at making reductions across the board is to look at this opportunity public-private partnerships. Do we need to be managing the boat launch area, maybe not. Do we need to maybe look at having a public-private partnership in managing the parking, maybe so, where we still get some revenue but we don't have to maintain it, we don't even have to build it sometimes. So in your question about concessions, we're actually looking right now at the

-- at one of our parcels of land that they are recommending we have a boat area further north. And looking at maybe doing request for proposals and building out not only making sincere improvements to that area and park, but also putting in efforts that would put in a concession area, would bring camping opportunities for all levels, all economic levels, and would address the issue of how we renovate that park to the tune of about \$50 million, which, again, is going to take a lot of money and another bond program that probably don't have that kind of capital to put all towards one site. So the answer is yes, we're looking at that. Cora has some other information, but we're looking very hard.

[03:51:52]

>> Tovo: Is it possible, i wonder if maybe the easiest way to handle this would be if you provided formal comments back to the lake austin task force.

>> Yes. .>> Tovo: I THINK THAT Would be helpful. It sounds like in this year's budget there aren't necessarily

-- well, we'll see those comments and that will help determine whether there are

-- I mean there were many other recommendations.

>> Theigational committee and the placement of the navigational committee, the forming of a separate division to manage lake austin and to look at the venues that are using lake austin. We

-- I will tell you, our staff has taken a very proactive approach and I'm very proud we've been working internally to develop a check sheet all things applicable to parks and recreation and how we play a role or support role in dealing with recommendations. We know that's coming forward to council so we didn't go as far as to make recommendations to put into something that council has not had a chance to give their formal feedback. But we have developed a checklist of the things we know we need to be doing. Everything down to permitting to concessions to you name it.

>> Tovo: Okay. Super. Thanks. This is my last question. So the unmet service need demands revised list

we just got talks about youth development initiative, which is great. Five staff are requested to serve in this area and it certainly seems like a real need. I wonder, though, if you could speak to how the

- how this focus on teen areas is supported by the inventory that I hope is being developed
- so we had a youth summit in part to help inform these carolina of budget questions. I've heard a lot of comments, we don't have any report out, any formal report out from that youth summit. Anecdotally, just in initial review it looked like a lot of people are talking about early childhood initiative which I think is critical certainly, but I wonder
- so I wonder how the parks department came around to focus on teen programs? Was that an understanding that despite the fact many in that room offered feedback about early childhood was an area of importance but as you looked across the community you saw that really teen programs were the biggest gap or i guess when you say that areas of service deficiencies have been identified, is that just within our city programs or does that include a very healthy understanding of what exists communitywide because that really was the effort I think that we wanted to see how we play a role in the community.

[03:54:38]

>> Kimberkneely, assistant director. You are correct this is about the service gaps that were

- or the lack of services that were provided just within the city because this particular information was due to council before we were able to have the actual summit. And so at your summit you did hear many individuals say there was a gap in pre-school programming or younger, zero to five programming. The parks and recreation department at this particular time does not
- is not necessarily the best entity to provide that programming because of the licensure requirements and the way that our facilities are set up we're not in a position without major renovations to actually provide the facilities that would meet those demands or the service demands that the community helped us realize are needed. And so because there is also secondarily a
- a service gap for those individuals 12 and over because it's most appropriate in our area to provide for those services, that's where we concentrated our efforts. And the reason why we took this approach is we also combined that with other information about the nature deficit that children are having. They lack an understanding of the environment or they lack a relationship with the environment and understanding how nature and human interact with one another and how they impact one another. And we also took the stance that fighting obesity doesn't mean you have to do a particular physical activity like play a sport, but it can be as
- as simple as hiking, exploring nature, climbing and those sorts of things. And so we believe that by putting together this program we were meeting three of the demands in one
- in one proposal. Does that answer your question?

[03:56:51]

>> Tovo: It does, and i think that's really helpful information. I look forward to a longer conversation



about it, but it's very interesting to me that really our facilities are best geared toward older -- that's kind of a piece of information i wonder if the folks who participated in our youth summit really had and the intent of that, at least one of my interests in seeing that conversation begin and hopefully continue is that together with the community we figure out who is best suited to do which pieces of that equation because none of us have the resources probably to do all of those well and so it makes sense for entities to do what they are well equipped to do.

>> The bottom line is even if we don't have our ability to do the licensing process, if other entities have that ability and have promise that are licensed to that level of, you know, the priorities need to go based on what the needs are, then we may serve as merely a facilitator and have them use a facility that we have for those programs versus us offering those programs.

>> Tovo: And then it becomes a funding priority perhaps as we look to what programs we choose to fund through our grants and whatnot rather than offer that help. Thank you very much for that explanation.

>> Mayor Leffingwell: So first of all, I just want to say I agree with you 100%, sara, that we've got to be thinking about new ways to fund our park system; highways we're not going to be able to do a good job with it and I think that especially relates to reexamination of various fees, but more importantly i think is looking at opportunities for partnerships and, frankly, outsourcing that kind of thing. Sometimes I feel like we would be a lot more successful in this if you actually had more free rein to pursue the goals that you've talked about. But I have one quick question. It's very general in nature. You may not be able to answer it but it's

-- you know, you are the parks and recreation department and that's really in many cases two different things. So in my mind, the most important need we have right now is to properly maintain our parks, and maybe that involves prioritizing parks as far as which should be maintained. By the way, there's another opportunity for collaboration and perhaps outsourcing neighborhood adopt a park. We've already got a program pilot if we can call it that in progress now. But talking about priorities, do you have a priority system, is the priority for maintaining our parks and maintaining them properly or is it more promoting different programs, recreational programs?

[03:59:52]

>> We have priority 1, 2 and 3 and we established that about four years ago have continuously have been working on how we maintain priority 1 parks, those are the three and they look based on usage, based on the numbers of people that use those parks. One of the things we're finding is that the usage patterns are growing in all of the parks. So we have to go back and change the priorities. [One moment, please, for change in captioners]

>> we may only be able to get to three parks in one day, for mowing, restroom service, and mowing, blowing and going. So the bottom

-- and literally that's what we do. So with some parks where we're more centrally located there's a closer maintenance yard, we're able to get to it a little bit better. So it's all based on priorities, and -- on priority levels and it's all based on the usage of those parks. And the amount of usage over the weekends, how fast we get to clean up on the weekdays, but we're looking at all the things you're

talking about and trying to get down to a fine-tuned management system.

>> Mayor leffingwell: Yeah, that was part of it, but i was actually talking about a priority

-- is maintaining our park system and maintaining the physical parks

--

>> the program.

>> Mayor leffingwell: Is that a higher priority than establishing new recreational programs, or new outreach programs?

[04:01:58]

>> Well, maintaining our parks, I guess if you look at our priorities

--

>> mayor leffingwell: It's a hard question, I know.

>> Yeah, it is. But maintaining what we have is a priority for this department, and this kind of goes back to

-- it's great to have money to build new things, but quite frankly what we need is money to maintain what we have.

>> Mayor leffingwell: So what I'm hearing from the public is that the big problem with the underfunding of parks is parks maintenance. Seems to be a very high priority, and, you know, i kind of agree that that should be a high priority. So I just want to make sure that we're using a priority system and not trying to be all things to all people and maintain our parks first. Council member martin?

>> Martinez: Thanks, mayor. One of the things that i wanted to ask sara is if there was any way for some of these high priorities, if they

-- if they are structured as one-time expenses, that we could use budget stabilization reserves. I realize that maintenance is an ongoing expense, but it seems like in some cases there could be some one-time expenditures blended with that maintenance requirement that maybe we could creatively fund to help free up structural dollars in other areas.

>> Absolutely. I mean, when you're looking at some parks where it isn't

-- it's not that it doesn't have grass, it just has some infrastructure that's probably not where it needs to be, the pavilion needs to be spiffed up a bit. The restroom facilities need a new look, the trash receptacles and the signage is outdated and we've painted over it a thousand times due to graffiti. You know, and then you get to facilities like the hvac and other things, which we've been fortunate enough to get some money in that area to try to maintain particularly some areas that we have that were in dire need. But that's a very good point, and yes, that makes a huge difference in just the makeup complexion of that park.

[04:04:01]

>> Martinez: I'd like to work with you and parse out what you have in

-- what we could part out in one-time expenditures. That's really where I'm headed with this entire

budget process. You know, I talked about the additional 5% in projected revenue from sales tax growth and whether or not we should use it for structural expenses. I think what I'm finding as I'm going through this budget is there are one-time expenditures in this structure of general fund that I think are substantial, and I would like for us to consider that increased tax growth rate to remove those items from the structural budget allowing for ongoing expenses of other items.

>> That would be very helpful and I'd welcome that, and I can actually have

-- we have a list of things that

-- in priority order, basically, that we could be doing at the parks.

>> Martinez: That would be great. I notice on the golf enterprise fund you mentioned briefly about increased fees for cart rental and green fees. Can you tell me what those

-- where

-- what courses and what rates?

>> Jessie, assistant director, parks and recreation. I apologize in advance. I have a little thing going on here. So in the

-- the increase in fees is projected in order to compensate for the higher utility rates that we're experiencing under the reclaimed water golf course, we all agree is a fantastic opportunity. It's a lower rate than potable water, but the rate

-- we need to keep up with their own

-- the utility needs as well. And unfortunately in our case we really don't have a lot of room to reclaim that additional expense other than by raising fees. So at the moment we're looking at a dollar increase.

And to answer your question specifically, we're looking at where we would implement that dollar fee. At the moment it's across the board. That would be fair, at the same time we want to make sure we're fair to the on e.

>> Martinez: Mart would be a dollar increase in green fees and a dollar increase in cart fees or 50 cents on each side?

[04:06:01]

>> I'd have to check on the cart fee but I can speak to the green fee for sure. We're looking at that as a possibility for parts of this budget.

>> Martinez: The reason i ask is because there is a correlation, when I look at how many rounds have been played and we substantially are increasing year after year the number of rounds, and so it kind of has an offsetting effect, depending how much you raise the fees, folks go play golf somewhere else if you raise the fees too much and then your rounds drop. I know there's in tipping point of what makes sense.

>> You're right, council, and that's

-- we're tenuous in how we approach this. We're coming off of an off year, we had some closures, robert morris wasn't ready on time, it affected our rounds played. So we also understand that this is

-- we're currently in, we have to make up the deficit and this seems to be the most appropriate thing to do. You're right, we have to look at this closely.

>> To follow up with clay kaiser, drop in play

-- we've dropped 40% in play and it's because we had a severe nematode problem with the greens, and I think we have it solved. But it was killing us. And so when that happens, too, then that money we were counting on because of the enterprise fund, it wasn't there and we're having to draw from the bigger pot. And so what we're find goes, and believe me, kenneth hates to raise the fees, but is to try to make sure we have ample money in the fund itself to take care of all the golf courses, and this is the

-- I guess the minimal amount we can do it just to keep basically solvent in the golf

--

>> martinez: And I'm very water of jimmy clay and how the greens ended up this past year and a half. Do we know what caused it so we can prevent it from happening again?

>> I asked kevin the same question, and he had gone to every agronomist you can imagine and tried to get them to help figure out

-- texas a&m, what exactly was causing this problem, and everyone was scratching their heads trying to figure it out, because we thought with the treatments we were doing everything was going to be okay, and it just kept going south. I mean, just kept going down, and I don't think we ever came up with what the answer really was. But we have got them back on the path of recovery but we lost a lot of play.

[04:08:21]

>> Just to add to that, there were multiple greens that were replaced at the exact same time using the exact same contractor with the exact same type of sod and only a handful of them or a certain number of them experienced this nematode problem, which is why it's still a mystery. We just can't figure it out.

>> Martinez: The other thing

-- I'm sorry. So more than

-- this will more than likely be my last question or comment. The other thing that I want council to consider, that we've been asked early

-- I've been approached with considering, but I want to ask you, sara, what impact it would have, if it would be a help or a hindrance, folks are asking us to consider moving the cultural centers out of park because they really are kind of their own entity. The

-- now the asian resource center is come on-line, the carver. Does that help from a staffing budgetary standpoint or

-- I'm trying to figure out if it makes sense to keep cultural centers in our parks and recreation department, because it seems like they're competing against other things that are not natural competitions, if you will. And so I just want us to have that conversation this budget year to see if we want to separate that out.

>> It's something that should be discussed, i think, because there's always a question of

-- I'm looking at what core services you offer in a department. I'm not sure it would help us. There are dedicated resources, albeit a small amount, two of the different centers are emma barrientos mexican cultural center and the dougherty arts center and now the asian american resource center, and all of them provide such wonderful programs to the community. There's almost an economy of scale by having it in a department that has other programming factors. So I think it's something if we look at it we need to take a very, very big approach when looking at it and think of what are the pros and what

are the cons that could be impacting the community as a whole. Because we hold a lot of community meetings. We do a lot of cross-programming and you bring in the Suzanna Dickinson House and you've got all those opportunities that we've actually supplemented staff and other things at those sites. So there may be more cons than pros but it's always something we should look at.

[04:10:38]

>> Martinez: Let me submit a budget question. First of all, where in your budget are those expenditures for those cultural centers? Is it under recreation and program services?

>> It's under

--

>> it's under

-- history, arts and nature division, called hand.

>> Martinez: I see. And that would include Dougherty Arts, Carver, Asian Resource, the Macc.

>> The Hillside

-- Zilker Hillside Theater, and O'Henry, now Umlauf Gardens and the Ney.

>> If we can get that parsed out so we can have a conversation. Thanks.

>> Before I go to Council Member Morrison I also want to reiterate my support for relooking at one-time expenditures that could help alleviate the burden on OMN. We certainly recognize parks has been hit hard over the years especially with O&M. Is it part of your performance measures to looking look at and weigh operation and maintenance against the purchase of new facilities or new parks? How do we evaluate that? The Mayor spoke to this a little bit, but I want to get

--

>> there's a lot of

-- it's like Alamo Trifecta, really, because you look at

-- when you look at a bond program, a capital improvement program, there's one, and there's the whole discussion that centers around that, whether it's new or redevelopment. Then there's the battle that we do face at times, and that is the prioritization of our maintenance staff, [inaudible] and parks and now cemeteries and then you have the recreational components on that side. And for us it's part, as a recreation professional and

-- for longer than I want to mention, there's a balance because there's so many people there that have needs when it comes to programs, but then I always have said parks provide no bias. They're open to the public. Usually there's no cost associated. Any family can come at any time and have an event there without reserving it, if it's a shelter or something that's not reservable. So there's

-- there's all those factors that we have to weigh, and it's very difficult. But at the end of the day I think we do a pretty good job, and Marc Ott here has helped us, putting in money through Mark's help and through Ed, about half a million dollars in infrastructure improvements in most of our recreation centers, and that has paid off dividends. So to have that opportunity perhaps one-time cost to be able to do that to some of the parks, we've done some of that and he's helped us. Some of the facilities received new HVAC, new water heaters. Some of our parks have completely been renovated with the sport court, Alamo is an example. So that makes a huge difference.

[04:13:40]

>> Cole: So so I guess what we're hearing from some of the community is that even if we have the facilities, they're not cleaned and maintained. And so what I'm trying to figure out is if there actually needs to be some policy direction that before we contemplate buying additional land for parks or constructing new facilities, that we actually fund the maintenance of our existing facilities.

>> We do need to do that. We need to focus more on taking care of what we have, there's no doubt. But when you have \$1.4 billion worth of assets and needs of infrastructure and you have a reliance of a bond program to try to help with that and then what you can get through the general fund, I think it all boils down to what we're trying to do, which is back to what the mayor's point was and the city manager has been supportive of, and that is there will never be enough money in the general fund to support parks and recreation. I recognize that, and quite frankly, it's short sighted for us as staff not to look at opportunities with public/private or public/private and nonprofit partnerships. Which quite frankly we've done a tremendous job of. We're looking at three different parks right now and the possibility of request for proposals that would completely overhaul those parks through a public/private partnership, but still be open to the public, and put in that \$50 million worth of

-- so in a way if that happens and I can continue to do that, i can put the resources where I need them to go, but the problem is when you have 200-some odd parks, 50 aquatic facilities, 300,000 trees, five cemeteries, i can go on, we're doing everything we can, and i think, mayor, you made the comment and I would say, to have that a flexibility, to be able to really get out there and look at these public/private partnerships, where the land stills to belongs to the people, still open, they're still public parks, there are still public facilities, having that opportunity will create more opportunities for us to be able to do what we can do and not require general fund dollars to maintain it.

[04:15:53]

>> Cole: I couldn't be a stronger supporter of public/private partnerships. Mayor, council member morrison had the floor next.

>> Morrison: Thank you. Sara, and all of you do a great job. We do love our parks and all the facilities that come with them. So we have

-- I have heard, and I have a feeling that all of my colleagues may well have heard from a coalition of parks advocates about some very specific requests for improvements and increases in the budget. And I wonder if you could comment on those. Number one, for each one of them, and I have them in front of me and you probably can rattle them off the top of your head. For each one of them I'm interested to know, has the issue been addressed at all in the current budget? And secondly, how do you feel about where the specific issue sits in terms of priorities? These are the items that sort of rose to the top for this coalition of folks, and I have to say i appreciate

-- I really appreciate the community advocates sort of coming together and merging trade-offs and all. So their requests only to \$4.75 million. [Laughter] but I think it's real important, you know, to have a

broad base of folks that are speaking with one voice. So if you wouldn't mind commenting, and the first one is

-- and of course this is what caught my eye right off the top of my head

-- right off the bat, is 1 million for the aquatics division to keep all our pools open all summer. Could you talk a little bit about, is there an equity issue? Are we talking days? Are we talking hours? And how you -- have we been able to improve on that and do you support that?

>> The answer to the question is we could use more money in that area so that we could keep the pools open longer, but it is also a balance. And I understand

-- I mean, I could be working anywhere in the country and we'd still have this kind of problem. We're actually more fortunate in some areas and some other departments, that are my peers. Equity, there's a small equity issue we're addressing. We did some analysis. We've been very big in doing statistical analysis, whether it's the programs in PROGRAM Bs, AND THE AGES And the pool hours to the pools. We have to start basing our decisions and our recommendations more on data than on feelings. So yes, the answer is we have a small issue there. Kimberly is looking at that because we look at the number of pools we have on all different sides of our city. We have to look at the age and also the issues with infrastructure. One thing that's really interesting is that we have

-- you know, during our heaviest season of pools we're open seven days a week, and with the average age of our pools being around 44 years of age, you can imagine the structural issues we face.

[04:18:46]

>> Morrison: You're doing a lot of good work on that now.

>> Yes, we're working very hard, and our staff are just busting a gut to be out there. They'll be at one site and rush over to another site because of an issue. But in the scheme of things, as we look at our aquatics assessment, that should help us significantly look at what is the future of aquatics, where do we go from here when you have that many pools, that many aquatic facilities. Is it sustainable?

Sometimes

-- and it's a hard thing for me to say this and I know sometimes it's not well-accepted, but sometimes it may go to a different model of how we do things, meaning having larger aquatic facilities similar to what we're building at Bartholomew where there's access

-- people are able to get to it, than to have so many pools that aren't in good shape, which means redevelopment, rebuilding of those pools ?Room if I could just jump in, the rest lawtion

--

>> I could jump in, the resolution Martinez and I had to kick that off, it had an item in there that said please come back with a plan that keeps our pools open and free.

>> We're not saying yes or no, but we just

-- we don't know what the study will say yet, but we know we have some serious infrastructure issues there. So to keep them open, we're looking at things. I think the one thing we don't want to do when we do

-- and we do get requests occasionally of a certain neighborhood that wants to pay for

-- to be open later, that presents some problems in that we want to make sure that all of our pools have

that ability. So what I have done in the past is

-- is asked them to help pay for another pool at another location to stay open and they've been gracious enough to do that. The other thing, though, is believe it or not, we were short almost 75 lifeguards when we started the summer season, and we recruited all over the place.

>> Morrison: I saw that.

>> The competition is tough. And we have to pay our guards a good wage to be able to keep them here in austin, and of course we want guards that are qualified and that provide a safe environment for our families and our children. And so we struggle every year at the end of the season to keep guards, enough guards on our pools to keep them open.

[04:20:55]

>> Morrison: So it's not just a money resources issue.

>> It's not just the money.

>> Morrison: So what would a million dollars added for hours buy us? Would that allow us to keep all our pools open all summer?

>> It would. I would not be able to give you the exact amount, but yes, it would. And it would probably be more than that. It would probably provide for

-- because one of the problems we're seeing an increase of and we unfortunately, as you know, lost an employee who was a pool mechanic, is to keep our pools going. It's great to have the money, but we'd have to keep them running. And I can just

-- one weekend day I can tell you there was like three pools going crazy that we were running

-- the staff were running

-- read on the blog.

>> Morrison: I know, a lot neighborhoods are talking about that. Could you tell us, what are the pool dates that we have right now? When are they open?

>> That's the other problem. They vary.

>> Morrison: Okay.

>> Kimberly mcneily, assistant director. If it would be okay, we presented all of this information in a powerpoint presentation to the parks board, and I don't have it memorized, but it's multiple pages and this particular presentation breaks it down. And if it would be okay

--

>> morrison: Absolutely.

