

City Council Budget Work Session Transcript – 08/12/2015

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[9:53:36 AM]

>> Mayor Adler: Councilmembers, we're going to go ahead and get started. It is August 12th. It is five until 10:00. We are in the council chambers and we're going to convene this morning's Austin city council budget work session. A couple of housecleaning matters. We are in this room today because the TV broadcast does not work in boards and commissions. Had the TV been working, we would be in the boards and commissions room because there was a sense of the group that while we're working on boards and commissions, we should probably be there a little closer with each other. But I would like the staff before we go back to take a look and see there's a way to add another table on the east and west wings to see if there's a little bit more room that we can give to the councilmembers there.

>> [Inaudible].

>> Mayor Adler: Then that's already done. Then we should be set there. I'm also going to announce that for whatever it's worth, it's my intent going forward to not wear a suit jacket at meetings that are in the boards and commissions rooms going forward in part just to make it a little less formal and in part so that the temperature issue in the room can all point in the same direction and we can make it a little bit warmer. For folks. So I'm going to do that. The third thing I wanted to start this meeting with is an aside. As we're going through the budget that we have, I just want to signal to my colleagues that the budget is proposed by the manager was the first budget in a long time, I think relative in a long time, that had had an increase in rate, and that it's my hope and my expectation that I'll be able to vote on a budget that does not have an increase in rate going forward.

[9:55:55 AM]

And that's one of the inks things, among other things -- and that's one of the things, among other things, that I'll be working. And my sense is that a lot of people on the council feel the same way. Ms. Kitchen.

>> Kitchen: Thank you very much and thank you for working with us on the temperature. I think that will be good for all of us. And also, in terms of the rate, at some point it would be helpful for me to understand what the price tag for that is. In other words, what do we need to be looking at in terms of the budget to get down to where we're not raising our rate. So at the point I assume that someone --

maybe you're going to be asking a question about that or maybe you know already, but it would be helpful to understand what that dollar amount is.

>> Mayor Adler: I have asked that question and it will be posted and I think we know the answer to that question, but what ed -- do you know about what it would cost to do that, ed?

>> It would be a few hundred thousand. We'll get you the exact amount posted here shortly.

>> Mayor Adler: Okay. So obviously easily achievable. We're going to have harder decisions to make on that. So then we're going to go ahead and proceed. I assume that everybody was okay with the way we're proceeding with respect to the budget decision-making process that was posted. We're going to proceed as it was posted. The question about the morning of the 17th and 19th has now been determined, I think. We're going to meet those mornings, but hold ourselves just to the morning of the 17th and 19th. We should be getting a proposed schedule for those days I think from ed here as soon as you can give us what the lineup is so people can prepare. Here it is. It's on the back of the page. So on the dais is a schedule, if anybody wants to change any of that or have any comments on that, you can certainly let us know.

[9:58:02 AM]

Ms. Gallo?

>> Gallo: I'm always concerned when I see staff sit in the audience for hours and hours and hours because we appreciate them being available, but at the same time it's not the best use of their time. So one of the things that we might think about is breaking up the schedule into morning and afternoon so that there was a time certain start for afternoon so that if a department was scheduled for the afternoon they knew that they would not be heard in the morning. So maybe that would give a little bit more clarity in staff in being able to schedule to attend. Once again being sensitive to the time they spend here as time that they're not able to keep up with their work load.

>> Mayor Adler: Great minds thinking alike, the schedule we have today breaks us out into morning and afternoon just handed out at the dais. As far as next week goes, it's all morning so we won't be meeting in the afternoon. But the point is well taken. And I think that is going forward when we look at just agendas on meetings, we really need -- and that's part staff function, I think. Robert, it would be great if we could figure out a way even on agenda days not to have staff here the whole time. If we made commitments to what we were going to bring up when or we promised we would give a half hour, 45 minute notice to staff before we would call anything up, I think there's a desire here to do those kinds of things so that staff doesn't have to sit with us all day. So if you could take a look at that, that would be great. Mr. Zimmerman.

>> Zimmerman: I was going to say exactly that. You took the words out of my mouth. The whole thing of efficiency, of having time certain appointments, that applies of course to our constituents as well. And we have bob nix, I wanted to recognize him, and also dale flat, retired firefighter, and we have bill Worsham from the public safety commission. And having these time certain commitments would allow us to bring in some other people from community who could review and comment and maybe ask additional questions.

[10:00:04 AM]

If we had time certain moments -- I think Dale had to rearrange his schedule to be here. I think it would help everyone to do that.

>> Mayor Adler: I think so too. We will have to figure out how best to do that. We've been trying to set some things time certain on the agenda and because of the public comment and how we do debate, sometimes the time certain don't get called for another one, two, three hours after. But I would love for us to maybe do blocks of time. And certainly with staff I would think that we would be able to give kind of half an hour notice or call or something like that, but I agree, Mr. Zimmerman, we need to figure it out entirely. So we're going to continue then with the budget work session this morning. I would remind everybody that after Friday anything that you want staff to cost out is going to require two people to do it, but up through this week any one of us can ask the staff to cost out a concept to look at. So remember that deadline. Y'all want to proceed?

>> All right, thank you, good morning, mayor, council. We appreciate your time this morning. My name is Ernesto Rodriguez and I'm the chief of emergency medical services. I have some slides I want to cover with you this morning and some key information. I think we're seeing that now. A mission of our department is to positively impact and change the lives of the people that we serve. And we really depend on the commitment of all of our employees to do that. And we put the quality of care that we provide and excellence in everything we do and we're a compassionate organization. That's one of the services that we deliver. Some of the major accomplishments that we've achieved this year, we've implemented the institute for health care improvements triple aim and we've done that through our community health program. We were awarded the American heart association's mission lifeline gold award for the care we give on cardiac patients and with we also deployed rescue teams to Wimberley and some of the other areas across Texas that were impacted by major flooding this year.

[10:02:07 AM]

We also have performance data for you. Average call processing time in our dispatch center is how long it takes us to actually dispatch a call, is right on target. We're actually -- our target is 75 seconds, but we're at 66.7 seconds and we anticipate that will stay in that range for the next year. We also monitor all of our dispatch protocol compliance and we're in the high 99 percentile for that. We look at the percent of priority 1 through 5 calls that we responded to on time within the city and that's all our calls, all priorities. And again that's in a high compliance area of about 96%. One of the ones that we watch a lot is the percentage of potentially life-threatening calls that were responded to within nine minutes, 59 seconds within the city of Austin and currently we're at about 92% on that. So that's well within the 90 percentile goal that we set. The percent of cardiac arrest patients that are delivered to an appropriate facility with return of circulation is at about 30%, very good for us. The percent reduction of E.M.S. Transports to hospitals of enrolled community health paramedic clients is a new measure for us. We're at about 55% of the patients enrolled no longer need E.M.S. Or transport to the hospital. They get care in a different way. We have another new measure in the percentage of patients who are satisfied or very satisfied with E.M.S. Customer service. And that's one of our triple a measures as well. We're at about 98% with that right now. Looking at how the department uses its money, about 71% goes into direct response and that includes emergency communication, answering 911 calls, dispatching

ambulances and operations. And that's actually ambulances responding to emergency calls. The rest of our dollars are split between employee development, wellness, building services, our other programs that are support programs for our agency, and then transfers and other requests that we have.

[10:04:14 AM]

Some of the highlights, additional things that we're going to ask for this year, we have one unit that we would like to add in the lost creek community area. And that requires 12 paramedics and the equipment to do that. That's about \$800,000 that we're looking for there. And then we have annualized costs of one demand unit that was added last year and we just need the additional \$237,000 so we can operate that for the remainder of the year. In the area of capital highlights, we've got allocation for us of \$3.1 million. Our plan to spend is about three million of that. We have three public safety stations that we're looking to renovate and expand some crew quarters in. We have some vehicle bay expansions that we need at those stations and we also need to come into compliance with the A.D.A. And fire code standards. And those are our E.M.S. Stations 2, 11 and 8. So for revenue, we've increased our reimbursement of revenue by \$3.6 million and that's related to the community health paramedic program. We received some 1115 waiver funds in the form of a grant and we're working with our health department with that. We've also seen some increases from our Travis county interlocal and a significant increase in our stand we services -- stand by services revenue. We're also anticipating in the year to come potential decrease of about two million dollars in uncompensated care reimbursement to our agency. And that is an area where our agency has been a trail blazer. We actually worked with the centers for medicare and medicaid to contain additional dollars that were not previously reimbursed to us. Unfortunately that pot is shared throughout the whole state of Texas and now other agencies are joining in and receiving those funds. So our allocation is beginning to drop proportionally. That's all the basic information that I've got. And if there's any questions, I'm more than happy to answer you're questions.

[10:06:18 AM]

>> Mayor Adler: I have a couple of questions to start us off. There are a couple of issues that have been raised to us that I want you to speak to. One is the amount of overtime that's required by our E.M.S. Personnel, frontline folks. I want you to speak to, if you would, please sir, the stress issues that have been raised. There -- that was a conversation that arose around the deaths, the suicides that had occurred and I just want you to address that issue. And then finally, there are some metrics that you have projected going down next year from this year that seem to be going down in the wrong direction, and I want you to speak to why they would be going down and whether that's reflective of increased population or increased geography or you not having the tools in order to be able to sustain where we are. So if you could hit those issues, I would appreciate it.

>> Absolutely. I think the easiest part place to start is with the metrics and I'll move into the fatigue others and the stress areas if that's okay. Let's look at some of these areas. I think one of them is the average call processing time in seconds. We needed to bring that into alignment with our goals for accreditation. We had been reducing that goal year over year over year over year, but the accreditation

standard changed. We always performed better than that. For example, the very first one call processing time, our goal is 75 seconds. We always perform about 10% less than that. I mean, not 10 percent, 10 seconds less than that. About 66 to 69 is about where our operating range is. We intend to keep it there, but we didn't see any value in continuing to reduce that goal over and over and over.

[10:08:23 AM]

If the accreditation standard, which is a national standard, didn't change. So we overperform in that area. So that's one of them. Another area -- let's see here. I think that's -- is that the only one?

>> Mayor Adler: The percent of life-threatening calls going down from 92 to 90%?

>> Our goal is 90%. That's the national standard to be in the 90th percentile for response time goals. Whatever your time is. Our goal is at nine minutes and 59 seconds. So our goal is to make 90% of our calls in 10 minutes or less, 90% of the time. We overperform in that area as well. We perform at about 92% year over year. We like to stay in about that range because that gives us a little cushion and it also gives us better response times in our highest priority levels.

>> I think what would be helpful for me, and it's related to the code conversation that we had before, regardless of what the national standards are, if we have a goal in this city that we're trying to make, like you just said, then I'd really like the goal to reflect what our goal is. And I have no problem at all with putting parenthesis under it that says even though your goal is 65 to 69 seconds, parenthesis, the national accreditation number is 6 seconds slower than that, that would be good to know and it would be good for us to know when our goals exceed what the national accreditation Numbers are, but I think that our goal should reflect truly what our goals are.

>> And mayor, I was going to chime in during the code conversation on this same topic and I think it's timely to chime in here. We're in a bit of a friction in terms of our -- a transition in terms of our budget document because the fy16 budget column for many years had been more along the lines after goal and we've been moving departments towards it being more of a projection.

[10:10:31 AM]

So in other words, what level of performance you actually to get for the amount of resources that we are putting forward in this activity and taking into account historical evidence. So we still have a bit of a MIX. We're sometimes on these metrics it's really what the goal of the department is and in some cases our performance may be exceeding that goal or be below that goal. And the majority of cases, though, you will be seeing fy16 be a projection of the actual level of performance we think we're going to be able to achieve. We have changed our budgeting system so that we can track both. Right up until a year or two ago we could only track one. So we've changed our budgeting system to allow us to track two different metrics for the future, one of what we think we can actually achieve and one of what our goal actually is. So we'll be able to do exactly what --

>> Mayor Adler: I think getting those would be helpful. If we're out performing our goal consistently, which is what I would love for our city to do all the time everywhere. And if we're doing it consistently and then we have a year are where we no longer are performing at the level we have been performing, still above what is the national accreditation, we will have underperformed for where we had hoped and

thought we would be given the resources allocated and our documents should reflect that so that we can see that.

>> We're absolutely moving in that direction and hopefully we'll be 100% there by the fiscal year 17 budget. Right now it's a bit of a MIX.

>> Mayor Adler: Got you. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. This is a fairly complex organization you have and there's a lot of ways you could choose to present metrics and evaluate your performance in terms of cost. So I've spent a lot of attention on the council and I continue to do it, look for return on investment. So if we have service that's meeting objectives, what is the cost of that service? And is it fair to use, say, a metric like the number of ambulances that we have because people see the ambulances.

[10:12:34 AM]

That's one of the most visible things we have in public safety. Is it fair to take the ambulances as one of our metrics and say we've got a certain number of ambulances. How much are we spending per ambulance compared to other cities? And what that would do is that would lump in all the management overhead that we have and all of the infrastructure that doesn't contribute directly to the staff that's manning the ambulance. Could you make some comments on that and get us some information on how many ambulance units we have and then as a rough number for us, something simple we could wrap our head around?

>> Absolutely, we can provide that information for you.

>> Mayor Adler: Would you respond to the --

>> Let me get back to the other question. On the overtime and fatigue issues that we're experiencing in our department -- and let me explain first what the challenge is. We've been looking back at our information beginning in 2005 up to where we are today. And what we've seen is we've seen a population increase of about 29% in our community. And when we look at population, we serve the city and the county, so we include both of those communities in our Numbers. With that we've had a disproportionate increase in the challenge to E.M.S. That 29% increase in population has resulted in a 50% increase in the number of E.M.S. incidents that we're experiencing in our community. And that's increased our rate of transport by 61%. That's pretty big for us. We're not a very large department. We have a little bit of space and we can handle some pretty heavy load, but consistently trying to keep up with a 50% increase in incidents and 61% increase in transports is difficult. And that weighs on our medics. At the same time, in that time period since 2005, we've effectively reduced our response time by 23%. We went from 13 minutes to 10 minutes. So that's a significant improvement in response time even given the growth that we're experiencing and the increased work. Again, that is a -- that's all work load on our medics.

[10:14:35 AM]

We are also seeing a sharp increase in the number of special events that are happening in our community. Having special events is a good thing for our community, but it weighs on public safety agencies and it weighs on E.M.S. Pretty heavily. We are getting revenue from that process, but it doesn't

go back towards creating people positions. So that is a challenge for us. In 2006 we actually began to try to address this growth several years ago. In 2006 we changed our work week for our medics from a 56 hour work week to a 48 hour work week. So we reduced it by eight hours. Then in 2011 and '12 we started working with our communications staff and we changed their work week to a 42-hour work week. So we're trying to align our work week to something that's better and more healthy for our employees to work. And we started back then. Last year we transitioned our field commanders from a 48-hour work week to a 42-hour work week. And what we said to council last year when they gave us money to do that was that we would be coming back this year to see if we could continue that process with the rest of our staff. And that's the biggest chunk of the transition process. We'd like to continue moving our field staff from a 48-hour work week to a 42 hour work week. That again will reduce the work week by those six hours, which will be very helpful to us.

>> Is that in this budget?

>> It's not presented in this budget, but it's certainly something that we've discussed previously. I haven't discuss it had with you guys, but I certainly have discussed it with my acm and others.

>> Mayor Adler: What's the cost to do that, do you know?

>> Yes, we do.

>> Carey Lange. Sis dent director of finance and E.M.S. The request that will include for personnel as well as equipment, would be about -- excuse me, will be about \$1.3 million for that -- to add those fte's.

[10:16:36 AM]

What we're looking for or what the request was for -- when we provide unmet needs it was 15 apt das in if the first year and then the remaining staff in the out years. And the total cost for the remaining staff would be about \$5 million. To transition to the 42-hour work week.

>> Mayor Adler: About six million dollars, six and a half million dollars total. Okay. Thank you.

>> So we're looking at doing that over a two, probably three-year transition process to phase that in.

>> Mayor Adler: Before you get to the stress element, Ms. Garza, did you want to comment on this?

>> Garza: Yes. First I want to thank you for the work that the emt's and paramedics do. You do a great job under a tremendous amount of stress. I'm a big supporter and I don't know if I can do it now, but I'd like to add that budget amendment. And there's been talk about implementing it over two years or one year. Can you speak to what you think the benefits of doing it in one year or doing it in two-year --

>> Obviously I'd like it all one. But I think from a practical sense, based on a number of people that we can hire in a given time period, I think a two-year transition period would be sufficient. We have proposed a two-year implementation. We have provided the information of total cost and total positions for a one-year so that you could understand what the big picture is, but practicality speaking, being able to hire the number of people that we need, train them through the academy, transition our trucks and change our system is probably a two-year effort for us. Whether -- if you provide the funds and it will probably take two years to get it done anyway. Garrett and are you saying that your recommendation is to do the one million for the captains and next year do the five million for the rest of the staff?

>> Right. Our original request was for the 15 captains and then for the remaining staff, which was 52 staff or to fully fund to get to the 42-hour work week.

[10:18:43 AM]

>> Garza: Is there a way to have a plan where it's a little more even so it's not one of the five. Maybe two this year and three.

>> The reason that we were looking for the captains in the first year was because we were trying to get the captains so they could train up the remaining staff. And as the chief said, one of the things that would be the challenge is once we got the employees in, once we got the sworn staff? In, we would need to have enough staff in the training center to train them appropriately to get them on to the units.

>> Garza: Okay. I have other questions later.

>> Mayor Adler: Okay. Ms. Houston and Ms. Pool. We're on the question of this issue, the 40-hour work week, the overtime. Anybody else have anything else on the overtime issue?

>> Houston: No.

>> Mayor Adler: Ms. Pool.

>> Pool: Can you tell us -- thanks for being here, appreciate that. Can you tell us what it cost in last year's budget to move from the 48 to the 42 for the pilot that you did this year?

>> I don't have those exact Numbers with me. I can get that information to you quickly.

>> Pool: And then -- and then you're going to give us Numbers for a two-year implementation, six million over two years? Could you also look at if you were to reduce it to 40 hours? I know you're going to give us Numbers for reducing 48 to 42. Could you also give us the additional amount that that would cost to reduce it from 42 to 40 hours?

>> Absolutely.

>> Pool: Thanks.

>> Mayor Adler: Still on the question of hours. Ms. Troxclair?

>> Troxclair: How does a 42-hour work week compare with our other public safety professionals, like our police officers and firefighters?

>> They work different types of schedules than we do. I believe the police department may be on a 40-hour a week.

[10:20:46 AM]

And the fire department works 24-hour shifts, so they're different than we are. And the fire department also has a Kelly day process where they balance out their schedules. That option is not available to an E.M.S. Agency. And I think maybe the fire department, if there's somebody here, could probably answer you better about what they work and as well for M.D.

>> Troxclair: I'll ask them when they come up.

>> We're unique. We're different than they are.

>> Troxclair: I'm still struggling to understand -- I certainly understand wanting to -- that a reduction in the hours worked per week would lead to a lower stress level and more manageable level, but if we have a -- what's the work now, 48 hours?

>> 48 hours a week.

>> Troxclair: It seems like some of the emails or complaints that I've seen are -- have our E.M.S.

Personnel working, you know, over 24-hour shifts. Is there -- can you help me understand how that reduction in -- if we have a 48-hour work week right now and we still have people who are working over 24 hours, what the metric would be then if we moved it down to 42 hours a week, the maximum amount of time that an E.M.S. Person would be expected to work? Per day?

>> Well, I don't have an exact number that I can give you just yet. However, one thing that we've initiated just this week, as a matter of fact, or last week as a matter of fact, is working on developing a fatigue management program for our paramedics. One of the things that we've discovered is that there aren't any agencies in the United States that do E.M.S. That have any sort of fatigue management strategies. And so there again I think we're going to be a trail blazer in that so there aren't any benchmarks that we can grab from. But we're using a company called Circadian. They're the group that helped us initially move from 56 to 48 hours. They're coming in and they're going to do another study for us and they're going to look at different ways to organize that 42 hour work week.

[10:22:51 AM]

So it has to be a combination of rest opportunities for our medics. They need to be able to be off of work long enough to get sufficient rest. Then when they do work we need to consider other things as well, things like breaks, so that they can rest in between cases. They're going to do station assessments for us to determine if our stations actually have spaces where they can rest. And then we have alertness requirements too. So they're going to assess our stations for -- areas of our stations conducive to alertness. So it's a balance of a lot of those things that we have to bring into alignment. I don't have an easy, straight answer for you, I'm sorry.

>> I appreciate that it's something that you're thinking about. And I don't think I articulated the question very well, but if moving from over a 50-hour work week to a 48 hour work week did not prevent E.M.S. Personnel from working over 24 hours, I would want assurances that making a further reduction would - - would ensure that there was a maximum, you know, number of hours per day or that there was a limit too because I think that's an important part. Working 42 hours a week if you're working, you know, those days back to back, those hours back to back with no break, I don't know if it solves the stress and fatigue problem.

>> Right. And that's why we're doing the fatigue management plan as well because it's not just the schedules. It's everything else as well.

>> Troxclair: Okay. So if there are any metrics or more assurances -- if we're going to make that decision and make that, you know, six-million-dollar investment, it would be helpful for it to come with more of an outline or more of a plan of how that's going to be managed so that we have assurances that that won't continue.

>> Some of the things that may help is we do have work rules in place as to how many hours off employees need to be before they can come back to work. We're looking at reevaluating all of that as well. So we'll be able to provide that kind of information. I think that may help.

>> Troxclair: Okay. Thank you.

>> And councilmember, I just got some information from the budget office regarding the actual cost to transition the command commanders to the 42 hour work week.

[10:25:01 AM]

It was \$542,000 for that transition.

>> Mayor Adler: Okay. Over what period of time? That's for this -- that's for one year implementation.

>> I think you're saying it's 1.3 million this year, but half a million last year. What's the time frame? Is it a midyear adjustment?

>> That was the funding that was given to us in this fiscal year. So we got -- that was for our commanders to transition all of our commanders.

>> Mayor Adler: As opposed to captains.

>> Pool: All right. So the information we're looking for would show the rank and who had it and how much it was both last year and this year and then going forward two years at 42 hours and 40 hours?

>> Right.

>> Pool: Great, thanks.

>> You also asked about the stress and all of that. May I move on to that?

>> Mayor Adler: Hold on a second. Ms. Gallo first, please?

>> Gallo: Thank you. Thank you for being here. I think this is an opportunity as we talk about the overtime to also bring up the conversation of festivals and the pressure that covering those festivals puts on all three of our public safety departments. And I guess my question would be that obviously the festivals require increased coverage over and above what we are doing and what the public safety departments are doing for the citizens of Austin on a Normal basis. So there's a cost to provide the extra service for the festivals for all three departments, and I think we are looking at moving in a direction to make sure that the for-profit entities actually participate and pay for that cost. So one of the questions -- I'm just kind of going to go through all the questions. One of the questions is are we to that point now where your cost in providing public safety E.M.S. Coverage for festivals is actually reimbursing the department back for those costs?

[10:27:06 AM]

>> Mayor Adler: So -- the three questions you need to address now, finish with the stress question answer, then hit the festival question. And then I had Ms. Houston for the next question that wasn't one of the first three that I asked. I feel bad because I cut her off a second ago when she was moving off the questions I asked. And you've moved to a different area now.

>> Gallo: Okay. This was kind of in the overtime discussion because I think the festivals add to the overtime issue. Because I was going to say that the other issue on festivals is a pressure to staff which often then translates to overtime and so my question would be in the overtime discussion is there a different way of handling the coverage of festivals that maybe looks to outside resources versus continuing to put pressure on staff and overtime.

>> With the most recent addition Cota, and that has been a good arrangement for us. Some of the larger events that happen, the more popular events we don't often recover our costs for that. I can speak for E.M.S. I don't want to speak for the others. They may have different circumstances. But for us we covered the incident -- the event itself, so we're on the grounds and we're present providing direct services in there. But there's also the additional weight that comes with that to the community. So we

have to add additional resources on top of what we would be reimbursed for that most often are not reimbursed. So if, for example, we have to put an extra two or three ambulances on duty for three or four days while an event is going on that usually is not covered. While we may have a medic or two or three or four or more than that, sometimes up to 80 medics covering incidents, those may member covered, but the additional resources throughout the community most of the time are not.

[10:29:20 AM]

I know it's not an easy answer, but those are the two costs that we look at. One is the event itself. We get some partial reimbursement for that. And then there's the external to the event that just comes with the number of visitors and all of that

>> Mayor Adler: Okay. Would you address the stress?

>> Absolutely. The department has initiated a wellness program for our medics. And the framework of that is a triangle. We look at three different sides of that. One side is health. Another side is fitness and then the third side is well-being. So the health side, we're now beginning to require an annual physical exam for our personnel. The goal is simply to get them in front of a doctor at least once a year so that they begin to develop a relationship with that doctor and start checking their health. We provide a guideline for those physicians so they can understand what kind of work our else personnel are expected -- our E.M.S. Personnel are expected to do, how heavy are the objects they lift, how often do they do it, how far do they climb. All of those things are provided for the physicians, so as they do their assessment that's appropriate for the job that the medic is doing. That's a once a year process. We initiated it lastier and it's coming up again in September of this year. So that -- that's ongoing. Other things that we provide in the health are nutrition and sleep hygiene training. We've provided several trainings for that, encouraging all of our personnel to plan around their ability to rest and to eat well. And we also have a fitness process. So the fitness rose for our organization -- the fitness process for our organization is voluntary. We encourage everyone to go go to the wellness center, with he have a public safety wellness center, together with the fire department, we encourage them to go there at least once a year, have a fitness assessment. That just simply let's them know how they are in physical abilities.

