



Approved 10-15-14

MEETING MINUTES
Wednesday, July 16, 2014

BOND OVERSIGHT COMMITTEE
Regular Meeting

The Bond Oversight Committee convened in a regular meeting on Wednesday, July 16, 2014, at 8:30 a.m. in City Hall Boards and Commission Room #1101, 301 West 2nd Street, Austin, Texas.

Chair Dave Sullivan called the Committee Meeting to order at 8:39 a.m.

Committee Members in Attendance:

Dave Sullivan (Chair), Moses Garcia (Vice Chair)
Tyler Anderson, Karen Friese, Paige Oliverio

Committee Members Jennifer McPhail and Beverly Silas were not in attendance.

Staff in Attendance:

Mike Trimble, Susan Daniels (Liaison) and staff presenters listed in Agenda item 3 below.

1. APPROVAL OF MINUTES

A motion to approve the Minutes from the June 18, 2014 meeting was made by Committee Member Anderson, seconded by Committee Vice-chair Garcia and approved in a 5-0 vote with Committee Members Silas and McPhail absent.

2. CITIZEN COMMUNICATION: GENERAL

No one signed up to speak.

3. NEW BUSINESS - BRIEFINGS

A. General Obligation Bond Programs:

- i. John Gillum and Heidi Tse, Austin Public Library, gave a presentation on the progress of the New Central Library, a project funded with 2006 Bond Proposition 6. They gave an overview of the project time line, consultant team, stakeholder input, sustainable features, building layout and programming including interior and exterior spaces, and the look and feel of the landmark facility. The City and community desire a "Library of the Future" that has flexible spaces, is technologically advanced, has community gathering spaces, hardcopy collections and electronic delivery of information, as well as a mixture of lively and contemplative spaces. The construction is now going vertical after the mat slab foundation pour in May 2014 and the project is anticipated to be complete in 2016. Committee Members commended the project for its design and commitment to addressing community needs with a main library facility. Funding

for the facility was a major discussion and the Committee requested additional information on the cost estimate and funding history of the project. Staff will provide this information to the Committee in a follow-up memorandum. Committee Members voiced a general desire to discuss the leveraging of funds from various sources and the methodology for funding major projects for Bond funded projects.

- ii. Susan Daniels, Capital Planning Office, noted that the Bond Programs Report for the third quarter of fiscal year 2014 is now available. It can be found online at <http://www.austintexas.gov/departments/bond-programs-reports>

B. Capital Improvement Program

- i. Howard Lazarus, Public works Department, gave a presentation on construction cost analysis for the Capital Improvement Program. The presentation covered the City's recent construction portfolio data, industry trends, observations and threats/opportunities. Key observations include the following: (1) Construction costs nationally have increased ~12%-13% since 2010; (2) Key materials increases over the past year in concrete and related materials; (3) Austin market shows continued growth; (4) Spending on GO Bond projects will decrease over the next several years as current Bond Programs are completed. Committee Members requested additional analysis on the variance between cost estimates and actual costs for projects in the 2010 Bond Program, as well as analysis on the packaging of funding sources necessary to complete projects. The BOC requested that this be presented at a future meeting, perhaps at the October meeting.

C. Board and Commission Transition Task Force:

- i. Dave Sullivan, Board and Commission Transition Task Force, presented the Task Force's recommendation for reconfiguration of the Bond Oversight Committee (BOC). Discussion of the pros and cons of the proposed reconfiguration into a newly-created Economic and Capital Budget Joint Subcommittee of the Planning Commission and the Zoning and Platting Commission included: (1) potential diluting or loss of the stated BOC responsibilities and intent of the BOC as currently defined by Council; (2) potential makeup of the membership of the proposed joint subcommittee and number of representatives; and (3) the desire for BOC members to participate in the Survey sent to all Boards and Commissions members regarding the Task Force's recommendations that is being administered by the City Clerk's office.

4. NEW BUSINESS – ACTION ITEMS

No citizens signed up to speak on specific items below.

A. Discussion and Possible Action on Agenda item 3Ci – Board and Commission Transition Task Force recommendations: No action was taken on this item. Rather, individual comments will be collected in the survey that was sent out to each Board and Commission member from the City Clerk's office.

B. Election of Officers for Fiscal Year 2015: Chair Sullivan nominated Moses Garcia to become Chair and Committee Member Anderson nominated Karen Friese to become Vice-chair. Both Garcia and Friese agreed to the appointments and were approved on 5-0 votes with Committee Members Silas and McPhail absent.

C. Adoption of Fiscal Year 2015 Meeting Schedule: Susan Daniels, Capital Planning Office, noted that for FY2014, the Committee had agreed to a quarterly meeting plus one additional meeting in June to make recommendation of the proposed Bond Appropriation and Sale schedule for the upcoming 5-year plan and capital budget for a total of 5 meetings during the fiscal year. Committee Member Friese made a motion to retain a quarterly schedule with one additional meeting in June for fiscal year 2015. It was seconded by Committee Member Anderson. A friendly amendment was offered by Committee Member Oliverio and accepted to have the option of adding 1-2 additional meetings to the schedule at the request of the Committee during the year.

5. FUTURE AGENDA ITEMS

- A.** Operations and Maintenance impacts of Bond program implementation
- B.** Bond Program impact on the debt service portion of the City's tax rate
- C.** Potential Bond election in November 2014
- D.** Parks and Recreation Bond proposition and project updates
- E.** Health and Human Services Bond proposition and project updates
- F.** Transportation and Mobility Bond proposition and project updates
- G.** Cultural Arts Bond proposition and project updates
- H.** Affordable Housing Bond proposition and project updates, Housing Market Study
- I.** CIVIC phase II updates

6. ADJOURN

- Chair Sullivan adjourned the meeting at 10:31 a.m. without objection.