>>

-- For me to send that to you instead of trying to

--

>> morrison: Absolutely. If you could just make that a budget question, to just give us the information on the open

-- the opening schedule for all the pool openings and how that varies. And I guess the same goes for hours.

>> Yes.



>> Morrison: Included in that

--

>> it shows you the data and number of pools, number of hours, all that.

>> Morrison: But in general \$1 million would allow us, obviously, to expand it and perhaps provide the resources for the

--

>> that and more importantly maintenance. That's the kicker.

>> Morrison: Okay. And they hope the second one is 1.5 million for the forestry division.

>> If I may, I guess I'm going to just qualify sara's remarks and not make that as hard a response in terms of the benefits of \$1 million. I think we need to

-- i think we need to do a little work to make sure that's absolutely correct.

[04:23:08]

>> Morrison: So maybe that could be part of a budget question also, is what would \$1 million buy you in that regard?

>> Yes, we can do that.

>> Morrison: The second is 1.5 million for the forestry division to work on our tree canopy, to make sure that it's cared for and replenished. [Inaudible] endless needs and I'm not sure if that's

--

>> I would do the same thing there, and that is

-- obviously, yes, they

-- they have staffing levels that they've had for ten years, and our canopy has grown significantly, and then, you know, of course now we're responsible for maintaining the trees in the cemeteries, but what exactly would that buy? I would need to get more detail from the forestry staff. They have a pretty good handle of what that would equate to.

>> Morrison: Okay. And then for the trail system, three additional maintenance teams to keep the arteries in good shape and the estimate there is \$1.25 million.

>> This is an area that we've struggled. I'm just going to be really frank. We have one team that helps to maintain the trails. Now, on the other side of it, we have a wonderful group of volunteers that work with us throughout our trail system to help us keep the trails as clean and clear as possible, but every time we add a trail or we add a park with a trail or we add a connector

-- now, the one thing I will say that we're working closely with is power and public works departments to look at trails that are serving multi-modal services where public parks can do that. So we've formed a good partnership with our friends in public works and we're trying to continue to do that as well. So I need to find out if that amount of money would buy three trail

--

>> teams.

>> Teams, which I believe that's correct, but again, that's an area that we have not added a lot of staff to over the last ten years.

[04:25:10]

>> Morrison: And do you believe that we have a need for three more trail teams or is that something you'd like to get back to us on?

>> I'll get back to you. I know we have a need for trail team, absolutely. I think, you know, quite frankly, we always ask for those kinds of things, but we also know that there's just not those kinds of resources available. So we are working hard for volunteer

-- through volunteer groups. We do a lot of that. We do a lot of clean up the trails, and these worked fairly well, but we are seeing some deterioration of our trails.

>> Morrison: Okay. So maybe we could add that as a budget question just in terms of assessing the -- the number of teams

--

>> council member morrison, if I may

-- assistant director of parks and recreation. We tend at the moment to focus on the trails in and around the urban core, for obvious reasons. The densest use area, but unfortunately comes at the peril of the outlying trail systems. We have over 200 miles of trails roughly and if you look at what we focus on, where we are right now really with regards to how many resources we can allocate, focus on this area alone. My

-- we'll tell you that anecdotally we tend to look at how many more miles of trails one person can maintain and we've come up with the number of about two miles. That gives you an idea that's about

--

>> morrison: I can divide

--

>> exactly. [Laughter] but it is something

-- an important number because it is

-- that would be absolutely dedicated to the trails. We wish that wouldn't be the case, but somewhere thereabouts, that's a pretty significant number. Give us an idea of what it means to us.

>> Morrison: I certainly understand the approach of focusing on the trails that are used more regularly. I would

-- I might assume that for the densely used trails

-- in an denser area, that it's easier to get a volunteer group together to support that.

[04:27:11]

>> That would be correct to assume that. It's a higher profile trail and there's higher density of population, they might have time on their hands and inclination to work on the trails since they moved here to be near a park, so more likely to get trail volunteers here.

>> Morrison: So presents a bit of a paradox because we want people

-- we have the trails further out and I'm thinking of some of the new ones we've recently been working on and also something to ponder. And park maintenance. Do we have additional support in the budget

for park maintenance?

>> When we have a park in our inventory the budget office works with us to try to provide full-time equivalents, which we get for newer facilities, new parks that were added on. So

--

>> morrison: Just to keep up with the additions but nothing to help, correct?

>> That's correct. So I'd have to look a little bit more in depth, but yeah, as we add on more inventory they do help us with additional resources.

>> Morrison: Okay

--

>> if you see

-- look at the grounds budget sheet for this

-- for the '14 budget you'll see five new positions, and three of those positions came to us

-- I'm sorry

-- five of those positions came to us by new park plan additions, walnut creek, southern walnut creek, southern greenbelt, gus garcia, and the other five

-- it's a bit of a misnomer. Transferring staff increases our response times, so in sense, grounds, even though it's showing ten, we didn't pick up any new participations. We picked up five to maintain areas we're responsible for and the other five migrated from facility services.

>> Morrison: And i appreciate all your feedback and what will be coming in the budget questions because I think it's important if we have people from different perspectives in parks and the community coming together saying these are their priorities, i certainly want to know how it fits into the priority list from staff's perspective, and also I want to hopefully be assured that you wouldn't be against any of these additions.

[04:29:21]

>> Oh, no. [Laughter] no, but I will say, because I've had a chance to talk with a couple of the folks who are helping to rally, and, you know, the thing that means the most to us is the fact that there's no awareness. You know, if we didn't get one dime from this effort, the fact that they have worked together to come together as a coalition to talk about parks and how important they are and help us get that kind of thing, i think it will help build awareness through the business community. Awareness to public/private partnerships, and even though we may not get a dollar in the general fund i think there will be other benefits from this that we will reap those rewards, and I really mean that, because i, you know, there are other departments in this city, like my friends in libraries, who need money, and I have means of being able to do some partnerships and efforts that I think can help us create more opportunities, which we're working on. In some cases those other departments may not be able to do that. And so I

-- would I like more money? Absolutely, but I also know there are challenges that will always face us and unless we're creative, and unless we look to help from other groups and volunteers and the business community, we'll never

-- we'll never get where we need to be.

>> Morrison: Well, and i have to share this with all my colleagues also, and you. I've been visited and i suspect everybody else is being visited by not only the parks advocates but the libraries and human services and a variety of other sort of quality of life issues that are on the table, and, you know, while I'm supportive of all of those, my question back to each and every one of them is how do we -- how do we merge all of these, you know, like for instance the libraries and the parks. How can you say one over the other? And my second question back to them is great. Where is the money going to come from? You need to help us figure that out, where we can cut other things and all of that. So it's making for an interesting conversation. Thank you.

[04:31:29]

>> Mayor leffingwell: And i just want to say I support all those -- all those recommendations for additional funding, but i support them after this approximately \$7.3 million in expenditure reductions reduce the tax rate. And if we add those in, now instead of 7.3 I think we're looking at about 12 million in reductions. So it gets to be more and more difficult. But great ideas. You know, everything you do is important. It's just a matter of priorities. Council member riley.

>> Riley: I appreciate all the questions, in particular the questions about the additional funding requested by the advocates because like council member morrison and others, I'm sure I have heard from the same advocates and I'm very glad to see that groundswell of support for additional -- for improved services in our parks. And I want to see what we can do to meet the goals that are driving that effort. Coming back to the issue about grounds maintenance, one figure on that page, I'm looking at page 269, struck me as odd. For the coming fiscal year we're looking at -- in terms of the number of acreage, number of acres of developed parks. We're actually seeing a drop in the coming year of about 419 acres. How does that happen? Is that properties that are shifting over to another entity?

>> Jesse vargas. Assistant director. I'm sorry, council member riley. A couple years back we began a migration of our park assets to gis, and during that phase there was a discrepancy that was found between what we know we have, what we've historically shown on our books and what gis shows. When we looked at that we started exploring the deeds, which was the most finite way of absolutely determining what our true asset count is. So the numbers that you see here are reflective of that ongoing effort to reconcile what we've historically shown, what gis is showing. We're looking in terms of property deed records. Obviously research and property deeds aren't the easiest thing in the world so it will take a little time. But at the moment, it's a fairly small amount, 4% discrepancy at the moment. We're hoping the number won't be too far off but we're working through that process.

[04:33:55]

>> Riley: Okay, so it's a matter of confirming boundaries and so on.

>> Correct.

>> Riley: Okay. Coming back to the issue about the trail maintenance, I appreciate all your comments

there, and I want to follow up in particular about the one

-- about the role of the public works department, and I appreciate everything that public works is doing to help with the trails. If the goal is to make sure that we are doing a better job of maintaining our trails, help us figure out how

-- how we direct the funding appropriately. I know that you mentioned that public works is focusing on transportation trails, and you also said pard is focusing principally on city trails, which i think tend

-- many of which tend to be transportation trails. So we don't have to go into the details of this now but I hope as part of your budget responses that you said that you would provide

-- you'll speak to the role of the public works department and how we can best direct additional funding, whether that be through pard or through public works to ensure that our trails are appropriately maintained.

>> The discussions I've had with howard basically are we're trying to look at the 100 multi-modal transportation trails, if they can take them on in their inventory. One perfect example that they're going to be maintaining is the boardwalk. And that's a huge relief to us because we want

-- and they're going to take that on. And so we're working to slowly take some of those trails that are more multi-modal and shift them over for the public works department to maintain, where we focus on the ones that are maybe inside of a park area that

-- the decomposed granite, those trails, the off-road trail, some of the trails, the barton creek greenbelt area. So it's not a science yet, but we're trying to take some of those off our inventory, walnut creek, those kinds of things that they can take care of that have just been completely built out, or under construction, and those that are more of your decomposed granite trails, recreational trails. And we're getting to that point, but it's

-- but we've seen some major efforts that have helped us and relieved us of some of that, which has been good. And he has the ability to do that in the funding in his

-- in his budget so far. Now, as we begin to look at hoves and things

-- handoffs, it's something we have to make a trade-off.

[04:36:33]

>> Riley: I appreciate your work on that and surely we keep that partnership moving forward. I hope you'll invest in your budget responses, just the basic question of how do we take our standards up a notch with respect to trail maintenance. Does that

-- if we want to see some improvement in the coming year, does it make the most sense to provide some additional funding to pard and some to public works? Should it go to pard

-- help me figure out what would be the most effective and cost-effective way to raise the standards on our trails.

>> And just another note just so you know. When you have the mitigation dollars that come forward from one department to the other, the other thing that we're working with is rob spiller and howard and transportation and public works, so instead of them handing us a check, what they're able to do now is go out and help us improve some of the trails or the road systems that we haven't been able to maintain, so it helps us to build a better system. The maintenance is a lot lower. All of those things,

we're getting ready to do that in some mitigation dollars, that will help us with our trails, our roadways that we have inside our parks.

>> Riley: Great. And then just a few questions about fees. First you mentioned that this year we made the adjustment in fees for saltillo, which I appreciate and now we have a farmers market there every sunday and things are going very well over at saltillo. Are there other parks where we're also looking at making

-- at adjustments to the fee schedule to allow for short-term rentals being more accessible to community groups? I know that

-- what's come out is the zilker clubhouse.

>> That's one

--

>> yeah, I think across the board you're going to see an additional smaller blocks of time that the general public can rent a facility, and overall we took it down to a minimum of four hours. The reason we didn't go less than four hours is by the time you get a crew out there to clean and then go to the next park, it's time to turn around and come back. We don't have dedicated maintenance staff for the facilities, so we wanted to keep I reasonable amount of time. And we'll look at it and see how it works for the general community. But overall I think you'll see several of our facilities which have gone down from a seven hour minimum to a four.

[04:38:57]

>> Riley: Great. You mentioned fee

-- rent al brackets for downtown parks. How does that work?

>> Another effort we're entering in is partnering with the downtown austin lines and austin parks foundation to possibly be able to come back to you here in the very near future about a model for the republic square park that would have a different twist to it, which would be managed and maintained primarily by either the daa or the park foundation, and then they would be able to provide concessions and other things. So that's one

-- one alternative. The other is we are actually

-- a study was undertaken by parsley pard

-- the austin parks foundation and the downtown austin alliance who funded a consultant to come in and look at the downtown parks and what they could sustain as far as fees and rentals and hours of rentals, what kinds of concessions, permanent

-- nonpermanent. And he's just finishing some of the financial study of that part of it. He's done more of the grounds

-- looking at the grounds, what it would sustain. So we don't have the complete analysis, but that will be coming back with recommendations in regards to the downtown, at least the squares right there and how we manage those. And then corey mentioned the fees per ticket which would be applicable to the auditorium shores and zilker for the events, which is large scale events.

>> Riley: Could we reasonably expect those changes to allow for an enhanced level of maintenance for the downtown parks?

>> Absolutely. Absolutely. And I'll be honest with you, that's the goal. As we looked at the efforts to make the improvements to auditorium shores, part of the efforts there is to put more emphasis into the maintenance there and to bring it to the level that we have at zilker. We hope to be able to do that as we develop out the holly shores area and have time for a public/private partnership. And the same thing in entering into partnerships between the squares, being able to raise the level of maintenance.

[04:41:03]

>> Riley: One area where we've had difficulty maintaining an appropriate level of maintenance is at the zilker botanical gardens. I know that's been a real challenge, and I don't believe

-- I haven't seen exactly what's being proposed for that for this year, but I know that

-- i know it's not where it really needs to be. And so I have to ask one question about that. Currently the admission fee there is \$2 for adults. Have we looked at the possibility of raising that fee, how much it would generate and what that might be able to

-- whether that could help get us to higher standards of maintenance at the botanical gardens.

>> I'm kimberly mcneily. We are looking at a nonresidency at zilker and it's proposed in this fiscal year.

Based on the conversations that we've been having with our partner in the austin area garden, agc council and just general patrons, there's a general feeling that some don't appreciate the fee at all, at all. Some don't feel as though raising the fee will be any assistance to us because they don't feel as though the gardens at a level that people want to pay additional money to come and visit the garden. And so as an alternative to that we have had a real positive couple

-- couple of positive meetings with the austin area garden council to talk about a public/private, public nonprofit partnership with them where we look at a model where there is a shared opportunity for revenue generation. There is a shared opportunity that an executive director may be able to be hired, perhaps by the not for profit, which will then help us with sponsorships, putting together a business plan where we could see if we were able to bring a certain these sorts of structural changes and these sorts of amenity improvements based upon real deliberate calculations, how much money we would be able to charge. So we are looking at an alternative business model for that particular

-- for that particular facility. Now, in the meantime I know that you may have heard from some individuals who would like for the city to increase the number of FTEs THAT ARE THERE AND

[04:43:44]

[Inaudible] into the general fund. But recent developments in the last month they have really been open to this idea of a gradual partnership where we

-- not an all or nothing kind of thing where we just give up complete control of it to somebody else, but where the city stays involved and that there's a real partnership and a real opportunity to together make decisions about how to make that the gem that everyone remembers it to be and would like it to be. So rather than moving forward with fee increases this fiscal year, what we thought we would do is really explore the possibility of the public/private partnership, because people seem as though they're very interested. If we change the business model, I think we'll achieve the same goal, just in a different

way in taking the burden off the general fund.

>> Riley: I'm glad to hear that. The suggestion was brought to me by park advocates, and I completely understand what you're saying about raising the level of fees and I would not even suggest raising the fee if we were talking about maintaining the same level of quality that we see at the botanical gardens now. The question is can we get it to where it needs to be, being that the gem that we all remember, through some modest increase, with funds being redirected back into the park. Now, that's the question to me. If people really saw a very significant increase of quality of maintenance there, would they be willing to pay a dollar or two extra for that. I think if we look at peer cities, I think we would find that, that the really outstanding botanical gardens have reasonable fees. I know I went to the botanical gardens in denver, I visited it a couple years ago, were \$12, and they're really outstanding. I know we're nowhere near that now but that might be something we want

-- we want to aim for something that really is a treasured community gem, even if that means a modest increase in fees.

>> Council member riley, one of the things the parks department did in this last year is we went through a process of re-aligning, and

-- aligning, and as a result of that we have one manager who's over all maintenance, which positions us now to start to set a consistent standard for the maintenance of our parks. In addition to that you overlay that with our specialty areas like the zilker botanical gardens, and I remember just being on vacation, the long lines that I stood in line just to see an amenity similar to zilker botanical gardens. So people are willing to, if the quality is there they are willing to pay for that, and of course we want to make sure it's affordable also. So I think we have some opportunities now that we've consolidated all of our maintenance and now we're looking at across the board standards and then with our specialty areas we can really justify the need to match

-- make our fees commensurate with the experience that you will have as a result of that.

[04:46:41]

>> Riley: I appreciate your work on that and look forward to continuing the conversation. The last thing I will say is I want to join my colleagues in expressing support for public/private partnerships, especially in terms of their potential for raising the bar on park maintenance, and we have done very well in the past at working with groups like the austin parks foundation and others. I hope going forward we will look at stepping up that kind of effort, and potentially exploring partnerships with groups like texas conservation corps that can really come in and help us, even if it's just a one-time blitz, to really do a very significant upgrade in the maintenance of our parks. I think we've heard loud and clear from the community that they feel it's high time for that sort of effort, and so I hope you'll join us in looking for opportunities to

--

>> absolutely.

>> Riley:

-- Partner with others in a way that would make a significant difference in the quality of maintenance that citizens can expect in our parks.



>> We will do everything in our power to look at every opportunity available, because we know that no amount of money, really, is going to deal with it effectively. We have to come up with new models and new ways, and that's exactly what we're trying to do.

>> Mayor Jeffingwell: Council member Tovo.

>> Tovo: Very quick follow-up question to the botanical gardens question. I think it was the last budget cycle or perhaps it was two budget cycles ago, it had been free admission and it was in the budget process that a fee was applied to admission. Is that correct?

>> Yes.

>> Tovo: Was that last year?

>> It was year before

-- last fiscal year

-- year before.

>> Tovo: In that discussion we talked about the value of having at least one day per month that was a free day, and perhaps getting sponsors for some other

-- for another weekend day a month or a couple weekend days. I wondered if there had been any progress in securing corporate sponsors or private sponsors to provide that kind of free access to the public.

[04:48:51]

>> No. Not successful. We've approached individuals, but we haven't been successful. What we were successful in, though, is finding a landscape architect company to donate all of its services to provide us a master plan as to what Zilker Botanical could look like in the future, which was valued over \$25,000, but not as successful in finding someone to sponsor the free admission.

>> Tovo: I appreciate that candid response and that's good to have that kind of person as a landscape architect willing to donate his or her time. I guess before we consider increasing fees to make it less accessible to those who may not have the means, I guess I would want to see a little bit

-- I would want to see some additional efforts to see if there could be corporate sponsorships or other kinds of ways that we could allow the general public access.

>> I think this is a perfect facility, as Kimberly mentioned, to really work with that board and create an opportunity that one makes improvements where they need to be made. Maybe it's a private investor that helps bring it to where it needs to be. Two, looking at a modified management role in an effort to keep it maintained properly. This is one of those over the years where groups, the Succulent Society, the Rose Society, all these societies were very vibrant and very active, and they would take care of all these different areas. And over the years they have not had as much interest

-- some of the members, quite frankly, have died. And so we need to reinvigorate with the help of the Austin Area Garden Council, and if you know Marianne Neily, who's actively involved now, I have all the belief in her that we can pull something off that will be pretty spectacular. I enjoy working with her and I think we can create an opportunity here that will carry us for years to come in keeping it going.

[04:50:56]

>> Tovo: Thanks. It strikes me that one way to

-- one way to get that kind of interest in caring for the plants into the future would be to make sure that you're really attracting youth who will be those members of the succulent society and various others. And I know that when I go to the botanical gardens I see lots of kids there. But again, if we start about fees increasing and things like that, it makes it less accessible, you know, to the general public. So I hope that any future plans will really make a priority of ensuring that, you know, kids across our community at all income levels can continue to go there.

>> Well, I just need to say this. We've been working with watershed protection. We're not short sighted. We're really reaching out, victoria lead, mike kelly, we're working with watershed protection to make (things over at the zilker botanical gardens, cross programming and educational awareness when it comes to rain gardens and those things. We're working hard to see if we can't work together to create opportunities without having to spend, you know, parks and recreation money, and they've been tremendous to help us.

>> Tovo: That's great. And, you know, if any of our community members are listening perhaps they can help forge new partnerships with the school district or other community groups that work with kids, who again can help build that kind of membership who will sustain this into the future. Thanks for all your creative thoughts.

>> Mayor leffingwell: Thank you.

>> Mayor?

>> Mayor leffingwell: Council member morrison.