[10:31:22 AM]

And they can work to improve that year over year and that's free to them. There's no cost for that. We also provide four fitness trainers in our department. We would like to double that over time. And then we are conducting right now station assessments to -- to determine what types of workout equipment would be best to put in those stations so that our medics can have some workout periods. We're not talking about the heavy weights or anything like that. We're talking about more stretching, light-weight repetition. Keeping your body warm and limber for the next call is what we're trying to achieve there. We've initiated from preshift warmup training, so that will go a long way to prevent the strains and sprains that we experience in our industry. And we have a very early relationship with the U.T. Fitness institute that we're working on to get additional guidance on that as well. We also have a peer-driven fitness program. Where we've got several of our peer that's have developed workout programs in different E.M.S. Stations and we've provided equipment and all of the things that they need so that they

continue to guide that. That's the fitness process. Then the last process is the well-being process. That's the emotional and mental health of our medics. We do have a staff psychologist on staff that we share with the fire department. In addition to that, we have a contract psychologist that's been with us for several years, he's got a lot of experience in emergency medical services. And actually specializes in post-traumatic stress syndrome. So that person works with us and is available to our medics any time that they want. We also had an employee peer team program. If any employee is feeling stressed at any point in time, they have wrist bands, they can dial that phone number and a peer team person will call them and find out what's going on and immediately connect them to a staff psychologist or anything that they need to provide support. We're also in the process of building a chaplaincy program.

[10:33:26 AM]

One of the things that I learned when we traveled for a training program to FEMA was that some of the ability of people to recover from mainly incidents has a lot to do with their faith background, whatever that is. And a chaplaincy program is necessary to support that development. So that's a program that we're still working on right now. We've also launched a PTSD and suicide awareness campaign within our department. And that's led by our staff psychologists and they meet directly with our staff to provide that. Emergency medical services, I don't think that I have to tell you, but it really is a dangerous job. I think a lot of times we think in working on an ambulance, you're going to see sick people, how can that be dangerous? It really is dangerous. We provide protective equipment for our medics, they do make calls where they have to wear bullet-proof vests. We have been assaulted. The number of assaults that are occurring in E.M.S. Against E.M.S. Professionals across the nation is skyrocketing. Two years ago, myself and others in the industry, other leaders, launched a program to try to educate our elected officials on that and stiffen the laws to -- to be more stringent when there are assaults against our medical personnel. Some -- some studies that have been conducted across the nation are now beginning to show that the group that's most impacted by stress, anxiety and the lightly hood of depression are E.M.S. -- Likelihood of depression are E.M.S. Professionals with 16 years or more of experience. What that speaks to is what we're trying to deal with is cumulative. It's the buildup of stress, it the continuous contact over time and the amount of time that -- that medics are experiencing in contact with stressful situations.

[10:35:27 AM]

And that kind of leads to why we're looking at reducing the work week. By reducing the work week, we're reducing the contact time. Add to that the rest, add to that the psychological services, add to that the peer teams, add to that the better health, add to that the better nutrition and the fitness. All of those things come together to produce a healthier workforce and that's been our -- our solution to this. This has been the way that we believe it will be addressed best. I hope that answers your question.

>> Mayor?

>> It's a lot of information, I know.

>> Mayor Adler: Mr. Renteria?

>> Renteria: I really appreciate the work you guys are doing and I know it's real stressful. But could you

explain a typical -- how do a person work 48 hours a week? Is that 24 hours -- what a typical week of --
>> We have a variety of different schedules. We have some employees who work a 24 hour shift and then two 12-hour shifts. That adds up to a 48 hour work week. We have some that are fixed schedules where they may work two 24-hour shifts with time in between off, so that they can rest in between. We also have some schedules that rotate 12 hour shifts across the work week to reach 48 hour --

>> Renteria: Do you all rotate around?

>> Some of our shifts rotate and some of them are fixed days.

>> Renteria: 24 hours, okay, thank you.

>> Mayor?

>> Mayor Adler: Further on this line questioning. Ms. Pool?

>> Pool: I have one question on overtime for you to get us some Numbers. Could you give us information on average amount of overtime at each of our stations for the E.M.S. And emt. Then I have one additional staffing question when we get beyond overtime hours.

>> Mayor Adler: Staffing or stress questions.

[10:37:32 AM]

>> Mayor Adler: Go can the staffing question.

>> Pool: Earlier at one of the public safety committee meetings I asked for information on returning to the old model or the previous model where it's -- I'm going to get the terminology wrong. Two emt's on the vehicles rather than the --

>> Paramedics.

>> Two paramedics, okay, thank you, rather than the pair of of the paramedic and the technician. So I would also like information on what the effects of that would be on bringing new staff on or training the emt's to become paramedics so -- I think that would actually help with the stress on the runs if there were two paramedics at the site rather than one and one emt.

>> We currently provide a ratio of 60% of our staff is paramedics and 40% are emts. The reason that we do that, is because you can't put two paramedics together and run a call in our current configuration and that would be okay. We are experiencing a paramedic shortage for several years. 2009 was probably the worst of those years, where we only had 26 paramedic applicants in the year. It was very low. Those Numbers have increased slightly in 2010, 2011 and 2012. In 2012 we changed our staffing model to allow us to hire emts, emt intermediates for one side and paramedics, so there's two persons on that ambulance. What we're beginning to see. What we predicted was that we would be able to fill our vacancies if we did that because it would improve our hiring pool. Also improve our diversity, which is a big challenge for E.M.S. We hire people that are already certified. They come in graduates from college and we're finding very little diversity in that.

[10:39:37 AM]

When we broadened that pool, we are beginning to see an increased diversity. So I can give you some Numbers now. At this stage, having implemented this in 2012, we are seeing a 48% increase in the number of applicants that we're seeing now. Some of those are paramedics and we do hire paramedics

still. We're seeing a 71% increase in the minority applicants. So we're having a lot more minority applicants than we've ever had. Which is great for us. Also a 65% increase in the number of female applicants. So the process of changing to that variable staffing has really helped our organization to hire -- to have more people to pick from and to get a better diversity. Just this yesterday I was teaching a class at our academy to 40 new hires. We've never hired that many people in the history of this organization. So we think that that would work. Now, I think the next step that we're actually working on now is working with the school to bring a paramedic program into the department. So those emt's can become paramedics. What that will do, that will increase the proportion of medics that are available. What we're looking for is a solution that allows us to hire as many people as we need and then transition them as quickly as we can into the paramedic role. So we get the best of both worlds. The best of both worlds is we get a MIX like this. We get 48 or 50% improvement, the number of people that are applying, a better minority MIX, more women coming to this role. And then we can convert them into paramedics as we go. And so it's a -- it's kind of a long vision sort of way to get to it. But I do think that in the long run, we will have more paramedics available on our trucks. My fear is that if we restricted our hiring to only paramedics, right now if we just look at our current Numbers, since we've implemented this, only one-third of the persons that we've hired have been certified paramedics.

[10:41:51 AM]

So today, if we were in that position, only one-third of our positions would be filled. And that would be very difficult. We would have not had any significant improvement.

>> Sure. That makes good sense. I do like the fact that you are creating the career plan, so that the coming out of the training, going in as an emt, being paired like an apprentice with a paramedic and then advance you up that career ladder and so if that is the goal that you're heading for, I think that's a good one. I do -- I'm impressed with the Numbers off the diversity and the female component in your new training, that's really great.

>> We are, too.

>> Pool: Thank you.

>> Mayor Adler: Ms. Houston and Ms. Kitchen?

>> Houston: Are we still on the same topic?

>> Mayor Adler: You are wide open.

[Laughter].

>> Houston: Thank you. First of all, I want to thank you for being here today and for explaining -- explaining to us in-depth about how we're going to deal with the stress and what I call compassionate and trauma fatigue for people who work in that industry and others feel. It is very much like post-traumatic stress disorder, I'm glad that we're focusing on that as well as other parts of health. Mine has two parts, one is revenue and the other is staffing. Since we stopped on staffing, I will go to the staffing first. Rather than the percentages, can you give me the demographics of the people who are now sworn and non-sworn in the emergency medical services.

>> Yes, with he can provide that for you. We do track that.

>> Houston: I would also like to know how many of those people live in Austin.

>> Okay.

>> Houston: Then on the revenue side of that, do you charge for transport and how much is that transport? Because I may have missed it someplace, but I didn't see any fees.

[10:43:51 AM]

>> We do, absolutely. We charge for that. I'm going to ask Karrie Lang to give you the exact Numbers. If I try, I know I'll miss it.

>> So for our transport for advanced life support, our proposed base fee is \$901. Our discounted base fee is \$515. And then we charge for mileage, the mileage charge is \$13.50. For base life transport, excuse me, basic life transport, the base fee is \$831. The discounted fee is \$415.

>> Houston: And the mileage stays the same.

>> The mileage stays the same, yes, ma'am.

>> Houston: Where would that be located in the budget that we have in front of us.

>> It's in the fee schedule, in volume 2, I believe.

>> Houston: I don't have volume 2 with me, I just have volume 1. Thank you, now I know where to look for that. Is that your cost to respond? Because -- answer that one first. Does that cover the cost to respond, that 901?

>> No. That does not cover the full cost to respond. So our base fee, what we look at, is in every few years we do a cost analysis and so that covers most of the costs to respond, but it doesn't cover the full cost. And the revenue generated from that is determined by the payer MIX that we have. So I believe we completed a cost analysis two years ago, I believe. 7 I believe it was in 2013 that we completed the cost analysis where we looked at the cost of our paramedics and the cost of our system and tried to increase our fees accordingly. But however with the cost of the contract and the increased cost in the paramedics on an annual basis, we don't increase those costs annually to the end user.

>> Okay.

[10:45:51 AM]

One last question, mayor. Is -- how much do we write off? That people can't pay, even the discounted price plus the mileage.

>> We can get you, I can get you that information. We -- there's a MIX of how we charge, so we -- so some of these charges go directly to insurance companies. Some to private payers. And so it depends on the end payer and the payer MIX that we have. If you have insurance that will cover typically the full costs. If you are medicaid/medicare then that's only a portion of the cost that's we receive back for reimbursement for the services provided. Then there is about 22%, I believe, that we send to collections. And so I can get you that break down of information of how much we charge, our gross charges and how much we receive back.

>> Houston: Thank you so much.

>> Councilmember, just to give you a little background, several years ago when we reviewed our fees, we did that together with our E.M.S. Advisory board, we found that our fees were significantly below what other agencies were charging at the time. And because the gap was so big, the advisory board at that time recommended that we come to the 75th percentile. So we raised our fees then, but we have

not adjusted our fees since.

>> Houston: Thank you. He's not here. I get to ask all the questions.

[Laughter]. I'm teasing. We didn't adjust the fees. Can you also send us who is on the advisory committee and how they get to be on that advisory committee.

>> Absolutely.

>> We seem to have a lot of advisory committee that somebody else decides who they are.

>> Yes, we can.

>> Houston: If you could do that. Then my last question, mayor, is do you keep track of your repeat calls? In district 1 we have 38% of houses of unregulated homes of vulnerable populations and the fire department brought this to our attention of how many resources because every time we roll, we roll with emergency services, we roll with fire and we roll with police.

[10:48:06 AM]

And so is there any way that you all track.

>> Yes, we do.

>> How many calls that you do --

>> We do. In fact that is the purpose of community health paramedic program. When we have repeat callers that use E.M.S. A lot, we enroll them in our program. What we're finding -- they're not abusers, first of all, they are not people that are calling just because they want to abuse E.M.S. We sometimes are their only avenue to get health care. The reason that we are calling over and over is because they are not getting what they need. So the approach that we took is we worked together with our health department and all of the other health care providers in our community, enroll them in the program, we get them enrolled in clinic care, we get them enrolled in services that provide medications to them, some of them just need meals. We get all of those things organized for them. We've seen a 50% reduction in the number of persons that -- that are frequent callers and who are enrolled in our program. We are working on a the same thing for mental health patients. We have seen a 78% reduction in utilization of E.M.S. By enrolling them in the program. So that's an excellent question. We'll provide you some details.

>> Houston: Thank you so much.

>> Mr. Mayor?

>> Mayor Adler: I wasn't sure that you said enrolling. I thought you said when the public safety rolls. I thought that was a technical term that you learned when you got your patch.

>> It was.

>> Mayor Adler: All right. Ms. Kitchen.

>> Kitchen: Thank you. I want to follow-up a little bit more and thank you, councilmember Houston. Those were the request he is that I had. Just a few more -- those were the questions that I had. Just a few more follow-up questions. On the community health paramedic -- paramedic program -- sorry I can't speak today. So those are great statistics. Can you also provide us where the program is right now in terms of raw Numbers, you know? And is your trend to continue to show that reduction or -- what time period does that 50% reduction cover?

>> So that's our goal for the year.

[10:50:07 AM]

>> Okay.

>> We have seen that -- that happen this year. I don't have the Numbers in my head, but I can provide you the exact Numbers.

>> Sure, what I'm interested in understanding, that's an excellent program, particularly since it's also community-wide and you're connecting with other resources. I would want to make sure that we had sufficient resources in that program to continue the -- the progress that you are seeing. I mean, ideally, we shouldn't -- you know, have anyone that's really a repeat -- a repeat -- the Numbers that I know that you all see them. So I mean, you know, some people go to the emergency room, you know, 300 times in a year. So okay. So I'll submit a question, but what I'm wanting to understand is do you have sufficient resources for that program to continue that trend and what would it take in terms of resources to take that 50% reduction down to a target so that we don't have anyone that is a repeat that makes sense, you know. Do you understand what I'm asking you?

>> Yes. I can work up that information for you. I don't have it handy. I can tell you that the additions that we made most recently were together with the health department and working with our 1115 waiver. So we used those funds, those funds are going to expire and when that happens, we're going to have to figure out how to keep that program up, even running as it is now. It does need to be expanded. There's another community that we also need to figure out how we're going to address their needs because they impact us, and that's the homeless community. We're on a committee working with central health now to figure out how we're going to improve health care delivery to the homeless. I think their vision is great. Although the homeless people may not have a home to live in, ultimately that's the goal. But there's no reason that -- why they shouldn't have a health care home in the meantime.

[10:52:10 AM]

And the E.M.S. Is a component of that. So we're working on that and -- and we do need to -- I'll work on those Numbers for you and we'll get that to your office.

>> Okay. The reason that I'm asking that question, that's a reduction in cost.

>> Yes.

>> So that's an unnecessary -- I guess -- it's a cost that could be avoided.

>> Yes. Those folks what they need. So, okay. Then my other question relates to -- you had referenced, I think if I saw it correctly, about two million in -- in uncompensated care source that's going away.

>> Yes.

>> Uncompensated care payment source that's going away. Can you tell me a little bit more about the source of that two million.

>> It's dollars that -- that are part of the -- part of the medicare and medicaid fund in the state of Texas. And what happens is agencies like ours only get reimbursed about 80% of our costs. And previous to this, only getting reimbursed for underpayment. We worked with CMS in Texas to expand that to E.M.S., and we developed a reimbursement formula working with them. Again, we were one -- we were the sample. From that we were able to glean several million, I don't know what the total amount is.

>> Last year we received \$7 million, this year we've received about \$5.6 million and so we've seen a reduction over the last two years as more agencies, more organizations, more cities, have started participating in that program. So that's what the 2 million-dollar decrease that we're anticipating for next year is because one large, I believe it's Houston, has joined into the program, so they're going to be taking some of the funding that we had historically received.

>> Kitchen: This is a disproportionate share funds, I think.

[10:54:12 AM]

Okay. All right. Then -- I'll follow up with more questions about that. Then the other question had to do with following up on councilmember Houston's questions related to how much we're charging. So I'll follow up with more questions related to that. But my question there is -- I'm wanting to understand if the fee that we're charging the -- the people that have insurance, if that fee covers our cost. I don't know if you can answer that off the top of your head or not. In other words, are we setting -- I think that I heard you say that our base fee doesn't cover our costs. And so it would seem to me that the base fee that we charge the insurance companies should be a base fee that covers our costs.

>> We have done a cost analysis -- because we don't do it every year, we do it every few years, that then our costs increase a little bit more than what we're charging. So it does cover most of our costs. But when we go back and look at the cost to provide service annually, it would be an increase because of increase in wages, just the annual increase in doing business. And so there is not 100% reimbursement for those costs. Just because of the annual increases that we see. But the majority of the costs are reimbursed with private insurance that we charge.

>> Kitchen: Okay. So the base fee that we were charging I guess two years ago or whenever it was, was it two years ago, that you last --

>> I believe it was in '13 when we did the increase.

>> So that base fee would have covered our costs. Okay, well, then can I just ask this: Why do we not raise our fees every year to cover our costs?

>> One reason we do not raise our fees is because when we look at the cost of those fees, we don't want to continually increase where it is an added burden on the private payers because we don't have a separate fee schedule for private pay versus insurance payment.

[10:56:14 AM]

So we look at the impact that it will have over all of our payer MIX and we look at it, as the chief mentioned before, where we fall within the other agencies that provide the service as well.

>> Kitchen: Well, my question would be: You know, if we raise the base fee for those people that can pay, in other words insurance companies, then it seems to me that I would be interested in understanding if that improves our overall revenue. With regard to private pay, private pay meaning those people that cannot afford to pay, that can always be adjusted in terms of how you handle billing, you know, it can be adjusted, you can write off, you know, as charity care or you can ham it in other ways if people are unable to pay. But I would just be concerned that we're losing some potential revenue if we're not charging those that can

pay, like the insurance companies, which I assume that your payer MIX is primarily insurance companies; is that right?

>> We get the majority of our revenue from medicaid and medicare and they only pay a portion of our fee. Because they're the federal government, they determine what they'll pay to us.

>> Kitchen: Right, that's right.

>> And our payer MIX beyond that changes because sometimes we have patients who turn in insurance information and it's not fully covered so it's appear constant change in what that payer MIX looks like.

>> Kitchen: Okay, I'll submit more detailed questions. That's the thrust of what I'm trying to find out, if there's something that we should do in terms of adjusting our -- I'm sure you all have thought about it. I just would like to understand if there's a way to adjust our base rate that might capture more revenue, so thank you.

>> Troxclair: My office submitted budget question 70, I have been given different Numbers.

[10:58:23 AM]

What we were given, year one would be about 3.1, 3.2 million and year 2 would be --

>> The 3.2 million is -- when we did the original request, our original request was for 15 captains in the first year and then the remaining employees in the second year. Then during the budget question, the -- the department looked at how would we be able to add -- excuse me, how would we be able to add more than just captains in that first year. And so the response that you received in the budget question was more than just captains in the first year. When we originally started looking at the ability to hire and how we would get people on board, our original request was for 15 captains. That's the difference in the Numbers that you are seeing in those two and what I mentioned earlier and what you saw in your budget question.

>> So which one of these methods would be if we do choose to implement this over two years, which method would we use the one million first year, five million second year --

>> We would be able to do our preference would have been for the 15 captains to get them trained up. We believe if we got the additional ftes in the first year, then we would have to hire those later in the career so that we could have the captains trained up before we could bring on those extra

>> Garza: Okay. And correct me if I'm wrong and the information from councilmember troxclair, I understand if we're lowering the work week how is that fixing anything, but the second prong is adding the additional ftes. So you lower the work week so the medics aren't working as many -- they're not making as many calls because they're working less hours and the second part of that is adding more ftes to relieve the extra hours.

[11:00:23 AM]

Is that right?

>> Right. The additional ftes would be to handle the six hours that we reduce per medic, so that would be the additional ftes needed to continue the 24/7 services that we currently have.

>> Garza: And I appreciate the discussion on what will department is doing to lower the stress levels, but I just want to point out that even if we're adding cardio machines to the stations it's not going to do

much. If they're not in the station to use them. Big key of that wellness is getting them those rest periods more. So thanks.

>> Mayor Adler: Anything further on this item? Mr. Zimmerman?

>> Zimmerman: Thank you, Mr. Mayor. I have one final question about management. I'm glad you're here to answer this. I've had quite a -- a handful of E.M.S. -- current E.M.S. Employees, former employees, some of whom now work in neighboring areas around Austin. And they have some criticisms about management. And I don't understand really how your operation works so there's no way I can evaluate their criticisms about management. They'll say they think it's top heavy. They don't like the paperwork or some of the bureaucratic things that are going on, but they're now working in areas surrounding Austin, making less money and they seem to be happier with their jobs because of the management. So we had talked about the possibility of investigating a merger between fire and E.M.S. To hopefully save budget expenses, but also maybe to get better management if we were to merge those groups. So could you just respond to the management critics and give us an idea of what you think about the possibility of fire and E.M.S. Merger?

>> I would have to direct that to my manager.

>> Zimmerman: But it could direct the budget if we were to duplicate the management.

[11:02:26 AM]

So it is a budget question.

>> Ray Arellano. That is a question that has come up in the past. At this juncture we're not considering it as an option. As you would see from the perspective of both the fire department and the E.M.S. Singular is one that a number of organizations and other cities have sought and particularly the E.M.S. Department how they do business? So again, it's not something that we're looking at. In terms of and certainly I think chief Rodriguez is very humble, but I would say that certainly he looks very carefully at some of the issues that might come to his attention in terms of management concerns from their providers. I know we've talked from time to time about them and he does his best to look at what those are and address them as they come up. But I have great faith and credibility in the chief in order to address those items.

>> Mayor Adler: Okay. Anything further? Ms. Gallo?

>> Gallo: I'm going to go back to the festival question because I don't know that I really got an answer to it. So -- and I do think it's part of the budget discussion because if the festivals that we are doing in Austin are putting pressure on all of our public safety departments and causing stress because of overtime that's having to be implemented because there are not enough resources to hire additional staff because perhaps the festival producers are not paying their entire costs of the additional work. What is your recommendation for that? Do we -- do we move and have the discussion of trying to come up with a system where we evaluate more clearly the cost to the city on these festivals both from the standpoint you made two good points, one is the manpower and equipment that are there for the festival specific, but also to manage the crowds that are part of the participants.

[11:04:30 AM]

So do we come up with a better system where we can evaluate those costs so we're bringing that money in or is it enough of an additional revenue to be able to hire the additional people we need to cover those festivals or do we look at alternate sources of providing that coverage maybe from outside private entities. And I do think we need that discussion because I think it impacts our budget. And I will ask that question of the other two departments also because I think this impacts all the departments.

>> The first thing we do is evaluate the size of the event and the area it's going to occupy, the types of cases that we might expect coming out of that event, but any time that we can we send that to a different provider, we use private providers as often as possible. So that leaves us then with the cases that we feel that we need to be present at. I do think that we need a better way to evaluate the real cost of those events. As I said right now I think we often times look at the direct cost of providing services on site, but we failed to look at the additional costs, the collateral costs that the departments have to bear. Our department, one of the things that I've asked for in the past and haven't received, I have to have a team that can actually work as many of the special events as possible. That would limit amount of time that I would have to use overtime to staff positions. I believe the number previously was five medics. If we had five that would handle the majority of daily events. But right now as it stands we probably have an ambulance at the track environment, not necessarily for the race or anything, but all the different events, almost everyday. So we're using overtime for that. If we had a staff that was designated for special vents, that staff could handle that and I wouldn't be using overtime.

[11:06:34 AM]

So what that does for me is it allows me to allow some rest period for the medics that are addressing the 911 calls. Presently they have to come back and work those overtime shifts. So we need to find a way to manage that better. So yes, using private providers is already an option that we do now, getting reimbursed better for some of the existing events that we have right now is important for us and doing a more holistic cost analysis of those events to include the collateral cost as well would be beneficial for us.

>> Gallo: So if you had an events team of five members, an events team, a special events team of five members, would you be able to keep that team busy the entire year with events?

>> I gave you the wrong number. It's eight, not five. And the answer is yes. We have enough vents currently right now to keep them busy.

>> Gallo: And that would allow you to more easily figure out the cost for events of providing that service.

>> Yes. And not at overtime rates either. That would be the regular hour rate.

>> Gallo: Is that part of your budget request?

>> I don't believe so in this one.

>> That is not in our proposed budget.

>> Gallo: Okay. Because I assume if it's in the budget request it really becomes a wash because part of -- it could become a wash, I should say, because part of the council policy discussion could be that it becomes the festivals and events that fund that cost for your department. So we'll put in a request for some analysis on both cost and income, which if the council chooses to adopt a policy that says events will cover the cost of this team and it's more easily billed because it's a standalone unit, then hopefully

that would be a neutral budget expense, but we would be providing for that.

[11:08:34 AM]

Thank you.

>> Excellent. We can provide you that info.

>> Mayor Adler: Anything further? We have two more. Ms. Houston?

>> Houston: I have one last thing to say. First of all, I want to remind everything that the emergency medical services is in a transition and I think that the information you've provided us today says that you are aware of some of the issues and you've really started down the path to making sure that our medics are well trained and well cared for and have downtime so that they can deal with that compassionate, you know, stress that we all feel when we deal in services to people and see the kind of horrific things that they see on a daily basis. So thank you so much for being here today.

>> Thank you.

>> Mayor Adler: Thank you. We'll proceed since we have both fire and police to do before lunch. Chief Kerr.

>> Mayor Adler: This is going to make it tough at your installation.

>> [Inaudible - no mic].

>> Mayor Adler: Again, congratulations on that national honor.