>> Morrison: Sorry, now that I've had a minute to look at the unmet needs, it's very interesting, parks and rec takes up a lot of these pages brought to us today, but I did want to mention just a couple things. There are two items on here in reference to council member martinez's comment with support from mayor pro tem cole about looking at one-time needs. It strikes me that a couple of the unmet needs might fall into that

-- the facility maintenance contracts, looking at new hvac, and then there was another one, funding for the millennium youth center. Some of that looks like it may be a possibility for that. Hopefully you can look into that. And then I wanted to mention also that with regard to the

-- there is quite a bit of alignment between the parks advocates, the great austin parks coalition and some of your unmet needs. There is one for extending the pool operating season, and it, in fact, is to keep the pools open for the entirety of the summer. It actually lists 184,000. You might need to revisit that but that would be helpful. You have something for forest management, five new folks at 560,000, and then also, of course, the maintenance, and I'm glad to hear that you are

-- you actually have in mind a five-year phase-in of

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[04:54:07]

>> yes, that was our phase-in. Not to ask for 17 positions at one time, was over the next five years to get

incremental increases in the positions.

>> Morrison: Right, and i think that's something for us to study very carefully and, you know, see if we can make some kind of commitment in that regard. And then lastly I just want to mention, one of your unmet needs is the conversion of temporary employees to permanent employees, and actually paying for the benefits that that would cost, about \$22,000 per person, and THAT'S 11.75 FTEs THAT YOU Would have to ask for. Does that align at all with your vacancies? I mean, have you been using some of those temporary folks

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>> I mean, we have to fill in, quite frankly, with temporary folks a lot, and when we lose -- when we lose a person who retires or unfortunately to death, we have to fill that in with some temporary money, with some temporary help, to keep going. But there's no correlation between our vacancy rate and the amount of temporary seasonals who want to make whole. That's a part of what we worked with mark washington and our corporate hr in making sure that we don't use people for more than 40 hours

-- for more than they have

-- we have hours for, but also it gets to the point when you create what's a consistent pattern for using a person at so many hours, so many weeks, so many months, so many a year, then it begins to beg the question of should that person be in a full-time position. That's what we're seeing, is we need to clean that up.

>> Morrison: Well, I really appreciate that. I think that that's on a lot of our minds, just in terms of fair treatment of folks. So I'm just wondering if you have had several vacancies, 25 vacancies, more than six months. I wonder if there might be some juggling of those positions for temporary

-- for the folks to create the permanent positions.

[04:56:07]

>> Well, we had about 18.25 that have been greater than six months. We filled two

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>> morrison: I'm sorry, I

--

>> we filled two. We right now, 11 of them are in the recruitment process to be filled. We have one -- and I'll just be real frank. We have several positions where we classify them for the various issues that i believe council member martinez brought up, which is when you find that there's a job that's no longer in that area, we need to put it somewhere else, whether it's park maintenance or a forestry tech or in some cases it's rangers, we realized we needed a ranger 1 and a ranger 2 and that's what we're doing. There is a process we have to go through for reclassification that takes a little bit of time. And then we have 3.5 that were

-- we have not posted yet because we're trying to figure out what we need to do and where the highest priorities are. And it takes a bit of time where we take one position from one area and then move it to another, we have to make sure that we're not creating a bigger gap where we were than where we're going. So we have 3.5 positions that we have not posted yet because the other thing is a .5 position gets

us right back to the question of what was the temporary seasonals, and that is if we use a .5 person more than what we should be using them for, and in some cases we've held on to the .5 to wait and see if we could get another .5 to create a full-time position.

>> Morrison: It sounds like a big complicated chest game for positions as well as responsibilities.

>> Mayor Leffingwell: One thing we don't want to do is create a climate where various departments feel like they have to use up everything they're allotted in the fiscal year or it won't be there next year.

We've only used three boxes of paper and we're allotted five. We don't want to see our allot. For paper boxes reduced next year. That's kind of a common thing in the world of government and corporate, frankly. So I think we need to be careful about that and keep that in mind. So we can go to transportation. Thank you very much.

[04:58:30]

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>> Mayor Leffingwell: Questions pore the transportation department? Councilmember riley.

>> Riley: Rob, welcome. I first want to ask you about the residential parking permit program. Can you just

-- where can we find that in this budget and to see how much that program costs?

>> Councilmember riley, robert spiller, transportation department. It is embedded in the parking management program. It's not elevated in the numbers that you see and so I can respond to that more specifically if you would like.

>> Riley: Okay.

>> But it's not visible in the numbers that you have here is what I'm trying to say.

>> Riley: That would be helpful to get a response on that. And if you know this, tell me now, do you know how much revenue that program generates?

>> No, sir. You know, the passes are \$20 for four passes per household right now. And that just covers the expenses and actually may be underrunning what the current expenses are to provide the engineering support and regulation support to determine that. But that will be an item that we'll be starting to look at in the next fiscal year as we move it into parking. We're trying to consolidate all of our parking facilities under a management program so as we continue to gain parking expertise, we can continue to bring everything into one program. And so I would expect this year we're going to be spending some time analyzing that program and really figuring out how best to go forward. Some of the new ideas just by transferring that program over could be can we go to

-- right now we have simple stickers and hang tags, to try to go to something with technology in it, some rfi capabilities, for instance, so we can more accurately manage that program.

[05:01:23]

>> Riley: Is parking meter enforcement being transferred to the parking enterprise?

>> Yes, sir.

>> Riley: So on page 292, we see parking enforcement, meter maintenance and so on listed under traffic

management transportation engineering.

>> Councilmember, that's a misprint. That's over in parking management and we'll be correcting that.

>> Riley: So that's an error.

>> Yes.

>> Riley: Okay. Going back to page 285, you mention that one of the department cost drivers is increased costs per credit card fees. Can you tell us the rate that we are paying for meter fees?

>> We're currently paying 9%, and one of the things that increased that, of course, there was a change in the law that set the basic rate for credit cards. I forget the name of the actual federal decision that did that. Previous to that because of the volumes we were able to negotiate the rate on credit card transactions. So like a lot of other credit card

-- vendors is not the right word, but the vendor that uses the credit card or the client like we do and make micro transactions, that decision to change the allowable rates affected us more significantly than the larger transaction sponsors. So we continue to work with city finance to make sure we're getting the absolute best rates on those credit cards.

>> Riley: Okay. Good to hear. I want to ask about pedestrian hybrid beacons. First I want to thank you for all the work your department has been doing.

[05:03:25]

>> They are cool, aren't they?

>> Riley: They've been great and well received and helped a lot of people get around town on foot.

Where can we find that in this budget? I'm trying to determine how much we're spending on pedestrian hybrid beacons this year.

>> Councilmember, that is wrapped into our signal budget and so it's part of our overall signal budget because although the way they operate and to the users of the system they seem like something new, to us they still have poles and wires and signal heads. They look like a regular signal so they are wrapped into our overall signal expense budget. We are using not only regular program funds to do the labor, but also capital expenditure funds to build those right now.

>> Riley: Do we have any kind of performance measure regarding the number of those deployed or do we have any

--

>> I can certainly get that more you.

>> Riley: Do we have plans or would we be able to look forward and see how many we expect to deploy this year?

>> Yes, we have a plan that I can get you that number specifically.

>> Riley: Thank you.

>> We have a long-range list of intersections needing signals and/or other traffic improvement devices as well as pedestrian hybrid beacons. So we program those out, prioritize them based on risk and then with full signals it takes a little more design than the pedestrian hybrid beacons in terms of, you know, more legs of the intersection to schedule. But I can get you those numbers.

>> Riley: Okay. Great. Last question is on page 294, looking at the proposed number of transportation

related meetings staff and technical support provided, in 2012 we were at 135. In f.Y.14 we're looking at 15. Help us understand what's going on there.

[05:05:31]

>> I think we're counting the meetings differently and I'm going to check to see if we can make sure because it's confusing, I know. I think previously every time we went to a meeting we counted it. Now we count ought the hgac meetings as one and all the campo meetings as one. So I think we've moved in our counting without realizing the visual impact that makes so we're going to correct that. We're still doing the same number of meetings.

>> Riley: Got it. Thanks.

>> That's confusing.

>> Mayor Leffingwell: Councilmember martinez.

>> Martinez: Thanks, mayor. Rob, I wanted to ask about the parking enterprise. When I look at page 288, you have this

-- this waning cost per dollar of revenue generated. Is that

-- is that simply a result of increased revenue or is it also a reduction in debt services on the infrastructure that we replaced all at one time? You are projecting in 2013-14 50 cents of cost whereas two years ago you were \$2.35 of dollar generated so we were losing money.

>> Yes, sir. As we have continued to replace more pieces of the system, 100% replaced with the new technology, just the newer technology costs less

-- excuse me, less over time to manage. We're also gaining cost efficiencies in terms of enforcement and so forth. We're better able to cover larger areas with the staff we have. Our parking management program, the staff there is we have introduced new equipment, have continued to figure out new and innovative ways to manage that just keeps driving our costs down.

[05:07:36]

>> Martinez: So do we have any existing debt on the new metering

--

>> yes, sir.

>> Martinez: How long until we pay that off?

>> I believe we took a 10-year debt repayment, and this year we're actually starting to set money aside for anticipated future maintenance. One of the challenges is when you replace your entire system within a short period of time, the repairs start to be needed all at the same time so we're anticipating warranty.

>> Martinez: A friend of mine stuck her credit card in the wrong way and it literally would not give it back. And so we just called 311, you know, I said just call 311, we'll get the card back. They said someone is on their way. Took about 40 minutes, guy showed up, popped it open, gave her card back. What struck me he said yeah, that happens about eight times a day. That seems really inefficient if we

have a piece of technology that

-- and people are going to make mistakes. They are going to insert a card backwards all the time, that it, one, it would take an individual driving around eight times a day on average 40 minutes, that's an 8-hour day. Is there any way that we can improve the technology so that it doesn't

-- I mean there was no way to get the card out and the only way to get it was to have someone come out.

>> I

-- councilmember, i will tell you, I've actually stuck my card in the wrong way too so it can happen to anybody. And you know, unfortunately

-- fortunately I was able to pull my out. It depends how far it gets in. We try to make the information as clear as possible, but I'll work with my staff to see if we can't even further increase the ability of information. We have very few complaints about these meters and i think I've told council before I have never experienced getting thank you notes like I do here about our parking meters. So it's rare that there are issues. I will tell you we have, you know, easily thousands of transactions a day. The eight per day that get their card in backwards, i don't know if that's an accurate number or not. I think anecdotal from the person you talked to.

[05:10:13]

>> Martinez: Can you turn that into a budget question?

>> If we keep counts of it, I will give it to you.

>> Martinez: Maybe moving forward as you prepare putting money aside for maintenance, maybe we review the technology to see if there is a part changeout.

>> Or a sticker that says make sure it's like this.

>> Martinez: I think it's still going to happen until we are able to fix that. I did have

-- I noticed the percentage of fines that are in fair to excellent conditions has dropped over 6.5% almost in the last couple years. What

-- is it just

-- the same number of installations is 1800 each year. So I'm trying to figure out how we're measuring that.

>> Councilmember, one of the things that's going on is as our sign inventory gets larger, we know that some of our signs are

-- you know, signs typically deteriorate in one of three ways. When two high school rivals have a football game, we lose a lot of signs due to graffiti, whichever high school is the opposite team often happens. You know, graffiti is an issue. Sun damage is the second just age is the third issue. As inventory gets larger we have a knowledge laker stock to keep track of and I think you will see we're adding resources in signs and markings specifically to spread out the supervisor to staff ratio to get a better handle on that and we'll continue to work on that. We're also looking for ways to better manage individual types of signs. One of the problems that we're now realizing is that in an effort to save money several years ago, we mixed a 3m film with a base sign from another manufacturer. Everything worked well until we had a string of 107-degree weather for three years in a row and some of our overhead green signs are now

cracking and fading. We're learning every time so we'll be going out and replacing those as we get a chance. The weather we've had, the drought is not just affecting the grass and the water, it's affecting every piece of equipment we have.

[05:12:40]

>> Martinez: Sure. And I want to join councilmember riley in thanking you for all the work you have done. There have been significant transportation and mobility improvements throughout the city that are extremely noticeable from bike to pedestrian to helping traffic move around more easily and I just really appreciate all your efforts. It seems like you are doing a great job.

>> Well, thank you very much and I have to give some of that credit to the next person that's going to be speaking, howard lazarus, because we do this as a duo. So thank you.

>> Mayor Leffingwell: Mayor pro tem.

>> Cole: I want to again reiterate that and the fact that you and howard work so well together I think really does help the process. I want to talk about arterial management, which is not on such a high note. I noticed that the percent of residents who are satisfied or very satisfied with the signal timing on major was at

-- it's page 290. Was only at 48%. And then the percent of residents satisfied or very satisfied with the traffic flow was only at 39%, and that hadn't changed from year to year. And I know we can't put enough money into transportation, but we've had the same number of FTEs OVER THE LAST

-- Since 2011. And so I wanted your thoughts on that or anything you could tell us to try to help with that.

>> Yes. Well, next year you are going to see us, number one, ask for some additional signal engineers and signal technicians. We didn't get them into this year because we're continuing to focus on deployment of our new advanced transportation management system which is the computers or the brains behind the signal system and so I don't know if you've noticed, but actually our signal timing has been getting better in a number of corridors as the system starts to

-- self-learning is an overstate but we're getting better data back in so that allows us to create better data times. We had gone through some significant management change in our signal division this year so we're now back up to full

-- full staffing with one more position advertised right now. It's an older position that we kept wanting to fill, but every time we went to fill it, we were having a management change. The whole chain in the signal program has changed so it made sense to hold on to that while we were making the appropriate management changes. We're definitely heading down the right track. With regards to the citizen response, though, 48% approval of the actual signal timing is pretty good we believe when we look at some of our peers. But something interesting we had always thought was going on in this region and we finally confirmed it, working with hearing that they deployed a survey

-- with austin energy we deployed a survey to a set of customers on email and we got a very high response. The question of how do you feel about traffic flow on major streets had always confounded us because it was so different from the satisfaction with timing. So we asked that same question, replicated that same answer, same percentage, but then the next question we asked is what street were



you thinking about when you answered that question. And it confirmed our belief that they were thinking of streets like i-35 and mopac and 183. In addition what came out -- which are highways we don't have much control over. But the other two streets that came up were lamar and congress. Congress is I think self-explanatory, we were doing a lot of construction just prior to the survey, which is all the new pedestrian and parking attributes on south congress we were doing. That project, although it looks like it's geared towards parking and the adjacent retail and pedestrian, what that did is by shortening the pedestrian distance that they had to cross, we were able to pick up seven to nine seconds in the signal system and give that back to through flow because what was controlling the timing was how long it took pedestrians to get across the street since they have a shorter distance. We now can turn more of that time back to traffic so we've seen significant improvement on south congress. Lamar, as you know in the last bond program, at least on the south part, we received a funding to do a corridor plan just like we did on the north part and so we're starting to make changes on lamar or plan changes on lamar to address that commuting issue. So I think part of it is that we have a lot of different providers of transportation within this region and the questions that are reflected here that we really can't change because they are part of a national survey are reflective of the overall mobility challenges cope .>> Cole: SO WE CAN'T SAY Excluding --

[05:17:47]

>> no. We are also spending a lot of time partnering with other agencies. This region has never seen so much road work being done on major freeways. We've got north lamar, north mopac, I'm sorry, getting ready to go under construction. Every interchange on ben white. We have an environmental project that we're partnering with txdot on on 183 on the east side to improve that. We have 290 under construction. We'll soon have mopac south going under a corridor study with ctrma. So this region is really focusing on transportation and not just roads but also transit as well. And so we took that with transit, we helped cap met metro and lone star develop -- transit I'm sure you've heard about it, project connect. I think the region is actively talking about mobility in a positive let's get something done role.

>> Mayor Leffingwell: Project connect is coming to council soon. Within a month or so. Councilmember morrison.

>> Morrison: Thanks. Back to the citizen satisfaction, I do want to mention that it's at 39 now. The last time, last year for 12, the actual for f.Y. 12-13 were 27. So you've actually gone up. 39 is still the average that we're striving for.

>> Morrison: Okay.

>> The actuals will come in as whatever they come in at. I'm sure they will be below 39. I would love to take credit for that, councilmember.

>> Morrison: Well, what we saw on the highlights -- remind me what page that 39 is on?

[05:19:49]

>> I'm looking at 290, i believe. It says the amended is 39.

>> Morrison: What about 11-12? The actuals for 2011-12? 28 to 26, yes.

>> Morrison: So I'm just saying it's improved.

>> We're getting there.

>> Morrison: It's improved. Not as much as we want, but we're headed in the right direction.

>> We're trying.

>> Morrison: Which I think we should all take a moment to appreciate. That's all I'm saying.

>> Thank you.

>> Morrison: I do have some questions. Let's see. On last year, and I don't know if this was in your budget or howard's budget, when we were moving the sustainability fund off of the transportation fee, user fee, we still were capturing about that same amount of money to try and focus in on what might be called sustainability projects for the transportation fund, not that all of your funds and efforts aren't working towards sustainability, but I think the broader terms we used in the sustainability fund, equity and all of that. And so I wondered if, in fact, that was successful and if we're looking at trying to carve out some funds like that again for special projects that address those issues this year.

>> I'm going to have to let the public works director speak to that because he manages the overall transportation fund.

>> Morrison: Okay, great. And we know he's ready.

>> Howard lazarus, public works director. There's \$570,000 that council amended the budget by last year to make up for the fact that the transfer for the sustainability fund was eliminated. This past year those moneys have funded primarily two efforts. One is the green alley project which we're working on with the office of sustainability and watershed and pbr. The second is the finalization and preparation finalization of the trails master plan. Next year right now we have programmed in improvements to [inaudible] park and also medina park. There is money yet to be programmed because we tried to identify additional projects and secondly we would like to leave some money in contingency until we know the total costs.

[05:22:17]

>> Morrison: You are still going to have that in sue bucket of funds.

>> We are.

>> Morrison: I think that's an outcome of trying to move the -- rejigger the way we treat the sustainability fund. Let's see. So also could you talk a little about, rob, for the transportation department, the contribution from the general fund to the transportation department and what is that used -- how much is it and what is it used for?

>> Okay, councilmember, first of all, it's \$850,000. It goes into the transportation fund, but then based on, you know, the last few years where those functions of the transportation portfolio that don't fit with the transportation user fee have migrated to the transportation department. Soal those funds throw

now the transportation fund that howard manages into the transportation department. So they help pay for our long-range planning that helps us support organizations such as campo and the cog. Transportation-related support that doesn't necessarily go directly to a construction project. That we can't draw a straight line from to the construction project on the ground we fund with the general fund. The other place that those funds go to is to help fund, partially fund our office of special events. As you know, co-sponsored events and worthwhile events where the fees are waived we still have to have the staff to staff and manage that activity and so the funds go there as well. Those other -- the funds are also sprinkled across some of our engineering activities that are in support of planning development, review type activities that aren't directly tied to a project, so it's about \$800,000.  
[05:24:26]

>> Morrison: Okay. Thank you. And could you  
-- let's see. Two things. One, I assume you have built into your budget  
-- oh, and mile I'll have to defer that until we talk with howard  
-- built into the budget some fee waivers for right-of-way that may or may not occur to the tune of 300  
-- I mean to the tune of 3 million something dollars. Is that correct?  
>> Yes.  
>> Morrison: Okay.  
>> I'm not sure it's 3 million you are talking about, but yes.  
>> Morrison: Something like that. You know what I'm talking about. If in fact the [indiscernible] fee waivers.  
>> I believe we've built that in. Those fees go into  
-- right-of-way collects those fees and they go into transportation fund and then passed back to the transportation department to pay for our employees and activities and staff associated with right-of-way.  
>> Morrison: Okay, great. Right now the budget assumes those fees will be waived. So if they are not waived, if there's a decision to not participate in that program, we will be able to look at an adjustment -- you will be looking at an adjustment.  
>> Yes, correct. And just to highlight how specifically right-of-way fees are collected, councilmember, you know, they are collected at the time that the construction is going on up front in a sense. But then they have to pay for inspections after the fact. And so those fees that were previously waived our budget is built on the idea they were waived, but we still have to pay for that staffing. And so that helps collect some of that issue for us, yes.  
>> Morrison: Okay. And then lastly the  
-- when we look at the vacancy, the transportation department jumps out a little bit with higher vacancy rates than others and you are asking FOR AN ADDITIONAL FTEs. So I wonder if you can talk a little bit about the vacancies. Because they are at, like, 12 and 13%.  
[05:26:41]

>> Yes. I have a handful of positions that have been open longer so

-- than six months. Most of the others have been less than six months, but there's a handful, a couple that have been open for some time since 2011. Most of those positions

-- let me back up. Transportation positions, especially if they are engineering positions are very competitive to hire for and so it typically takes us a little longer. If you look at the transportation fund as a whole, we're averaging about 75 days to hire and I think Howard will even tell you that. Some of the positions are easy to hire and some are more difficult and take some time. Two positions within there have taken quite a long time but they are now posted on the way to hire. One was? The signal and we were having a change in the management structure and we thought it appropriate to hold on to make sure we had management structure in place before we hire staff. The other positions that have been open a long time have had temporary employees filling those positions. Two of those positions were former retirees and so they came to us highly trained and sort of knew our system and were able to get the bond program up and running. No those positions are fully billing to the bond program and it gives us a chance to fill those positions out. We have had turnover in terms of normal staffing. The department is now five years old and so some of staff that came over with the restart of the transportation department are hitting retirement and moving on. So that's why our vacancy rate would seem a little bit high for the size program. In our parking management fund, what we have found especially with enforcement officers, and you'll notice

-- let's see how many

-- I guess I have six and a half vacancies in parking management. These are still my legacy positions I'm working off. We have found with parking enforcement answers it is better the hire temps work first and let them work three to six months. We have had the unfortunate position where people have hired on and go wow, this is not what I want to do. Instead of taking the whole six months, we bring them in as temps and make sure it's a job that fits with them and then hire them permanent assuming they work out. The vacancies in parking management is because we

-- that's the way we do it and it works out very well. With new positions, this is the first big expansion of the transportation department that we've looked to help fund. They are all paid for either out of fees or the transportation user fee

-- well, it's a fee as well, but out of the fund. They will help us increase our efficiency all over. Just to give you an idea of the growth in work, and I really appreciate that the kudos, but that generates actually more demand from the public. In f.Y.10, we had just to give you a feel, we've gone from 16,000 311 calls to this year we're going to top 20,000. Those aren't problem calls. A lot of those are hey, this sign needs to be replaced or a sign is missing or something. We use 311 really as an intake, which is very efficient. So that number of calls has gone up dramatically without an increase up to date of the number of staff responding to that. And so this is just a general increase in the staffing to better, more efficiently realize our mings. The one exception is signals. We've not increased signals. We have one vacancy and next year's we want to talk to council about rethinking thousand we actively operate the system. Other cities are moving to a longer use of the traffic management center when they have actual people on call to address signal changes or make decisions about extending signal patterns for, you know, if the commute on a thursday night seems like it's not clearing out of downtown, you need someone to verify that the computer says we need to extend that green time. And so we're looking to probably come to you next

year about expanding those capabilities. But in terms of new positions, they are really sprinkled throughout the department. Engineering is two positions. Special events is two positions to take -- provide better service of the larger events. We really need more people full time to deal with that. Markings, expand the staff there to reduce the ratio of supervisor to supervisee repair know is two to one, we need to break that in half just to have a better support of our employees. We also have another administrative person, one new administrative person in office of the director. We have one receptionist that covers 135 people. We have to strategically figure out how to get her time to take lunch and other necessities so it really is to better balance that front office capability.

[05:32:30]

>> Morrison: Okay, great, I appreciate your

-- it seems like you were well prepared to answer that question. And just to pull the two questions together, you said you do have two more people dedicated to special events and that special events are covered by the transfer in from the general fund.

>> Well, on those two we're asking for special fees and the increases are for the larger events to fully cover those two employees.

>> Okay, so those will be fees that go directly to your department to cover those special events.

>> Yes, ma'am.

>> Morrison: Okay. Thank you.

>> Mayor Leffingwell: Thank you very much. Seems like a very good time to recess for lunch and be back here at 1:00.

>> Thank you, mayor.

[07:02:26]

>> Mayor Leffingwell: Okay, we're out of recess and we'll begin with public works. Questions for public works.

>> Seeing that there are no questions.

>> Mayor Leffingwell: Chris.

>> Riley: Howard, there are a few things I wanted to ask about.

>> Yes, sir.

>> Riley: Starting on page

-- right up front at page 301 of volume 1. We see that the transportation fund has seen an increase of about 12.7 million in requirements and we've only gone up about 5.2 in

-- 5.2 million in revenue since f.Y.11. Since 11 transportation fund has gone up 12.7, revenue only 5.2. Why is there such a discrepancy in the growth of the requirements versus the revenue?

>> Councilmember, I'm trying to look at the numbers where you are at.

>> Riley: Look at the first column, for revenue, the revenue has gone from 50.4 million up to proposed 55.6 million for the coming fiscal year, which is a gain of about

-- about \$5 million in revenue. Meanwhile, in requirements, we see that our requirements have gone since 2010 and 11 from 43 million up to 55 million and I'm just trying to find out the disparity there. Why is there such a

-- why are our requirements growing so much faster than our revenue?

>> Over the past several years, I think you've seen an increase in the amount of activity both from public works and transportation addressing mobility issues as well as condition of the network. So that the increase

-- also see pretty increase in staff from [indiscernible] on the public works side. What you are seeing is better fiscal management because having too much of a balance at the end of the year is just as bad as having a negative manage means you are not balancing resources properly. What we've done since 2010, there has been an increase in the transportation user fee and we've used that to address the condition of the network. Not only have we improved roadway paving conditions from about 73% being satisfy or better to about 80%, there's been a lot more investment in other modes of transportation including bicycles, trails, pedestrians, as well as the improvements that you've seen that ralph talked about in the signal system so i think it's a matter of being more active and getting more good things done.

[07:05:29]

>> Riley: Okay. We have had an increase in needs for the transportation fund. Page 305 we see that the budget increase is due mainly to 48 new positions. For the entire fiscal year. But then on page 309, it looks like 24 of those positions are actually funded by dedicated funds, capital improvement project funding in one case and cap metro funding in the other. Those off set the cost for 24 new positions. So when you say on page 305 that budget increase is due mainly to 48 new positions, are you talking about the other

-- the other 24 that are not off set by these funds?

>> On the transportation fund side, there's a total of 48 positions being requested. Many of those are off set by other sources of income. So there are 12 positions that are utility cuts, working utility cuts. Those are funned by transfers from the austin water utility. 14 positions for a concrete crew and 10 concrete repair, those are funded by capital sources or other sources including capital metro. So many of the

-- the only positions that are in the transportation fund that are not funded by other sources ARE THERE'S FIVE FTEs FOR A new milling crew and then there are some staff to oversee the effort. There's an engineer for the bicycle and sidewalk program. That position is partially off set by capital dollars. We are going to add a grants administrator. We have almost \$50 million in grant projects in public works department and in the transportation department combined and we don't have someone overseeing those grants. The federal government is becoming more

-- is going to be stricter on compliance issues. We have to make sure our overhead rate is audited and we work with other departments to find more grant opportunities. That position is one that's going be to be added. That is a cost to the fund. And then there are some other requirements where we have to bring our standards up to acceptable levels of support and achieve compliance with our city

requirements to include our records management. So generally most of those positions are off set by other funding but there are some that will be included in the transportation fund.

[07:08:13]

>> Riley: Okay. I see. I would like to drill down a little deeper into a couple of the programs where I just don't understand the costs that we see here in the budget. Starting with the child safety education program on page 316. We had the cost per child trained in that program was down to \$2.72 in 2010-11, went up slightly to 2.91 and the current year jumped up, but in the coming fiscal year we're projecting it to go to \$40.30.

>> That's a calculation there. That's a mistake. The actual number, if you divide the requirements line by the number of children trained, the number should go down to \$5.90.

>> Riley: Okay. That sounds more

--

>> one thing to be wary of this past year we added staff that were merged from

-- that were funded previously in health and human services. If you look at that number as well as the one that calculates the activity cost per location, there's some MOVEMENT OF FTEs BETWEEN The two different activities. So the numbers are a little off because of the accounting adjustment. So while the cost per child trained went down, the cost per activity location went up a little bit, but generally it's the same level of staff. All we added this year, last year there were two positions that came over from health and human services and this year there are two positions that are being converted from temporary to full time so we're adding the cost of the benefits burden. And there's one crossing guard supervisor and one crossing guard trainer that in past years were temporary that are now full time.

>> Riley: I wanted to ask about those positions. That's on 317. We're going from three FTEs TO FIVE IN THE COMING Fiscal year. But what I notice is that the performance measures are staying consistent and we're not seeing an increased number of location staff and so I just wanted to ask

-- we're talking about going up \$218,000 for the two new

-- FOR THE THREE FTEs. What do we gain from that if we're not getting new location staff?

[07:10:40]

>> We are most likely going to add additional [indiscernible] through the year. That number is pretty flexible as we get requests from principals and parents and the schools. The number does move from year to year.

>> Riley: Why do we see it staying constantly?

>> What we programmed last year was 230. We didn't get any requests until the last couple of weeks. A lot of those come up before school starts. We had one from the north university neighborhood association, they had a guard at duvall and harris. That number will change as we get requests. Sometimes the locations aren't warranted so we'll staff for a semester and if it's not needed or it is needed we'll keep it there or take it back. Like I said before, we've added

-- we haven't added any new bodies this year. We have converted part time TO FULL-TIME FTEs AND That's what the changes are.

>> Riley: Okay. A couple pages

--

>> the other thing I would add we are putting in a 3% raise for the crossing guards not to bring them closer to

-- in order to bring them closer to having a living wage and it's a competitive market. We need to keep

--

>> Riley: The minor construction repair on 319. In the coming fiscal year we're seeing a doubling in THE NUMBER OF FTEs FROM 22.5 up to 45.5. And yet the number of linear feet of sidewalk repair and the number of curb and gutter concrete repair, those are actually going down. In the coming

-- no, I take that back. The linear feet of curbing and gutter repairs is going up somewhat. We're seeing a drop from 2011 to 2012. To the coming year. Even though the number of FTEs IS GOING UP Significantly. Do you see that? If you compare 2011 to 2012 with the coming fiscal year, you see a lot more expenses and yet going down on the performance measures.

[07:13:03]

>> I think what you'll see though is that going

-- we're going to increase the linear feet of new compliant sidewalks so it makes sense as we repair sidewalks that number will come down. The emphasis in the coming year will be to put in more new compliance sidewalks and what we're looking at doing is put in almost 40,000 feet, linear feet of new sidewalks as opposed to 15,000 in f.Y.13. We're going to shift from doing repairs and by adding the concrete crew can do a lot more new sidewalk work.

>> Riley: Okay. The last two questions are both on page 330. The departmental support services. We're seeing the

-- the total requirements going up by about 1.55 million, we're ADDING 11 FTEs. That

-- if you just divide that additional amount of funds by the number of employees, you find that we're coming out to about \$140,000 a person. Are there other costs

-- i know the costs we're talking about are not just salaries, but could you help me, help me understand what that additional funding is covering in addition to salaries? Because that seems like a lot to pay for 11 more FTEs.

>> THE FTEs ARE NOT THAT Highly priced. Remember also there was an enterprise [indiscernible] bear the total cost of the position, it's not just the labor it's the burden on that position. So it's a fully loaded rate that goes in there. So if you look at a 60% burden rate on a salary if somebody is making \$80,000, you add another \$40,000 to that. So it does run the cost of the position up.

>> Riley: Okay. The last question is about the carbon footprint. The department's carbon footprint is expected to go from just over 2,000 this year to about 7400 next year. What

-- what are we doing that's tripling our carbon footprint?

[07:15:19]



>> I don't think we are. We put a lot of things in place who bring down the carbon footprint so I'm going to have to get back to you. It's not a departmental figure. If you ask that as a question, I'll get back to you.

>> Riley: Can you use that as a budget question?

>> I would suggest we broaden that beyond public works. It is a number that's calculated by our corporate sustainability office so we need to check in with what's happening there not just with howard's department but across the city.

>> We've converted our administrative fleet from

-- that our inspectors use from pickups that get about 12 to 15 miles per gallon to hybrids which we get an 83% savings in fuel so you would expect a decrease in emissions from that. We'll also put in alternative work schedules which helped reduce the work commute. There is additional activity on the construction side. So I think directionally you would think the number should have gone down from year to year but we'll have to go back and check with the calculation.

>> Mayor Leffingwell: I'm kind of surprised at that. They don't coordinate with departments, they don't compute with individual departments?

>> He then calculate the figures and give them back to the figures based upon the analysis they do.

>> Mayor Leffingwell: But you haven't seen that number before; is that right, howard?

>> I did not see it before the budget document was put together.

>> Mayor Leffingwell: I would

-- I would question

-- I would question it then if we don't have some kind of feedback process going on, but that's

-- that's another

-- that's a discussion for another day. Councilmember tovo.

>> Tovo: I just have a quick question about the salary. Would you mind walking us through that explanation again of what a fully loaded position includes? I didn't follow your answer.

[07:17:26]

>> Fully loaded rate is the salary plus the cost of the benefits. So generally it runs around 60% of the cost of salary.

>> Tovo: So as high as 40?

>> It depends a lot. If you look at

-- just take a salary, fica, medicare and retirement is about 26% on top of salary. Then the city's contribution to the health care benefits is \$10,500 roughly. And so that percentage depends a lot upon what your salary is. That's a smaller percent for someone making \$100,000 and a higher

-- the way I look at it is 26% of salary for fica, medicare and retirement, plus 10,500 for health care benefits. carrierringconnect 57600 violations that occur in school zones. So one of the challenges we have is keep the fund balance every year. So in order to put the raise in there we have to make sure we have adequate revenue coming in.

[07:20:07]

>> Mayor?

>> Mayor Leffingwell: Councilmember tovo.

>> Tovo: They are employed ten months out of the year, nine?

>> Probably nine. They work from school starts next week through the end of the first week in June.

>> Tovo: That's a pretty long season. I'm not sure we have other seasonal employees, maybe we do, who work that much of a year. Do you happen to know, Mr. Van Eenoo? Our other seasonal employees I thought were two and three-month employees.

>> I don't have the background on that. We may have some H.R. staff that could come answer the question for us.

>> Tovo: Thanks.

>> Mayor Leffingwell: Any other questions for public works? Thank you, Howard.

>> Thank you.

>> Mayor Leffingwell: And we'll go to watershed protection. Welcome.

>> Thank you. I'm Victoria Lee, director watershed protection. With me is Diane Gonzalez, my financial manager.

>> Mayor Leffingwell: Okay. Great. Any questions for watershed? Okay. Thank you, Victoria, appreciate it. Good job.

>> Thank you.

>> Mayor Leffingwell: You know you are doing well when you don't get any questions. Planning and development review. Did we catch planning and development review?

>> They are definitely here.

[07:22:09]

>> Spelman: When will we be considering economic development?

>> Mayor Leffingwell: On the list I've got it's number 13. We're currently on number 6. Yeah, number 6. I had it earlier on the former list but I got a revised list this morning.

>> Tovo: That's right, Mayor, I thought it was scheduled to come up after planning and development review last week, that's what we had talked about.

>> Mayor Leffingwell: It was. That's where we put it, where I put it and we can do that if they are available. Okay, so we can do that. That's where I had it -- this list, I don't know if you have it or not.

>> [Inaudible]

>> Mayor Leffingwell: Go ahead. Questions for Mr. Against i. Guernsey. Planning and development review. Doing a great job, Mr. Guernsey. You do have one.

>> Riley: Greg, I wanted to ask about our reimbursement for work on the H.U.D. Sustainable places grant. I understand that we have billed some out today and \$31,000 has been billed for staff's work on

that grant and I believe some more is expected. So I just want to get clarification on that. I think we billed 31,000 and we're expecting about half of the remaining 50,000 and I just wanted to get confirmation on that and in particular I wanted to find out if those funds that are expected to come in could be allocated to the [indiscernible] central planning effort.

>> Councilmember, I don't know the answer to that question, but I can follow up with all the council offices in getting response to that on the allocation that's left and how it can be disbursed.

>> Riley: Okay. Great. I know that staff has helped us understand the importance of that south central planning grant and I think there was

-- my understanding from their previous response is there were

-- we could identify about 50,000 to fund it and we would need about another 150,000 to support bringing in a consultant. If you could just include that in your response, that would be appreciated. And then more broadly I wanted to thank you for all the work you've done on making progress on the permitting backlog. And I understand 23 positions are being added in the budget to improve the permitting processes. Do you expect that more positions will immediate to need to be added after we finish phase 2 of the fee study?

[07:24:53]

>> I think we'll have to see how that goes in the proposed budget. Some of the positions deal with site subdivision improvements, there are two site inspectors which right now we're employing temporary inspectors and we would make these positions permanent. And so we'll see. Right now I believe that what I'm asking for will go a long way to making sure that we stay on time.

>> Riley: Okay. Great. And then getting to another program that you're working on, well, on page 402 in your overview, you mention downtown way finding as a project. Is that being funded as part of the pdr project? I thought that was funded at least in part by downtown meter revenue.

>> We have funding that actually comes through our transportation department for the metering. Most of that goes to our great streets program for reimbursement. But I do believe that some of it is towards that effort.

>> Riley: Okay. So you do the work and then transportation reimburses you.

>> That's what I understand.

>> Riley: Okay. And then I had to ask this one about at the bottom of page 405, we're providing [indiscernible] vehicles for nine new inspectors. Why is it that our INSPECTORS NEED S.U.V.s?

>> These are actually I believe in the past we've been buying hybrids. They go out in the field to do the inspections. Some of the sites they go to are not all paved and they go over some unusual terrain in getting to some of these sites so they need some larger vehicles. We used to get mostly pickup trucks to go out to these facilities. THE S.U.V.s ARE A LITTLE Bit more affordable, a little more fuel efficient to getting into these locations. They can also carry additional staff that's needed and the inspectors themselves work from their vehicles, they don't actually have an office space so their vehicle is their office and so we have printers and their computer equipment in there. They also may carry some plans, boots, as necessary to go out in the field locations.

[07:27:25]

>> Riley: So each inspector has their own s.U.V.?

>> Has their own vehicle to go out which in the past was a pickup truck which is now a more fuel efficient or flex vehicle hybrid s.U.V., yes.

>> Riley: Okay. And because they are used as the individual's offices, there's no easy way that you COULD HAVE SOME S.U.V.s And some hybrids, for instance, for different areas of the city so that if you were going out to someplace out in the country you take the s.U.V. And if you are going someplace in the central city you take

-- everybody has their own mobile office eventually.

>> Everybody has their own mobile office. We can take a look at perhaps if there is an inspector assigned downtown, except sometimes our inspectors depending on the workload may actually shift to pick up another area in times when someone is on vacation or there's a workload that's increased a lot in one portion of the city so that inspector may actually migrate or go beyond their one boundary to pick up the load of another inspector.

>> Riley: Okay.

>> Mayor Leffingwell: Councilmember martinez.

>> Martinez: Greg, you want to go back to the response you gave. It's under capital budget and one time critical equipment. There's 1.2 for development update and implementation of public improvements, got a half a million for it looks like software. Are all of these coming out of budget stabilization reserve, ed, or are these structural dollars in planning and development review's budget?

>> The technology fee, i think the half million you are talking about, when we undertook the p study last year, you recall that we increased some of the fees that we had, but we also added a technology fee because we realize there's a lot of equipment, software, training that needs to be done in planning and development review as we change our practice and try to do more things online.

[07:29:33]

>> Martinez: So these are structural.

>> General fund dollars.

>> Martinez: That's is tame for the 300,000 tore THE S.U.V.s?

>> No. The stabilization reserves would be a funding source for some of these things, but greg is saying they also have a technology surcharge that gives them another pot of money. We could certainly break it out, I think the interest is we have a list of everything that we're paying for out of our budget stabilization reserves.

>> That's what's hard to when my staff and I are going through this, we're trying to look for one-time expenditures and it's really hard to tell whether it is being paid for out of budget stabilization reserve because this the big budget booklet you show you are going to spend \$10 million in one-time expenditures but there's no detail so we're having a hard time as we go through each department determining

-- I wouldn't have known 300,000 was coming out of budget stabilization reserves and it's kind of hard for us, you know, to figure out what exactly is structural and what's not when it's presented this way. So any help would be greatly appreciated because we're trying to do that with each and every general fund department. And then what was the other question I had? Oh, I did want to ask, i real size there's a healthy REQUEST FOR FTEs BECAUSE Of the amount of workload. Can you briefly explain the 13 vacancies?

[07:31:38]

>> Yes. Currently the 13 vacancies, 12 of those are already in the process of going through interviewing or already have been

-- the [indiscernible] have already been occupied or been posted. One position, which is an administrative assistant position, is associated with land development code revision, and we have recently filled the team doing most of the legwork on the city staff side for that. This administrative position would report to that group. And so we wanted to make sure that that team was on board before we actually advertised this position. This position will actually be advertised next month and the people working the team who would need to work closely with this administrative person would be the ones conducting interviews.

>> Martinez: Okay. Thank you. The knowledge about it document on vacancies lists you have two grant funded FTEs?

>> We do. It's in cooperation with the health department.

>> Martinez: And so those are in your department but are being funded via grant?

>> That's correct.

>> Martinez: And will those become structural expense in ongoing budgets moving forward or is it a start and stop grant?

>> It's a start and stop with a grant.

>> Martinez: Okay. Thank you.

>> Mayor Leffingwell: Councilman spelman.

>> Spelman: You mentioned in response to a question my staff submitted that you have included \$200,000 for a process improvement study to take a look at our development process. This, of course, is a perennial problem. Haven't we tried this before?

>> I think we've looked at it over time, different parts of our process, and i think it's probably a good idea to go out and with some outside assistance to look inward at our process. And so yes, we do take a look at our process. I think looking at all the different things that we have going on, improvements we're making with technology, the things that we review every day and looking at that overall process. I think also part of it came about from earlier this year when we were going through some of the difficulties with our backlog and residential, we had made an effort to reach out to our stakeholders and they also felt that it was important for us to engage in outside consultant to take a look at our process. They thought it would be a good idea. And so based on those different things, we put that in as something that we would like to see happen.

[07:34:28]

>> Spelman: Have we ever issued an r.F.P. For external review of our process before?