>> Thank you very much and good morning, mayor, council. And I will try to be brief so that you have some time for questions and then if there are any questions that require a great deal of detail, we'll be able to -- happy to provide that to you in -- I did introduce myself. She says there is this big sign here. Directors please introduce yourself. Hi, everybody. I'm Rhoda May Kerr, the fire chief in Austin, Texas.

[11:10:43 AM]

All right. So let's get started. And like I said, I'm going to try to be as brief as possible and I know that you can read these slides so I don't need to read them to you. There are three key areas in our mission that come up over and over and over again in our budget process that come up in our business plan, that come up in our goals. And they are saving -- providing safer communities through preparedness, prevention and emergency response. And you'll see those come up again and again, and they all play into everything that we do in the mission of the fire department. Some of our major accomplishments, we hired 70 cadets and they are in two classes, one to graduate October 2nd and one to graduate November 13th. One of the accomplishments that the mayor and councilmember Houston got to see the graduation is our pass the torch academy, which is an introduction to what it would be like to be a firefighter, and it's a recruitment tool that we hope allows young men and women to see what it's like working for the Austin police department. I think some of the other things, we had a juvenile fire setter program, it's a prevention program, and we had something like 45 out of 60 juveniles that were fire setters. And you go, wow, 60 children started fires. And not all of them became significant, but we're able to work with these individuals to prevent them from starting a significant fire. The other successes is our smoke alarm installation program and we have currently to date have about just over 2200 smoke alarm installations that have occurred in the past year. And then our goal, of course, is to do -- always do

more on that one and our projected is that -- and we definitely will get to 2500 in fiscal 16 and we're probably going to hit that in this year already.

[11:12:53 AM]

And then we debuted our new fire safety trailer and that has been at community events a number of different times and our inat the present time is to bring it down here for you to see the fire safety trailer in October during fire prevention month. It's really a fabulous education tool. It allows individuals to use a fire extinguisher and it's actually electronic and they put out a kitchen fire and then we teach other fire safety tips when we bring that trailer all over the city. And that was brought with grant money and then we want you to see what we are doing with the money that you give us and the money that we get from grants as well. So obviously it costs us time and people to staff that trailer and take it to different events, but it's a fabulous tool and we're pleased that we have it. So a little bit about our performance measures, and I'm only going to hit on a couple of those, but the very first one talks about the percent of emergency incidents when the first unit is on scene in eight minutes -- the first unit is on scene in eight minutes or less. So we use that as 90% of the time we want to be on scene in eight minutes or less. We don't achieve that throughout the city consistently. And this would require a much longer and further discussion about standard of coverage and I'd like to have the time to share that with you and explain to you how that works, and that in turn impacts where we put fire stations. But that is a much broader discussion and would be much easier for you to see and understand with maps and some of the data in front of you, but currently we're at 86% of the time and it's primarily in the center of the city where we have a higher concentration of stations that we have.

[11:14:58 AM]

That's what gets us to that 86%. That four percent is in the outlying areas where there's a longer distance to travel. The other accomplishment that I think is worth mentioning, and I want to explain to you why it's important is that the percent of structure fires that are combined to the room of origin and we are at 85% currently. And if there is a fire call and it's in a store in the middle of a strip mall and we get there and we confine it to the room of origin, that mean that the businesses on either side of that business where the fire was are back in operation in a short period of time. So that only happens we get to that 85% because of the way that we train and the way that we staff that we get on scene in the appropriate amount of time so we get the right resources to the right place in the right time louse us to - - allows us to confine the fire to the room of origin about 85% of the time. And I think the other one that I already mentioned was the smoke alarm installation attend the number of fire -- and then the number of fire technical inspections. And when we say technical inspections, that's new construction and we are currently estimating that we'll be at the 13,000 plus number in this year, and next year our projection is about 11,000. And we really never know that until the permits come in and we don't know what the new construction is going to be, but I think that number is a significant number and deserves some recognition. The department use of funds, I really don't want to spend a lot of time on this. You can see where the majority of our funds go and that's obviously in our fire and emergency response part of it. One comment, the emergency prevention and the one top shop are the same division so they are all

over at the one Texas center, that's that whole part of plans review and all of that.

[11:17:09 AM]

One comment on the civilian positions it says that there's 157 civilians. That 157 number includes 60 position Numbers that are assigned to cadets currently in class so we don't have 157 civilians working in the Austin fire department. I think that's just important to recognize. Our sworn positions will increase by one next year. We'll have an additional lieutenant. And our civil within positions will increase by three next year. The budget highlights, and you can read all of these things as well and I just mentioned that we're adding an additional lieutenant to investigations, two new engineers in plans review. That's to help us continue to decrease the backlog on plans review. And then there's analyzed costs for the 36 safer grant positions that we received under a grant several years ago. Capital highlights. Some of our key projects are the onion creek fire station. That is currently in the design -- actually, I think we've completed the design phase and we're almost ready to go out to bid for a contractor for that station. We still have drill tower renovations ongoing at both our training sites, and we're still in process of replacing driveways at a number of our different fire stations. And we have a spending plan of about \$4.3 million and some of that was for station improvements and deferred maintenance on a number of our stations. And we've been working on that very diligently and we've had a little work stoppage issue, but we're getting back on track with that as well.

[11:19:14 AM]

Then on our rate and revenue highlights, there will be an increase of that \$200,000 in licensing permitting, reinspection fees and that's all due to anticipated growth. And that does include anticipated revenue. We're adding the administrative fte that's going to be permitting the fire protection systems all over the city. And there is a 20-dollar charge to get that permit. And that includes fire protection systems like stand pipes and sprinklers in hi-rise buildings, as well as hoods in smaller restaurants. They all have to be permitted and licensed. For any more information, there is the chart. And I am open to answering any questions that you may have.

>> Mayor Adler: Ms. Kitchen?

>> Kitchen: I just wanted to follow up on what you mentioned about fees a moment ago. Are those -- let me make sure I understand. Are those fees being raised to cover your cost? Is that what you were saying?

>> Yeah. So the 20-dollar fee that will be charged for the permitting for fire protection systems basically covers the cost of registering that individual and staff time. So we've been working on that the last 18 months.

>> Kitchen: But I wasn't sure I was tracking what you said in terms of the reason for the fees going up. Because you mentioned something about the fees were going up because of the growth, but I was -- but wouldn't the fees relate back to your own cost or the department's cost?

>> [Inaudible]. I don't believe there's an increase in fees per Se.

[11:21:17 AM]

That revenue projection is just the collection of existing fees --

>> Kitchen: I misunderstood. So the fees -- the individual fees themselves are not going up. Gotcha.

>> It's just due to the growth and increased number.

>> Kitchen: More people are paying fees.

>> Yes. If we were to increase fees we would have to come before council for an ordinance change.

>> Kitchen: I was just wondering if that was part of the proposal, but it's not, so thank you.

>> Thank you.

>> Mayor Adler: Ms. Gallo?

>> Gallo: Thank you for being here and why are you limping?

>> My story is that I went helicopter skiing in South America and my last run down was really a bad one. So that's my story and I'm sticking to it.

[Laughter].

>> Gallo: I think that sounds good. We're jealous. Of course representing district 10 and I would think that some of the other western councilmembers would be interested in this. Wildfire is certainly an issue with the western districts of Austin. And so I noticed in your backup material that it looks like -- and once I have -- first of all, I have to commend you for the fire wise program. That's a great educational program. I think it's very active in a lot of the neighborhoods. It helps with the community's participation in making our city safer. One of the issues that have come up and probably there will be a different department that has to answer this question, but we have a community and neighbors that are interested in helping to get rid of brush and things in their canyons and greenbelt areas, but they have a difficulty in getting those picked up once it's finished so I do think that either through the fire wise program or another department that we really do need to make sure that we budgeted and we work on a process to do that because I do think you have free labor that's interested in helping with this, but there's an end component that we need to help with to actually get some resolution to that. But I notice that you talked about as part of the wildfire protection plan the mitigation efforts, which I think are really, really important and that that will cover 1800 acres.

[11:23:28 AM]

Could you talk about what the budget includes in that and what that means and what the plan will be for this next year? And if you need more budget to do that adequately?

>> Okay. So I would have to refer to renelle for the budget amount in our line item for the mitigation efforts. I will quickly tell you that actually we are just starting some fuel mitigation burning efforts pretty soon because it's been too green to burn. But fuel mitigation comes in a couple of different ways. Some of it is technical where we're removing the vegetation or we're burning it. And other parts of the mitigation is community efforts, and there are also educational efforts. We kind of work at it from a couple different approaches. And I can provide you some of the more details on how many acres we've burned, how many we've done, technical mitigation on, and how many actual educational programs we've done and how many fire wise communities we have.

>> Gallo: And part of it would be are the roadblocks for the fuel mitigation process of the program, are you facing roadblocks with that? Are there policy areas that the council needs to help with? Do you have

enough in your budget to be able to adequately address the areas that you feel like are concerns?

>> Okay. We'll address some of those in our response and we'll make sure that that response goes to every councilmember. And then there are some roadblocks. When you talk about the balconies preserve and endangered species and those things. But the community wildfire protection plan really does help us address some of those because that was a big collaborative effort between not just the city of Austin, but the county as well.

>> Gallo: Thank you.

>> Mayor Adler: Ms. Troxclair and Ms. Pool and then Ms. Garza.

>> Troxclair: Can you answer the question that I asked to E.M.S.

[11:25:30 AM]

Earlier about what the work week is for our firefighters?

>> Sure. So our operations people work a 53 hour work week and that is balanced out as a 53 hour work week because they have one Kelly day shift, which is one shift off -- one additional shift off every 19 shifts. Do I have that right? Okay. I'm glad he's sitting there. I'm like, I think I've got that right. And our work week, our work schedule, which may help you understand a little better, is our firefighters work 24 hours on and then they're off for 48. And that never changes. At least for the operations people. Everybody else -- I mean, there's a few others that work different work schedules. Some of our investigators do and some of our communicators work different schedules, but primarily it's either a 40 hour work week if you're on staff or you work 53 hour work week if you're in operations.

>> You said a 48 hour work week?

>> 44 staff and 53 for operations. And the operations schedule is 24 hours on and 48 hours off. And that doesn't ever change.

>> Troxclair: I don't know, maybe this isn't the forum to get this question answered and maybe I need to learn more about how the different -- how schedules in different departments work, but it seems like we have a higher work week for our firefighters already compared to E.M.S., but we don't see the kinds of stress, fatigue and overtime complaints that we're seeing with E.M.S. So I'm just trying to wrap my head around when E.M.S. is asking for succeed funding to further reduce their work week when we have other public safety personnel who aren't at that level. So I just -- do you have any comments on that? Or maybe we can talk about it another time?

>> I think that -- it's hard for me to comment on another department's work week, but I can tell you that there are times when the firefighters do have a 24 hour busy schedule, but they then have the 48 hours off to rest.

[11:27:46 AM]

Now, we are using an incredible amount of overtime because of our vacancies so -- but we don't allow any of our firefighter to work more than 48 hours straight.

>> Troxclair: Okay. And then I wanted to go ask a couple of questions about response time, so I saw one of your key performance data measures was that it looks like 90% is projected in 2016 of calls will be responded to within eight minutes or less, which is great.

>> That's correct.

>> Troxclair: Is there a national standard for that?

>> Yes, there is. It comes through the center for public safety excellence which accredits fire departments. And we are not one of those accredited departments. We are going to work on that. We were at one time, but that is the standard that they set. They use a percentile of response time. Now, some people may use -- we use response time, we say 90% from the time that the call is received to the time the first unit arrives on scene. Some other people may look at it as five minutes, and I think chief nix used the five minutes, but that was just travel time. So that would be the time from when they left the station to they arrived on scene.

>> Troxclair: Okay. So the 90% is the national standard?

>> Yes, it is.

>> Troxclair: Okay, good. So we're going to hope to achieve that.

>> We're hoping to achieve the national standard.

>> Troxclair: Okay. And I guess I just wanted to ask what the -- what kind of differential we see across the city. I imagine that there are certain parts activity that have quicker response times and other parts of the city that we're kind ever struggling to cover.

>> That is correct. We have proposed and we have a plan for some -- we're looking for funding for new fire stations. And those new stations need to go in the areas where the 90th percentile is maybe 12 minutes and 28 seconds in parts of the city, and those are the ones that are usually outlying, they're away from the center of the city.

[11:29:50 AM]

As you know, we grew and stations were concentrated in the center part of the city and then as we grew our stations didn't necessarily keep up with our growth and development.

>> Troxclair: Okay. And I hope that the -- I guess the new onion creek station will help to cover parts of that, but I am particularly concerned about the new areas of the city that are being annexed, like the lost creek area and the shady holily area that -- hollow area, what kind of response times are we looking at for those new communities?.

>> We do have those, we do have the percent style. I don't have them with me actually. But I would like to have a further discussion with council about the standard of coverage and where is that 90th percentile, you are right shade dough hollow, out by circuit of the Americas, is another area where we're low. We have certain areas that are less than 50% of the time are we actually getting there in eight minutes or less. That has to do with travel distance as well as business and traffic that delays us.

>> Troxclair: Right. What would be the solution if we wanted to solve that problem and make those outlying areas more in line with our goals.

>> The solution is additional fire stations. We definitely -- when you put an additional fire station in, in an area, it doesn't only solve that problem area, but you've added to the overall response area and it boosts and supports existing stations as well. So owe so he so it helps us and there are certain areas of town and we've identified, you know, specific areas that -- that definitely need new fire stations.

>> As far as the spending plan or appropriations included in this budget.

>> They are not.

>> They are not included.

[11:31:51 AM]

Okay. Specifically, I wanted to ask about the fire station that is in the shady hollow area that could be leased.

>> Yes.

>> Troxclair: It seems like maybe there is an opportunity there for us to provide coverage without us building a new fire station.

>> That's correct. The shady hollow area was our second highest priority. The number one priority station need is out by circuit of the Americas. Then the second highest priority was the shady hollow area. There is an existing station that was built by the M.U.D. And we currently lease part of that from -- from the -- from the -- from them already and we could -- we could, with a minimal amount of expense, move into that station and provide service from there, it would involve purchasing a fire apparatus, it's about a million and then some modification to the station would be necessary and then, of course, the cost for the personnel.

>> Okay. So what would be the total cost if we wanted to -- to -- to utilize that space?

>> I think that -- trying to add my Numbers up here quick. I said a will in for the station, a couple hundred thousand dollars extra for putting in the alerting system and some of those things that needed to be upgraded to meet our needs, I believe that the personnel costs are -- so the two month cost, which would be after the -- after the cadets graduate, that we would be staffing that station, would be 3 -- \$300,000 in this year.

>> Troxclair: Okay. A million dollars for the station, \$300,000 for personnel.

>> And about \$200,000 for the station. 1.2 million for the station and the apparatus has to be ordered. It takes about almost a year for us to get a new apparatus.

[11:33:52 AM]

So we would have to order it now. But we would use a reserve unit to supply service from that station immediately.

>> Troxclair: Okay.

>> Or as soon as possible.

>> Troxclair: How does that compare to -- what's the cost in general for building a new station?

>> So to build a new station, including land, is about \$10 million.

>> Troxclair: Okay. Okay.

>> Yeah, let's talk more about that.

>> Thanks.

>> Mayor Adler: Ms. Garza and then Ms. Houston. I'm sorry. Ms. -- Sorry.

>> Garza: Thanks, mayor, I'm glad that councilmember troxclair brought up the new stations. I know they are expensive and there's a reason why they're expensive and I also know that we're behind the curve on having them spotted around the city for best coverage possible. I would also urge that we consider siting any new ones on the eastside of town. I think we have a real absence of fire stations for

example in councilmember Houston's district.

[Pool]. I would just offer that up. I do have one really quick question on retrofitting of the existing stations. I remember a few years ago, the bond committee conversations about retrofitting the garages to fit the longer -- larger ambulances and that was an effort that you were working on and I think we had bond money in order to pay for that. Could you give us a quick -- could you give me a quick update on where that is and advise how that's going and whether that's an unmet need?

>> So the ambulance retrofit bond money was an ems project for their ambulances. We received a little over \$5 million in last year's capital budget to do -- to do station what we're calling deferred -- deferred maintenance and it was being done by building services. And we have finished, I think, it's three stations and we have a large number to go, our goal is to try to retrofit six stations, at least six stations a year and -- and we were asking, when we proposed our budget, that that \$5 million funding stay steady.

[11:36:06 AM]

So we may expend more than 5 million in one year and in another year we may not be able to: Depends on -- if we get to a station and we find there's asbestos and now we have to do asbestos abatement before we can do the renovation project that we were intending.

>> Pool: So is that dollar figure in this budget?

>> That dollar figure was in this current year's budget.

>> Okay.

>> Building services are not in the fire department budget.

>> Pool: Okay. So where are you with that ongoing maintenance?

>> So that ongoing deferred maintain program, we just finished off one of our stations and we had to put a halt to it and we have to re-- re-- go back and now we have to go out to bid. For certain items. I don't understand all of the purchasing rules, all of the contract management rules that are put a stop on our project. While we are no longer, currently under construction, we're still planning. So that we -- when we get the go ahead and we get the contracts in place, and that's like a contractor to provide the windows for the next five stations. And so we had to go stop 'N go back for -- stop and go back for purchasing.

>> Pool: Are those expenditures something that would need to be carried over from fiscal '15 to '16.

>> Yes, they would.

>> Pool: Okay. We need to make sure that's also in the new year's budget?

>> Yes. We did ask for that -- that building services be funded for that.

>> Pool: Okay. That would be in building services?

>> Yes, that's correct.

>> Pool: Then the last question that I have on this, thank you for correcting me on ems, ambulance versus fire truck. How many of the stations do you share with the -- with ems?

>> Oh, shoot, I don't know that.

>> Pool: Is it most of them or half of them?

>> I think probably half. And when we build new stations, they are always a combined station.

[11:38:11 AM]

For example, the one in onion creek is both a fire and ems station. And as far as I know, our last stations, all the last stations that have been built have been combined.

>> Pool: Okay.

>> Fire and ems.

>> Pool: And how are we doing in providing locker rooms and sleeping act stations for our women firefighters -- accommodations for our women firefighters?

>> So everything that's new and being built is definitely gender friendly. What we do now, we don't build a separate locker room for women and a separate locker room for men. Now it's gender neutral bathroom shower areas. But the ones that -- I think it's 33 of our stations, of the 45 stations, have separate facilities in some way or another. We're working in phase 5 right now. The design phase just got finished and it's going out to bid and that's a public works project so we don't control all of that as much as we would like to. And then phase 6 will come up and we're starting, trying to start, as soon as we can get phase 5 in the contracting stage, then we would like to take phase 6 and start the design phase and phase 6 was the ones that are the hardest to do and at one time we were told that can't be done. We have -- we have a new facilities maintenance person and they've been looking at it and they believe that it can be done. It's just that it's more expensive and -- and our estimate right now is about \$3.2 million to do those last six stations.

>> Pool: And in those stations where you are jointly using them with ems, I know the firefighters have the ability -- have the sleeping accommodations because you are on 24 hour rotations. Does ems have a similar thing, even though I realize it's an eight-hour shift, but it's still -- but there's a lot of overtime involved. So I guess that I should be asking our ems folks.

[11:40:12 AM]

But maybe you know.

>> Well, I do know. I mean, I don't know all of the answers to that, but I do know that -- when we build these new stations, these shared facilities, that there are sleeping facilities and accommodations for those medics to use and I know, in some of even the older stations, there are sleeping facilities. Like you heard chief Rodriguez say, that they work different shifts, some of their stations where they do work a 24 hour shift.

>> Pool: Right, thank you so much.

>> You're welcome.

>> Mayor Adler:

(Indiscernible). Then Ms. Houston. Mr. Zimmerman.

>> Hi, chief. Are there metrics that the city uses for new stations? For example, I know the city doesn't necessarily use the two -- is it like the two to a thousand for police. Is there a similar metric for population growth in fire stations?

>> No, there isn't. We are working on trying to develop a metric and actually Dr. Lauderdale has said maybe they could help us and do a study similar to what they did for police and what was their community availability time. For us some of it we're trying to look at growth by acreage, you know, and how many square miles or how many acres have we increased and so not necessarily always in the same

placement and that's kind of what happened with fire is we added a lot of new stations when there were large chunks chunks -- of annexation. Then smaller areas of annexation occur, that doesn't necessarily warrant a station in that area. But one here and one there, a smaller over here, overall warrants that we need more people because there's just more response and more incidents that we need to respond to. So we don't have a metric, but we're working on it.

>> Garza: Okay. And is there a -- does the department have a plan for -- you mentioned there was a need for additional fire stations.

[11:42:14 AM]

>> That's correct.

>> Garza: Now. Can you estimate how many fire stations we're behind right now?

>> We are behind just about six fire stations.

>> Garza: Okay. Is there a plan to include that in maybe the 2018 bond? Or is it -- what's the history been? Is it a C.I.P. Thing or is it part of the fire's budget?

>> So the answer to the question is yes. But it's a multi-pronged approach and the difficulty is in the last bond in 2012 we proposed six stations and we were funded for one, which is the onion creek station. So it's kind of, you know, a hit or miss, you don't know if you're going to get them or not. We're currently working with finance and with the cmo's office to find a way to finance those and some of those are even a lease/purchase option. Maybe ed could speak further to that a little more than I can. About the financing part of it. But we're hoping to come to you all in mid year with a plan and with a possible financing opportunity that we could then start our commitment to building those six fire stations that we need.

>> Garza: Okay. And just to answer councilmember troxclair's question about the difference in hours and I would just caution all of us from comparing the departments, because they -- they're very different jobs and I mean if you talk to a police officer they will tell you they never want to be an ambulance or a fire truck and vice versa. So they're very, very different jobs and I caution us from comparing the different departments.

>> Mayor Adler: Ms. Houston?

>> Houston: Thank you, mayor. Thank you all for being here today. The same question is going to be for all of the emergency services is I need to -- would like to know the Numbers of people both sworn and unsworn that live in the city of Austin and I would like to know the demographics by ethnicity of the people who work in the fire service.

[11:44:21 AM]

I wanted to remind you all that we do have a fire explorer post that are up and running and we also have a program at Lyndon B Johnson high school to help children in that area understand that there is a career in fire services and get them kind of on that path to going to pass the torch at some point. So those are some things that I wanted to help us remember. In your capital projects, you talked about updating some fire stations and you've talked about the drill tower. Can you tell me what other fire stations those are that you are contemplating renovating or updating?

>> Yes, ma'am, I can. I don't have it right in front of me. But I know that there are -- we have a plan for six stations and then the next six and then the next six, so we have a large number of stations that do need updating and trying to hit the ones that are most critical, first. So I can read these to you, but I think better yet I could respond to that question in writing for you and everybody gets to see what the phases are and what stations and then we'll even include where they're located. We will include a map for y'all.

>> Houston: Thank you. The reason that I asked that, of course, is the station on Berkman, they celebrated their 50th year in our community in January and they have -- I think at least the last time that I checked, the number two responses in the city. I've been to that station and I've toured it and it's awful (indiscernible) And pretty outdated.

>> I would agree.

>> Houston: I'm just trying to see.

>> Station 18.

>> Houston: Where they are in the phase-in project because they've been in service for a long time.

>> We will that in -- many of our stations are old. You are right, that is the second busiest house in the city.

[11:46:23 AM]

>> Houston: So I have a question about your revenue under the significant changes that we have in volume 1. It says decrease revenue to a revision to anticipated revenue from site inspection fees. I'm interested in the decrease in that because with the amount of growth that we have in the city, I would -- I would anticipate that that would be an increase in fees.

>> I'm not sure what you are looking at. The decrease in -- in revenue? In revenue from site inspection fees.

>> Okay. I'm sorry, I wasn't aware what you were talking about, I don't know how to answer the question.

>> Let me give it a try. The fees that we collect on reviewing the site plans is always a projection. And it's a guess as to how many will come in at any given time. So it's a conservative estimate that we would sort of level off and have fewer of those requests coming in. So that the amount of revenue we collected compared to this year would probably go down a little bit next year. Does that answer your question?

>> That does answer my question. But is that the trend that we are seeing and the growth in Austin with the number of site plans that we are --

>> I don't think -- you're right. I don't think it reflects the trend. But relative to the -- to the max, the huge amount that they have this year, it's more relative to this year versus what they're thinking will happen next year.

>> Houston: Okay. Then do those fees, do they -- the cost of service for doing these site plan inspections, does that cover -- the cost of service.

>> I would be better off probably answering you that in writing.

>> Houston: Okay. Then down further on page 359, this has come up in another agency where somebody is a part of a federal task force. Can you explain to me how that position is paid? It's the lieutenant that's -- that's been assigned to the joint terrorism task force.

[11:48:25 AM]

Do we pay that person or does the federal government pay that person?

>> We pay that position. So -- so that person is on a -- on assignment and his assignment is to the f.b.i.'s joint terrorism task force. And the benefit that we get from that is the -- for our homeland security and emergency management and the information that we get back from them, so -- so we are part of the F.B.I. Joint terrorism task force, but they do not support that. We support that ourselves.

>> And is that person located in Austin?

>> Yes. No, no, they're in Austin.

>> Houston: Okay.

>> And I do have an answer for your question about the number of support employees, at least that live in Austin zip codes. There are 37% of our sworn workforce lives in an Austin zip code.

>> Okay. I will get the other information that you want.

>> Houston: Sometimes percentages don't give a real true picture, so I want Numbers, too.

>> I will get you Numbers. But I just quickly got that number for you, so I wanted you to at least have that.