>> No, not that I recall. I think we've looked at different portions of our process, maybe not through the r.F.P. Process itself. You know, we have talked to kpmg recently and they actually offered their assistance to the city and take a look at our department and kind of give us an overview when we were having more difficult times earlier this year annulater part of last year, and i think in talking to them and listening to our stakeholders and looking through that process we came to that conclusion.

>> Spelman: Okay. How did decide to price it at \$200,000?

>> Actually I had staff go being bard and look at perhaps what others have charged for similar type of service.

>> Spelman: Do you know of any other cities that have done this?

>> I don't know the names of cities that my staff contacted, but we can follow up with you on that.

>> Spelman: Part of this, I wasn't surprised this is something that needed to be done, but it occurred to me looking back at the previous times we've taken a look at our process, it's all been internally driven, at least in my memory. We did something back in the MID 1990s, SPENT A YEAR, People were pulled off line to look at the entire process. Things didn't improve as much as we expected and all of these seemed to be internal processes and it surprised me we had never sent this out before.

>> We have worked with austin energy in the past. The late dr. Vivvy had worked with wastewater protection review in the mid 2000's about process improvements and I know victory lee had implemented the amanda database system which kind of came out of that process which I'm thankful for having and look forward to an up grade of it, but I think that was probably a big achievement in moving us forward in technology, tracking up locations, coordinating reviews. So I know there have been some processes in the past that have been examined, but through maybe within the city that have been going outside.

[07:36:47]

>> Is there any city in the united states that has by common consensus do people believe there are some cities doing better at the development process than we are?

>> Well, I'm sure there are other cities that probably do better than us. I know earlier this year i sent staff along with some ctm staff went to chicago for the electronic plan review. So when you look at the reviewer's desks they were clean, there were no plans on their desks, just two large monitors. That is one of the things i think we can probably improve on our carbon footprint. We can probably save on a lot of back pain of dragging plans around and probably make reviews much easier but on electronic plan review they will yes lay those with a different update so we can see what's changed and hopefully taking less time. There's an example of one city that does electron being plan review that we are piloting. We just initiated our pilot program on it and look to improve and probably pick up things from other cities as well.

>> Spelman: And then we can consider automating some of the processes we're currently doing on

paper.

>> Yes, definitely.

>> Spelman: I have to mention an old technology professor of mine said even if you have a clean physical desk top, take a look at the virtual desk top and you will probably find that's just as messy as the physical desk top used to be. So that may be all we're doing is transferring our paper mess to a virtual mess, but

--

>> right now the virtual mess, though, is occupying a huge amount of space in my office and also we employ iron mountain to store a lot of that paper.

>> Spelman: I understand and there's usually a value to doing it even if you are mostly moving it around. Another question, different subject is the only other one I've got. In response to a question we submitted on annexation, you pointed out one of I think the only two annexation in my memory in which we knew in advance we were going to lose money. One of the issues on annexation, we do all funds analysis and figure out whether or not on balance we're going to be costing the current taxpayers or helping them. You point out oak valley. The other one I think probably slipped your mind was walnut creek back in the LATE 1990s BUT THOSE ARE The only two annexation events in which we knew in advance the benefits were going to be exceeded by the costs, but there were good reasons for us to do both of those. The question I got is

-- that's accurate information?

[07:39:34]

>> I think the walnut creek one, if I remember right, they had unsized waterlines and they couldn't put out a fire from their hydrant and they didn't have adequate sewer systems and we had completely surrounded that particular neighborhood, i think it was on the west side of 35, on the north side of town and so yes, we did take a loss, but I think that was the right thing to do given their location.

>> Spelman: And we've been talking about that for years and finally the bullet did it and I think it was exactly the right thing to do. The question I have tails from that. If that's a practice with certain circumstances, of course, we'll annex even though it's going to cost current taxpayers, but generally speaking we don't do that. Have we ever gone back to examine actual costs with annexation where we examine the waterlines and sewer lines and all the other things, did it cost as much as we thought and did we infact

-- did our all funds analysis prove out? Have we ever done that?

>> I don't believe, but i can check with our water utility and check with our financial folks and get back an answer if we have in the past done that type of review.

>> Spelman: It seems to me

-- it's always a good idea even just on a spotcheck basis to be sure those projections are sufficiently accurate, it makes sense to continue making decisions on that basis.

>> Thank you.

>> Mayor Leffingwell: I'd like to follow up on what i think I understood councilman spelman's discussion about external review. I think that's a great idea with one little twist. I think what I talked about in the

past is have that done at the applicant's discretion with the applicant paying for it. So that would give an applicant the discretion to say, if you are shorthanded, we catch you shorthanded, it's a down time and there's a long delay in the review process, they would have the option at their expense to do that. And frankly, I think your department is probably the most cyclical of any in the entire city, totally dependent on what the economy is doing, and i think that gives us the option to continue kind of a good response time regardless of how many reviewers you might have on board at that particular time. I would like to see that option thoroughly evaluated and discussed. Maybe a memo at some point after we get past this budget discussion and you have more time, but I think that's

-- I think that would be a good, good addition to your capability to be able to offer that option to people who might be in a hurry to get their plans reviewed. If they are in a hurry, they pay for it. And so councilmember

-- or mayor pro tem.

[07:42:38]

>> Cole: Yes, I just had a question on residential review. We've been doing a lot with the one-stop shop in residential and commercial reviews, but I was surprised, and y'all have done a tremendous job with that, but I was surprised to see a proposed reduction in FTEs FOR RESIDENTIAL Review. Can you explain that?

>> Yes, mayor pro tem, that's not actually a reduction. We had three positions that were in residential review in the past and I've actually moved them out of residential review and unwith of the positions is a sign review. It's not really directly related to the residential review. They review signs for on premise advertising, for commercial businesses, relocations of billboards. So that position was moved to our development assistance center. The other two positions had to do with our board of adjustment and sign review board. The board of adjustment has actually two staff. There's a planner and an administrative position that support that. Board of adjustment variances aren't just for residential, they apply to commercial projects, sign review projects. THOSE THREE FTEs WERE Moved out of the residential area and put in our development assistance center. Also it enables them to meet with the public a little easier because those folks are usually coming and asking for the variances and also allows turn-around time for signs to be a little quicker. That isn't a reduction, that's basically just taking THREE FTEs AND TO THE Developmental assistance center and it was easier for the customers that come in to talk to that staff.

>> Cole: That works out for better efficiency.

>> Right. Three seats where I could put residential reviewers in where they used to sit and i have a little more room in the deck center. Those three spaces were filled up by residential reviewers.

>> Spelman: Followup, mayor.

[07:44:41]

>> Mayor Leffingwell: Councilmember spelman.



>> Spelman: Those three people are taking their applications with them and that's why the number of applications are doing down. Some of those are going to die.

>> You are probably looking in 2011-12 we actually changed our process. For many years in the city of Austin an individual would walk in with building plans, my reviewer would do the review at their desk and would pass that person on to the permit center or tell them to come back. Right now we actually turn them in ahead of time. There was a place where I think a lot of staff made mistakes because you had the applicant across from you and you were quickly asked to review perhaps zoning REGULATIONS, NCCDs, LOCAL Historic districts, maybe a demolition or two and it put a lot of pressure on to the reviewers and sometimes the applications weren't complete. Now we actually just like we would for a commercial permit or site plan, we actually have you turn in the application, it gets logged in, assigned to a reviewer and so the better will be the workload among the reviewers because the way it's assigned. But that's the reason why you don't see so many walk-in customers because they were actually dropping off the application. This year I appreciate your thoughts and enhancing my budget because you added intake to this so we've actually segregate the review function from the intake function and we have a separate consulting function which we're working through. It used to be all in one and that's why it used to

-- these positions kind of revolved through time.

>> Spelman: To clarify, if we had 9800 applications reviewed in 11-12, that went down to 8300 in 13. That's where you think we're going to be. And it will go down to 5800 because you are sending some things elsewhere?

>> That's right because you don't have as many people coming into my office anymore, sitting down and waiting. They are just dropping the application off and leaving rather than just sitting there waiting. And it's a waste of their time for the customer to wait to come in, in the past to wait and get the review and leave versus dropping the application off. We do the review and come back and get their comments or pick up their permit.

[07:47:04]

>> Spelman: I understand the improvement in quality is somebody is not tapping their foot and Santa Barbaraing their fingers over your shoulder but I'm not sure why the total number of applications would go down. Why would the total go down?

>> It probably had to do with two things. One, some of the applications that people used to walk in for were for the board of adjustment and signs. That task has been now going to the development assistance center. The other is 5800 might be low for the 2013-2014 total because we have an increase in number of single-family applications, both new construction and remodel. So that number is probably a little low.

>> Spelman: Seemed to me the number may have been an addition error and the actual number has gone up a bit.

>> We'll check on that, councilmember.

>> Spelman: If you could, thanks.

>> Mayor Leffingwell: Anything else? Councilmember Tovo.

>> Tovo: Mr. Guernsey, on your budget presentation, your video and power point, it talks  
-- very nice job, by the way, on your power point. All the films were interesting. The customer service enhancement is listed as NINE FTEs AND I WONDER IF You could talk a little about that.

>> Certainly.

>> Tovo: Are those all envisioned to be at the reception area and in the dac or

--

>> one of the things

--

>> Tovo: What's the range of responsibilities?

>> One of our customer service enhancements in that we've already implemented through temporary staff, when you call my office during business hours, hopefully you will encounter an actual person rather than just being received by voice mail. What we've done is we've changed our phone tree this year so that when you call in we have two people kind of like a mini 311 center in my department that will try to direct to you the appropriate person to talk to or get you the information that you need. So those are two of the enhancements. Also we're trying to improve on our records management so there's a records management position which my department desperately means we have not had a full-time position within the department, and also an optical recognition person who will help scanning documents and coordinate how those documents are handled within our office. Some of the other improvements to that is an i.T. Person who will help get our applications on line quicker to make sure they actually work in a manner that's faster. And this will eventually help our customers that might be waiting to come into our office or possibly even our inspectors so in the future they might be able to use certain applications out in the field. Also we don't really have a marketing person. You know, public works has a heart. We don't have a heart. We don't have any marketing tools in our department in that sense. So we don't have a logo. A lot of departments have a logo. We just use the city's seal. We don't market our services really well out there. And so we're actually going to try to be proactive in the future and get the information to our customers either online, as they walk in. It's nice when I had imagine austin because I was giving bags and water bottles and got a lot more interest. Code enforcement, they give out pencils with their phone numbers on it. Just having a number you could stick on your refrigerator might be helpful, but I don't have that. We're trying to develop a marketing program within our department.

[07:51:02]

>> Tovo: So I have a few responses, especially on the marketing point. Let me just start by  
-- i guess I would add i appreciate that that logos and things like that are important, but if we're looking at making, you know, doing tightening, sounds like you have all the work you could need. I really appreciate all the enhanced process improvements you've brought to the review process and the development assistance center. I'm not certain that I see the critical role that marketing would play.

>> Councilman, sue edwards, assistant city manager. Let me start over. One of the things we found is not necessarily the pencils or the logo, but we have a lot of different things that cows americas customers comingin don't know about. We have now the tree, the telephone tree that we can direct

people to and so we need to advertise that. We have online planning come on and we need to advertise that, we need to help people understand how to use the online plans. We have a number of electronic things that are going to be happening this year and it's going to take a lot of education for the public in order for them to understand how to use that. In addition to that, one of the things that we're doing as we put all of our forms online, we are also putting adjacent to those forms instructions on how you fill out the forms because we have had very complicated forms in the past and we are changing to a more simplified form. In addition to that, if you go over to the permit CENTER, WE NOW HAVE T.V.s Up but they are not for t.v., They are video and they are instructional videos talking about how you fill out applications, what you do for subdivision, what you do for site planning and that sort of thing. We do not have an individual that can actually do all of that for us. So that was really the underlying principle for having the marketing person.

[07:53:14]

>> Tovo: I think for that kind of educational piece, i think that makes sense. To what extent can our public information office handle that work for you? I guess this is a question that I always wonder about as we look across departments, some of them have that kind of marketing function within their department. I would assume the others can work with our public information office to provide that confined of marketing, educational outreach as needed. And we want to be as efficient as possible so do we need to duplicate that within planning and development review?

>> One of the things we looked at is corporate pio. Corporate pio has helped with imagine austin and they are going to be helping with the land development code, but they do not have an individual that can spend all of that time that we're going to need. We estimate it's going to take this whole year really to just begin to put those things together. So they can help on some things but there will be a number of things they will not be able to help on. We've had to go outside in order to look at all of our forms, put our forms in consistent so that everyone has the same type face that you can recognize it as a land development form. And pio just doesn't have that kind of time.

>> Tovo: Okay. Thank you. Mr. Guernsey, I counted, let's see, two individuals who are going to be working on the telephone tree, one records management, one person who you said

-- one staffer who would be doing optical recognition, scanning documents, one i.T. Person, one marketing and then that

-- that doesn't bring me quite to nine.

>> Right, and there's two additional positions that work with our permit center that handle the walk-in traffic that we do have. And so that is a supplement to the other seven that i just spoke of.

[07:55:17]

>> Tovo: Okay, I'm sorry, I'm still coming up with eight here.

>> There's an additional customer service position that's working and coordinating a lot the technical improvements from the standpoint of the phone tree, for the processing of the applications that

assistant city manager just spoke of about coordinating that with the outside consultant to update all those forms, making sure also they are compatible with our operating system under amanda. Coordinate all these things there's a third customer service in addition to the two that just man the telephone.

>> Tovo: Thank you. That makes it to nine. Of those two individuals who will work in the permit office, that will add an additional 70 hoursish to that office. Is that really where

-- is that really where you need the additional staffing? I mean is it really that we have so many people coming into the permit office and the staff members doing intake are overwhelmed, it was my understanding it was in the review process where it's getting slowed down. Those folks coming in and waiting aren't waiting for somebody to check them in but waiting to speak with a reviewer.

>> Just as we had residential backlog, once they get cleared out they go to the permit center. They handle residential and licensing. In the permit center i already have temporary employees. Just like temporary employees inside building inspection and a lot of positions I'm asking for within this budget would replace temporary people that I already have doing the job permit center and site inspection. Customer service phone handlers. All those are temporary positions.

[07:57:17]

>> Tovo: Okay, thanks, that's helpful. I wonder if it might be possible just to do this as a budget question just so you could lay those out and explain

-- it sounds like the two answering calls are temporary positions you want TO CONVERT TO FTEs AND THE Same is true of the two in the permit center that you want to convert and in the interest of times, if that's

-- is that something you can do?

>> We can get that to you.

>> Tovo: Thanks very much, mr. Guernsey.

>> Mayor Leffingwell: Councilmember martinez.

>> Martinez: Greg, I was reminded of a meeting I just had with the associated general contractors and they said they met with maybe sue and some of the teams and they have provided

-- they felt like the meetings went really well over time, good ideas were thrown out there and then they just kind of sat on a shelf. And when they approached staff about potential changes that were discussed in those meetings, that it was relayed to temperature by staff that we're just too best I with what we have going on. You need to go to council and ask them to direct us.

>> Councilmember, I find that really hard to believe since, first of all

--

>> Martinez: [Inaudible].

>> First of all, we send the team members, every memo that you get as an update, team members that are stakeholders also get that memo. We told them after the last meeting we would not be meeting for a while while we began to put these things together so when we came back to them, we would have been another step up and that's where we're going to begin talking to them about and what we really intended to is have this as an ongoing stakeholder group that will be there. Some will come and some

will leave probably, but they have been informed on a regular basis and they get the same memos you get.

[07:59:19]

>> Martinez: I understand. Thank you.

>> Mayor Leffingwell: We will go on to economic development at this point. [One moment, please, for change in captioners]

[08:02:26]

>> the temps are highly skilled people. They're doing a important job for you a>> the temps are highly

skilled people. They're doing a important job l>> the temps are highly skilled people. They're doing a

important job for you>> the temps are highly skilled people. They're doing a important job

>> the temps are highly skilled people. They're doing a important job for you for a while. They haven't made it in the budget. The more manageable number is 8 or 9. So it's presumably four

-- four of the folks could be transitioned into fulltime status?

>> Or they'll be transitioned out. The city policy is six months. We've gone as far as we can on that. All of the divisions have led all of the temporaries know that their positions will be coming to an end in a certain time period. We're redoubling our efforts now to go back and revisit every single project we're working on to see where we can link those together with our requests for the next two years.

>> Because they were funded through austin energy, it was difficult in the last few years TO GET EXTRA FTEs, ADDITIONAL FTEs THAT THEY NEEDED. As YOU'RE WELL AWARE, ECONOMIC Development expanded in a number of different areas. BECAUSE THEY DIDN'T HAVE FTEs, They used temporary positionings.

-- Positions. We're working to get more

-- as the funding changes and we're getting multiple funding sources, we're working to get THE FTEs TO BUILD THE TEMPORARY Positions.

>> Over two years, going to be a transition period. At the end of two years, you've gone as far as you need to go, you need to go, transitioning what are currently temporary rules in to the fulltime roles. But I heard four of the 13 transitioning to the full-time roles and the rest are staying temporary, is that correct?

[08:04:30]

>> Yes, I can add clarity to that. Some temporaries on a regular basis are appropriate. There is a regular mission to those.

>>

>> Spelman: YEAH, DOING THE Project and in six months it's done.

>> Exactly. In the bond funding, the aipp projects can be used  
-- temporaries can be used for the aipp projects because of the back charge to that. So those can be temporary projects. We may be able to name a large number of temporaries just because their projects are time specific.  
>> I understand that. But wouldn't it be more efficient in the long run to have  
-- to be sure those who are doing the projects have a history with the city, maybe have a longer history with aipp as a program, make them fulltime employees that are going to pick up one project after another.  
>> Yes, I totally agree with you. Our goal is to look at the studies that have been done in the last three years. The study on the creatives, for example, that gave specific directions. The study on food sustainability. We're looking at the initiatives and developing a pretty good plan in our part of imagine austin. We can't do it overnight. We're coming out of the recession. And we haven't had any positions created in five years with the exception of music. And so we're trying to create a balance between maintaining the temporaries that we can, and strategically hiring positions that can take on a larger role. So it is a bit of a balancing act. But we think we've got a pretty good game plan.  
>> I'll have to ask you a  
-- I'll put in a written request for a little more information about the game plan. I suspect if you get to the specifics with me, it will roll over my head. I would like to ask it in writing and get it in a little bit.  
[08:06:43]

>> Okay, thank you.  
>> Spelman: If other people have follow-up questions, I'll yield the floor. I'd like to have it back to ask questions about another subject.  
>> Mayor Leffingwell: Anybody on this subject? Did you have a comment?  
>> Yes, thank you, mayor. A lot of questions about the temporary employees from past information. If a temporary employee works less than 20 hours a week, there's no constraint on the duration for which they can work for the city. So there may be temporary employees that worked in excess of six months, in excess of a year that they're working less than  
-- they're working part time. We don't ask the departments to constrain the amount of time they utilize those seasonal part-time workers. However, if  
-- if a temporary employee is working more than 40 hours, more than 30 hours a week and up to 1,040 hours in a six-month period, we do monitor those closely and ask departments if they want to work them more than six months to get an exception. If they come back with one exception and they want to work them more than a year, we ask them to review that request with the assistant city manager and will look at the option of requesting a permanent condition in the upcoming budget. That's the process for managing temporary employees.  
>> Spelman: It sounds like a reasonable process. Mark, kevin, rodney, anybody, do you know how many are part time, how many are working 30 hours a week?  
>> We'll get that breakout to you.  
>> Spelman: As far as you know, you're following mark's process.

>> That's what Kevin mentioned. We are working with HR to come in compliance with the process that Mark outlined. We are doing this.

>> Spelman: The answer is no, but you will be.

>> We will be, yes. >>.

>> Spelman: Okay, thank you.

>> Back to you.

[08:08:47]

>> Spelman: In response to question number 68, you describe

-- we asked you to describe what a regional distributions network did. And I appreciate the response. I'm not sure I understand it. So I wanted to perhaps to

-- I might understand better what this network was all about if we had a conversation about it.

>> Thank you, one of the first conversations we had three years ago is who are going to do the evaluation of the hard core unemployed and those who had given up. We learned there were 32,000 hard unemployed people, people who had been released from prison, periods of homelessness, didn't have high school degrees or college degrees. We began to develop a strategy on where do you find jobs for people who fit in that category. We developed a strategy that we would like to be able to roll out very soon. Which includes three pieces. It includes the accelerated redevelopment in inner city areas where you have commercial revitalization and people can walk to the jobs and low income people are required to be hired as part of that process. An expansion of the small business, the family business lone program where individual companies, mom and pop doeses, hire family members or people that they know that fall into those categories, those people are never going to get jobs at Dell. And lastly, to your point, the

-- the growth of trade in Texas is what the logistics industry is all about. And as you know, in 2015, the Panama Canal would be open. And there will be an expected doubling of trade to the Texas sea ports. As well as the Mexican sea ports. The trade that was going directly to California and being shipped by rail or truck to Chicago and then redeployed around the United States is not going to do that anymore. It will come through the wider Panama Canal with the large freighters and unload more close to their target audience. So the Asian trade is what this is all about. This has to do with Costco distribution centers, Walgreen's distribution centers, HEB distribution centers, anything where products are unloaded from these freighters and they're moved up the NAFTA corridor. And so our goal is looking at the idea of these inland ports, it's an economic strategy that I'm sure you're familiar with. It's fairly new. It's about 20 years old. But in the case of Dallas, Dallas has done a great job, Norfolk has done a great job. And where the

-- where the ports are

-- the sea ports are too crowded to develop the kind of property that's needed, you need big tracts of land and you need a workforce that

-- that is available maybe 90 to 100 miles from the sea ports where you can move to those areas. You can move the products from the ships to those areas. They can be assembled. They can be put on assembly lines and redirected to different places around the country. The example that I used with our

team is the effort that has been made by the south florida sea ports to organize themselves. The governor of texas has recently put a committee together to organize how the new trade will affect different communities. Our goal is to work with the developer south of the airport to organize the recruitment and expansion of two or three of these distribution companies every couple of years. So each distribution company averages 700 to 1,000 hard to employ people. They're working at \$35,000 a year working forklift, quality control, and truck driving. Even if we can get one or two of these on a regular basis, it takes a big dent out of the very, very hard to employ people that we need to get employed. The idea is that really taking root, as you know. Last year

-- I guess a year and a half ago, we did a membership with nasco, which has to do with the i-35 corridor and the commissioned a study from texas a&m global supply chain management institute. They identified through a study of the target logistics and distribution companies that they thought that we should attract in terms of manufacturing and distribution. They zeroed in on the automobile technology and

-- and food products and electronics. A few of them were working with the chamber of commerce to begin to recruit. So it's

-- it's moved from a concept of hard to find real estate, trying to find directors of the logistics companies to work with this area and the chambers of commerce to begin to identify this as a priority area to recruit. You may recall in opportunity austin 1.0, this was part of the strategy. They couldn't figure out how to make it work. I think a lot of that had to do with the fact that manufacturing was just not deemed as suitable to this environment. But as you know, now, with the recruitment of h.I.V. Global, of u.S. Pherathainn eand the chamber of commerce having 15 technology and manufacturing and logistics companies in the pipeline, it seems like it's very doable.

[08:15:32]

>> Spelman: That last line, 50 logistics companies in the pipeline?

>> Prospects that they're trying to recruit to austin.

>> Doesn't sound like you're going to have trouble to persuade the chamber of commerce on what I used to refer to as wholesaling and warehousing is a place for us to be moving towards.

>> I think in a small way. It's

-- it really has to do with trying to balance the diversity of employment in austin. So we identified there are approximately 10,000 hard-to-employ people. And our goal, once opportunity austin 3.0 rolls out with our new measurements to address poverty for kids and unemployment for hard to employ

-- I think that our effort can be to try to attract those types of companies here to really make a difference and those are the populations that have the most need for social service delivery.

>> Spelman: Right. I can think of

-- we could have a longer conversation. This is not the time to have the longer conversation. But I can imagine the longer conversation that could be more complicated than a yes or no, good idea or a bad idea among the council. It seems like a good idea for us to talk about this. This is the place where you're urging the chamber of commerce to go or you're going be spending a fair amount of your own resources?



>> Thank you, we would like to do that. So far we don't even have one full fte dedicated to this. We've done a lot of homework on it. And we commissioned the study with texas a&m and we worked with the realize brokers to try to get people organized. So it's not a lot of resources but it has great promise.

>> I'd like a copy of the study if you would send my office.

>> The texas a&m study?

>> Spelman: Yeah, I'd like to take a look at that. Is this typical the way we organize our recruitment program is to have an fte assigned to a particular cluster of business s?

[08:17:45]

>> Typically what we've done is the program manager worked directly with the chamber. However, we have approximately four employees in that division. Now we are going to start assigning project managers by industry cluster similar to the way that the chamber is set up. What that does is allows us to have multiple employees situated on economic development.

>> Spelman: So we haven't done that yet. You will be doing that. Somebody who handles medical stuff, manufacturing stuff, whatever it is.

>> Okay.

>> One fte wholesaling and warehousing?

>> Yes, other things as well.

>> Spelman: There's a longer list. Okay. I think I know what I need to know. Thanks very much.

>> Okay.

>> Spelman: We submit add kwem, 74 for those who are keeping track. Councilmember rosen is keeping track. Not sure the rest of you are. Councilmember tovo was too. There you go. The question is if the seminars which you're conducting

-- as i understood your answer, you're conducting a series of seminars monthly. They go on for an hour, maybe somewhere between a half an hour and an hour. So it's like a lunchtime talk sort of thing. And it was a long list of things you're talking about, including export, export logistics, the u.S. Business opportunities and exporting for creative professionals. The question is, I can't

-- when I'm teaching a class, I just take a half an hour to clear my throat, which is not going to be any surprise whatever so the mayor. I barely get said what I want to say and I wonder how much you can get in the half hour to an hour-long seminar.

[08:19:49]

>> They're to answer initial questions and to connect people with other resources.

>> Spelman: Okay.

>> We work with the chambers of commerce, the nasco corridor people. We have the international task force that has lawyers, accountants, financial people, and other experts. So the study

-- there was a survey done by the small business development program to find out how many people are interested. And to begin to gauge whether this was an area that people wanted to go into

-- small business would want to go into. And the result results seem encouraging, the businesses that were successful, their incomes went up dramatically. So I would say the course work is not the end-all. It's more to introduce in different levels the small businesses' ability, what their obstacles are, where they might find potential partners. If they wanted to teleconference who to talk to. The rules as you know for import/export are intense. These are just samplings.

>> Spelman: So if you want to ship your stuff overseas, here's the people you need to talk to in order to get there.

>> Yes.

>> If I may add quickly. What we're doing an hour and an hour and a half, it's hardly any time. These are small businesses. They don't have much time in the day to offer. An hour to an hour and a half is appropriate. We offer swing services so they are touched on a monthly basis with a different topic that they can then focus on the monthly basis.

>> Spelman: How many

-- how many seminars did you deliver last year.

>> Did we?

>> Spelman: How many of these did you do last year?

>> We'd have to check. I think we try to do once a month.

[08:21:49]

>> Spelman: So about 12.

>> About 12.

>> Spelman: Okay. On these subjects.

>> Yes.

>> Spelman: How many participants did you have? 250 is what we have on an annual basis, unduplicated customers.

>> Spelman: 20 unduplicated customers per seminar. You about hit that last year?

>> I think we did.

>> Spelman: Paying anything to go to the seminar. Is it free?

>> A nominal fee. We found by charging a price, those people are likely to show up to the course as opposed to if it were free.

>> Spelman: And you did follow-up and verified the people who showed up started to go in export directions and

--

>> we work in conjunction with the U.S. Department of commerce and they helped us to track the metric.

>> Spelman: If you have a report or a memo, I'd love to see it.

>> We can do that.

>> Spelman: Thank you, Rodney. Two more questions

-- again, it answered my question number 71. You're asking for an additional contract compliance specialist. As I understood it from your answer, one person now is handling compliance with all of the

agreements. Is that right?

>> We have one person was making sure that each of the companies is in compliance with the agreement.

>> One person. I oversee that person and that work. So we have an independent party. .

>> Spelman: Tell me about the workload. 6 of the 9 were added in the last three years. They are ramp-up contracts. The initial 1 to 3 years, the ramp up is a portion of what the total ramp up is. We hasn't hit the top of the workload.

[08:23:54]

>> Last year, that person was able to cover the workload. Next year we're going to get a situation where compliance is going to be in question. We're talking about significance incentives.

>> Yes.

>> Spelman: It's not questions because I don't get it. This one I have problems with. With respect to the performance measures on page 384. WE HAVE 11 FTEs ASSOCIATED WITH That section. Does that include the person doing that callback?

>> Page 384.

>> Spelman: Redevelopment services in the redevelopment programs? I HAVE 11 FTEs AND THE ECONOMIC Development funds? Total spending is \$11 million and most of that is going to be in incentives.

>> YES, 11 IS WITH THE TWO FTEs That we're requesting.

>> ONE OF THE TWO FTEs IS GOING To be a contract compliance that we were talking about a while ago.

>> On the redevelopment side, we're asking for a project manager and project coordinator.

>> Spelman: Okay. Here's my question

-- so what's going on? What's the work of the redevelopment service department?

>> Well, we recently

-- council recently approved the agreements for the energy control center. The greenwater treatment plant by itself is a 7 to 10-year development project, it's 1.8 million square feet of development. It encompasses all of the sea home district. It's \$1 billion worth on that side. Then the project which you all are familiar with. WE'VE HAD THREE FTEs WORKING ON The miller project. Most recently, you know, waller creek is a project near and dear to our heart. ONE OF THE FTEs THAT WORK ON Miller is assigned to that and that's rightfully so. We've got the innovation district, urban rail coming up. East riverside corridor. We've got airport boulevard. We've got the capitol complex. A number of projects we're going get asked to work on, get assigned to, and this is not just working on new projects but looking a the horizon so when we're working on the projects we can help out.

[08:27:00]

>> The reason I was asking

-- you were very proactive in anticipating where I was going. Is that when I asked the question, the

answer I got back was, look at all of the stuff we did in 1999 and 2003 and 2005 and I didn't get a sense for what did you do last year. What are you going to do for me next year. It sounds to me -- and I'm comfortable with green, sea holmes, the ae substation, whatever we're calling it. Wall innovations. We're asking for people to participate in a long list of stuff. What kind of this generically you're doing with all of those. When we asked about it, we didn't get a long list of stuff, we just got a lot of history. Had I'en the answer that you just gave me a second ago, rodney, I probably would not have needed to bring it up in an open session. I needed to do it because I have to know what we're spending our time and money on. Briefly, pick one of those projects. What kind of stuff were we doing say with the sea wall project.

>> Let me respond to that. We did put some of that in response to question number 70 we listed in projects and the depth of the projects, specifically millers, the redevelopment project. Question number 75 asked about how our influence in the amount of retail square footage, new residential units, etc. So the response I think you're looking for we addressed in question number 70.

>> The reason we asked the question is because performance measures provided the redevelopment services were focused on downtown stuff. Retail square footage, new residential units downtown and so on, and were not representative of the much broader class of things you talk about people working on.

>> A lot of our projects in the past have been downtown centric. That's why our performance measures have reflected downtown metrics.

[08:29:01]

>> Appropriate for a downtown centric program since it's going to be broader than downtown. It sounds to me like you need to spend some time thinking about the performance measures that will be available for east riverside, for waller creek and so on. That project requires a significant amount of requirement on the part of the developer. We had not just the master development agreement, we have restrictive covenants and other attachments such as the parking lots agreement. So the project manager will have to make sure that the developer is meeting all of the requirements that they have said they will do, ranging from mbe, wbe, obligations to prevailing wages, to meeting with affordability requirements, so on, so forth. So our task as project manager for these projects to secure the developers can meet their obligations on a daily basis. The other thing, of course, is since these projects are so embedded with the city planning processes, it's helping to make sure and helping to facilitate the projects get done.

>> Spelman: Right.

>> On a timely basis.

>> Spelman: Right. If something happens, a new permit that you can facilitate getting the new permit.

>> Exactly.

>> Spelman: Okay. We have 11 people

-- nine people are asking for two more people, a manager and a coordinator. Those two people would be presumably back on the team and assigned to one or more of the projects.

>> Yes, we will look at the workload for the other nine and redistribute the workload accordingly.

>> Spelman: Thank you, sir, appreciate it.

>> All right.

>> Spelman: Mayor.

>> Mayor Leffingwell: Councilmember martinez?

>> Martinez: Thank you, mayor. I appreciate hearing the work that's being done on the inland port. I think if I saw it correctly, it's one of the reasons you were recruited from florida to come here. I remember the city manager talking about this as a tremendous opportunity for us. So I would like to get a copy of the report. Probably the rest of the council would, maybe

--

[08:31:11]

>> absolutely.

>> Martinez: It speaks to one issue that I sat in a meeting with the city manager and the assistant city managers over at gcr. Capital services. So the idea has come to us and asked if we shift workforce development away from our social service contracting competition because they believe it's more appropriately in line with the economic development policies. From what you're saying the strategies that we'll be employing in the coming years or the coming year, that seems to line up naturally. You know, they feel that it's probably not the best place in the budget for them to be competing with funds for meals on wheels, homeless sheltering, things of that nature. And I agree with them. But I caution them that, you know, shifting to the general fund is also a risk in that now you're not only -- you're not just competing within those social service agencies, you're competing with, you know, everything else in the general fund. So I wanted to know what conversations, if any, you guys have had subsequent to those meetings about that request and whether or not that is something you all have thought about. Because in 2010, we did fund two workforce development contracts for egr so and now we took them out and now they're asking us to put them back in.

>> We had a discussion with skillpoint and with workforce. Have you had any conversations? I'm trying to get my arms around a response to you. We're focused on performance measures as you know. And we're trying to attract the best efforts to bring the hard to employ jobs. So that is the target market. I'm not sure we're the best persons to run the workforce training program. I don't think that's our forte. The largest division is small business and it's incredibly effective. The second largest division is cultural arts and, you know, the kind of work that they're doing. Redevelopment

-- you're hearing rodney speak to that issue pchlt our international with the

-- with the work with the 125 counselor visits and the inland court and really working on the trade, and the music division and the economic development work that we're doing is a very small part of the recruitment. So I guess where the workforce fits into that, I'm not sure it fits into egr-so.

[08:33:55]

>> Martinez: I don't think there was a question that egr-so run a workforce development. They feel it's more appropriately funded through e dwrks r-so because in their mind it is economic development and

generating higher earning wages for hard to employ. Sue, should I add one more thing to that. Approximately three or four years ago when this area was looked at, and this was when leslie was in position of chief financial officer. That question was raised whether or not it should be funded from health and human services or austin energy. I sat down with leslie at that time and we came to the conclusion it should be funded through health and human services. We looked at the end result of that training to see whether or not it fit within egr-so, economic development or health and human services. We did come to that conclusion. We would be glad to sit down with finance again to look at that. But that was the conclusion we came to three years ago.

>> Martinez: I was in on one of the meetings. I think you guys were. Were you in on that meeting? Have you had conversations subsequent to that meeting? The city manager did tell them that's a council decision. So if council directs me to move funding from these program from another area, that's what I'll do. But I wonder if there were internal meetings or discussions about it.

>> Councilmember sue edwards, acisse about the city manager. We have not had a lot of discussion but the discussion we have had focused on I think what kevin's point was is even though it appears to be economic development because you're creating jobs, it's a training program. And I think that health and human services has a number of those training programs which then economic development could -- could take from and could use in terms of those outputs that they have. So that's where we are at this point.

>> Martinez: Okay. Burt, did you have manage is you wanted to add?

>> Assistant city manager. What we're doing is health and human services asked staff to actually look not only at this contract but then as I indicate in the previous response last week when this came up in health and human services, we have several other contracts that are workforce related. Even though this one is training, we do have contracts like skillpoint and workforce. And I want to make sure that we get some context in terms of where that fits in with others and whether this might be another possible consideration for other dollars we have in the whole social services arena. At the end of the day, we indicated this would be a council policy decision. Sue is right, it is training dollars. But I

-- I think what we're doing is we're doing our homework to make sure we get the information, not only on capitol idea but other contracts that may be correlated to that.

[08:36:47]

>> Where is workforce solutions and skillpoint funded from?

>> We have a number of contracts that are in social services. I can get you a breakdown. I don't have them off of the top of my head which ones are the ones that are in social services. But I can have staff, you know, get you that response.

>> We do have the \$1.2 million workforce contract that's in our third party agreements that is administered by hhs. It is at egr-so.

>> Martinez: So the funding comes from egr-so and managed by health and human services.

>> Yes.

>> Martinez: I would be interested to look at the structure a little closer and reach back out to capital idea and see if there's something that council would consider. I think from their part, I get the sense that

they weren't a little more sense of stability. They don't feel they're very stable in social service contracting. I tend to agree with them. They seem to be very consistent in their outputs and the programs are very successful. So with y'all's help, maybe we can come one a solution for them.

>> Councilmember martinez, let me ask you a question about that. They came to me, I agree they don't feel stable in the source of funding. But they also seem not to feel challenged by this concept of a basic need that they weren't filling the basic need, but it was more economic development so they didn't want to have to be in competition with basic need dollars.

>> Martinez: Okay. I get that same sense. I think they believe that they are lifting folks out of poverty and getting themselves to a level of self-sustainability they wouldn't be otherwise able to achieve without their training programs. I tend to agree with them. It's not a basic need, it's actually improving, you know, the livelihoods from a financial standpoint and otherwise. I don't know that shifting them to the general fund is not going to create more stability for them. They mentioned they weren't willing to compete even in a competitive manner. I'm not

-- again, I'm struggling I guess with the

-- with the solution, the complete solution. So I know they've met with you all as well. I just want us to be discussing that through the budget process.

[08:39:15]

>> Spelman: Mayor protell? Cole: Councilman spelman?

>> Spelman: Any urban area has a shortage of talent and labor. We're going to have a shortage of talent in austin, texas. We probably do in some industries. And it seems to be a more natural linkage, what it is that skillpoint and capital improvement do and your constituents than it is between those guys and the other social services agencies. They're caters largely to the needs of the business community who are looking for people who are graduates of capital idea and skillpoint programs. They're talking to the people you all are talking about today. Cole: That's the case when you talk about the hard to employee. Councilwoman morrison?

>> Morrison: I want to zero in

-- really zero in on the issue, that's what you're doing

-- they're looking for stability and they think more than stability, they're looking for a commitment from the city that we see that there is

-- that this is the piece of government that we're committing to and we see as a necessary part of government function. The social service contracting last time, we divided things up. Basic needs, one oh it was five different categories that we talked about, so we transition out of poverty. As you said, that fits exactly to transition out of poverty. I also wanted to mention that at the board meeting, most recently, probably a week and a half ago, we had presentations from the chamber and arrow and there was a lot of talk about how the model of capital idea is absolutely what we need in this town and how we scale it up from 700 to whatever the number of graduates is to 5,000 to be able to answer your question, council speb spelman. That is how do we fill the jobs with the people who are here that move everything up. I don't know what the answer is. But I think that

-- I think it starts with the commitment from council that we realize that this is part of

-- part of the solution we're working for. Workforce solution, one of the major umbrella contractors and the social service contracting, is that right? So workforce solutions is part of that whole game, but getting people trained and everything. But their role that they're playing is the

-- the prime contractor, if you will. But it's all about having all the different agencies talking to each other. 30 agencies are all part of this contract. They share data no matter where you enter the system in terms of meeting somehow, everybody is

-- you're connected to all of the other agencies that are helping. So that definitely is what the social service contracts and so where with draw that line is the question. But I think it comes with a commitment first.

[08:42:42]

>> Spelman: Then the final point I wanted to make was like I mentioned the other day with social service contracting, i think the alignment of a two-year contract with the two-year extension, if they meet performance measures is, again, going to create more stability for them. We as a counselor have set goals

-- not goals, but values that say we're going to fund workforce development. I don't think that workforce development funding is going away any time soon. If we have a good relationship with the organizations and they're meeting performance measures, creating more stability is something I'd like for us to consider. With these particular contracts. So, again, the

-- I throw it out there so we can start talking about it. I know they met with you all as well. I think between the seven of us, we could come up with a better working situation for them as well as the increased funding they're requesting for job training and child care. I think it's about \$100,000 each.

>> Martinez: Sorry, mayor. You've responded to me. But since we're here in public, the economic incentive policy final staff position will be coming to council sometime soon?

>> Before the end of the month. August 31.

>> Martinez: Thank you.

>> Mayor Leffingwell: Chris?

>> Riley: I want to ask you about one key performing indicator. It's on 385. It's the performance measure is the number of businesses assisted to demonstrate growth in one or more growth indicators. That is going this year, that was at 14, which was down from a 33 from this year. Can you understand why we've seen that drop in the number of businesses assisted in the small business programs that demonstrate growth in one or more growth indicators? 57600

[08:46:13]

>> Riley: We expect to see an increase in the coming year? 18 to 14.

>> Absolutely.

>> Riley: We expect that upward trajectory to continue?

>> Absolutely. One of the biggest things we launched this year was the family business program. By hud



guideline, for every 35,000 that we lend, we have to create one job. So we have 3 million locations. So definitely on a trajectory going back up.

>> Riley: Great, thanks. Any further questions? Thank you. Sorry. Councilmember morrison?

>> Morrison: I have a few. Just to follow up on that the question about the 18. I wonder

-- and maybe this could be a budget question if you don't know right off of the top of your head. It's number of businesses assisted that demonstrate growth. That's 18 out of how many? Is there some context in what maybe a little bit more context about what indicates growth

-- growth? Like not increase the number of employees or revenues or

-- i don't know if you want to take that back and answer it later or if you can answer it off of the top of your head?