>> Houston: Thank you. I'll probably have some more questions about joint task force, federal task force at some point. But that's it.

>> Gallo: So the mayor stepped a-- dubbed me in the firm's absence to recognize folks for additional questions. Anyone have any questions for our fire -- yes, councilmember Gallo.

>> I'm going to ask this again for what's coming down on festivals, what I see from a broad policy issue is that the impact of the additional public safety presence at festivals is removing the public safety president -- presence from the rest of our neighborhoods. I think that all of our neighborhoods have expressed concern about that. In looking at festivals, you heard the conversation with ems, if I could kind of get your opinion and your suggestion and what would be an appropriate way to make sure that we can cover the festivals, have the festivals pay for the cost of that coverage and then make sure that that's not impacting from a resource and a stress and an overtime situation with your Normal staff.

[11:50:47 AM]

>> So most of our costs are -- are up front covered because they're the fees that they pay for the permitting and then our inspection division is the one that spends the most time making sure that the festival or the event is meeting whatever life safety codes, stages, you know, number of places that people can get in and out of, you know, areas. Those type of things. Maximum capacity, those type of things, are all paid in the up front permitting costs. We do have other costs, as the other departments do, and we'll -- and we'll have to move a unit maybe into an area and then we'll back staff it with a reserve unit somewhere else and those costs are -- are (indiscernible) To bear. I don't have those Numbers for you, but we can get as much information to you as we can.

>> So in the process of evaluating festivals and events as they make applications and come before the council for approval, is there a process that you can implement within your department to better help

us evaluate the cost that's not being reimbursed to your department for doing that? For that extra coverage?

>> I think that that's possible that we could do that. I think that we can all try to include those costs as that comes before you all.

>> And then the fee that an event or festival pays for the inspection, the permit, does that cover your actual cost of doing that?

>> Yes, it does.

>> Gallo: Okay, thank you.

>> All right, thanks, any other questions. Yes, councilmember Zimmerman.

>> Zimmerman: Thank you, councilmember pool. We have a couple of highly experienced individuals here, Mr. Bob nicks and Mr. Dale flat, decades of experience working I guess in the field on the fire trucks, putting fires out. I've asked them to take a look at the budget and what ways we might be able to accomplish some savings without any reduction in services and I would like to ask them to, for three minutes at the microphone, to make some comments and maybe answer some questions about the budget.

[11:53:03 AM]

In general.

>> Pool: Do we have some legal advice here?

>> It's a work session, so typically you all don't have people comment. But you can certainly --

>> Zimmerman: We have every right in the world to invite people to come and answer questions.

>> You can certainly vote to do that. Your rules allow you all to do that.

>> Zimmerman: It would require a vote of the council to have someone come up and address us.

>> In a work session.

>> Zimmerman: I make that motion.

>> Houston: Excuse me, councilmember Zimmerman, I would like to finish with the staff briefing before we entertain --

>> We have a number of other folks on the dais who want to talk.

>> Zimmerman: Sure, I'll let them go first. I would like to have, if we could, some outside experts come when we're done with questions while the city staff is still here.

>> Pool: Do you have any more questions for this panel, Mr. Zimmerman?

>> Zimmerman: If all of the other question done --

>> Pool: There are other people who have questions. I just wanted to make sure that you were done with your questions?

>> Zimmerman: Well, I have questions, but those questions are connected to information that I might get from other sources.

>> Pool: No more questions for this panel.

>> Zimmerman: I have questions from this panel dependent on information that I get from another source.

>> Pool: Thank you, councilmember Houston.

>> Houston: I just want to make sure on page 359 about this one lieutenant position. So we transferred

that -- not transferred. We are assigning a lieutenant at -- at some amount of money, over \$100,000, to the f.b.i.'s joint terrorism task force. And we're backfilling someone who was already a lieutenant who -- or who is now being elevated to lieutenant status for another \$132,000.

>> The answer is we are adding an additional lieutenant to -- to the workforce.

[11:55:04 AM]

For that cost of the \$132,000.

>> Houston: That was already in your budget?

>> Yes, ma'am.

>> Houston: Okay. Okay. Then another question about where we site other -- I'm sorry, go ahead.

>> I wanted to make sure that I was clear on that. It's going to be added to the budget. That \$132,000 is added, it's -- it's in our budget for the next year.

>> Houston: Next year, that's already in the budget.

>> Yes, ma'am.

>> Houston: Okay. So other thing -- I just forgot. No I didn't. Siting of fire stations and and -- and ems stations. Has there ever been an instance in the developer plans where a developer comes in and says "We're going to put 400 rooftops on the ground" that they have donated the land, then we can build on it, that has been a practice here?

>> Yes, ma'am. The location location for out on the circuit of the Americas area, el Roy road, out in that area, part of town, there's a piece of lands that was donated and that's where we intend to put the fire station.

>> Houston: That would reduce our costs.

>> That's correct. Then we no longer have the cost of lands acquisition.

>> Houston: Please be advised as I talk to developers, that are developing properties out east of 183 and past the last one we have is 25, I think, right there off of Loyola, I'm not sure that's the number, but Loyola and then there's one over in Harris branch, that's it until we get to the end of the county. So we'll need some more, we've annexed some land out there. So --? Any time that you would like to consult us on where would be a good place for them to place that -- to give us that land, we are happy to work with you. We have a whole planning and research section that really that's what they do.

>> Houston: I would never do that without your input.

>> Thank you.

>> Houston: Thanks.

>> Pool: Great, thanks.

[11:57:04 AM]

Any other questions, yes, councilmember Garza?

>> Garza: I just had a comment, I believe that's happening in Goodknight ranch. Didn't they donate land for the Goodknight ranch.

>> Yes. Renteria one quick question. You might have answered and I wasn't paying attention. But the new lieutenant, is he going to be hired up from the ranks?

>> Yes. Any time somebody gets promoted, it's a promotion and it's off of a promotion list and they come up through the ranks Renteria you would be doing that at selection.

>> We would be doing that after the budget passes.

>> Renteria: Okay. Thank you.

>> Just one more, segue off of that. Is that going to increase our diversity among the -- among the upper ranks?

>> You know, I don't know the answer to that question because I don't know who will be getting promoted off of that list at that time.

>> Houston: Because I remember when he came for some others, you talked about that if we granted these positions, then that would increase the likelihood of diversity moving up the ranks. So -- so I haven't forgotten that.

>> Okay. And I do know that -- that we could give you the demographics of our current promotional list and you can see who has been promoted and who will be in line to be promoted and then some cases we really don't know how many people will get promoted off of a list because it depends on who retires.

>> Pool: All right. Thanks, any other comments or questions? I know councilmember Zimmerman wants to make a motion. What I might suggest, some consideration if we do vote for this, which I don't know that I will, but if we do, have it after the panel on the police. So that the staff who are here and were expecting to come after firefighters could then be brought up. But councilmember Zimmerman did you have a motion that you would like to make.

[11:59:06 AM]

>> I would like to move that we allow three minutes for bob nicks and dale flat to come forward and make remarks and answer questions based on what we've heard on the budget for fire and ems.

>> Pool: Is there a second?

>> I'll second that if it's six minutes.

>> Zimmerman: Yes.

>> Pool: All right. There's a second. Is there any debate on this item? Any comment? All right. All in favor of allowing two people three minutes each to come and answer some -- or to make a presentation on fire, from Mr. Zimmerman, please raise your hand. One, two, three, four. All opposed? One, two, three, four. That motion fails for lack of a majority. Thank you all. We appreciate your time here today. And we'll move to the police.

>> Houston: Madam chair?

>> Yes, councilmember

>> Houston: I just wants to say the reason that I voted against that, I just don't want to set a precedent. We're here to get a briefing and not comment. This will be time for comment at another time. So I just wanted people to be aware that's why.

>> Pool: Thank you for that. That was my reason for voting against that as well.

>> Zimmerman: I have a comment quickly. I made the month goes for the point of establish -- I made the motion for the point of establishing an ability to get other voices to come in and give other information. So I made the motion. The opposite -- I think it's very important for us to get other points of view.

>> Pool: Thank you, welcome, chief Acevedo. I saw you holding a crutch, I don't think that was yours, is that right?

>> I was adding a police badge to the fire chief's crutches.

>> Pool: I see chief manly coming and some other staff. Welcome to you all. And you are, I believe, our last panel on public safety before our lunch break. So thank you all.

[12:01:09 PM]

So much. Right. No pressure.

>> Thank you, councilmember pool.

>> Pool: You have the floor.

>> Thank you so much for this opportunity to address you and present our budget. With me, obviously is my boss, who has been sitting here all morning, we have our chief of staff. Brian manly. And assistant director Thomas, Alice Thomas, who is -- who has been with the department, the biggest blessing that I've had in the last eight years was having her join this department. One of the biggest blessings. Good morning, let's move right into this. All right. As you can see here, the department's mission is really very simple. Keeping you, our family, the community very safe. We're very proud of the fact that as a result of the support of the mayor, council, city manager, ultimately the taxpayers, that we are the second safest city in the United States. That's despite the fact that we're the quickest growing city in every year. Not only do we grow in terms of geography and population, we grow in terms of visitors, with a record of visitors every year, in terms of the transient population that comes here to visit and/or work. Our property crime rate for -- for this rate for this. Why did we go from 58.77000 to 50.77. Because there are anomalies like we've been experiencing so far this year that we hope is an anomaly on traffic fatalities, we look at the moving five-year average in terms of we wanted our goals to be realistic based on five-year instead of year to year because it's more achievable and probably more consistent with what's really happening on the ground. Austin begins to continue to be one of the safest cities in the United States. Our resident satisfaction surveys is at 74%, which is higher than U.S. Cities of similar size, which is at 67%. Additionally our clearance rates are continuing to trajectory toward when -- which is a good thing for all crime here in Austin and our homicide clearance rate is nearly 100% almost every year which is pretty much unheard of in most American cities and something we're very proud of.

[12:03:29 PM]

If you go to use of funds, our proposed budget for 2016 is a total budget of \$394 million. The vast majority of our budget is really spent on what we consider to be the bread and butter of our department, which is neighborhood based policing services, which includes patrol regions, community partnerships, patrol support, traffic enforcement, parks, Lakes, really it's boots on the ground, being in the community, being proactive and really taking care of our community. 14% of our budget includes -- is spent on central investigations and organized crime. 13% is about operations support, which includes air operations, communications, strategic support and special operations. About five percent of our budget is support services, which includes finance technology, purchasing, central equipment, human resources, facilities and mail. And 13% is really requirements of transfers from our budget back to city of M

and wireless, et cetera, that accounts for our percentage of the cost to the city in terms of those services. Part of our budget also includes about 8.69 million in grants and 9.2 million in expense refunds, which include some contractual refunds from other entities for chemists. The majority of this obviously is our airport operations that are funded through fees paid for by the operators, the airline operators at the airport and our community court reimbursements. This year we're very proud of the fact the university of Texas in conjunction with the police department has been working on a staffing model that really captures what policing should be really about. Really captures what is important to our community.

[12:05:29 PM]

We know that what's happening in our nation in terms of legitimacy and some of the challenges and terms of police legitimacy is a real issue and a real concern. Although we're at 75% satisfaction rate, which is well above the national average, we want to be even higher. And what we have come up with as a staffing model that really focuses on community engagement time, on the time that the police officers have to be in neighborhoods, to be able to actually interact with the members of the community, get to know those community members. And by officers, I mean those frontline officers working patrol. Because even in -- even the biggest critics sometime with the police departments that I speak with will say I have some concerns with the department, but I love my district representative. And I'm here to tell you that although our district representatives that you are aware of because you are problem solvers, are a fantastic group of officers, they're not a special mold of officers. They're very much representative of the majority of our police officers. They're dedicated, professional folks and we believe that by increasing our community engagement time, our proactive policing time, that we will see some tremendous outcomes as we discussed earlier. Right now we're averaging anywhere from 17 to 20% uncommitted time with a national standard for policing engagement time, community policing engagement time, active policing time, is really about 35%. So what we've developed with the assistance of the industry of Texas is a five-year plan that we believe, as you can see from this, every year, will increase the department's proposal by about 82 officers, that by fiscal year 20 will get us to a 30% uncommitted time or proactive policing time, community policing time. Another one of the things that some of the members of council have been bringing up how do we capture that. As the community invested in this model, we are in the process of preparing some measurement, some metrics where we can actually measure as we increase the staff are we actually engaging more in that community engagement in the -- community policing in that neighborhood policing type of process and we will be capturing contacts that are positive in nature, outside of that 911 call diamond milk that many times are not very positive, and we'll also capture in terms of the amount of time so we can report back to you all what you're getting.

[12:08:07 PM]

We're excited that some of the highlights with this people include -- again, 82 new sworn positions to increase the proactive community engagement time. And the big part of this proposal which we're very excited from a risk management perspective, from an accountability perspective, from a appropriate

supervision perspective is for the first time since I've been here and I just celebrated my eighth here in Austin, we're including a proposal to as we increase the sworn frontline officers that it will also come with the appropriate supervision. When we were reviewed by the department of justice in 2007 one of the things they wanted was a 1 to 5 in a perfect world supervisor ratio to frontline officer ratio. We don't believe that that's necessary. We believe that our current 10 to 1 is appropriate in this model that we are presenting to you for the first time will give us the opportunity to ensure that we have proper supervision. So that will be part of the five-year program. It also includes 24 positions, which includes 20 officers, two corporals and two sergeants to take units, patrol shifts, offline as a group. These are the officers that when they respond to that emergency involving a person with a psychiatric emergency they may be acting in a certain, you know, violent manner, these officers will be more than likely responding together. This will give us the opportunity for the first time to take, and we talked about it last year, mayor pro tem, when we were talking about the budget, to actually take units offline to train as a team. This I believe is going to be a model for the rest of the country to follow. We're excited about it. From civil litigation standpoint one of the things that always opens us up is failure to train. And we believe that we will take a good department and make it -- a great department and make it even greater by having this model, which is really exciting.

[12:10:16 PM]

The other things that we hope to accomplish this year is three positions, including a corporal and a sergeant. We are putting together from last year, we've added 10 officers that we're going to place, and create a property crimes task force. This will be a street crimes, property crimes task force that will be a frontline unit and this will provide us this budget hopefully with that supervision that we talked about to actually supervise these officers. Property crime continues to be a huge challenge in our city. Our trajectory is in the right direction. We're on the right path and we believe with this street crimes, property crimes task force, with the supervision, we will be able to really impact, disrupt, prevent and reduce property crimes. As you all know, the challenge with property crime is that every time you have a burglary of a residence, statistically you're closer to a physical assault, sexual assault or homicide. Last year we had three of our residents brutally murdered in the middle of the night by habitual burglars. And in addition to this we're working with the district attorney's office to actually focus on the worst of the worst offenders as it relates to property crime, people that are not moving away from a life of residential burglaries to prevent those outcomes. The positions also include one sergeant to take our police activities league and explorer program. I'm very proud to say, and this is really important to you, mayor pro tem, I think to all of you, that in 2007 when we got here, we had no youth programs. We have grown our police activities league program and our explorer program to a level now that we really need additional supervision because when you're dealing with youth you want to make sure that they're properly supervised and more importantly that the personnel that we have dealing with these young people are properly supervised. So we'll have an additional sergeant now so one can focus on police activities league and one can focus on explorers.

[12:12:18 PM]

The other part of the highlight on this, this will be year two of a three year plan that we identified last year to the mayor and council to increase our capabilities and our ability to pick up phone calls with our 911 call takers, process the call, get it to the dispatcher and get it over to the patrol officers. This will be year two of that three-year plan. So it will include funding for 15911 call takers, two communication supervisors and two communications training specialists, two administrative -- and the thing about those training specialists in 2014, the state of Texas has now established mandated training requirements for communications professionals, and this will help us meet those training requirements. The other thing that you will see on there that I think is really critical is our records management. We are -- we have experienced probably a 600% increase in public records requests. And right now we're having a very difficult time trying to keep up with those requests. Most of them are legitimate, but some of them are those folks that misuse the spirit and the -- of that process. But we will include two positions, and from the city legal standpoint if we can't process them within those 10 days we really do open ourselves up to some challenges in terms of little -- in terms of civil litigation. We also have included funding in here to true up the 59 positions that were provided last year by the council whereas as you all know most of our budget positions are really six months because we don't use them the entire year, so that's actually two on an annual basis moving forward the 59 speakers from last year will be funded. The last thing I want to point out on positions is that although you would have seen there that -- excuse me one second here. That we have a total number of our -- I don't have it in front of me. I lost my spot.

[12:14:20 PM]

But we have about -- what do you have there? Here it is. You will see that we have a total of on this slide 705 and a quarter civilian positions, 118 of those positions are cadet positions, floating positions, that are filled. And then unfilled on an ongoing basis, but they're not really permanent in terms of always being filled. So that is a little bit misleading. Our capital improvement highlights for this budget year includes the mounted patrol facility, the architect design phase. Obviously we've got the space and now we're moving forward to trying to get that built out for our mounted unit. Our park patrol, joint use facility, again the architect design phase, which will be a joint use facility with the park. And the northwest police substation, which is a site acquisition which is underway in northwest Austin, which is really key for us because as you all know there's a lot of growth going north and west and the response times really are tough, especially when you're coming all the way during shift change from lamp light village. Last year I tried to go to a hot shot robbery and it took me 15 minutes lights and sirens, which is not what we want to have. So with that, again, thank you for this opportunity and we're ready to answer any questions you might have.

>> Renteria: Thank you, chief, for coming down here and giving us your budget. I want to -- a little bit of concern about what I read about the ability to recruit personnel to complete a cadet -- a training class. Are we having problems meeting -- getting people to -- to a recruiting problem right now?

>> Recruiting is a national challenge right now. I think there's two things that are happening on a national level.

[12:16:25 PM]

We in government, all of us in government know that when times are tough economically in the private sector, it's really easy to get people to apply, but usually there aren't jobs in the government sector. But right now the economy is actually doing very well and the city of Austin we're at about 3.5% unemployment rate, which is something to celebrate, but people have a lot of options. You add to that the current challenge between American policing and the community and the narrative that is -- some of it is very well deserved because we are an imperfect profession just like any other profession, but there's a perception that law enforcement is out of control, which is simply not true. So I think that a lot of people are looking at other options. So it is challenging. What we are doing currently is we are completely rethinking looking at a new way forward in terms of recruiting, in terms of how we do business. We are in the process of automating our intake paperwork. Instead of this really long process that's not in keeping with the spirit of Austin, we're in the process of looking at putting more people in a recruitment unit. So we're in the process right now and we should have rolling here in the next couple of weeks of completely redoing and revamping our recruitment that we think will give us the effort. We've got the positions. I will stay up 24/7, I'm always recruiting, to get those positions filled. I will make a commitment to you all, we are not going to sacrifice quality just to fill the position. I would rather come back and say we didn't find the people than to deal with what's happened sometimes in law enforcement when there's a spike in hiring sometimes not the best people are hired. We have also changed our recruiting process where we're actually part of that process as well.

>> Renteria: And on the community policing part, are you going to be able to give us a report of how many personnels are out there working and what district they're actually working on?

[12:18:31 PM]

>> We actually will be -- we are -- councilmember, we're in the process now of developing the metric by which we can -- because I don't want it to be -- it's just a district representative's job. With this plan for the community engagement practical policing time, we want to can captured all consensual contacts or community policing contacts, we want to capture the total amount of contacts and the amount of time spent. So if I'm a police officer, I have no calls pending, things are quiet, with this uncommitted time or engagement time, and I spent time at a park where I see some kids, getting to know the kids, them getting to know me, building that relationship, we're going to capture that time and report it back to you. What we hope to be able to show is as we increase our available time from this critically short 17 to 19% and move towards that national average of -- well, at least within five percent of the national average, which is 35%, you're going to see greater engagement.

>> Renteria: Thank you.

>> Mayor Adler: Ms. Kitchen.

>> Kitchen: Thank you. I just had a few more questions about the community policing. And I think that that's important and in the right direction to be going in. But I need to understand a little bit more about the program. I'm a little concerned, and maybe I'm just not hearing it right or don't understand correct. But it sounds to me like we can't improve that program unless we hire 82 new officers. So this is a program that exists right now, right? The community policing program?

>> The district representative is a big part of that program.

>> Kitchen: Okay. So I'm trying to understand -- I'm trying to understand what it is that is going to increase that metric. So we're talking about right now the metric is, what, 17 to 19% of time in the community, if I'm remembering correctly.

[12:20:35 PM]

>> No, 17 to 19% is the time that the officers have currently on patrol that is not being spent actually on a call for service or actually tied up.

>> Kitchen: Okay.

>> So that includes -- that's the only time we have. The national standard is 35% and our standard is 17 to 19%. Our goal is to get to 30% so we can free up our officers to be more engaged on friendly terms, on consensual contacts and building those relationships.

>> Kitchen: So if I'm hearing correctly, increasing that metric to there's more time by all officers.

>> By all patrol officers.

>> Kitchen: Okay. And so as opposed to increasing the number of district representatives.

>> But the issue with district representatives is that is a program where they're just dedicated to that, they're not frontline call takers. When you call 911, that's not the one that's responding. And when we're trying to do -- first of all, community policing is really about an attitude, it's a mindset. It is the way we conduct ourselves, no matter whether you're at a 911 call or saying hi to somebody and opening the door. It goes beyond the district representatives. It's a mindset. I think we have the proper mindset and it's part of the reason we have a higher approval rating. But community policing, what we want to achieve is we want our police officers, the the one that's going to come to your door, the one that's going to come to your home, we want to create space and time for them to be able to be able to build relationships. Because when you call 911 in the middle of the night and your son is off the medications, or daughter, we want them to know who that child is that's there and create those opportunities to build those relationships on the front end so we have better outcomes on the back end when you undoubtedly will have that dynamic situation.

>> Kitchen: Okay. And so how else might you free up time?

[12:22:37 PM]

I'm just asking a hypothetical. 82 officers is a lot of officers considering the budget that we're dealing with right now. So just a hypothetical. How else might you free up the time. I don't really understand all that they're doing that limits them to 17 to 19%? If someone was just to ask you, like I'm asking you, assuming that you didn't get any new officers, what would you do or what could you do to -- I'm not suggesting that we vote on that, but I'm just saying what would you do or what could you do to more efficiently use the officer's time so that they might have more time for what is a priority?

>> Oh, absolutely. We already do a lot of things. I can list a lot of things that we're doing currently. We have an initiative at the jail to get people out of the jail quicker because we all know that we have a real backlog at the county jail where we're actually using some of our limited overtime dollars to put people there to when the officer central booking them they drop them off so instead of waiting in a line we have one of our officers take custody we have, for example, the caritas booking facility in downtown

where on weekends, especially Fridays and Saturdays, weekends where we know that they'll be busy, we have the officers drop them off there and then they get them back on the road. We've actually looked at some of the calls in the past where we're sending calls, officers to calls are really not police matters. And so we've looked at those where it's not a police matter, but probably not appropriate to be dispatching and using that very expensive and limited resource. So I can go on, the bottom line is that you can only squeeze so much how far a lemon before it comes down crashing and burning. If we got zero bodies my job as your police chief and the job of the men and women of the Austin police department is to run that department the best of my ability.

[12:24:43 PM]

But we know the number one concern the community has especially in the national environment and the backdrop of that environment, is not knowing their officers. Not having time to have their officers. They don't like the fact that officers do from call to call and they another stop and say hi. So we believe that by investing in this staffing model, it's going to have a synergistic effect where you will see some really positive outcomes. And we're going to adjust -- it's a five-year plan, but as we go into it, it may go up and down based on the data we're gathering.

>> Kitchen: That makes sense. I'm sorry, what did you say the target was to get from 19% to was it 30%?

>> Well, right now we structure from 19% to 20%, 21%. We want to get to 30%, but the best standard on a national level is at about 35 -- 35% standard.

>> Kitchen: Okay. And with the new officers that are in the proposed budget, what percent do you think that would get you to?

>> 23, I believe.

>> I'd have -- let me go look back at year one. Where is that clicker. Can I go back to this and get you to that page? We think that by year one it will get you to about 22 percent and every year it will get us. By year five we believe we'll be at 30%. That's the red line. You see the blue line is staffing, right, but the red line is that proactive community engagement time. If I could put it in perspective, councilmember Delia Garza brought up the two per thousand. We moved away from that. But just to give you I think some perspective in terms of staffing, if you looked at that two per thousand metric that used to be what the city was really focused on, last time we looked on that, based on ucr data, the department when you looked at all police departments, we were probably about 750 officers less than the national average.

[12:26:59 PM]

That's -- that's big city police departments. And if you look -- because it was 2.7 was the average staffing. But if you looked at all the departments it was 2.4 which puts us about four hundred something officers short. This again is really focusing on the staffing model is focusing on what are the outcomes and I think the outcomes are that community policing -- that community engagement, that relationship building that at the end you can't put a dollar amount on it in terms of the benefits, but I think that you put a human psychological -- you will see some real good things coming out from it.

>> Kitchen: Okay. I have other questions, but I'll defer to other people. My last question will just be -- I'll

submit a question too. I'd like to understand -- and I'm not suggesting that I know there's limits on efficiencies, but I would like to understand the list of changes that you can make right now that will improve that percentage short of just hiring new officers. So I'll submit a question on that.

>> Great.

>> Mayor Adler: I knew there was an incredibly important person to recognize.

>> That will help. Thank you, mayor. And thank you, chief, and chief and everybody for being here today. I'm looking on page 414 of the volume I. And while you're looking for it... Under department cost drivers, the second one it says increase in funding for something, contract transfer from someplace. Could you tell us what that is and what those acronyms mean? Department cost drivers, the second entry.

[12:29:01 PM]

It's a 413,000-dollar cost driver.

>> That is the -- that contract is actually transferring funding to -- that is our records management and our computer assisted dispatch. I think that the city actually transferred that to us. It used to be -- it went from ctm, ctex budget, it was brought into our budget. It's not a new thing, it was just transferred in -- I think I'm explaining it right.

>> Houston: Could you tell us what ctec is.

>> That's the combined traffic emergency communications center.

>> And they transferred -- who transferred that to --

>> The city did that because they wanted to be able to show instead of having everything over at ctm and their budget, what the costs were per department. So it's not really a new thing, new expense. It's actually an expense that was transferred just to -- because that piece is really -- is benefiting everybody, all emergency services, but the police department runs the communications center.

>> Houston: Thank you. And

>> Houston: Okay. Thank you. Then down further under new investments, why do we need \$146,000 sergeant to supervise the police activity league? I there not someone that -- underneath the sergeant that could do that?

>> Well, we have an officer there, around we have -- but we don't have a sergeant. So what's happening is, they're doing things completely off site, away from the supervisor, and when you're dealing with youth programs, especially programs where we have a lot of kids in it, supervision is really key. So we're hoping to actually get a supervisor for the youth programs that are separate from explorers. They go to different locations. They travel to different events. It's just two very distinct and different programs that continue to grow.

[12:31:04 PM]

>> Houston: Okay. So that's nine months. So my question, again, I've been here through many police chiefs, as many of you all know, and you're by far the most engaged with my community, particularly, and there's a love/hate relationship, of course, in my community. But I had to acknowledge -- have to acknowledge that. And one of the issues for the people in district 1 is the fact that the last time we --

you all asked for a large raise is because the cost of living in Austin -- you probably weren't here then, but the cost of living in Austin was so substantial that somebody said the officers couldn't afford to live in Austin. So then that happened, and you all make good money, probably the best in the United States, and yet, still, we don't have police officers who live in the city of Austin. And that is becoming a real sore point with members of our community because they feel that this is not the police officers' community. Someplace else is their community. They come here to enforce the law, rather than be peace officers, and then they go back to wherever their homes are. And yet we're paying a lot of money for them to police our communities in a fair and equitable way. So I'd like to know, which is what I've asked all other public safety folks who have come up, departments, how many -- not percentages, but how many Numbers of people actually live in the city of Austin and how many live in other communities, and where those communities are located. Because there's a relationship there, and when you talk about community police and chief, if you're a part of a community, then you know who those officers are. So I still remember captain louie white. I still know Lawrence Houston, and I still remember Freddie maxwell because those were the police officers in my community when I grew up on 11th street.

[12:33:09 PM]

My kids don't have that opportunity now because when people take -- get true through with their shift, they go back to someplace else, which is a whole different culture, environment. So that's beginning to be a rub. I just needed you to know that publicly, and I would like to know how many people actually live in the city and who lives someplace else, and where those someplace else's are.

>> The last time they looked at -- the last time I saw that, I don't know that number, and I think those are points well taken, it was about a third of our police officer, about 33%, so whatever that equates to at that time. We can't actually do -- we can actually do that research and get it to you, but I think, in fairness to the officers that don't live in the stickers everybody looks at the highest paid, but it takes 16, 17 years to get to the top of that pay scale. And one of the challenges that the officers have like everybody else that was here at the beginning of the pay scale, and to a lot of our officers, they want to be -- they want their partner or their spouses to stay home and raise kids, it's very difficult to have that at the lower end of the pay scale because they're very low. But we'll get you that number. And the other challenge that we have, as I do agree, that it is best to have officers, in best case scenario, they live in the community that they serve. That's why I live in the city that I serve. But we're precluded by statute from requiring them to live in the city. I will say this, anecdotally, that more and more of them -- and I'm going to look at that number because now you've sparked my interest, when I look officers where they're living at the academy graduation, the cadets that night, more and more of them are living in the city. So I'll ask, where are you living -- a lot more of them are living in the city because Austin has so much to offer. I'm hoping as we look at this number, I'm hoping we'll be pleasantly spliced it's going to be higher than it used to be.

>> Houston: Okay. One last question, I noticed that the parks patrol is to provide -- this is for the park -- oh, I'm sorry, I thought that was for the mounted patrol, but the mounted patrol can be put in any of our parks, right in or are they just for downtown?

[12:35:27 PM]

>> No, they actually patrol -- patrol --they actually patrol lady bird lake.

>> The fourth of July I meant to metropolitan park and it was packed. And there was one officer in one car, kind of sitting there pretending like it was -- there was a person inside. And so I thought, well, wouldn't it be nice to either have the mounted patrol -- because it really was very crowded, and so I'm trying to make sure that we have some equitable distribution of mounted patrol or the new kind of -- what are those accounts ones on the three-wheel bicycles?

>> You're talking about the quads.

>> Houston: The quads, yes, to have some of them kind of go through -- because it's a huge park, and the one young person that was sitting there by the boat docks could not at all keep up with what was going on. But -- so we just make sure that when we're having things like the mounted patrol, they're only not patrolling lady bird lake and zilker park, but there are other large parks that need patrolling on certain days.

>> They do move around, the only challenge on July fourth, there's huge crowds downtown in your typical July 4th, so if we use them during the day for another event, we may end up incurring overtime cost. But if people let us know when they're going to have an event, we'd love to have them there. It's a great community engagement tool and kids love those. So we'll look at that next year to see if we can get them out there to the event.

>> Mayor Adler: Ms. Troxclair.

>> Troxclair: Just to follow up on the point councilmember Houston was making, I think -- about where the officers live, if you are coming up with a list and response to councilmember kitchen's request as to what you would do if you didn't have new officers, how would you increase that uncommitted time or community engagement, I mean, that may be something that you consider.

[12:37:32 PM]

And I understand that we wouldn't -- you know, that we can't and probably wouldn't want to require our officers to live within -- inside the city limits, but there may be something else that we can do to incentivize them to live in the city limits, then instead of hiring new officers to have their job be, you know, community engagement, they would naturally, as -- you know, if we could get that number to two-thirds instead of one-third, that would be another large amount of officers who are naturally engaged in their communities outside of -- and, in the end, maybe not only community benefit, but a fiscal benefit for us if it comes -- if it comes -- if it means that we don't have to hire another 82 officers in order to feel like we're properly engaged in the community. Just something to think about in response to councilmember kitchen's question. Have you thought about that before? Doing some kind of incentive or is there anything else that could be contemplated that doesn't involve requiring them to live in the city limits?

>> No. You could always -- you know, you could always hire -- have incentive, and some incentives, what they have, the officers get to take the patrol car home, park it on the street, and everybody knows the officer lives there. That's something when we live collectively, that's something we will put on our radar. But that's typically some of the things they do offer in some cities, is that officers that live in the city limits get to take the police car home. Some officer may decide not to take the police car home because

then everybody comes to your door. It's kind of like being a doctor.

>> Troxclair: Okay. It seems like -- it seems --

>> So now did you understand, that's kind of -- it's a balance, you know, people want to have a private life, too, and that's kind of what they -- that's why some guys don't want -- and ladies don't want to live right where they work because then their kids -- it's a balance. But we have -- you're going to be surprised that more cops live in the city than people think.

[12:39:38 PM]

>> Troxclair: But I think it would be an important conversation for us to have now during the budget process. So -- anyway, what about the same question that I've asked to everyone else, what is the work week for police officers?

>> Our work weeks, the patrol officer and majority of our police officers work four-ten, four days on ten hours, and some are on the eight-five. We have actually participated in parts of studies to show that the four-ten is probably, from an economic standpoint, in terms of getting bang for your buck as taxpayers, all of us as taxpayers, quality of life for the employee, wellness for employee, for policing is the most effective and best ship for quality of life. They will bring up four-twelves, but I'm not interested -- I would fight four days a week, 12 hours. That turns them into part-time police officers and full-time something else and I'm not interested in that.

>> Troxclair: Okay. Thanks. Going back to the uncommitted time issue, when we last had a conversation as a council about the number of vacancies, we didn't focus on sworn positions but I remember when I was reviewing the list, there were vacancies from 2012-2013, and I understand your schedule is a little bit different because of the cadets and when they graduate and all of those things, but what about -- do you have vacancies that are unfilled that are, you know, more than a year that are from previous budget years that we could fill and use those officers for some of this community engagement?

>> No, I don't think so. I don't think that we've had any officer policies unfilled that long.

>> Troxclair: Okay. I'll have to -- I'll go back and look at that. And then my last question, I understand all of the benefits that you're trying to explain to us about this uncommitted time and how important it is to have these officers truly engaged in our communities, but I also feel like, at the end of the day, the question that my constituents are going to ask me when they say -- when they see that we invested \$6.6 million in this idea rather than \$6.6 million in health and human services or in EMS, you know, reducing the work week for EMS, or all of these other important things that we're also being asked to do, the question they're going to want to know, is this going to reduce crime?

[12:42:02 PM]

>> Well, believe me, you give me more cops, if I'm not reducing crime, I'm not doing my job. So --

>> Troxclair: So is it possible to see, like on the staffing models that you gave us, where you're tracking the percentage of uncommitted time -- I mean, could you overlay that for the amount of time that we've had -- I guess, maybe for the past two years, and overlay that with the crime rates so you can show us that there is a direct correlation between uncommitted time and reduced crime?

>> I'd have to -- we'll look at that. It would be best if I can write down that question and we'll look at

that.

>> Troxclair: Okay.

>> I can tell you that there's a direct correlation between, you know, police [inaudible] is key to disrupting crime, preventing crime in any neighborhood. The problem is, when you only have 15, 16, 19% time available outside of going to calls, you're not doing that in-view control, you're not doing that proactive disruption. It makes it very challenging. I've worked in some very tough places. I don't care what the problem was, there was always a direct correlation between police visibility, police action, police everything, no matter what the bad thing is, when you saw more cops in a neighborhood, the bad outcomes went down. And I believe also in terms of this engagement time with the community, that relationships matter. One of the ways to have a safe city, although our relationship with our community isn't perfect, I think that when I talk to my colleagues around the country, as imperfect as ours may be, it's still the envy of the nation. People actually cooperate, by and large, with our police department, and with the increased time to actually build those relationships with those officers in the community that we serve, especially communities that historically have had mistrust. You're going to see greater outcomes. So this proposal, it's a fluid proposal.

[12:44:03 PM]

We're going to be continuing to look at data and adjusting it based on what we're seeing.

>> Troxclair: Uh-huh. Okay. And I hear what you're saying and I do think that all of that is true, and probably lots of unquantifiable benefits come with a plan for uncommitted time, but it would also be really helpful when we have so many other unmet needs to have quantifiable data to help us justify where we're putting our money.

>> Yeah.

>> Mayor Adler: Mr. Zimmerman, then Ms. Pool.

>> Zimmerman: Thank you, chief, for being here. You're one of my favorite city employees because you always return phone calls. You're not afraid to give us your opinions. Terrific. I love that. Let me draw your attention to the documentation here, volume 1, page 415, police budget detail by activity and performance measures. I'll give you a second to get there. One of the interesting things about these conversations and what I just attempted to do, you know, in the last hour by asking some outside experts to come in and talk to us and add some perspective, the whole subject to me of uncommitted time, my opinion, and I think what my district would agree with, it's just the -- the wrong metric to focus on. If you look at this page at the bottom where it says performance measures, I look down here at percent of part one crimes cleared, and these just look like abysmal numbers to me, in 2012, dropped down to 14.3%. So, to me, if I were in the shoes of Mr. Arellano, our -- the city manager, this whole conversation would be about unsolved crime. We wouldn't talk about -- we'd be talking about unsolved crimes. And is that a priority for us to address? You know, to me, the whole purpose of the police department is to solve crimes.

[12:46:08 PM]

We're a defensive unit. Right? I mean, generally people do the right thing, but occasionally somebody

acts up, they steal something, they assault -- you know, so there are the police to come in to investigate and to play defense and to try to bring these people to justice. And then if we do that in a routine manner, if we solve crimes at 80 or 90%, that acts as a deterrent. The other good thing that we'd do if we solved crimes, that would build trust in the community. We love our police force because if our car gets stolen, the police investigate it and they get it back. That's how you build community trust.

>> I don't -- I don't hear a question. Did you want me to respond to that, or is there a question? Because this --

>> Zimmerman: I'll give you a question. I'll give you a question. Would you be willing to commit all new police officers to solving unsolved crimes?

>> No. Because, first of all, this -- what you're seeing here is all part one crimes that involves also property crimes. So this is a mixture of property and violent crime. We exceed -- in violent crime, we exceed the national average nationwide. Let me tell you why that proactive policing community engagement piece is huge. Because if a crime occurred, it doesn't matter if you solve it or not, we've already failed as a community. We as a community have already failed that neighborhood. Burglaries happen in a neighborhood when you have 16% uncommitted time, or lack of community engagement time applied to policing time, because the police officers, instead of patrolling your neighborhoods looking for folks that are casing the neighborhood, looking for that suspicious behavior, don't have that time to do that, they're going from call to call. It creates a problem. There's a direct correlation between police presence, police activity, police action and -- and crime rates. And I'm just telling you that from 29 years of doing this, that regardless of what the problem has been, when I increase that police visibility, that police patrol, that police action, that police, whatever they're doing, in any city that I've been, crime goes down.

[12:48:19 PM]

And an example of that is Pomona, California, an officer was murders, one of my officers, we provided a task force -- all they did was patrol, and that city went from dozens of shootings every month to zero because of the increased proactive police presence engagement and enforcement. So I would rather invest in providing our residents additional time for the officers to be proactive instead of reactive.

>> Zimmerman: Okay. I appreciate that answer and I'm going to completely disagree with that. I think that the issue of the unsolved crimes is a huge, huge issue. Imagine the frustration that our taxpayers would feel if they see more and more police in the community, driving around, looking to throw a football with a kid, whatever you do to kind of build the image of the police department, while the unsolved crimes remain at this -- to me, this is a crazy low number of crimes that we're solving. It builds frustration. I see police all over the police, but nobody is solving my burglary. The crime isn't solved. I think that has the opposite effect. The police are all over the place but I can't get my crime solved.

>> What happened, if you saw police all over the place, the criminals would go somewhere else. They look for easy targets and when police are all over the place, visible, they're not going to be in that neighborhood. And part of our challenge, while you're at work, we don't have enough guys and ladies patrolling those neighborhoods keeping the criminals out. It's a challenge but in terms of unsolved crime, this includes all part one crimes. So we'll get you data in breaking up violent crime, versus property crime. And we actually track unsolved crime, which we never used to. We added that a few

years ago, and we're actually moving up in terms of our solvability rate. The other piece, when we do solve crimes, quite frankly, there's a challenge with that repeat offender not being prosecuted.

[12:50:19 PM]

They don't just find Jesus and turn to a life -- they go right back to reoffending. So this year, as a result of that investigative report by KXAN, Robert Maxwell, we've gotten together with the D.A.'s office because the biggest piece of that bad number there is really property crime, to start really focusing on those that are not turning away from a life of crime that we believe is really going to have a positive impact.

>> Zimmerman: But the final point I want to make, just one more point, let's look at 6th street. We patrol 6th street. Right? With APD. What we're attempting to do with controls on 6th street is to calm the violence. We get drunk people, mentally ill people, it's probably the worst area in the city, right, for potential crime. And we do patrol that. But we still have problems. So just the presence of the -- I guess I have to beg to differ, the evidence says sometimes 23 we have police in a certain area, it provokes incidents and violence.

>> Well, if you want to conduct a social experiment, we can move all those cops out of 6th street and see what happens.

>> Zimmerman: No, no, no, I want to solve crimes.

>> Because of the presence of those officers --

>> Zimmerman: I want to solve crimes.

>> The thousands of drunks that come out would be creating mayhem.

>> Zimmerman: That's right, I want to solve crimes.

>> Those alcohol-induced issues are somewhat controlled.

>> Mayor Adler: Only because I'm getting hungry.

>> I do have the actual clearance numbers if you're interested. We clear in 2013 57 percent of our violent crimes. The U.S. average is 39 percent, and in property crimes, we cleared 13 percent, and the U.S. average is 14 percent, so we're right on average in property crimes and we far exceed in violent crimes. Our homicide rate was 100% compared to a national 57%.

>> So when it matters most, when lives are on the balance, I can replace a piece of furniture.

[12:52:27 PM]

I can't replace a live or limb. We want to keep Austin, Texas, the second safest city as it relates to violent crime in the nation.

>> Mayor Adler: Ms. Pool?

>> Pool: Thank you all for being here today. Quick question for you. Scrolling back a wee bit to the conversation about special events, we've talked briefly in the past, in the hallway in passing about how the police patrolling in the special events might be augmented if we were to partner up with some of the other officials and officers, for example, with Travis county, the constable's office or the sheriff's department. And I know last year or earlier this year for sure, you all brought in some state troopers to help, but their primary assignment, of course, is their assignment, so to the extent that they were able to help out, that didn't mean they would not always be here; they had to leave if they had some

other reasons to go. So, I just wanted to follow up on that and see if that idea has any legs or if you've been able to -- I know everybody is really busy putting budget together and everything, but if that is a concept that would like maybe further -- so what it would be, would be rather than all of the patrolling incurring overtime with other officers, if some of that work could be shared among the other uniform entities throughout the city of Austin and Travis county.

>> Well, we'd be willing to take any help from anybody -- well, not anybody, but we'd be able to accept - - we'd be happy to get some help. But I think what you're going to find, that a lot of the folks will help you if you're going to put their folks on overtime. For example, if constables wanted to assist us by schedule adjusting and having folks do barricades, we would not be opposed to that. We were very happy with dps helping us, but you hit it on the head.

[12:54:31 PM]

There was a caveat to that, if they had an issue --

>> Pool: They were gone.

>> And that's a problem, because you lose -- that can be -- you might save a penny on the front end but it might cost you a dollar on the back end if they leave. So we'd be in favor of looking at that if somebody wants to help out. I will say this, though, that -- because legitimacy matters. I've asked my team to look at some of these officers from outside of the city and county that are working overtime, because I've seen them do a couple of things that I'm not happy with, and they're a reflection on us, whether they're wearing our patch or not because not every police department is equal. And I'll just leave it at that. And we're looking at that now.

>> Pool: And I think the help that that would bring to the city of Austin would relate directly to overtime, so if that -- if some of the overtime not all of it, because I recognize there is some positive benefit to our employees getting the overtime, if it were to shift to our constable's office or the Travis county sheriff's office, that would be actually sped the wealth, as far as the ability to earn the additional money for some folks that also would appreciate it, it mice reduce the stress on our police officers, and then it would of a post-budget impact on us to help keep control of overtime hours. I can submit a specific request, if you think that would be helpful to have you all look at that, but I look for some signal from you all if that's something you can handle on your own or if you'd like me to --

>> We could explore it.

>> Pool: Okay.

>> Yeah.

>> Pool: Then let us -- let me know how that proceeds?

>> Absolutely.

>> Pool: That would be terrific. Thank you.

>> Mayor Adler: Okay. Mr. Casar, then Ms. Garza, then we'll start there. We just had three in a row on this, including you.

[12:56:31 PM]

All right.

>> Casar: Hi, chief. I have a couple of questions to follow up on some of the questions about the uncommitted time, and then one semirelated question. So the first one, I think, is similar to what I asked when we were in the boards and commissions room, which is, I heard from your presentation that certainly if we put more police on the ground, we would see that uncommitted time increase, and that then we could see community engagement time creeks but I think that some of our -- some of the concerns on the dais that I'm hearing might be, how do we know that if we increase uncommitted time, that that time will be committed to that community policing work, so that if -- depending on the level of investment that we choose to make as a body, we can go back to folks and say this isn't just time that our officers are spending in their car, but -- you know, what do we have on paper that guarantees us that we will see that time be committed to the work that you're proposing?

>> What we -- what we're working on is two things. Part of what we want to do is not just the policing piece but the disruption and prevention piece that, again, if you look at our performance as an organization, in terms of preventing crime, the Numbers speak for themselves. The second safest in the country. The chief just gave you the clearance where we're well above, including a hundred percent for homicides. We would capture that essential contract community engagement time so you know that when they are doing those contacts and that -- those Numbers of minute hours are being spent on that relationship building and getting to know folks, and we would separate that from the -- the rest would become patrol time, which is important. If I'm getting ready to commit a burglary in a neighborhood and I see a police car driving around, guess what I'm going to do, I'm going to go to another neighborhood. So that's a huge piece of the proactive disruption/prevention piece so we would be able to capture it so you would see how much is going to the actual community engagement, community bridge-building time, and contacts, and then the proactive disruption in-view patrol that's going to ultimately save lives, whether it's traffic or reduce crime, in terms of all the other crimes.

[12:58:52 PM]

>> Casar: I would say in terms of this budget, if you have metrics or goals you expect to achieve this year, not just looking backward, but forward, that would be helpful. My second question related to that, I know the graphic, I believe, is an average of that uncommitted time across the city, but I think that -- I think it's common -- would be sort of common sense that the places where you need most of that community engagement to build legitimacy and trust is high crime areas where police are running from call to call and may have below the average of amounts of uncommitted time. Obviously, along the north Lamar corridor, Cameron road corridor, you're going to have, I imagine, right now less than our average amount of uncommitted time. So are we thinking about how we can actually increase that community engagement time where people do want to see the police walking on the street? Sounds like councilmember Zimmerman is not as interested in seeing police with the football where people may understand and feel that level of trust, whereas some neighborhoods in my district it may be the opposite. How are we thinking about that, not just an average but key areas.

>> We've got remember, we're selling a product nobody wants to buy, tickets in jail sometimes. This will give us an opportunity to sell relationships rather than tickets in jail. I think that's huge in terms of overall public safety. We are almost, in the next two or three weeks, our cad as many is being upgraded which will give us the ability to track by council district, so you will be able to provide information to

your constituents. Having said that I just want to remind folks that we're going to be looking at data to -- you know, and in one district there may be not as huge a challenge in terms of trust, there may be a problem with particulars, and I think in councilmember Zimmerman's district, that's one of the biggest challenge, property crime, where officers in that district may be focusing more in that in-view patrol, disrupting preventing the burglaries, where in another district they may be working more on building those relationships so kids have somebody to turn to when they are in trouble, instead of turning to that gang member or things of that nature.

[1:01:08 PM]

So you're going to see, we'll be able to capture the data so we'll be utilizing those hours that we get that we capture based on the specific needs of that geographical area.

>> And, councilmember, we also go through a will he districting exercise every year or two as needed. We look at the call volume per district that we have to ensure that the call volleys equitably distributed and that we have enough officers to handle those calls. So making sure we're balanced in the call load demand in each sector, as we roll additional resources out there, we will also ensure we're putting out equitable amounts of the community engagement time that we're wanting to capture through this process.

>> Casar: Great. That would be helpful because obviously I'm less interested in averages and more interested in dealing with the issues as hand. My very last question, actually the mayor pro tem and I received a policy briefing from some middle school Fulmore middle school. They had policy analysis and some recommendations, it was around -- they got to identify in their own summer program what issues they thought was most important, and one of them was, they research disproportionate arrests of folks for color for similar crimes, they presented some data. It was, you know, very -- around African Americans, it seemed like there was some disproportionate there. I know we talked about policing time. But is there anything else we're doing in this budget to address some of those issues strand around disproportionate effects of policing, or what we're doing in the budget, or something that's not in the budget that you would recommend we add.

>> Those are good kids. I wish you would have taken me on that trip. It would have been fun. Well, we work on those issues on a daily basis.

[1:03:08 PM]

Regardless of what the budget is. We have really focused -- if you think about what we've been doing as a police department, our youth programs, you know, when you invest in kids and you build a relationship with kids, they make better choices, and one of the things that we are working on as a department today that we'll work on -- there's nothing in a line item, is our district of inner city scouting. We've got almost 2000 boys scouting, that I'm proud as district chair, that was not there when I got involved. The 2000 boys, data shows if you scout for five or more years, you graduate at 97 -- 90.something percent. When you graduate from high school, you know if you don't graduate from high school, you're more likely ending up in prison. So I think it's about we as a organization, we as a community, being that influence, that positive influence on kids so they turn to us, they turn to officers,

they turn to responsible adults for guidance and direction instead of away from us. And so those relationships really matter. And we're doing that with all of our programs, whether it's our police activities league with the boxing, the soccer. For the dove springs area, every year, when we put on an entire day of -- and you'll see hundreds and hundred of people out there, a lot of young people and their families. That's something to look forward to every year. It's building those relationships. Because I want kids to of a relationship with their police officers that, when they're gone -- when they're being bullied and see that neighborhood cop that they've gotten to know, instead of maybe going to their cousin who may not be a good influence and that cousin does something really silly, they can go to that officer and have that trust to come forward and we can prevent those issues. So we're continuing to work on those issues, and I'm excited that when you look at what's happening in Austin, in terms of public safety, I am convinced as an austinite that's been here for eight years, part of the reason we have 3.5 unemployment rate and we have such a great economy is because we're one of the safest cities in the country and that's a direct correlation.

[1:05:14 PM]

So we're committed to youth and we'll continue to work on it.