>> Increased the number of employees. Did the business enter a new market? Did they move into a larger facility? Did they also acquire new equipment that's now bringing them into a bigger market? We don't measure so much increase in revenue only because it's very difficult to gather that data from the business owner because we would have to

-- we surveyed them and we get that information from them. And business owners are really a little reluctant in talking about what their revenues are. But increasing the number of employees, moving into a bigger space, moving into a new market, they get new equipment. And also I think a use of technology is entered into a new area of technology for their businesses.

[08:48:19]

>> Morrison: And I guess the

-- to put it in context, which businesses are we talking about? Are they the ones that come through seminars or ones that actually access our program?

>> Specifically the customers that use our booking solutions services and the bse. And the individuals that receive direct technical assistance, the one-on-one or the technical assistance we provide in business planning and marketing and financial management. It's a little challenging in connecting changing or education to those particular growth indicators. So we hone in our natural kind of nuts and bolts where they're doing something.

>> Morrison: And how many overall businesses do we fit into that category of that kind of assistance.

>> I don't have any on the top of my head. I'd be happy to respond in writing for you later.

>> Morrison: That would be great. I have a few other questions. Let me go back to one thing that jumped out on me on page 374 in terms of the

-- of the message from the director. When the

-- the second paragraph starts out, "us" I have to comment on this. The strategy is to capitalize on newfound strengths especially in technology, international trade and creative industries. Technology seems to have been a long-time strength here as has the creative industries. Maybe getting to international trade is something new. Do you have

-- do you agree?

>> Yes. I think over time I do agree that technology has been an enormous strength here. One of the things we have discovered, though, is, for example, the new super computer cluster at the university is a

strength that no one else has very few places anywhere around the world have. And so as you know from our efforts to jointly prepare the sustainable places analytic tool, I think at least in putting that together, that was my thought to think about something that was really an astounding new kind of breakthrough. But, of course, austin's strength has always been in its technology and its creativity.

[08:50:39]

>> Morrison: Okay, good. I want to make sure we're on the same page.

>> Yes.

>> Morrison: Do we actually have a

-- a provision in egrso dedicated to the supercomputer analytic effort?

>> We have one position that has been the project manager for the

-- for the tool. And as you recall, it was \$3.6 million grant from three federal agencies to develop software that would be allowed the city to be the first city in america to do roi analysis on major development projects. And that has do with creating new software, which has been created for those of you who are on the

-- the delay with some of the demonstration projects, you know that four of the test cases have occurred. And so at the end of this month, we're going present the

-- the rollout the tools for the urban rail system. So one person has been more or less rededicated to that redevelopment provision. That person has other responsibilities as well. But as the tool got ramped up and tested, he spent much more time on it.

>> Great. And then a couple of other questions came up for me. On page 379, one of t expenditure changes is the transfer of the community technology initiative from the sustainability fund. What is the community and technology initiative?

>> That's a good question. It's the skillpoint contract.

>> Morrison: Okay. Great. That's helpful. And we have the mention of the cultural tourism plan. Can you remind me what that is? When it might have come out? Do we have a cultural tourism plan written in a document that we're following?

[08:52:45]

>> It's being put together now. You'll recall that about a year and a half ago, the

-- the tourism industry in the state as well as all of the local hotel areas, they became concerned that the hotel occupancy tax dollars were being used to fund organizations that weren't generating tourism. So for a year, all of the creative industry folks and the egrso staff and the city attorneys work together to come to a resolution. And the resolution included the creation of a

-- of cultural tourism plan. The hotel industries agreed to create cultural concierge and the

-- and the convention of visitors' bureau is also participating to try to help make sure that all of the arts organizations and musicians and performing organizations in austin are able to make public presentations at different events in the hotels, the formula one events. But the purpose of doing that is

to ensure that they qualify for the tourism dollars. And that also helps them to commercialize their product so they're more self-sustaining. So the new position is charged with formalizing that -- that cultural tourism and pulling the partners together and getting them to agree to it. That's one of the responsibilities of that decision.

>> Morrison: Is that a plan that will be coming to council for review? And

-- or is it just an internal plan? Going to get to know what it is?

>> We don't know for sure.

>> Morrison: What's the timeline? When can we expect it?

[08:54:47]

>> My prediction skills are not good lately.

>> Morrison: I know.

>> We have to get someone onboard. The hotel industry, the accountability task force, everybody is charged up to do this. But I'm thinking nine months.

>> Morrison: Okay, great. I think if there are concepts in place right now, think it would be great to share those with council so if there's any feedback that comes around before you delve in and get into all of the detail that we could provide that. I'd appreciate that. Lastly I wanted to understand the business retention and enhancement. Is that a

-- I'm trying to understand what it's used for. Where it is, and if I'm correct in assuming that

-- is that the fund that was created some years ago with regard to el-sol has used and all that.

>> Yes.

>> Morrison: I'm trying to figure out where it sits and what level it's being funded at. I think I see it sits in the global business recruitment and expansion activity.

>> Councilmember, you're absolutely correct. That program was created sometime ago. We dead el sol y la luna. El-sol actual paid back the entire loan. And you may recall that the development fees that are charged in the portion of the east sixth street area. The fund accumulates, this is a revolving loan payment so when the loans are repaid, the repayment of the interest and the principal go back to the loan. We had discussions of the best fit for that program whether it be a tbre program or small business. We sent it on small business. The other thing we are actively going to do in the next few months is work closely with the downtown austin alliance to find out, you know, why is the program not being utilized as much as it current is. What is wrong with the program such that we're not getting many applicants. So we're going work with the d.A.A. Who is our partner in terms of retail activity in the downtown area to help us figure out how can we draw more applicants in using that program. At the same time, we're going to center it under small business development since they are fully aware of working with small business owners for whom the program is targeted towards.

[08:57:30]

>> They're ramped up to the family business loan program so they have an alliance of local lenders and

community nonprofits that make loans.

>> So I'm trying to understand

-- so we should see fees

-- we should see revenue coming in to egrso into this fund from downtown development fees?

>> Into the fund, yes. You should see the revenues come

-- let's see.

>> Morrison: I mean in 2011

-- 2010, 2011? There was zero. 2012, we have it 250, and now at 20

-- oh, but estimated is zero. And then proposed is 250

--

>> I'm looking at

-- I think that's the requirements you're looking at. I'm looking at the revenue figure for next year, \$315.

>> Morrison: What page?

>> Page 371. The summary for economic development. What you're looking at are the requirements as if a loan were to be made next year. The maximum amount of the loan is \$250,000. So we estimate that if we get a good applicant, we would make one loan next year.

>> Morrison: Okay. I see. And so do we

-- we see the fund go

-- so

-- I just want to make sure I understand how this works. So when it went from \$453,000 to \$204,000, that, well, let me ask you this. When did we do the two loans out of this? Out of this fund?

>> Orks it's been sometime, three years ago, if not further.

>> The first one was five years ago. The only funds that come from downtown are the right of way funds. So you don't get any permitting or any of those kinds of revenues. It's just right of way, use of right of

[08:59:36]

>> Morrison: Do we get all of the funds that are in that?

>> We get that within that district. The district is defined.

>> Morrison: East sixth street and congress?

>> I believe it's half a block alley to alley on east sixth street and alley to alley on congress. If I'm correct. It's been a while since I looked at it. More nor that's where we get to see the ending balance go up and down, I gather. Thank you, ed. Sometimes this is a little hard to tie out to that, tie all the pieces together. Okay. I think those are my questions. Thank you.

>> Thank you.

>> Mayor Leffingwell: Mike?

>> Martinez: One followup based on that. Council adopted an item creating a rainey street heritage and cultural district modeled after the bre. Do we know if that's going to go through egrso? I know we're talking about we haven't fully come forward but it was something we adopted to direct you guys to come back with some recommendations.

[09:01:41]

>> No, it's not. I've talked with some legal department staff and since it's centered on relocation of housing, that's not necessarily a performance method that we track so it may fall under neighborhood housing or something like that.

>> Martinez: I think i remember that. Thank you.

>> Mayor Leffingwell: Kathy.

>> Tovo: Okay. So I believe that we're getting some more information

-- thank you, councilmember spelman, for talking about your numbers. That was very helpful and i think that 70 is pending. I do have followup questions but I think I'll wait until all of the information is available. But I did want to ask you to clarify a few of the numbers on the budget overview, please. So under in economic incentives reservings fund, it looks like the proposed revenue for 2013 is estimated at 17.366 million. Their requirements are 17.586 million. So are the requirements basically what has been obligated based on our existing chapter 380 agreement?

>> Yes, ma'am, the requirements are based on the existing obligations.

>> Tovo: Then on page 588, there's a reference to 16.7 being transferred out. So can you help me understand how that fits into this equation?

>> Sure, let me go to page 588. Are you looking at the general fund? Okay.

>> Tovo: On 588 under the economic incentive reserve fund, 2013 to 2014 as proposed as 16.7 transferred out, and that's

-- that's what made me wonder if that was the amount obligated, but then that doesn't mesh are the requirements listed.

[09:03:43]

>> There are some other funds that contribute towards those requirements such as austin energy and austin water utility and so you should see some other transfers out within those funds.

>> Tovo: Why are they transferring? Where would they be transferring to?

>> They fold into this economic incentives reserve fund so you have transfers out from the general fund, you have some smaller, smaller transfers out from austin energy and austin water utility that go into the economic incentives reserve fund.

>> Tovo: It may be late in day but I guess I'm having a hard time understanding why there would be special transfers out of the fund.

>> If you were to flip to page 628 is our fund summary for economic incentive reserve fund and you can see what rodney was describing. So the transfers into the fund from the general fund are predominantly based on the time we put the knowledge about it together, they are based upon our anticipated valuations from tcad for all the different businesses. If it's a property tax base 380 agreement, it's going to be based upon our early preliminary estimates from tcad and the value of the property so that's what we budget at the transfer. The program that started in 2010 which was in addition to the funds that we

transfer into the economic incentives reserve fund for the 380 agreements. There was a desire to have additional funds go into the economic incentive reserves and create more of a proactive pool of funds for

-- for incentives that wouldn't necessarily be property tax based. Those numbers are not going to line up exactly with the requirements. Over time, of course, they will, but in any given year they might not necessarily line up because some of the payouts for these 380 agreements there's a lag for them so we set money aside based on the values but the money we set aside this year may not be paid out until next year, if that helps.

[09:05:56]

>> Tovo: Yeah, now i understand. The language being used there. Okay. So I guess the

-- the other question I have is a more general one. I understand that you are proposing to change the name from the commission development division to department and I wanted to hear a little about why and whether there are other implications such as does that require

-- are there also going to be upgrades in existing positions and if so how are those reflected in the budget, are there increasing management positions? I didn't see th in the in the FTEs.

>> I think the move from austin energy into the city gave us pause to think about where we were. This past few years we've had the two john I don't john hobbiesstudy, the

-- we've done a lot of self-thinking on where we are and the kind of mission that we have. And part of that reminded us that a lot of people don't know what egrso is. In just a very simple way we would like to let people know we're the small business division, that we're the redevelopment division, that we're the creative division that we do. We have the music economy, we have the international due to the economic development. And so economic growth and redevelopment services didn't really

-- didn't

-- it didn't communicate that. Economic growth, we're not so much about economic growth as we are about economic prosperity. And we want to try and help low and moderate income people, we want to grow those different parts of the economy, yes. But we settled on the economics and development department to simplify the understanding and come up with something easier for citizens to understand and know where it is and how to communicate with us.

[09:08:19]

>> Councilmember, if I may, when egrso was created, just to help to clarify, the economic growth and redevelopment service office is what it was and it was a stand-alone office even though it was funded by austin energy. At some point in time austin energy decided that it might be better to create it

-- to put it in their budget as a division, although it stool stood as an office. So now that we are being funded by the general fund and the other enterprise funds, part of what kevin is trying to say is economic development department is a lot easier to say.

>> Tovo: I would agree, i think it is

-- the name is clearer, but it still doesn't completely answer the question of why not economic development office or why not house it somewhere else, and I guess I'm particularly interested in the why and then also the

-- whether there are any financial impacts of structuring it as a department rather than an office.

>> No, and in fact it was just a great name at the time. It's always acted as a department even though we called it an office, so number one there is no change financially in any funding or anything, there is no difference. As I said, the first time it was just office and I think it sounded okay at that time. But it's really acted as its own separate department from the very beginning. Does that answer your question?

>> Tovo: It sure does, thank you.

>> Mayor Leffingwell: I guess that's all the questions we have.

>> Thank you, mayor.

>> Mayor Leffingwell: All right. Moving on to convention center. Questions?

[09:10:23]

>> Mark tester and michelle geisbacher.

>> Mayor Leffingwell: Chris.

>> Riley: Mark, welcome. I want to congratulate you on having a very successful year. You've been over there at the convention center. It has been a record-setting year by most measures that we see here, in particular looking at the bottom line on the

-- what may be one of the most important indicators, the hotel occupancy tax collections. We see for the current fiscal year being up over 58 million for the current year, and that's up from

-- we had originally expected that to be down about 51.5 million so a very significant increase. I realize part of that was due to the economy turning around but it was also due to an increase in convention activity here in austin. I want to congratulate you on that. That's presented a number of opportunities and challenges for the department. Can you just tell us in big picture terms when austinites look at that kind of increase and the associated revenue that flows from

-- associated with

-- we're talking about increase in hotel tax, where can we expect that funding to go? What will austinites see as benefits for that increase in activity that's generating the hotel occupancy tax.

>> Increase in the building and expansions through that. In addition we continue to put money back into the facility in a very competitive marketplace. C.I.P. Is something we need to continue to focus on.

>> Riley: One thing

-- one performance measure I was a little concerned about on that same page, we're on page 444 of volume 1, when you look at the percentage of clients indicating they would schedule another event at the convention center facilities, that as of the 11-12 year, that was at 98.7, but for the current year it's come down to 90. Can you help us understand why we see that kind of decline?

[09:12:33]

>> Well, what we've done we want to get real good feedback and  
-- and ask true questions from our customers. One of the things that we have seen just from the marketplace is certainly from our hotel, our hotel rates are getting to be a point that some of our smaller state associations are having trouble paying and it's more the hotel rates than it would with us. That would probably be the bulk of it.

>> Riley: I see. What [indiscernible] increase in vehicles that come to the event at the convention center and we see

-- now, you mentioned the convention center manages three garages. I gather that's the orange convention center parking garage, the new one with the chiller and the palmer events center. Is that right?

>> Correct.

>> Riley: And we've seen that those garages are also at record levels. They were at over 526,000 vehicles this year and expected to be over 531 for next year. That's over 1500 vehicles 365 days a year. So we're talking about a lot of vehicles. Accompanying that increase there is a modest increase in total requirements up to about 118,000. And obviously we would expect an increase in revenue. And your budget pickers mentioned an increase in parking at the convention center and page 436 it says for palmer event facility there will be an increase. When I look over the details for the funds over on page 614 and 615, I see that we can see that there is expected to be an increase of about 8% in the parking fees at the convention center, shown this the convention center operating fund, but then when I look at the palmer events center garage fund, when I look at the numbers for proposed for the coming fiscal year, the fees are expected to be down 17%.

[09:15:01]

>> And that's primarily due to the  
-- to the construction in auditorium shores and the effect of some of those events leaving that area. So we do see an effect from that.

>> Riley: Okay. So do we expect that to continue throughout the coming fiscal year?

>> Yeah. Now we've been working with pard on a number of events and maybe in actuality we were a little more doomsday in the beginning than we are now and hopefully we'll be able to exceed that number and keep as many of them in and around the area.

>> Riley: Now, do those funds stay with the convention center? When someone parks in one of those three garages, does that stay with the convention center?

>> Yes.

>> Riley: Even if their visit is

-- if they are coming down to enjoy sixth street and they are parking, that money still stays at the convention center.

>> Correct.

>> Riley: Okay. And there has been some discussion about migrating city parking facilities over to the parking enterprise funds. Would that be a possibility with respect to the facilities managed by the convention center and is that



-- can we expect continued discussion about that or  
-- really that may be a question for management, but  
-- and we can explore that. Is robert goode here? Robert?  
>> Robert goode, assistant city manager. We are looking at that to see what the differences would be with the parking enterprise having nor participation with all the facilities so we're looking at that as we speak.  
>> Riley: And the idea would be to make sure we're making the most of city assets.  
>> Exactly.  
>> Riley: And we would just need to be careful about accounting for the revenue to make sure the convention center is properly credited for the revenues.  
>> That's correct.  
>> Riley: I'll look forward to continued conversations on that. Mark, one specific program i was interested in is the african-american cultural and heritage which you mention on page 443 you mention it's maintained by the austin convention center, but I had trouble finding any detail about expenditures on that and the rest of

--

[09:17:21]

>> that came so late in the budget process, it's included in operations and maintenance in this year's agreement, but next year it will be included separately.  
>> Riley: So we could expect to see some detail about the budget for  
-- for that facility?  
>> Yes.  
>> Riley: And for the coming fiscal year, do we expect to have any funds allocated to the support of that facility?  
>> The  
-- the  
-- the cost to operate the facility is being [indiscernible] to us by neighborhood housing and we are covering the cost of two full-time employees which are part of the federal grants to operate or to build the facility. So we have two facility  
-- one person that will be running programs and the other people will be maintaining it and cleaning it.  
>> Riley: And right now those numbers are just included in the operating fund?  
>> Yes.  
>> Riley: But they will be broken out in detail in the next fiscal year.  
>> Yes, sir.  
>> Riley: Okay. Thanks.  
>> Mayor Leffingwell: Councilmember tovo.  
>> I just had one question, mayor.  
>> Mayor Leffingwell: Followup?  
>> Martinez: So is that one f.T.E. Dedicated to that facility or will they be coming from convention center

on an ongoing basis?

>> There's two. One will be dedicated to running programs and one full-time f.T.E. That will be split between two people that will be coming back and forth.

>> Martinez: On an as-needed

--

>> on a daily basis.

>> Martinez: So we'll still be using the convention center for maintenance and

--

>> absolutely.

>> Martinez: Okay. Thank you.

>> Mayor Leffingwell: Anybody else? Councilmember tovo.

>> Tovo: On page 435, there's a reference to a judgment payment with one-time interest revenue. Would you mind explaining that?

[09:19:35]

>> That's on the fifth street parking garage and the case with harry wittington.

>> Tovo: Oh, okay. Thank you. It sounded like it was revenue, but now I have it all straight.

>> Correct.

>> [Inaudible]

>> Mayor Leffingwell: Okay. Thank you very much.

>> Thank you.

>> Mayor Leffingwell: Austin energy. This should be a pretty quick one since we just had a meeting back -- okay, questions for austin energy. Okay. Apparently not. Thank you.

>> Okay.

>> Mayor Leffingwell: Resource recovery. Somebody have a question? Somebody had a question? Who did? Councilmember tovo.

>> Martinez: Let me just start, mayor. It's somewhat budget related in that it impacts other departments as well, when you saw in the parks department they talked about the urban forestry canopy and how they are trying to ramp up this year and take care of a lot of tree issues that we're facing as it relates to maintenance. And I know you are burdened with everything under the sun at austin energy, but i do think it is related to heat island effect, energy consumption, energy conservation. Can you explain to me what part austin energy plays in our urban forestry maintenance, if any? Other than -- other than line maintenance to protect infrastructure, is there any other funding that comes from austin energy for that purpose?

[09:21:47]

>> I'm not sure I have the answer to it. I will say that our overall forestry management plan is tied with the city's. It is tied with the overall and involved with the community and citizen advisory committees

and that, but specifically how that relates to the trimming we might do in park-related matters, I don't believe

-- we get involved in it sometimes if they've got a particular problem, but otherwise our job stays strictly to line clearance.

>> Martinez: I understand. And I just throw that out there. I think there's room for a conversation about that. I know, again, you don't need to be burdened with more costs, but if in the policy perspective if there is a direct benefit to energy conservation, energy consumption, then I would see it almost as a wash, if you will.

>> We do fund

-- I was told we fund the sustainability

-- go ahead, anne.

>> We do fund a portion of the sustainability department and it includes some funding I think for the heat island project.

>> Martinez: Thank you.

>> Mayor Leffingwell: And I would just say, you know, remembering back when we were in the process of developing procedures for line clearance that probably the key city department that was involved in how we trim trees and how much we preserve was Austin Energy. So I would say Austin Energy's role in modifying in a lot of instances their procedures for line clearance, trimming, was key in preservation of the canopy and remains that way now. Chris.

>> Riley: Mayor, two weeks ago we got your May financial report and I just wanted to ask you about that. When I look down at the bottom line on that, what catches my eye is the excess of total available funds over total requirements. In the amended budget for the current year, we expect it to be just under \$12 million over our requirements. And now the year-end estimate is that we will be at about \$73.6 million over the total requirements, and it looks like most of the savings there related to having lower requirements for debt service than we were expecting. But we're

-- we had expected the

-- to need about 173 million for debt service and it actually is coming down to more like 133 million.

[09:24:22]

>> Yes, sir. Our debt service did decrease. When we issued our bonds in November of 2012, we restructured our debt and it reduced the principal and interest payments and levelized those over the next five to ten years. So it did decrease and it will continue to stay at that level.

>> Riley: And the bottom line is we're coming out this year at about

-- about 73.6 instead of

-- 73.6 million instead of the 11.8 that we were expecting.