>> Casar: Yeah. I know. I appreciate the camps and outreach work we do, but when students can look up statistics that African Americans are disproportionately being arrested for similar crimes, the kids in the camps may not believe what they're saying, if they can go look this up. I understand that we're imperfect and that we're working toward this every day, but whatever we can do, either budget or policywise, to address some of those issues --

>> Just like we have a boy Scott troop, garner Betz, our hope is to get them hooked, if you end up in garner Betz, our hope is to get them hooked up in garner Betz. Something I started, our annual camp out at the police academy, which is huge, and we have thousands of kids, but the big part is, I don't want to get the kid -- the haves aren't what matters, the have nots. That's why these programs that we have really focus on the areas where the kids live in more challenge, economic environment, and we want to be able to be part of helping them get through those Summers an those nights.

>> Mayor Adler: Ms. Garza.

>> Garza: I appreciate the comment earlier that we've moved away from the two to a thousand metric, but I'm having a hard time and sounds like other councilmembers too are understanding the metric of the uncommitted time. So does any other city use that as a metric when determining the number of officers they have?

>> I don't know in terms of the number of officers but I know that from a national level, uncommitted time, which we don't -- uncommitted time means nothing toupee uncommitted time basically is police officers out doing everything other than going from call to call and actually do proactive stuff and positive stuff. The national standard is about 35%, and we're critically below that standard.

[1:07:17 PM]

And so we believe that it is a more accurate metric to go by that will come with some tremendous outcomes, rather than a two per thousand which has been traditionally what the city has you'd. Even in

a two per thousand, it's important for folks to realize that the national average is 2.4 for all police departments, with 18000, and cities with five thousand or more, it was 2.7. The uncommitted time, I think, from my perspective and the university of Texas who did the study and helps us come up with the staffing model, is a more realistic model that captures the ability of police officers to do things to prevent crime in the first place, to build the relationships in the first place, to disrupt and to stop the victimization, and hopefully by those relationships, hopefully be able to redirect some of the young people because we can become a positive influence in their lives rather than just when they need us and their parent -- there's domestic violence going on at their house or somebody is doing something wrong, then all they ever -- the cops are the bad guy. So we think it's going to be a much more positive metric for the city and one that is more encompassing of what our community wants, which is a better relationship, more intimate relationship with the men and women that may end up at the front door when they are in crisis.

>> Garza: Okay. And you said that there was a national standard for 35%. Is that -- do you mean that that's like an average of what other cities are doing, or that's like a national standard, that's what would be suggested best case scenario?

>> That's the best case scenario is 35%. Gas okay.

>> Is the minimum standard that is --

>> Garza: Do any cities meet that? Do you know if any --

>> Oh, yeah. We can look for -- do we have data on that?

[1:09:19 PM]

>> There was data back in a study done by the department a couple years ago when they talked about uncommitted time, which we believe is community engagement time. That's where we got the information on the 35% goal and they talked about other departments and what the standards were. So there is information out there regarding other departments and where they fall on that spectrum.

>> Garza: Okay. Well, I applaud you for us being the second safest city and we're not -- we're about half that, so thank you for your efforts there. You explained earlier the -- there was an amended estimate for property crimes? Why is it different than -- on page -- on page 412 of our big binder, there was an estimate of 41.41, and then it was amended and it shot up to 54.49.

>> We used to have water up here so I'm going to have a Marco Rubio moment. I'm going to let Brian answer that question.

>> Councilmember, if I'm hearing you correctly, I think what you're talking about is our goals and what we've done is, given single-year spikes in crimes and some of the things we see, the chief mentioned earlier, traffic fatalities for us this year is quite an anomaly. So to try and account for that, we've gone to a five-year averaging. And what that does is, you may see that we're at a certain level this year, and when we project our goal for next year, we're actually projecting an increase, which is not what we want to see and not what we're going to gear towards, but it's based on a more -- a metric that's more reflective of what our past five years have been. Is that -- does that answer your question?

>> Garza: Yeah. That's fine. As far as -- okay. So I believe the additional 82 officers is part of a five-year plan that's based on this uncommitted -- uncommitted time metric. Do you have an estimate of, at the end of that five years, I mean, is there a number of officers -- are you going to be asking for around this

number of officers every year?

[1:11:22 PM]

>> The plan as it's laid out right now is, it's a requirement for 410 officers. Now, that includes the supervisors, the corporals, and the sergeants. That's based on today's data. What we will do, each year, we will go back and rerun these Numbers because it is possible that in the interim years, we gain efficiencies, we bring in technology to the department that allows us to be more efficient, and so we want you to see what we think it takes today, based on call loads today, based on staffing today, and how we operate today. But each year, we will rerun the analysis to determine if 82 is still the correct number. We based this on a five% growth in the officers' committed time, which again was based on -- I believe it was the three previous years' average. So each year we're going to go back and test the information and data we use to build this program.

>> Garza: Okay. And last comment, last question, I saw that from between fiscal years '04 and '14, the police budget was about 34 to 38% of the general fund, and so this time it's going to be about 41%. And while I realize that's, you know, three percent increase, that's a big -- a really, really big chunk of our general fund. And so I -- it's, you know, a 25 million increase. So, I mean, as a former firefighter, I appreciate public safety a lot, and my sister is a game warden and she's married to a police officer. So I appreciate the work you do, but I hope you understand the difficult decisions that we have before us. And I personally have always thought investing in, you know, health and human services might be a way to prevent a situation where you guys have to come in, maybe if we can prevent it on the front end -- I understand what you're trying to -- what the goal is with this, but I just want you to understand we appreciate your work, but we have a hard -- a lot of hard decisions to make.

[1:13:38 PM]

>> Pool: Thank you. I wanted to make sure that I'm understanding, again, in terms of the additional officers, is that across all of your -- I mean it's patrol, it's -- is it all the categories?

>> No, the 82 officers would be primarily patrol officers to address --

>> Kitchen: Just patrol. Primarily or just?

>> Pretty much just patrol.

>> These 82 positions, the first 24 are aligned to do the two R relief shifts. These officers will be working patrol. There will be two shifts of ten officer oz, a corporal understand a sergeant. The remaining 58 will be used on patrol as well. Again, the officers along with the corporals and the sergeants, so all 82 positions are designated to go to patrol.

>> Kitchen: So they're not going to traffic enforcement.

>> Not to our highway enforcement command which focuses on patrol. They're going to patrol. The officers may write a ticket or two if they have time but the purpose of these officers is not to increase our highway enforcement staff.

>> Kitchen: Okay. My question now relates to traffic safety, and I appreciate -- I know that this is a top priority for you all and appreciate the -- the information you've been making available to the public in response to the really horrifying situation that we have right now in terms of increased traffic fatalities.

So I'm trying to understand how you all are responding to that, and how that relates to the budget. So if I'm hearing correctly, the increase in officers would not increase our ability to address traffic fatalities because what we're talking about now is uncommitted time, and I don't see any relationship between uncommitted time and decreasing traffic fatalities. And maybe I'm just not understanding.

[1:15:39 PM]

So can you help me with that?

>> Absolutely. The 82 officers, a big part of that, obviously, we're going to capture, like I was responding to Mr. Casar, that community engagement piece, but they're still patrol officers. They're black and whites. As they have that time to -- that additional time to actually not be tied up going from call to call, they will be addressing whatever the threats are in their beat, in terms of if there's a problem with crashes, or fatalities, even though that's not their primary duty, that is an auxiliary or ancillary duty to all police officers. All of our officers are expected to enforce traffic laws. All officers are expected to make dwi arrests and write tickets because part of that traffic enforcement has a direct impact on all other crimes in the neighborhood. So you will see with the 82 officers and additional time to actually be actively engaged in proactive policing, you will see an impact on -- it will have an impact on traffic safety. And it should have a positive impact on traffic safety.

>> Kitchen: Okay. Had especially me a little bit more with that. I'm sorry, I just don't understand enough about -- about what we're doing to prevent traffic fatalities.

>> Oh, currently?

>> Kitchen: Yes.

>> Oh, gosh. Well, we actually have put together an initiative -- a bunch of initiatives, and I don't have them all in front of me, that -- but for those initiatives, who knows how bad this year would be. We've actually added additional traffic enforcement on Sunday nights since June where we've made almost another hundred arrests for dwi using step grant funding for the additional patrol. And we've actually added additional patrol assets on these nights where we're seeing some anomalies to try to impact that. One of the other things we have done recently that we've started working with tab in an undercover capacity inside our bars, one of the biggest challenges in this city is establishments, as long as you have a credit card or cash, many of them are going to serve you the alcohol.

[1:17:51 PM]

And so we're now starting to put a real emphasis on enforcement inside of the bars to try to stop the overserving. A big part of our problem has been alcohol-related, whether it's a motorcycle, a motorist, or a pedestrian, and everybody thinks it's just transients being run over. It's not. They're less than half of the total number of pedestrians that are being struck. A big chunk of what's happening is people think -- I go to a bar, as long as I'm not going to drive, and drink all I want. Next thing you know, they walk out in front of a car. So we're really putting a big emphasis on the overserving challenge, especially in our downtown area. And then we have -- we are the first city that actually started the arrival of central Texas, where we have over 20 agencies, I think about 22 agencies in the region that on heavily traveled weekends or holidays or -- weekends or holidays where we know there's going to be traditionally a lot of

crashes and drinking involved, regional, everybody -- everybody, has committed resources committed just to traffic safety, which has really reduced the fatalities in that regard. And so we're continuing to work with our partners. We're working with the transportation department to look at locations that may be problematic or where we may need an -- engineering solution, such as smart devices or crosswalk. It's a comprehensive multiagency, multijurisdictional approach to trying to stem this hopefully anomaly, this is really tough.

>> Kitchen: Just to circle back around one more time, can you give me an example of how uncommitted time helps with that, just give me a scenario.

>> Absolutely. There's a direct correlation, again, between --

>> Kitchen: Just give me an example because I'm --

>> Okay. I'll give you an example.

[1:19:51 PM]

If we had additional time to actually patrol, a year and a half ago, two years ago, we had 25% of our fatalities were occurring on Sundays. And what we found is, we didn't have officers dedicated on that -- on that weekend, on Sundays, to traffic enforcement, dwi enforcement. We put together a summer Sundays or summer nights enforcement program for 11 weeks, and we went from experiencing 25% of our fatalities year to date on Sundays to zero. And the reason that was is that we had additional resources to actually engage in proactive policing. They arrested a hundred drunk drivers, I think the number was 98 in those 11 weeks, 11 Sundays. They wrote, I don't know how many tickets, they made -- I don't remember, I can get you the Numbers.

>> Kitchen: Yeah.

>> But as with the additional resources, actually, police action, police engagement, and enforcement, we went from, again, 25% occurring on Sunday nights to zero. That's an example of when you have a safety issue, if the problem is here, as you increase the visibility, the engagement, the enforcement, the problem goes down. And that's happened to me anywhere I've worked where there's a direct correlation, that uncommitted time will give us the opportunity to have more proactive policing instead of going from call to call.

>> And if I can add, we focus on three areas when we're looking at traffic safety and we call it enforcement, engineering, and education, and education being one of the key components. And that's where I think a lot of this is going to play with the community engagement time, is the more time we actually have to engage the community, the more opportunities we have to educate them on the challenges we're having with traffic safety in the community right now, the challenge with pedestrians working into the roadway mid block, the challenge with dwis, so there are things we can do operationally and enforcementwise, but some of the areas we're going to see great improvements is in our ability to do these educational outreaches by attending additional community meetings, by popping in on a church on a Sunday during a service if they will allow us time with the congregation, by just, you know, meeting the individuals that we meet at the parks, as the chief was talking about, just any other opportunity to have a positive contact, and it gives us the opportunity to engage in those conversations.

[1:22:15 PM]

>> Kitchen: Okay. Then my last question -- I have a lot more questions about this whole area, and I have the same kind of concerns that councilmember Garza was talking about. Again, it's not that we don't appreciate what you're working on, it's just, you know, I do come from a background that makes me think in terms of we should be working more towards preventing people ending up in things that you guys have to work on, and we have to think about our health and human services budget, too. Sod did sod -- so, let's see, just that less question and turn it over to somebody else. Well, I just blanked on it, so I will turn it over to someone else right now, then make it'll come back to me in a minute.

>> [Inaudible].

>> Kitchen: Yes.

>> Thank you. Thank you for being here. I mean, the budget discussion is interesting but the other thing that's really interesting is just the information we get. It really is. So thank you. In order to be fair and equitable, I'm going to ask the same question about special events that I asked the other two public safety departments. My concern is that Austin and our wonderful reputation and way of doing things is, my impression is, we are having more special events and our special events are getting bigger. And what I see is that it's moving in that direction rather the other direction and putting more and more pressure on our public safety staff and people, departments.

[Applause]

>> Gallo: I love it. Can I say that again and get another clap? So my question is, and ems answered this, is that if -- if you are to develop a task force -- and let me to back to -- one of the concerns I have, for example, is, we're looking at March. You know, March is -- I've seen what public safety looks like after south by southwest. I mean, it is just -- people are exhausted after that. Then you've added spring break into that, you've added the rodeo into that, now in district 10 we've added PGA match play which is estimated to be 10,000 people a day.

[1:24:16 PM]

So we have packed March just as full as it could possibly get. So my question is, and ems answered this, is, if your department was to set up a special events task force which would then be a group of officers and people that would just do special events, could you keep them busy, number one, how many that would be, and I know special events are different sizes, so it would kind of have to be a ballpark average idea, but would you be able to keep that task force busy all year long so you're not having to use people that are already covering neighborhoods and covering crime and pulling them out of areas where then the possible says, wait a second. Where's our police presence? Where is neighborhood policing? So rather than pull from existing, we actually add a component that then we can figure out a way of making sure the special events helps to pay for, and then it relieves that pressure from the other people that should be out there in the neighborhoods and in our communities.

>> I think that's a very good question. The challenge with having -- we have a special events unit that is a small unit that actually deals with the planning and everything else, and for the smaller ones, they staff it. The problem is that our special events vary so much in size that -- you know, and are so different, I'm not sure that in order to handle the one that's really the monster event, which is south by southwest, that we'd be able to have sufficient officers and keep them busy enough if that's all they were doing.

We'd have to use them for other things. So that would be the challenge for us. We -- I don't think we could do -- have a unit where you'd have sufficient Numbers to deal with that big event.

>> Gallo: So if you had a unit that perhaps dealt with the average, instead of the maximum, and understanding that it wouldn't be large enough to cover the maximum, at least it would be a group of people from the core task force that you wouldn't have to be pulling and doing overtime and really stressing out your regular employees.

[1:26:25 PM]

>> We could look at that to see, but again, every weekend there's a special event it seems like in Austin, Texas. But some might require two officers and some might require 300 officers. It's just -- we could look to see -- it would take us some time to get data on that, but we could look at that.

>> Gallo: Okay. Thank you.

>> Mayor Adler: Okay. Ms. Houston?

>> Houston: Thank you, chief. When I graduated from the academy, I didn't get any money. Okay? So when the usual, typical cadet graduates from the academy, what do they get that first six months, and then what is their salary after they -- in the probationary period?

>> You know, let me -- I'll defer that not assistant director. You don't have it -- I don't have the pay schedule in front of me. We can get it for you. We can get that. It'll be just a few minutes.

>> Houston: Would you please?

>> Yes, ma'am.

>> Houston: I would appreciate it. And then the other thing that I need to -- I agree that it's about a balance between proactive and reactive, and I think that if we can be proactive about possible eruptions, then we won't have as much on the other end, but I also have small business owners in district 1 who are complaining about the lack of property crimes attention, attention to property crimes. So my last question is: Where are we on body cameras? The state passed legislation during this last session that would give grants to cities, so I didn't see that anywhere in the information. So where are we on getting body cameras for our police officers?

>> We -- we have met with the industry, and what we're looking for is the right body camera. Part of the challenge right now is that we have an in-car camera system that has automatic triggers. And what we are looking for, quite frankly, and what we've challenged the engineers of that industry to deliver to us is a system that integrates with our in-car camera system so when that officer gets out of that police car, that body camera comes on automatically.

[1:28:39 PM]

That is what we're looking for because that's the system we want. I believe that there's more harm done to public trust when there's a camera and no footage than when there's an incident and there was no camera. We are pretty confident that within this budget year coming up, that you are going to see that engineering solution because, quite frankly, it would be the best solution. And we think that by next year you're going to see a proposal from that department to move towards equipping all of our officers with the body cameras on patrol.

>> Houston: Will those state grant dollars still be available that far along?

>> That's supposed to be an ongoing basis, but the grant dollars at the state -- I believe it was 50 million for the entire state. I don't remember the exact number, I think it was about 50 million for the entire state, if not less. I'll get you the number but I think that will still be available. The challenge for us is, we don't want to buy a system that, if we just wait another six months, the system we buy today will be really not of best practice or the best engineering solution that we need.

>> Houston: But, sheetrock we've been hearing that for

>> Houston: chief, we've been hearing that for almost a year now, that we're waiting for the right system. At this point, any system would be better than no system because if the money runs out, like the other grant that you said more people are getting into the program so our part of the grant is being reduced. If it's only \$50 million state-wide and we keep waiting, then by the time we get ready to purchase that equipment for our officers, there may not be any more grant money. So, I mean, it's a matter of do we do something or do we continue to do nothing, as far as body cameras? And that's what I'm hearing, is we continue to do nothing. Waiting on something that hasn't materialized in the next -- oh, we've been talking about this for at least two years now.

>> And we've looked at what -- what we've looked at predominantly, it's going to be at least a \$7 million investment for us as a city.

[1:30:46 PM]

And so that's why we're being really meticulous because when we get that, we want to make sure -- and we really believe that -- in this budget cycle coming up that we will have that resolution. I can tell you what's going to happen, is those departments that jumped in on the front end are going to wish, when they have those instances in which the cameras aren't on, which already happened in Albuquerque, are going to wish they would have waited a little longer and would have gotten what we believe we'll be getting to you by this budget year.

>> Houston: What I don't want us to do is to you come back when that perfect camera presents itself and say now we need so many millions of dollars because the state grant money has run out.

>> Yes, ma'am.

>> Mayor Adler: We're going to keep going as we work through lunch here. This is the last thing before our lunch break. People are probably eating. Ms. Tovo, do you want to go ahead?

>> Tovo: Yeah, I just have a couple very quick questions. I appreciate all my colleagues' discussion about this issue and I look forward to receiving the follow-up information. Just to get back to that group of really fine students, middle schoolers that Greg -- that councilmember Casar mentioned a little earlier, in that report they mentioned two potential solutions. One dealt with education of police officers. The other talked about -- they also noted not just the -- a disparity in the number of -- in the rates of people being pulled over and within Austin, they also talked about the police force and what it looks like demographically. I know recruitment is a large priority for you, and I would just encourage to you continue to make that a priority. But I'm particularly interested in how our youth programs may be able to assist news that effort. So I just wanted to note that I've submitted or I'm in the process of submitting some questions, asking you to provide us with some demographic information about the youth who participate in pals and the youth who participate in the explorers program in particular and whether

you've had any success, interesting those individuals in staying with the police force.

[1:32:49 PM]

And I would be remiss if I didn't mention that my -- the 9-year-old constituent who lives in my house frequently comments on the fact that she meets very few female police officers, which, again, I know have a priority and, again, something that our middle schoolers mentioned. So I don't know if you have any information that you want to respond to at this point in terms of those -- the success of those programs in attracting youth into police work. I'd be very interested in hearing about it. And, also, I just want to echo, councilmember Houston asked but that particular line item with regard to the sergeant, I'm going to ask follow-up questions. I'm very interested in seeing us continue our investments in youth programs but I too question whether and why that needs to be staffed at that level. And as I always do during budget, I would just encourage you and will probably submit questions through the q&a process to look to and really work closely with our other youth programs throughout the city, particularly our parks department, and make sure that in areas where we really need those programs, where we may have high youth crime rates, that we have good programs in our rec centers that will engage -- potentially engage those youth in more productive programs. I know we've got a couple programs being tested out there, and I'm -- I would love to see if they've had any result on reducing youth crime. Anyway, if you want to respond to any of those.

>> Back to that position, sergeant's position, idea I said we're going to separate them. It's actually the youth program has grown so much we're actually going to have a dedicated sergeant to both the explorer and police activities league because we don't have a dedicated sergeant. The program has expanded greatly over the last few years. In terms of demographics, I want to bring in Waterloo, that's my baby in the boy scouts, when you look at our youth programs you're going to find it is a huge number -- the vast majority are minorities, and you're going to see, especially in our explorer program, a lot of young women.

[1:34:53 PM]

I went to their graduation from the summer academy at our academy last month, and it was -- I think there were more young women than men. In terms of recruiting from them, we're starting to get our first kids. Remember, we started I think about 2008. There are -- our first group of college graduates. One of them, I won't say his name, but his challenge is he's a dreamer and he's not a citizen yet. So that's a -- citizen yet so that's a challenge for him. So one of the things that we're going to look at as a profession here in Texas is modeling for diversity issues, especially in the hispanic community, which is a huge growing segment of the population, modeling what Tennessee just enacted, which was if you're going to be a police officer, you're a permanent resident that is eligible for citizenship, that you can become a police officer that is going to increase that -- the pool of eligible candidates. The other piece for us, from the female standpoint, I believe women make just phenomenal cops. It would be fantastic. We are making -- we had just finished assessing our entire police department using the dps program that they have because we really believe that just go do your push-ups as the entry level probably is not -- although it's a validation process, we believe that that's a mental block for some folks and we don't

want people to say I can't do it when we have a new test we're getting ready to roll out that encompass that's ability. I think that will help us with our recruitment effort, especially with the women. The other piece, we -- this is not, you know -- some folks say they want more education for police officers, in terms of formal education. I feel differently. I think that what I want is people to have the right mindset, the right psychological mindset, the right heart, and I believe that we disenfranchise communities of color and socioeconomic deprived communities, where people still going to college have -- instead of going to college have to work, there's pressure for some in those communities to finish high school and work.

[1:37:10 PM]

What we did two years ago that some criticized, we got rid of our 28 -- 22 college units, and what we did is we increased the exam that captures the intellectual ability to do the job because we wanted to widen our net and we believe that's going to help as well. So there's some good things in the pike, and I think you're going to see diversity really truly matters, but we have to increase the relevant workforce because you can't just look apples to apples. You may have 38% hispanic in our community, but let's say hypothetically, don't hold me to this number but only 12% meet the minimum qualifications when you can come up with 20% -- that's a huge number. So it's really difficult when people don't meet the mqs and we're trying to maintain standards while getting rid of artificial barriers.

>> Tovo: I appreciate your attention to this area and this -- knowing a little bit more about the strategies that you're using and in particular I'm keen on seeing, over the next years, how you are able to track the youth who have participated in those youth programs and keep in touch with them and interest some of those in applying for the police academy. I've had an opportunity to meet some of the individuals -- some of the young people who participate in those programs and they're clearly very excited and -- about the work they're doing. So thanks again for all your work.

>> Yes.

>> Mayor Adler: Further comments? Ms. Garza?

>> Garza: I just remembered I had another question. There was -- I think it was on "Nightline" they showed the technology where it's an attachment for high speed car chases and the department was going to order, like, 5,000 more of those.

>> How many?

>> Garza: I thought it said 5,000.

>> No. Ten. They're \$5,000 a unit.

>> Garza: Oh, so ten actual things that -- they cost \$5,000 each.

[1:39:12 PM]

>> Yes.

>> Garza: I was curious, how does Austin compare as far as high-speed chases, like, to other cities?

>> Well, I'm -- we're one of the first cities get those and we got them for the first 12 months for free because I was able to co-op the manufacturer, say bring it to Austin, we'll use it. Only 20 cities out of 18,000 police departments have those units. We have deployed those about 40 times since we've had them and in all 40 cases, the suspect has been captured and the vehicle has been recovered or taken

back. So it has been huge for us, and that's why we're trying to increase it. What they do, the tactic is if you run a plate or see a wanted person you deploy it before you turn the lights on. That way, when they evade, you can just shut it down and we can follow them and eventually when the helicopter gets over and it's been really phenomenal.

>> Garza: Yeah, I thought I heard 5,000. I thought why do we need 5,000 of those?

>> Yeah, we don't have 5,000 cars.

>> Mayor Adler: Chief, you spent a lot of time here today. I think that's probably indicative of the fact that so much of the city's budget is in public safety so I think that that's a -- an appropriate thing to have happen. I just wanted to mention that, you know, I had the opportunity to sit with lots of other mayors going to the U.S. Conference of mayors and other places, and on several occasions I've been in conversations with other mayors, in groups, and frequently the conversation, perhaps because of what's been happening over the course of this year, the conversation has turned to community relations and police relations between police and council. And it's an alarming number of cities to me that, in that conversation, are at wits end with the relationships that they have in their cities.

[1:41:19 PM]

And I think we are very fortunate and very lucky not to have that in our city. And I would mention as an aside, we see here in the newspaper that the Fort Worth police chief is leaving. There are changes happening around the state pip just want you to know I'm encouraged you're sitting where you're sitting, talking to us. I would say thank you for that. My -- you know, it's a big part of the budget. I know that the council is going to be looking at ways throughout the budget to try and address the affordability issue. I wish you had come up with a better word than is "Uncommitted time." You know, it's discretionary time. And I think that there is a benefit that comes from having officers with that discretionary ability. And I just wanted to mention that out loud too. I don't have any further questions at this point so thank you, all, for your time. I think the fact that we are a safe community is one of the significant reasons why we are a desirable community. Mr. Zimmerman.

>> Zimmerman: Turks Mr. Mayor. Just as a quick heads-up, we do have a public safety committee coming up this one. One of the things we're going to propose, there's a very important topic here on pensions and how they affect the budget. I don't think we've even touched on that so we are planning to have some discussion on pensions coming up in that. That's -- is that on the 19th, when we have the public safety committee? That's coming up here in a couple weeks. The 24th. Also, on the question that councilmember Houston had asked about the salaries, it took me about ten seconds to find them on austintexas.gov and they're \$40,000 when you're in the diminishing \$57,000 at graduation, and \$65,500 after your first year. I think they're among the highest in the country. So thank you.

[1:43:22 PM]

>> Mayor Adler: Okay. Anything further for Mr. --

>> Casar: I'll do mine in the spirit of heads-up as well so I'll be submitting questions through the budget q&a process because I know we have to go get some food about spanish-speaking officers, the psychiatric and mental health issues that the chief brought up, and then, third, I do want to have a

continued discussion, as the mayor indicated, around how discretionary that discretionary uncommitted time is, how much of that time we expect to be spent going to churches, knocking on doors, versus crime disruption or looking to make arrests. So I will -- you know, as we get more of that information, I am interested in having that continued discussion with the council on those three items.

>> Mayor Adler: I think you'll probably get more questions than that. Thank you very much for your time. Thank you.

>> Thank you.

>> Mayor Adler: All right, council. Do you want to take a break before we go into economic development or just proceed forward? What's your pleasure? I see -- let's do a quick poll here.

>> Kitchen: I'd like to take a break, short break.

>> Mayor Adler: Those in favor of a short break, please raise your hand 37 all right, let's go ahead and do that. It is --

>> Houston: I don't know what that means, short break.

>> Mayor Adler: I'm just about to call it.

>> Houston: Wasn't going to vote until I knew.

>> Mayor Adler: It is 1:45 right now. Is it possible for us to come back at 2:00? Let's neighboring a short break.

>> Houston: I can do that.

>> Mayor Adler: For the economic development committee. Thank you.

[Recess]

[2:10:18 PM]

>> Mayor Adler: I think we have six people so we have a quorum. We could gear back up. Ready? It is 2:10 we are back from recess. We're going to pick back up the budget briefing. Councilmembers Larry Weis is not going to be here next week. I'm concerned that if we don't call Austin energy out of order here we may lose him. Since he's not going to be here next week. In case we don't get to the very box our agenda today. So it's my intent to call Austin energy up next, after we're done with economic development. Mr. Johns.

>> Thank you. Thank you, Kevin Johns, director of economic development. I'm here with my assistant director and Michelle Clemens, our financial manager. I think that the recent conversation that just occurred with police chief was an excellent one, not only because of the dialogue, but also because of the clear connection between poverty and youth and economic development. And I'm going to touch on that because I think that's central to the -- how we're attempt to go reset the Austin economy. Our vision I think just needs to be stated, but we don't believe that you can negligent poster in the glitter of our success, and you can't keep poverty in the shadows when everybody is getting jobs and moving forward. We think Austin is making a different choice, that we don't have a complete economy now, but that we can have a complete economy, but everybody has to be on board because it's a very difficult route.

[2:12:27 PM]

Today we're going to cover how we'll approach this challenge. So I think the first thing, just as some opening remarks, there are two things that make cities very prosperous, that is the quality-guilt environment and a creative and skilled workforce. Conversely, the things that cost cities the most and prevent them from staying on top are the economic geography, the infrastructure costs, what people commonly call sprawl, because that costs the city four to seven times as much when you're extending infrastructure to areas without the proper economic considerations. We're proposing to address that in two ways in our economic strategy today. I'll go over them. But one of those is the technology called envision tomorrow, which was a \$3 million grant from the federal agencies to allow us to connect to the university super computers and forecast from city council in advance of making big economic decision where's land use is involved, on what the return on investment is to the community, what does it do to the family disposable income? What does it do to taxes? What does it do to jobs? What does it do to affordable housing and open space? So that the city as a whole, in looking at its infrastructure, can reduce costs exponentially. The second area, the second area that is the major cost of growth in cities is the workforce and poverty. When you look at the cost of poverty, you heard what the police chief said on one admission of it. While we have 735,000 people in Austin middle income or greater, we have 150,000 people in poverty, 10,000 hard to employee people, who have been released from jails, homeless, don't have a high school degree.

[2:14:32 PM]

We have approximately 40,000 children who are in poverty, and unless we do something about it immediately, they're going to be the next generation of poster. And so we've developed a -- poverty. So we've developed a strategy for addressing poverty through incentives, attracting the technology manufacturing distribution companies to go to the industrial areas, such as you saw occur with San Marcus, about a week ago, where they got a distribution company and hired a thousand hard-to-employ people. We're going to do that through our efforts to grow the small business community. We have 34,000 small businesses. We need to expand at least 10,000 of them and jump start our start-up companies. If we get 10,000 small businesses to expand, it makes a big bite out of poverty. Lastly, perhaps most importantly is what we're calling the Einstein project. We're going to be proposing a new incentive, a variation of the chapter 380 agreements, where we will be proposing to incentivize the high-tech companies of Austin to teach the children of color and the children in poverty for ten years under the supervision of the ray marshal center at the university of Texas. For the first time they will measure the return on investment. I think everybody knows that during the Johnson administration, the war on poverty got millions out of poverty, the G.I. Bill got people into schools but the economic return on investment on those was never measured. What we're proposing to do is measure the number of kids who move into these jobs that pay \$100,000, their wages, the taxes they pay, and the welfare that's avoided. And we're looking at welfare avoided in terms of avoiding the need for affordable housing, food stamps, medical care, all of the court costs and all the police costs and a package of that.

[2:16:34 PM]

So we're currently estimating that would save \$50,000 a year for every child who does not enter poverty

for the entire lifetime of that child, 18 to 68. So we'll get into that, but these are the core and important issues that we think takes advantage of our prosperous economy and makes Austin a more complete economy. So with that, on the left you'll see our major accomplishments. These are just three of the accomplishments that we're noting. I'm very proud to say that over the last five years, the economic development department, which is arguably the best in North America, has 15 gold medal awards for professionalism, best private public partnership, Harvard Ash government award and the list goes on. Just in April, the American planning association secretary of HUD gave Austin the opportunity and empowerment award for Miller, the top economic award in America. I also want to mention that our whole effort is to leverage scarce public dollars with private sector dollars, and so the \$11 -- \$11 million here that we have acquired from HUD is all federal dollars. Now, we have credit unions and we've got local banks participating but there's no city money involved. So we're leveraging other people's money to loan at 1.5% to grow our small businesses, for them to create new jobs and to help us revitalize our areas. So far, we really launched this about a year and a half ago, after going through the attorney general's office, after getting all of the federal requirements underway. We're really going full bore. We've created already 314 jobs. I'll describe that a little bit later as we go on, if you have any questions, but for every \$35,000 borrowed, the company has to create at least one job and half of those jobs have to be for disadvantaged people who live in the neighborhood where the jobs are created.

[2:18:48 PM]

So we're creating walkable communities where people don't have to drive their cars and there's an additional savings in that area. These key performance indicators these were actually created -- key performance data, these were actually created coming out of the recession, so they're five years old. We are opening to considering what those might look like. Make a few remarks on those just so you see kind of where they're headed. The first one, the cultural arts contracts, the money that we receive from cultural arts contracts is called hotel occupancy tax dollars and it's a shared relationship with the hotel industry. So we have to demonstrate how many tourists use those dollars, how many people are served. So as a requirement, we measure how many -- what is the audience, and so we're up to 6 million. The number of contracts with arts and professional arts organizations, you'll recall -- and you may see on our website that we did a study called the creative economy. And we were able to calculate that the creative economy in Austin is \$4.6 billion, generates \$71 million in net new taxes every year and employs 49,000 people. At the core is our cultural arts division and these 500 contracts. About 250 of the contracts are to support all of the nonprofit organizations in the culture and creative communities of Austin. Another 100 or 150 contracts are for the arts in this building. Art, inc., art in public places and art place America are other contracts that are pretty significant. The third category I draw your attention to, the contract -- the jobs created there. I think it's important to know that the government doesn't create jobs. The private sector does. In this -- and this particular category was designed to reflect the use of our chapter 380 incentive agreements, and you'll see the last incentives that were actually done was about 16 to 18 months ago.

[2:20:56 PM]

Since that time, all incentives have stopped, and seven companies have turned in their agreements. So that's just an indication both of the fact that we have filled the gaps that we needed in the cluster industries we needed to anchor, plus the contracts themselves are pretty intense. The number of jobs created as a result of the family business loan program. Again, this is just an indication of where we're starting to go. We're very confident we can ramp this up. We brought down another \$8 million from the federal government, and we think that we'll be able to spend at least \$4 million this year. The number of participants attending international business seminars, this is just a reminder, 24% of the businesses in Austin are immigrant-owned, and that we have a minority chamber of commerce system, Asian, black, hispanic, chambers of commerce. And this is our effort to use their diaspora and cultural diversity as a strength in Austin. So we're working very hard to get those companies affiliated with our minority chambers to expand and become multinational. The next slide is simply the source of our funds. As you look at that, I'll point out a couple of important items. As you can see, it went up in the proposed budget. There are three reasons why it went up. We acquired \$4 million more from HUD, and so we'll be spending that on small businesses. I'm sure you know, but the main reasons that small businesses do not expand anywhere in the United States is a lack of access to credit. During the recession, the small banks closed and it's just as expensive to make a loan to a big company as a small company, so there is a Harvard study and a study with Brookings Institute that document that so we've ramped up that by setting up a new microloan program for business as well.

[2:23:05 PM]

The second area is the hotel tax, hotel is the hotel occupancy taxes and that is a direct result, that increase of \$1.5 million is a direct result of the success of formula 1, of South by Austin technology -- I mean, Austin limits, city limits, and the big events that we're having that generates more taxes and so those become revenues for our cultural arts division. The third and last that I'll touch bases on is the economic incentive reserve fund. You'll recall that the companies who we've incentivized, when their taxes go up they have to pay more taxes so that's why the money goes into this account. The use of operating funds, you'll see the first five categories of the individual divisions of the economic development department, cultural arts, global business, music, redevelopment, small business. Actually, our largest expenditure is something called third party agreements. Those are agreements that were designated by the mayor and city council of past -- past mayors and city council of things that needed to be funded and supervised by our department. And so \$2 million, \$2.1 million of that are the workforce contracts. So our largest contract in that category is Capital Idea, \$1.2 million contract. The second two are Skill Point Alliance and Workforce Solutions. The balance of those contracts are to fund the five chambers of commerce, the Austin Independent Business Alliance and Austin Technology Council and nine university's incubator so that group marries together our partners in both Skill Point -- Skill Force training and the people who are creating the jobs. Our effort is to try and marry those two up. The second largest increase in support services and transfer.

[2:25:06 PM]

Other funds managed. I think it's pretty self-explanatory. These five categories include the -- you can see

that there's a constant increase in the first three categories as a result of what I've shared before. On the music venue assistance program, that is actually funded by the city, by y'all, and it's to retrofit music venues so that they're quieter and can be expanded in areas close to neighborhoods. The music -- I mean, the business retention and enhancement fund is funded by street closings in a certain area of downtown in district 1 and we're going to be bringing back to mayor and city council an expansion of this as a result of the music industry's recommendation to expand that to the red river district. These are some of our budget highlights. These are the two initiatives that I spoke to earlier. Solely Austin is an effort in our master plan, in the city's comprehensive plan, it calls for something called compact and connected to avoid the cost of sprawl. As I mentioned earlier, sprawl costs four to seven times as much to extend to infrastructure, streets, roads, et cetera. So we are in this initiative inviting businesses throughout the city to form merchants associations, and where they do that, we will work with them to provide concentrated low-interest 1% loans that they can expand. We're also working with the university of Texas to provide free architectural services so they can theme the area. Where our music consensus and creative census shows there's no art or culture, we will introduce that into those areas. Lastly, we're working with the public works department to develop a bicycle trail system from a mile around each one of the commercial areas, so that people can bike and walk to those commercial areas.

[2:27:07 PM]

We're using the new technology I spoke about, the envision tomorrow tool, to run the cost-benefit analysis and the return on investment for each one of these areas. And so we will be able to say what this does to the disposable income of the community, what this does to create jobs, new taxes, and it will allow us to look at whatever we need to do in terms of leveraging private investment. So far, we have nine business areas throughout the city that have asked to participate in this voluntary effort. The first four in phase 1, which will be the pilot projects, are in districts 3, 1, and 9. We expect to have four more districts, four more of these developed by the end of next year. To our goal of having 30 to 40 of these walkable urban village, these attractive workforce areas in the city within the next five years. I'll point out although these were done on a voluntary basis and the businesses who decided to form guilds and ultimately worked towards the goal of creating a public improvement district, it's all voluntary. We're very conscious of the fact of where we need the most help in creating jobs. For example, the district with the highest poverty rate in the city is district 1, Ms. Tovo's district, with 35% poverty. So of course one of the first initiatives -- thank you. So district 9 has 35%. District 3 has 34 percent. District 4 has 29%.

[2:29:08 PM]

District 1 has 26%. And district 2 has 25% poverty rates. So this group is where we would want to do the first pilot projects, to demonstrate the most amount of private investment that we can do to create walkable communities so that in these first four, where the businesses are hiring and the requirements are for them to hire half of the jobs for disadvantaged people within walking distance, that means those people don't have to use a car. So that means they get to save \$6,000 to \$8,000 more so family income goes up. So that is part of our strategy and it fits into the plan of imagine Austin very tightly. Second of

all, the Einstein project. Our goal is to develop an end-to-end architect for stem to include systems, teachers, employers, and educational systems. We've worked with the ray marshal center at UT to measure wages, taxes, reduce costs, so far, all of the workforce and stem organizations are in support of this, all of the chambers of commerce are in support of this, the Austin independent school system is in support of this, the Austin community college is in support of this. And both the ray marshal center and ic squared at the university are agreeing to participate. It's a it's auto huge challenge. That's why we're looking at this over ten years. I don't have to tell mayor and council, but we've had 12 recessions since World War II. They happen every three to nine years. The last ended in 2010. So by all intents and purposes, it's logical that the next recession would happen by 2019. I say that because it's important for us, we believe, to get companies under ten-year contracts so that they tutor the kids and the teachers, and we can measure the outcomes for a full ten years because you can't do it on a voluntary basis.

[2:31:19 PM]

As soon as the economy turns down, the first thing they give up or lower is the charitable costs. So this is an effort, if you can imagine, to that 40,000 kids out of poverty, potentially out of poverty, over a ten-year period. Now, all the kids are at their different age groups, so, in fact, it may be three or four thousand kids a year. We focus on kids who are seniors and tie that together with chambers efforts who are getting kids enrolled in college. So that is a new economic model. Our thinking is, from our first analysis that is based upon studies done by the federal reserve bank of Dallas, federal reserve bank of Minneapolis, and about 10 or 20 studies we've done in early childhood education, is that this will work. What hasn't happened in the past is that the outcomes have not been monetized. We haven't measured what the city saves. We're confident we can do that and show that the savings for the city in terms of infrastructure human service deliver, what you heard from the police department, from all departments in the cost of poverty, we can make a dramatic change. The next slide has to do with our capital infrastructure. We have -- the first three items are all part of the Seaholm tif. The first one is self-explanatory. The bowie underpass, the green appear treatment is for the second street expansion, extension. The Austin studios expansion is a previous bond, art work restoration is what is underway. So that is my overview and our presentation and we'd be happy to answer questions.

>> I've got question. I've got a question.

[2:33:21 PM]

Mr. Johns, thanks for being here today. It's nice to see you too. I have a question for you all. I'd like to go back to slides 4 and 5. And there was a lot of conversation around the music census and the white paper that Austin music people issued earlier. I guess it was in July. And in looking at the budget on page 4, slide 4, for the music and entertainment division, and I notice that that's flat-funded, which would probably indicate a slight reduction, and probably has lost some over that time, then slide 5 shows an actual reduction from -- I guess that's 300,000 down to 200,000. And given the interest, my interest and maybe some other folks on the dais to try to boost the efforts of the music office, what -- and I should tell you, I'm working toward that end, and I'm looking for some revenues to shift over to the music office, but what -- can you kind of talk a little bit about why, given the interest and the information

that's out there, why you flat-funded on operations about a half a million dollars, and then why, on the other funds managed, if that has any relation to the running of that office, why that has gone down by a third.

>> I think that's a very good question. Of course, this is the live music capital of the world, and we're very supportive of the music industry. We funded the music census, as well as the art and cultural census, to map out what the magnitude of the problem was, so we didn't put positions or requests for music or for cultural arts in because we were waiting for the results to come out.

[2:35:31 PM]

And so now we know that there's a huge amount of poverty in the musicians, 70% of the musicians live in poverty and we know that their major issue is not to be necessarily subsidized, but they don't make any money online. And so their only source of funds is through live performances. And so how do you increase their merchandising? How do you make their royalties pay them more money? How do you get them the ability to get sound tracks and gaming tracks and movies and get a roll in how we move forward to increase their prosperity? So there are a lot of discussions now, and as you know from attending the presentation on the recommendations from the music industry, they zeroed in on several recommendations. The first recommendation was for a staff position for real estate to identify music -- potential music venues citywide in vacant properties. So that is something we're looking at, but that just came out, what, about a week or two ago. The second thing they're looking at is, they had -- the real estate community, they had rica meet with them, and the real estate community walked them through all of the things that prevent the musicians and the music venues from succeeding, everything from permitting to planning and zoning, but there was a lot of real estate planning and permitting issues. And so we are working with the development services office, with Rodney, to work through how to tackle those issues. I think most important, though, is the dissolutions have to be done with the private sector. The solutions of how do you get

[inaudible] Not to charge them 20% for their royalty just for registering?

[2:37:33 PM]

How do we get the trouble maker studios and the gaming industries to begin to use local musicians for their sound tracks and for their activity? We've set up a microloan program to help musicians and we've had one that has taken off that's very, very nice, and so we're going to use that as a model. But to circle back around, we want -- we wanted to have the database-driven analysis before we recommended anything, and we think we have that now.

>> Pool: That would be great, and any information that you have that you could share with me would be really helpful. And then on a related note, could you explain the increases that you're offering for the various contracts for the chambers of commerce?

>> Well, I think I'm going to defer that, but the only one I know as an increase off the top of my head, is that we have proposed funding that is going to this month for the Austin independent business alliance, and that is a \$70,000 contract that renews for three years that would have them working on their ipez districts, as well as our part of our annual meeting of all the businesses, creative and private businesses

called getting connected, which is September 1 and 2, and the governor's office will be there. It's resources for small businesses city wide, 60020800 businesses, and the Austin independent business alliance is going to be a participate participate in that to follow up on recommendations for permitting and other things they recommended. If your question has to do with the current funding --

>> Pool: Can you tell us which slide that's on?

>> I'm assistant director. We don't have a slide listing all the third-party contracts, but the chamber contracts were approved a year ago, one 12-month option -- one 12-month contract with four-year options.

[2:39:40 PM]

So we're only in the second year of the five-year contract term so all the contracts are flat. There's no increase for any of our third-party contracts.

>> Yeah. Let me reiterate, none of our chamber of commerce are contracts have increased.

>> Pool: Okay. I guess I misheard what you had said. I thought I heard you say earlier when you were going through the slides inspect that they were increasing.

>> My apologies.

>> Pool: Do you have the Numbers or maybe you can provide them to me for what those contracts are?

>> But there's only five. I can give them to you just so you know. 171,000 for the African American chamber of commerce. 142,500 for the Asian chamber of commerce. 212,500 for the hispanic chamber of commerce. 153,750 for the gay and lesbian chamber of commerce. And 350 -- \$350,000 for opportunity Austin, which is the greater Austin chamber of commerce.

>> Pool: Is the opportunity Austin initiative the one that works to recruit the companies to come to Austin? Is that --

>> That is part of their -- that is part of their contract.

>> Pool: Okay.

>> Part of their contract also is to move children out of poverty, so they've got new benchmarks. If they - I should know this, but has the chamber of commerce presented to you yet on what opportunity Austin is doing? We usually do that once a year.

>> Pool: I guess we'll get that presentation. And then one last question, circling back around to the music office, one more item, do you have money in the budget to add a staffer to that office?

>> No. No, we do not.

>> Pool: Are you -- based on the information that came from the census and the white paper, are you looking at doing that?

>> We're absolutely going to look and see what can be done.

[2:41:41 PM]

Right now, one of the positions is being funded through permit fees, and so it's self-funded. So it is a pretty tight budget, even though it's a half a million dollars. But we're looking into that, but we don't have that in the budget. It wasn't in our unmet need because at the time the census wasn't completed.

>> Pool: Okay. Well, any updates that you have to your unmet needs, please let us know about that. And

I am looking for ways to help folks, the efforts in the work that we do in the music office.

>> Thank you.

>> Pool: Okay.

>> Mayor Adler: Ms. Houston and then Ms. Gallo.

>> Houston: Thank you, mayor. Thank you, mayor. Mr. Johns and staff, thank you for being here today.

We got started on music so I'll just go on that trend. The music census was not particularly inclusive. It left out a lot of musicians of different ethnicities and cultural backgrounds so that things like hip hop and tejano music were not included. And so how do we make sure that when we report -- issue a 200 and some-page report, that it's more inclusive in looking at all types of music and performances in the city rather than just kind of focusing on the usual kinds of things that we look at?

>> Thank you, Ms. Houston. We did review the census and what Ms. Houston has said is true. The response from the hispanic and the black musicians was very, very low. I would say it was comparable to the turnout in an election. And so what we have done is, we've commissioned two separate additional surveys, one just for the hispanic musicians and one for the black musicians.

[2:43:50 PM]

Since the findings are all about poverty and about the need to get music venues and to get more royalties and to get more access, we're pretty confident that the findings will be the same. But we saw it the same way that you did. When we realized that the study did not have a representative amount of black or hispanic mu musicians, we asked for the census to be revisited and expanded.

>> Houston: And I appreciate that, but we also have Asian communities that were not represented as well. So it's -- rather than continuing that silo part of Austin that we continue to do segregated this, this, this, how do we make sure that we're always, when we look at doing studies and census, that we make sure that we're intentional about including all kinds of people in that so we don't have to go back and do -- let's do this group, let's do -- you know what I'm saying?

>> Yeah. I think that we've been having that discussion more and more, and this brought it to light because we had a professional doing the survey, we had people making phone calls to all of the ethnic musicians. We had 4,000 responses. But if you miss a whole population significantly, then we're doing something wrong. And so we're going back and revisiting that. We are reaching out to the hispanic quality of life, the African American quality of life, to the -- all of the chambers that we've mentioned. And -- to see if we can get a better handle on it. We believe that our culture diversity is the economic strength. It brings so much more to what we can do and what we can be. And the music census we think is very accurate, but you're correct, it just -- it missed that population, and so we're going back and we're expanding the census.

[2:45:54 PM]

>> Houston: Thank you.

>> Mayor Adler: Ms. Gallo was next, then Mr. Renteria.

>> Gallo: Thank you for being here.

>> Mayor Adler: Then Ms. Kitchen.

>> Gallo: I have a question on the first sheet, the purple sheet in our notebook, page number 1.

>> The purple sheet? I'm color-blind.

>> Gallo: It was page number 1 in your --

>> This one?

>> Gallo: Uh-huh. So could you help me understand the sources of funds? I know we have money that comes from the hotel tax and other places, so in your pie chart that shows sources of funds, could you just briefly go through that and kind of indicate where those funds are actually coming from?

>> Sure.

>> Yes. Thank you. Synovia. We manage several funds. We have an operating fund that the revenues is a shared cost model that was developed approximately three years ago. So our operating, true operating for staff and commodities includes funding from the general fund, Austin energy, Austin resource recovery, and Austin water. And other revenues that we earn. Then, we manage specific funds that have certain requirements, such the business retention and enhancement fund, which is funded from alley vacation and right of way fees and it has a specific loan criteria within a certain designated area, cultural arts fund, of course, is funded from the hotel and motel occupancy tax.

>> Gallo: Is that entirely funded from that tax?

>> Entirely funded. It's 1.05 cents of the nine cents that we receive. Then you have the economic incentive reserve fund, which is funded from property taxes that are paid by our companies that participate in the chapter 380 program. The hud section 108 is actually a federal funded program that we apply to and receive from the federal government.

[2:47:59 PM]

The music loan program plan was an old one-time use fund, so there are no additional funds once those expenditures have happened, that fund will be closed. And then the music venue assistance program was a fund redesignated to help retrofit music venues to help mitigate the sound, and that fund is funded with a balance from an old liberty lunch fund, with an additional \$100,000 transferred and that was approved by council approximately two years ago. So that is how that fund is funded. So in all, we manage about \$45 million, but again, the true operating is only about 14 million.

>> Gallo: So I've got a question on the hotel tax. As probably everyone in the world knows, we're having a short-term rental discussion, in this community, and the rentals that come in to owners actually pay -- they pay a hotel tax on that. And because -- one of the comments that has been made and the fact that most of these rentals are actually in neighborhoods, they're not in cultural centers downtown, they're not at the domain, they're actually embedded in neighborhoods, and so my question is, how much flexibility to we have in the hotel tax that goes into the cultural arts program to be able to possibly take money and direct it to cultural arts opportunities in neighborhoods?

>> That's an excellent point. I'm going to refer that to the city attorney because we went through near lawsuits on that for several years, on that very subject, and I'm sure the attorney can respond to us.

>> Lela fireside for the lie lawsuit. Law department. The requirements for the tax are pretty specific, it has to put heads and beds as they say, proposal the hotel and convention industry, and it has to meet the authorized uses.