>> I'm not sure what you're looking at if that's third quarter.

>> Riley: This is the main financial report we received August 5th.

>> That hasn't been updated.

>> What's the date of

--

>> yeah, this one

-- it's not complete through the end of the year. We spend a lot of our money in the last quarter, the last two quarters, especially the last quarter, so we may have a larger excess than we expected, i hope we do, but it probably will not be that large by year end.

>> Riley: At what point will we have better numbers on that?

>> We have the third quarter numbers in, but it looks

-- we just closed july so i don't know that we'll have a better answer until the end of september really. We could report back to you as we close each month.

>> In our quarterly report that we distributed at the council committee, we had

-- we had july's numbers in there, correct?

>> No, june.

>> June's numbers in there. But we have july's now and that

--

>> Riley: And I see that on page 595 of volume 1 we do have some numbers, a similar chart, and it

-- it still shows

--

[09:26:30]

>> councilmember riley, what is presented in this budget is generally the most up to date at this point. You will see some numbers next week, the audit and finance committee will present the quarter -- the third quarter ended as of JUNE 30th, BUT THE CURRENT Year estimate presented on page 595 is generally your most up to date.

>> Riley: Okay.

>> What ann is suggesting is that they can update the revenue numbers in another month and look again at the

-- the expenditure side, but they are a heavy spender in the summer because of the fuel and heat and some other costs so their expenditure estimates are probably going to be about the same, but where you see fluctuation between now and year end would be on the revenue side. Ann, you may want to add comments.

>> A lot of our expenses i think will be increased as well in the last quarter.

>> Riley: Okay. But we still see as of the most recent numbers that are on page 595, we do see excess available funds in the amount of 56.6 million, which is considerably more than the expected 4.8 million for

-- that were in the amended budget for this year. So I guess the question that I'm getting to is what is the plan for those excess funds? Since we're doing far better this year than we expected, what

--

>> if we have excess funds at the end of the fiscal year, we will start funding our reserve funds. But as I said earlier, i don't think that they will be that large by the time we get through the final quarter.

>> If I could jump in, the settlements that will take place in terms of the power we buy and the sales that we generate get quite turbulent during these months. And so until we get through and close out

september, for example, or have august financials, that will become more clear as to where that number settles out at and if we get to the point those will transfer to reserves is where we put those, if we have a great year like that.

[09:28:40]

>> Riley: If council were interested in making some adjustments to other aspects of the utility's budgets, would these funds be available for that?

>> Depends on what those adjustments would be. [Laughter]

>> Riley: I have ideas, I'm sure others may have ideas as well, but given that we were projecting -- what you're saying is at this point we don't know what the final number will be.

>> Correct.

>> Riley: But you do expect it will be somewhat better than we expected for this year given that we expected our excess to be about 4.8 million and we're now at 66.6 million. There's not that much time left in this fiscal year.

>> The only thing I would say is that we have a forecast and we have a forecast of sales and those sales compared to our generation, our portfolio and everything, how we end up with revenues, and we have not had the warmest summer that we've had before so I don't know, you know, how we come out of that will be interesting and how our generation fleet behaves and everything else.

>> That's true, and we do know that in some of the joint projects that we have not been billed for some of the last expenses on some of the outages so we expect some large expenses to come through in the last quarter, but we don't know the amounts right now.

>> Riley: Okay. And that brings me back to the question asked before about when exactly we will have that nailed down. And I hope it will be before we have to make final decisions about the budget. Is that a reasonable expectation?

>> Well, from my perspective at it is it really comes down to sales numbers that we have as we come through the next couple of months.

>> I would expect we get it to september that as soon as we have august closed out or we have an expectation how we performed in august, i think it ought to be a key indicator right there.

>> Riley: So that would be before we make the

-- have to make our final budget decisions we will have that nailed down?

[09:30:43]

>> We will not have august closed, I don't think, but we can work on some projections if you would like for us to.

>> Riley: I would appreciate that. You are welcome to treat that as a budget question just in terms of what we could reasonably expect the excess of available funds to be at the end of the fiscal year.

>> Okay.

>> Mayor Leffingwell: Mayor pro tem.

>> Cole: One of the things that you said when Chris asked about the excess was we would fund our reserves. And we know that our reserves are down. Can I just submit that as a budget question what your recommendations would be as to reserves? Because we had quite a bit of discussion about that during the rate case.

>> Right. Right. We are still on course and on forecast per what happened at the rate case. And so we will

--

>> Cole: So this excess, this excess that we're discussing wouldn't

-- if you are still plan to go fund some of that on course with this excess.

>> If we had the excess, we would. We are in

-- we are not in compliance on our working capital fund or the contingency fund. So we definitely would try to bring those up into compliance with our financial policies.

>> Cole: Remind me, there's five reserve accounts; is that correct? Capital, contingency.

>>> We have the strategic reserve and it has three components, the emergency contingency and the rate stabilization. Then we have the repair and replacement fund, and then we have the nonnuclear decommissioning fund.

>> Cole: And the one that we're most concerned about is the emergency and contingency?

>> That's correct.

>> Cole: Okay. So will you

-- in a budget question submit your recommended conclusions to recommended contributions to those funds?

>> Forecast where we expect those to be.

[09:32:43]

>> Cole: Yes, exactly.

>> Spelman: Mayor, just a quick followup.

>> Mayor Leffingwell: Councilmember Spelman.

>> Spelman: Approximately what's the shortfall in the, would go tap cal fund and the contingency fund between where we are and where policy would dictate we would be. To the nearest \$10 million or so.

>> I think it's around

-- yeah. Depends what our balance today is in the operating fund, it fluctuates but between 30 to \$50 million.

>> Spelman: If we're 30 to \$50 million short and even if we're \$73 million ahead, we would need about that entire amount to shore up the funds if we wanted to follow the policies.

>> That's correct.

>> Spelman: And we probably won't because there's a lot of things that can happen over the summer.

>> Right. We did not forecast with our new rate increase that we would get out in one year, as you know.

>> Spelman: Thank you.

>> Morrison: Mayor, quick followup.

>> Mayor Leffingwell: Councilmember morrison.

>> Morrison: On the same topics, I just wanted to accentuate what we were saying and we do have a plan to reach our reserve levels and meet our policies within a certain number of years. Is that correct? I just don't want to leave anybody with the impression that oh, my gosh, we're out of compliance with our policies.

>> That's correct.

>> Morrison: And is that a five-year plan to actually fully fund?

>> Within five years we should be at a reasonable level. We wouldn't be at the maximum level but at a reasonable level.

>> Morrison: And the bottom line is if our ending balance shows an excess beyond what we projected this year, it means that we'll just be able to reach these reserve levels more quickly.

>> That's correct.

>> Morrison: Which would, of course, be a good thing. And then with regard to reserve

-- reserve

-- different reserve funds, i know we had a the look of discussion during the rate case, I thought that we still had pending a discussion about what reserve funds we really should have. There was some question about did we have too many and things like that. Do I remember that correctly?

[09:34:55]

>> Yes, I believe we're supposed to discuss that in the next few years.

>> Morrison: Okay. We have our committees available to discuss things like that.

>> Right, and one of the things I learned in a that process is because we're an electric utility owned by the city we have to use fund accounting. So we have to have funds for reserve and that's different than another public utility that might have one reserve fund. One reserve fund that's used for a variety of purposes. So it makes it harder to manage, I suppose, if one fund is down, one is up.

>> Morrison: Right. And I think our water utility was along of one fund and is pulling it apart to follow your lead.

>> Mayor Leffingwell: I'll say for the second time today I agree with councilmember morrison that it would be a good thing if we could replenish those reserves early and i certainly am not going to be looking to find someplace to spend any extra spare change we might have. Councilmember morrison.

>> Morrison: I do have some other questions if we're ready to go on to a different topic on austin energy. And I think

-- I think we've already submitted a question to get a better breakdown on the community benefit charges

-- charge and how much is going into each of the different components. Does that sound familiar?

>> I think we were this the process of responding.

>> I believe we've turned it in.

>> Morrison: Great. And I wonder if you could help me on page 470 and 471. There are two activities, conservation rebates and incentives and then demand site management. What I want to make sure i understand is where do we see the actual funds, the actual rebates, and where do we see I guess on

page

-- the conservation research and incentives, there are no FTEs THAT GO WITH THAT. That is purely all rebates. Is that correct?

[09:37:11]

>> Yes, david kutosch, director of budget and financial planning, that's just our rebates. THERE ARE NO FTEs Associated with that.

>> Morrison: Okay, great. And so would we be able to get a breakdown or maybe it's already here somewhere of the plans for that \$20 million in rebates which go to which different kinds of rebates?

>> Yes, I believe there was a budget question submitted on that so we do have a breakdown of all the different programs that involves.

>> Morrison: And the demand site management activity to the tune of \$22 million is

-- actually it's increasing

-- it's increasing. BUT OUR NUMBER OF FTEs IS Going down. Can you talk a little bit about what goes on inside this activity?

>> That's the administration of the program. That's where all of the staff is for all the different programs. There's also included in that we have some rebate money which is mainly it's not just dollars, it's like water heater timers and thermostats are included in that. But mainly the gist of that IS IS FTEs AND THE Administration of the program itself.

>> Morrison: Okay. So if we have the total requirements going from 20 TO 22 AND THEN OUR FTEs Going from 120 to 116, does that just show that we're going to be doing it a little more efficiently and buying more

--

>> we're coming off some grants.

>> Morrison: Oh, okay.

>> We're coming off some grants and the first administration there was a significant amount of grants coming forward. We have not seen those grants in that grant cycle coming forward. I can't anticipate what the future would be, but we are coming off some of those grants right now.

>> Morrison: Okay. Good. Okay, well, those are my questions because you've got plenty of them on the table where you are going to be answering them. Thanks.

[09:39:17]

>> Mayor Leffingwell: Okay. I think we are done now. Thank you. And a.R.R. Resource recovery.

>> Greetings, mayor and council, bob geddead and chad, my chief administrative officer here.

>> Mayor Leffingwell: Questions for mr. Deggard and his staff? Is anybody anticipating? Councilmember spelman.

>> Spelman: I said I was anticipating, not that I was quite ready. Just give me a minute, mayor.

>> Mayor Leffingwell: Anybody else ready while expect is looking?



-- Councilmember spelman is looking?

>> Martinez: I haven't been able to get to resource recovery, but I wanted to ask because I don't remember if it was presented to us already. Are we proposing any fee structure changes with cart sizes? Are we adding any different cart sizes based to data and knowledge we've gained so far this year.

>> At this time in this budget proposal no new cart sizes and no rate increases on the carts and base rate. We are looking at a dramatic increase in the use of the 24-gallon cart that we introduced last year and that's been very successful.

[09:41:31]

>> Martinez: Great. Do

-- do we have anything to indicate savings in terms of time spent on things like plastic bags since we enacted the bag ban?

>> Good question. My staff is expected to produce a six-month report and that should be available in October. And we did promise the zwac commission an update. We do receive reports from the retailers and current numbers show about a 99% reduction in the distribution of single-use bags. So we do consider it successful.

>> Martinez: And it

-- it amazes me when I show up at grocery stores how many folks are bringing in bags.

>> From an anecdotal situation for litter collection, our litter crews are reporting no bags in their litter collection. We'll be more exact in our research for the six-month report but we're not seeing the litter that we had before.

>> Martinez: What about the stickier side in terms of compliance with the ordinance. Are we seeing a lot of violations, general education campaign working well, are we having to actually enforce this in some locations?

>> At the moment we're in that six-month period. There are about two dozen businesses that requested an extension to distribute bags. That's a minor flow of bags. That's why it's not 100% reduction. Those extensions expire SEPTEMBER 1st. And the question is what WILL HAPPEN SEPTEMBER 2nd. We don't know. We do know of one supermarket that is in noncompliance that we've had several conversations with. That's the only one.

>> Martinez: Who are the three?

>> We have two dozen different businesses. It was distribution, they had purchased the bags several years ago and it took a few years to distribute from their original purpose. We had by policy extended six months but no longer than six months.

[09:43:43]

>> Martinez: Okay. Thank you.

>> Spelman: My apologies for fussing with my book for so long. It's late in the day and I'm not nearly as efficient as I was at 9:05. A question about page 503 where you talk about diversion facilities and you

are forecasting looks like a very large reduction in the number of people who are going to be using the resource recovery center. What's going on there?

>> What is that number there?

>> Spelman: It appears as though almost 1700 people used it in 11. That went down considerably in 12 and we're forecasting a further reduction to 500 this year and 800 next year. Why is it going down? Is that a good thing or a bad thing?

>> What you are referring to is the resource recovery center and those are

-- we had a change in the policy on it. That's

-- separate from the household hazardous waste facility. We don't have a household count for hhw but that's about 13,000 for the hhw facility. On the resource recovery center, that was located at the landfill and closure and modification of the landfill we closed down the facility at the landfill and we're rebuilding that facility at the t.O.D. Lane facility.

>> Spelman: What exactly is the resource recovery.

>> This is a dropoff area for residents for large bulky items outside of their cycle for pickup from the street service and it's

-- it's intended to be a reuse opportunity for collection of materials that can be reused. It's also a location where residents can pick up mulch and shredded glass for reuse. So it tends to be a trading spot. Drop off material, pick up material. We're developing a better traffic flow and a better source of material for the todd lane facility and we realized on the landfill on 8-12 that was a long drive for residents. We're in a two-year transition period. So the vehicle count is much lower.

[09:45:59]

>> Spelman: The vehicle count is much lower and how quickly do you think it's going to pick back up whether there's demand for considerably more than projected.

>> We hope to be fully operational by october of this year. We're expecting a full operation here in fiscal year 14. So we're expecting to resume the previous number, the 1700.

>> Spelman: Okay. But just to cover yourself, you are only projecting 800, but you are hoping for the full 1700.

>> I think I correct myself, my staff is conservative in the growth factor as opposed to to my optimism.

>> Spelman: I understand. That is perfectly obvious to all of us who watch you guys. It's my understanding that there is a discrepancy

-- first this is available for anybody, is that right?

>> Yes.

>> Spelman: It could be city residents or not city residents. Is there a charge?

>> On the hhw that is an issue. On the resource recovery we don't encounter too much direct cost except for handling, material handling. At hhw there's a disposal cost for some of the hazardous materials collected there. So we have a working agreement with travis county and we track by zip code and log and travis county does reimburse us.

>> Spelman: Okay. And the zip code is sufficient information for us to identify closely enough who is in and who is out of the city.

>> Yes. We don't invoice travis by per unit, per customer. What we do is collect the data and renew our interlocal agreement periodically.

>> Spelman: Approximately what percentage of users. Facility are hazardous materials facility, whatever you call it, are travis county noncity residents?

>> Good question. I don't think I know that number. I would have to get back with you on that. I don't know the percentage.

>> Spelman: Is it roughly proportionate to out of city?

>> It's fairly low, less than 10%.

>> Spelman: What alternatives are available to out of city residents for disposal of hazardous materials?  
[09:48:04]

>> There really isn't many areas around the city. We've had conversations with travis county about locating our north household hazardous waste facility in our master plan and their preference is we locate on the northwest side of the town because many of their western travis county residents outside the city limits would desire that service so we would have the todd lane is sort of in the southeast corner of the facility. Our ultimate facility would be in the northwest and that's our desire. That's in the planning stages.

>> Spelman: Let me ask you, it's not a hypothetical question but doesn't have a clear answer. Hazardous materials we're clearly not getting all of.

>> That's correct.

>> Spelman: Do you have a sense and how of what proportion of hazardous materials are actually being properly disposed of?

>> Yeah. Not as progressive in the collection as I desire. I believe we're collecting about 8% of the hazardous material that's generated at the household level. Part of that is -- is the usage of the facility is not strong enough. Part of that is the material too often ends up in a trash can rather than collected for hhw. We've got to work on education of the public.

>> Spelman: Okay.

>> I note quickly batteries. Battery end up in the trash so readily.

>> Spelman: Sure. 8% sounds quite awful, but i imagine other jurisdictions have the same problems we do.

>> National average, we belong to a national organization for our staff for educational purposes, national average is around 6% so we're slightly above the 6% national rate.

>> Spelman: We're not the worst, we've got a long ways to go. We want to increase that 8%.

>> That's correct.

>> Spelman: What do we need to do?

>> I believe public education and a second facility. A second north facility will definitely assist us in collecting when we do customer satisfaction surveys, that really shows up as a dissatisfaction of the residents that we're not too available for hhw collection. I would add that our staff has enlarged in the last two years door to door collection for those that can't drive it to the facility. So we are engaged in door to door collection more often now than in the past.

[09:50:26]

>> Spelman: At least some of those hazardous materials, batteries are a clear example, can be disposed of at for example radio shack and they will take them to the facility.

>> We have it with several retailers and it's posted on our website.

>> Spelman: Thank you very much.

>> Cole: I have a couple of questions, bob, about the brown field redevelopment program.

>> Yes.

>> Cole: I noticed it has steadily decreased from nine units all the way down to three units from 2010 to 2013. But I noticed that the budget had actually almost doubled. Can you explain that to me?

>> We're

-- a quick history, the program was formerly hosted by watershed protection. I acquired the program two years ago. We are still trying to reshape the program. The previous direct earth of the program, previous manager of the program has retired and we have a posted position. We will be hiring in that position. We have had significant conversations wi u.S. E.P.A. We hosted a workshop a couple years ago with tceq and e.P.A. And I hope to double the program in the next year's. I do see an infusion of funding as well as more results. One of the benefits for next year is that we hope to inventory all the properties around the city that are eligible for the program.

>> Cole: You are looking to expand the program?

>> Exactly.

>> Cole: So that's why you are doubling the resources that you are putting in.

>> Yes. That's the purpose. That's the intent.

>> Cole: Thank you, mayor.

>> Mayor Leffingwell: Okay? Chris?

>> Riley: Bob, just a couple questions. First about the litter abatement program and specifically the litter control activity shown on page 499. That chart highlights one odd thing, and it's the number of clean up of special events. We expected that to be 250 for the current fiscal year and it's actually looking like it's going to be 103.

[09:52:47]

>> That's correct.

>> Riley: Far less than we were expecting. This year we're expecting it to rise to 150. What accounts for the disparity between the number of we were expecting andist number we've seen this year?

>> A couple of quick answers. One is within the last year we've been having increased communications with the vendors at special events working towards a special events ordinance that would be in the hands of council soon. And part of the pilot and conversations we have with vendors is increased responsibility for the vendors to hire private contractors to haul trash and clean up after the events. So that's decreased the city workload, increased the responsibility on some vendors. For those vendors that

haven't been able to pick up the pace and be responsible for that, code compliance has increased some activity on special events as well too.

>> Riley: Okay.

>> So we shared that duty.

>> Riley: Okay. Our requirements for that activity are going up about \$200,000 for the coming fiscal year. And is there one particular driver behind that?

>> Yeah, the intent behind that increase is the new special events ordinance. We intend to be more proactive with the event organizers under the special events ordinance. And staffing dedication to that event and more pre-planning. The new ordinance will require a waste management plan to be submitted and reviewed prior to the event and that's some stuff time and that's not there.

>> Riley: Just one other question. Relating to your carbon footprint and i realize there may be some confusion on that matter. I don't know if it was your office that calculated that or not, but over on page 505, you saw that the

-- for the coming year we are expecting down to 5766. Why are we expecting that kind of drop in the 'could go fiscal year when we saw no drop this year?

[09:55:14]

>> The real answer is in metrics and collection of data. That 9232 is identical to the previous year. We work with facilities management and maintain facilities shared by our departments. There is difficulty tracking the carbon footprint in those shared facility situations. So at todd lane we can get exact numbers, rutherford we cannot. There's a rounding of estimation. We're working with facilities maintenance crews to in a sense submeter or find a better metric for us and it's an issue we're working on.

>> Riley: Okay, so it's more just a bookkeeping matter than an actual change in practice.

>> Yes. Yes. We

-- we are enrolled in the green energy program. We have reduced water consumption in the sprinkling of the grass around our facilities. We have dramatically reduced field consumption about a million dollars a year. The most major activity is we're flaring the gas and i want to capture it as energy. Much of those activities are not measured in metrics at the moment.

>> This is in the southeast.

>> Yeah.

>> Riley: Great. I have to ask as always about getting a north c and g facility and can you provide any updates on how that's looking?

>> Jerry of fleet office as well as myself have met with some cmg companies. We are exploring the option of a north site that's open to most city fleets but particularly our fleet. And we're coordinating that with the co-location of the north hhw facility and the north service center. We're we're into land search and location and working with a private vendor to develop the cmg facility. Hard for me to guess when it will be in place but we're progressively working on the issue.

[09:57:28]

>> Riley: Okay. And so at this time next year is it reasonable to expect we might have some more solid progress to report on that?

>> My optimism tells me we'll have it in place in about 18 months. My staff tells me maybe 36 months.

>> Riley: Okay. Thank you.

>> Mayor Leffingwell: Okay. Thank you very much. And as luck would have it, we're at our adjournment time. It's 4:00 p.M. So we've got I guess a couple more days scheduled. Without objection, we stand adjourned at 4:00 p.M.