[2:50:09 PM]

So we are using you a of the 15% that we're allowed to for cultural arts, and whether or not a program would be appropriate for the cultural arts funding would -- they'd have to demonstrate how they're going to attract hotel visitors or the convention industry. So it would be a very fact-specific analysis for each applicant that would come in to apply. And the cultural arts program as worked very hard no make sure that their applications are real clear and that every applicant has to document how they're promoting hotel and convention industry and how they fit into the program.

>> Okay. Thank you.

>> Mayor Adler: Mr. Renteria. Your mic.

>> Renteria: Thank you. You know, the economic development budget is \$45 million, and 31.1 million is used for cultural art contract, economic programs, incentives, small business loans, and the other 14.4 million is for operating budget. But, you know, I'm here asking a question about the music and entertainment division. According to this, on page 205, you had 600 evaluations done last year. It shows 140 applicants were served with outdoor music permitting process. And also, on page 200, the music assistance program goal is to help reduce sound level of nearby residents. And, you know, we have neighbors that have been complaining about some of these bars that are -- and entertainment areas that are moving into residential areas, and, you know, we're having to go through the process of calling code enforcement to -- and it seems like you all really have the equipment and the ability to work with these -- with these vendors, music vendors.

[2:52:17 PM]

Would it make more sense to add the enforcement part of it into the economic development department instead of having code go through the process and referring it to you? I mean, I would like to see -- ask that question of whether -- could you absorb that section of enforcement into your department, since you have all the equipment to do the evaluation?

>> Well, that's a very good question. The reason that the code has been more effective is that they actually have a police power. They can actually find the people, they can turn them over to the police department, but the economic development department doesn't have any police powers. And so that is one -- one important distinction. The second is that our -- our music division really doesn't want to be into the enforcement -- the enforcement business. They want to help the musicians get more money, get out of poverty, they want to develop new music venues, so they're kind of stuck between a rock and a hard place. They're doing, literally, you know, thousands of inspections, and so they're out there at 1:00 and 2:00 in the morning and they're working for the neighborhoods, but it's kind of counterproductive because that absorbs all their time, and they're not able to help with improving the economy. So we're struggling a bit with that. We're hopeful that the new development services department and the new -- the discussions you've had with the code enforcement is bringing this issue to light because the neighborhoods clearly -- they need to be able to have peace and quiet. And the music industry, we thought we would help, by having this music venue loan program, which insulates -- it turns the venues into more sound stages, so they're quieter, we hope.

[2:54:20 PM]

But we don't really have an answer to that at this point, other than the music industry really is requiring more of our time and the complaint area, which is very important, is demanding all our time. So we're very stuck between the two.

>> Renteria: So that's where the 600 sound evaluation that you're having to do every year -- so is it basically they're just calling code enforcement and saying, hey, you go out and evaluate the sound? And then you transfer that back to code enforcement and do you all work with these establishments --

>> Oh, yes.

>> Renteria: Like you've got a loan program here, some kind of --

>> You said it exactly correct. We're working with them very aggressively to try to prevent these from occurring. We're trying to get them loans so they can make their areas quieter. You know, one of the things in our budget that doesn't show up is the increase in the 311 calls. Our budget has just gone off the charts. That's because everybody calls the music division to complain about the sound. So we're wrestling with that, to how to be more efficient working would our partner agencies.

>> Renteria: Okay. Well, I'm sure -- I mean, there's a lot of concern in my community because we have a lot of cz-1's that backs up right to the residents, sf-3, you know, single-family housing, and it's just not working very good. So, you know, we're having to just like go through the whole process of educating ourself to try to get -- to learn the city's process because when code says, hey, we go out there, and they said check it out with your little db cell phone, it doesn't really work because you have to sit there, you know, till 2 o'clock in the morning when the music is gone. And you all have the equipment that you all can just set it out there and record it for 24 hours a day, you know, for a whole weekend and see if they're violating it.

[2:56:27 PM]

So I would like to see that you all buy a couple more of those, so you can have it out there so you can help out --

>> Thank you.

>> Mayor Adler: Thank you. Ms. Kitchen.

>> Kitchen: I wanted to just ask two specific questions about the loan program for the small businesses.

>> Yes. Please.

>> Kitchen: I'm just curious if there are requirements related to the jobs that are created, requirements about pay levels and access to health coverage.

>> We're following the federal hud guidelines on all of the loans. That's a requirement of taking the loans out. So it does require davis-bacon on act for all construction jobs, and so we have to measure that and requires an evaluation of the environmental impact of the area. And we measure the jobs. They have to be jobs -- 51% have to be for disadvantaged people in the community. But the wages themselves are not part of the -- of the federal requirements. We're not allowed to add additional requirements to the federal requirements as a part of the loan process.

>> Kitchen: What about health coverage?

>> No. The jobs that are hired, the companies that hire them have to follow the federal rules on health

care, and the administration's health care program, whatever that is. So I'm not an expert in that, unfortunately. But I think that the small businesses are generally required to provide health care or help the businesses help the people who are hired get health care.

>> Kitchen: Maybe you could just double-check and provide that information. So what you're saying is, under that particular program, we're administering it, right, in selecting the businesses that have access to the loans, but we can't put any other requirements -- do we not have any other criteria for who we select, or is all that set by the federal government?

[2:58:38 PM]

>> The loan program itself is set by federal requirements. But we have targeted it into minority neighborhoods and to poverty areas. Now, it has been approved to operate citywide, but I think -- how many of our loans have been made to minorities? Do you know?

>> 65%.

>> Something like 65%, 68% have been made to minorities. That remains our focus. The microloan program, I think, is mostly -- I know two -- the microloan program is set up for start-ups, essentially, so that they're paying themselves if they're paying anything. But the federal program is pretty rigid about its requirements and what you can and cannot do. So as you pointed out, we're -- we're using it as a tool for helping grow the small businesses. The one and a half percent loan is only part of it. We require that they also have bank loans as a part of it as well, so we've got credit unions and other non-profit and for-profit lenders that are part of it. And the blended rate then generally ends up being four and a half, five percent for the whole development, for the whole package. So because the banks have a part of it, we -- it's really impossible for us to put restrictions on what the banks are loaning as well, so it becomes complicated. The best thing that we've been able to do is just stick to the federal requirements. It makes it easier for everybody. Otherwise, the loans don't get made.

>> Kitchen: So we can't restrict, but can we not target? Because you just mentioned targeting minority businesses, for example. Can we not include in our targeting either certain wage levels and/or providing coverage? I mean, there are programs that we could marry this with that help small businesses offer head coverage.

[3:00:44 PM]

It just all goes into the package of -- you know, if we're creating jobs, which is the purpose, we need to create good jobs. A good job means jobs at a certain level, which includes health coverage benefits. So --

>> That's a very good point. We'll check with hud and we'll get you a response back. I'd like to know what limitations we have there.

>> Kitchen: But -- okay. Yes. We can follow up. Yes, please follow up. But I'm not asking just what their requirements are. I'm hearing you say that we have some discretion in terms of who we're target, and I - I'm not understanding why we can't include in our targeting criteria connecting people to folks that could help them provide health coverage. So we can follow up afterwards. It just seems --

>> That's a very good idea.

>> Kitchen: I mean, we're not just doing this with no discretion, we're applying some discretion and

some criteria in how those dollars are used in the program that they're focused on.

>> That's a very good idea. We'll look into that.

>> Kitchen: Okay. Then my second question is just on the economic incentive reserve fund. I think I know the answer, but just double checking, those are funds all committed already by our agreements? Is that the case?

>> That's correct.

>> Kitchen: Okay. So -- and can you just quickly explain to me how that fund works? So the dollars come in to the fund, and then we pay them out at some point?

>> Yes.

>> Kitchen: According to the agreement?

>> The system that is put in place for chapter 380 agreements begins with the opportunity Austin evaluation, we have an independent evaluation of the entire economy, and what the analysis is done is to find where cluster industries were appropriate, where they are, where they can be created, to create anchor tenants to balance the economy to diversify it so if one area of the economy melts down, then we can replace it with another industry group, such as happened several times in and you know's history.

[3:03:01 PM]

So the chamber of commerce goes to find anchor tenants for those industry groups. So for the I.T. Or for the semiconductor or space industry. Then once the contracts are negotiated, they go through evaluation, they come, they egg through community values -- I'm sorry --

>> Kitchen: I'm just going to save you some time.

>> Thank you.

>> Kitchen: I understand all that what I'm asking is about how the fund works, itself, because you said earlier the property taxes are deposited to the fund. I'm just trying to -- inflow and outflow of the dollar.

>> So within the fund there is what we call the lag time. So in the current year, we will collect the property taxes from the companies that still are in existence. They submit a certification. Our staff then goes in and evaluates to make sure that they have met all the performance requirements. Then a third-party independent company -- audit company comes in behind us and says, yes, they have met the requirements, and those funds are paid out in the following year, because it takes some time to meet and go through and evaluate all the requirements. So it is a lag. Funds come in, your performance requirements are evaluated, then you're paid the following year.

>> Kitchen: Okay.

>> Should they meet all the standards.

>> If you meet it. Exactly.

>> Kitchen: All right. Thank you very much. I just want to understand that.

>> I apologize for going on.

>> Kitchen: It's okay. It's okay.

>> Mayor Adler: There is a -- for the council, there's a working group that's convening a community meeting in east Austin on September 12th, to talk through economic development on the east side of town and that crescent area. Do you have any comments or thoughts on that initiative or effort?

>> I think it's a very exciting initiative, the east Austin crescent, and I think it dovetails very nicely into our efforts that you've seen here today.

[3:05:05 PM]

The two recommendations that I have made that I think would be valuable is to bring in the urban land institute, a national team, to do an evaluation of the business opportunities that you could leverage private investment in different areas of east Austin, so that you could understand very clearly what the infrastructure needs are, what the private sector would anticipate, would be cost, how much money they think they could make, under what circumstances would they invest, and by bringing a national urban land institute team, I think we would only be covering their travel costs. I think they do this on a regular basis. I know that that would be an exceptional way to evaluate, for example, colony park, where we own the 200 acres, and see what would be a viable anchor for the private sector. The second thing I would recommend is that we look at case studies of development concepts this large, and so I'm recommending that we perhaps send a team to Oklahoma City where the mayor has initiated a similar effort, but he did it five years ago, and so we could look and see what worked and didn't work in that location. So I think those two things would be -- I think would be very good starting points where we could have both best practices and we could have a case study of something that worked or didn't work before. Our department has looked at the potential for creating a large tax incremental district that would enable, we believe, growth to be driven there and to be supported much in the way you see Seaholm or Miller develop so you could cover the cost of the infrastructure instead of coming up with cash. So those are the three recommendations I think that would move us forward to a more fruitful discussion on how to implement an economic plan.

[3:07:14 PM]

>> Mayor Adler: Okay. And I want to thank you and your staff for working with the staffs of the offices that are taking the initial lead on that for the rest of the council in trying to set that program up.

>> Thank you.

>> Mayor Adler: That's going to be in the morning of September 12th from 9:00 until noon. I want to ask another question that relates to the conversation we've been having earlier today, both on music, and then on public safety, and the intersection of those two things. There was a number that you said earlier about a \$71 million revenue increase that came from something? Do you remember that number?

>> We had a study done on the impact of the creative sector in Austin, and during the recession, the creative creatives grew 25 percent and \$21 million of net taxes for the city.

>> Mayor Adler: Does that include south by or acl?

>> Yes, it does.

>> Mayor Adler: Okay. That makes, to me, a little bit, to make acl, Austin city limits, or south by look like economic tools. There are costs associated with law enforcement and public safety associated with those. There's been some discussion about, rather than handling those at fee waivers that are ad hoc committed by council, to do an analysis and determine whether or not there is a reason why the city should be paying for those as part of economic development and evaluating them the same way that we

would evaluate other for-profit activities that we would or would not be giving economic development co-investment or assistance to. Can you speak to that issue?

>> These are huge economic drivers.

[3:09:14 PM]

We find that cities across the world are trying to induce south by to expand to their communities for that reason. Same for acl, same for our big festivals. So I'm not sure exactly how that would work, but I think it merits an investigation to see if there's a way to cover those costs. The return on investment for south-by, I think the most recent economic impact was over \$200 million. So how do you -- how do you ensure that that happens, but that you cover the cost, that you do the return on investment?

>> Mayor Adler: You say \$200 million. That's increased revenue to the community in general?

>> That's the economic impact to Austin.

>> Mayor Adler: Do you know what the economic impact is in terms of actual revenue to the city, tax revenue to the city?

>> I don't know if that's in the study. There was an independent study that was done. We can look and find what that study reveals and share it with the mayor and council. But it was a pretty thorough independent analysis that was done. It's done every year and it's gone up exponentially every year.

>> Mayor Adler: I would appreciate you taking a look at those Numbers only because the differentiating -- I think there were several people on the council that had -- that last year have talked about those events not being handled on an ad hoc basis, but having to pass whatever rigorous test we have set up for economic development activities and judge them that way, and see whether or not that's something that is something that the city should be doing.

>> Thank you. I think a rigorous analysis should continue.

>> Mayor Adler: Ms. Tovo.

>> Tovo: I just want to echo that. I actually sponsored a resolution about a year and a half ago asking staff to look just at that very issue. I believe we heard some concerns back, and the intent was to look at whether there was a different way of -- of approaching south by southwest and the or large music festivals that as the mayor said have tremendous economic development potential for -- not just potential, but have -- are a tremendous boost to economic development and really should be considered within the chapter 380 matrix that we use.

[3:11:35 PM]

I've suddenly forgotten its name. What is the matrix's name? It has a different name. In any case, the software that you use, whether we should look at it that way, and I think it's a boom both -- I think it would be more appropriate point of analysis both for the decision makers and, frankly, I think it would be a relief to some of the event promoters because they would prefer to have a multi-year commitment and to have a fuller explanation of the economic benefit in that analysis being made public so that it doesn't look like they're just coming and asking for a fee waiver without talking about the corresponding economic benefit to the community. So I know that the staff did some work in response to that resolution, but maybe we could revisit that work. It also asked the mistake of to look toward

opportunities to create a revenue stream, and, unfortunately, some of that discussion really got meyered down in discussion about how the hotel-motel tax, would impact the music community. So as I recall, we never really got some good creative solutions for how we might create a revenue stream for events of that sort, but also treat those large scale events that have requested support in a more thorough way. One of the concerns I thought I heard at the time from staff was that these events don't look like the other companies that come and ask for chapter 380 agreements. While that would be true, as you've done with film and other kinds of businesses in this community, I think we can be creative and figure out what framework does make sense because although they create lots of business Jo, I think the concern, as I recall, but maybe you can speak to it, was, while those other companies are coming and creating year-round jobs, some of the festivals do create year-round jobs, but they also create jobs that are more -- more focused on a particular time.

[3:13:38 PM]

So they'll look different when we look at it before our web loci. But in any case, I just want to echo the comments that were made and I would very much like us to revisit that information and see if we can push it a little further.

>> Well, this is a very good discussion. We'll look at it. I do recall that discussion. I remember that there was several departments involved in the discussion, and we looked at the -- we have the loci analysis, and it doesn't fit this particular model, so another tool needs to be done. But we'd be delighted to look at it and see if we can see what -- what angle there might be to get a better picture of the costs and benefits.

>> Mayor Adler: Okay. Mr. Casar.

>> Casar: Hi, Mr. Johns. I guess I'm here near the end with my questions. So we've noticed that the number of economic incentive deals, especially 380 deals, has declined, and I imagine that there was considerable administrative costs on how you deal with recruitment of those, negotiations, monitoring of those contracts. But considering many contracts have been turned in and aren't active anymore, we're not getting as many deals as we used to, have you included in this proposed budget any rearranging of those -- of the staff resources or cost -- I mean I imagine we've seen some savings considering that we don't have to monitor as many contracts or attract as many folks. So is there anything in this budget that we've moved around from there, or are we still keeping the resources there steady, considering that they may come back, or just talk me through that really quickly.

>> As you can see from our budget, anything to do with incentives is just a microportion of what we do. We really only have one person who does that part-time and it's running the loci analysis. The large part of the work is done by the Austin greater chamber of commerce who we have a contract with.

>> Casar: Is that contract -- I imagine we could take a look at it and it's been altered toot other kinds of work?

[3:15:42 PM]

>> They have altered they are performance measures. They did that two years ago to begin to address poverty issues, but also to fund new sectors of the economy, so they've introduced the space industry.

They found out there was 400 companies in the aerospace industry, anchored by a company called fire fly. They're recruiting to try to find a life science anchor for the innovation district. They're recruiting to find distribution companies and technology manufacturing companies for the hard-to-employ that would go into the inland port area, the strictly areas. So they've shifted their focus. I think this would be a good discussion for you to have.

>> Casar: That would be helpful. Thank you. My other quick question, you mentioned -- I forget if it was commercial stabilization program or which one you were talking about that's going to do our sort of more walkable densified business centers. You said there were three of them that you're kicking off soon. Are those three funded through this budget?

>> There's four. There's four pilot projects, and --

>> Casar: And is it listed in here which ones those four --

>> Yes. The 12th street commercial area, boundaries, are still being explored, as Cesar Chavez commercial area, red river cultural district, and the manor road area, those are the four current ones where businesses have formed together and they're trying to determine how many merchants and what are the neighborhood associations they need to bring into play.

>> I'm sorry, councilmember Casar, what did you just read from so I can follow? Was that in our documentation that you just read from?

>> No, it is not in the documentation. I'd be happy to send the program and those projects, the four pilot projects to mayor and city council.

[3:17:42 PM]

>> Mayor Adler: Sounds good. Please do that.

>> Casar: I look forward to taking a look at that one because for that kind of density and walkability, there may be things related to land use that the council would want to look at at a policy level. Then second, how that's connected to the poverty issues that you've mentioned because, you know, those four that you mentioned primarily are now creative class or middle class areas, even if they are on the fringes of districts that have higher poverty rates. So looking at how we're making sure there's a nexus there would be interesting to me.

>> Thank you. We want to create that nexus.

>> Mayor Adler: Ms. Troxclair. I'm sorry?

>> Troxclair: You go ahead.

>> Mayor Adler: Okay. Ms. Who have.

>> Houston: Thank you, mayor. I just wanted to address the 12th street project because there are Marshall apartments there are there, there are rosewood courts there, so although the 78702 zip code is probably the most gentrifying zip code in the United States, there are still pockets of poverty. There are still poor people who live in the 12th street area. And one of the things that we hope to do with this project is to be able to stabilize the historic businesses that have been there that are in -- that have the potential of being flipped just like our homes have been flipped. And so we're trying to stabilize the neighborhood by information in the 12th street corridor. They came up with manor road all by themselves. I'm not sure how we got there, but that's -- that is still an area where people -- it's on a bus line. People could, in fact, get to work there if there were jobs available there. So I'm not as familiar with

the manor road project as I am with the 12th street, but the poverty there is -- chalmer's is close by, booker T is right there, so we have a lot of people who are low resource who need support in jobs where they can, in fact, work.

[3:19:57 PM]

When we talked about imagine Austin, we talk about stopping sprawl so that people can live and work and play in the same area so that they don't need a car to get around. But now that -- and we talked about sprawl, stopping sprawl with density. But now we've created sprawl, and the sprawl is with low resource people. And we're not talking about that sprawl in the same way. And so until we can stabilize some of our communities and add additional economic drivers in the communities where they are, then they will continue to sprawl. But it's, again, low resource people and not the high-income people. I think in about 1990-something, there was an opportunity to bring Michelin plant here, am I correct? The city council didn't think that was the right -- it was a clean plant, too, if I remember correctly, and somehow the city council decided it was not the kind of jobs we were looking for. Well, now we're looking for those kind of jobs.

>> Mayor Adler: And I would add as we're looking for those jobs, the fact we're not using the 380 agreements and we're not using incentives, I don't see as a good thing. I mean, the fact that it's taken us 16 months and we haven't we know able to issue a new one I think indicates there's a real significant tool in our toolbox that we're not taking advantage of. I think as we've discussed, and I know you're pointed in the same way, we should be attracting -- we should be doing what it takes to co-invest with companies that are willing to come here and locate in areas where we need economic drivers, that are willing to come in and train people who live here for jobs that they have. And I think that that is a real useful and important tool, and I wish we had cause to have several people on that staff busily working to provide those investment opportunities for our city.

[3:22:09 PM]

Further speakers? Ms. Tovo.

>> Tovo: Can I ask for clarification on the solely Austin program? I'm struggling to understand that and how it's different from things like the I-biz district which the Austin independent district alliance runs. Are the merchant associations you're talking about, are they public -- then you used the term public improvement districts. Is that really what's going on, if they -- if they opt into it, that they are then moving toward a public improvement district as we have downtown and south congress has just created one, where they -- where they, in essence, agree to tax themselves for infrastructure improvements? Is that what these associations are going to look like?

>> Yes. I think that's right on point. The difference with the Austin independent business alliance, we really love them, they're great, but they're very exclusive, that they don't let every business be members. They don't let banks be members, they don't let companies that really essentially weren't born here. And so for our effort, we're trying to be more inclusive and we're trying to create essentially a series of regional guilds of businesses that can help with the self-determination and more investment in the area with the business -- with their business resources, but also willing to work with the

neighborhood organizations. And so we have an ultimate goal of having them use their own tax dollars to accelerate the investment in the area, cover some of the costs of our public infrastructure, and be much more aggressive in working to be a part of the community. So I think you are totally accurate, our goal is to move towards the direction of public improvement districts, and for mayor and council's information, we have three case studies, the best three in America, where we did videos. We had them come to Austin. We had them at the carver museum.

[3:24:14 PM]

We had them, how they were formed, how they worked with neighborhoods. One is from Washington, D.C., one is from the New York metro area, one is from Oklahoma City. I encourage you to look at those. They're very exciting. You can see the future of Austin in those.

>> Tovo: And so, again, the examples that came were all examples of public improvement districts?

>> That's correct.

>> Tovo: Okay. So where -- okay. That's helpful. Thank you. I appreciate that. And I know you said that they would also work to stimulate our art and culture, and I hope they will look to -- I think you made the comment where it doesn't exist, and of course I would say it exists everywhere. I think it's just a matter of encouraging them to look to their community and figure out where that is, and then enhance it.

>> That's right.

>> Tovo: Okay. Thank you. I appreciate the update.

>> Mayor Adler: Anything else? Ms. Houston?

>> Houston: Okay. I have one more question about the hotel-motel occupancy tax. Because it is so focused on bringing tourism into the city, that leaves out a whole large section of austinites who cannot have access to that because all of the art seems to be, at least a specific type of art, needs to be downtown so that you can capture. The other thing is that some of these art organizations are what I call legacy organizations that, although they may be not for profit -- and please don't send me thousands of e-mails, but their executive directors make six figures, and yet we're still kind of helping them do that cultural piece. And so yet they're -- there are young folks in our communities who would like to have some of that support and be able to start their own something, and we don't have the funding to be able to address those -- those new start-ups, so could you help me understand how we can free up some of that money to be able to go barter, although we cannot -- again, we can't tie it directly to bringing people in and tourism dollars.

[3:26:35 PM]

So is that where the general fund money comes in? What --

>> Well, we have -- the process has been approved by council, but there are three different tiers. There's the large, medium, and small organizations. And I would say that our department is moving out in various areas of the city to educate those on how to apply to the process and how to get involved. We are in our second year of artist, inc., which is an eight week program, educating all creatives on how to become more business minded and business savvy, so we have several tools again in our toolbox that

we're using to help artists. So you could come in under a sponsored organization, but again, we are here, we are having open houses all across the city, just to educate. So if you could help us, you know, spread the word, we're definitely doing that.

>> Houston: But if the funding is limited, why would I want to spread the word and then people get disappointed because there's no money there?

>> Well, it's going up every year. As you can see, the more festivals that come in, the more revenue we have, so, again, we're in our second year of our two-year funding cycle so next year it will be an even larger pool. So I would definitely encourage anyone, all those who are interested, to come see us, come talk to us, because there are opportunities.

>> Houston: And I'll do that, it's just that those that are getting the funding now will ask for more funding, so, I mean, it's not like we ever turn over anything. It's -- people always need more. And so even though we may get more in motel-hotel occupancy tax, those same people that have gotten it will continue to want some additional funding. So it's just -- it's a real difficult thing for me to go and say to people they're willing to talk to you about how to get a piece of the pie, and then the pie is getting smaller and smaller.

>> Thank you, Mr. Mayor. I'd like to speak to that piece of pie.

[3:28:37 PM]

That's one of the pieces I'd like to send back to the taxpayers. I do need to remain you -- Mr. Johns, appreciate all the information here, but I did run on a campaign to abolish the economic development department. It looked to me like we did not have a development problem before this bureaucracy was created. We don't have a development problem now. It was a bureaucracy and money that's been spent to solve a problem we didn't have. So I'd like to see the department abolished. So if we did completely abolish your department, how much would that return to the budget, to taxpayers?

>> That's a very good question. First, we -- I guess we'd have to look at what that would mean to the cultural and arts and the \$9 million that would have to be administered. I think then we'd have to look at the small business program and the \$11 million from hud and how that's run and the -- what the return on investment or lack of for the small businesses that are getting technical assistance in the start-up programs. I think we'd have to look at, you know, what happens with them, the music census and the music recommendations when none of those are implemented. We have a critical role with the implementation of the imagine Austin plan. You've heard about the solely Austin initiative here which is the urban village system. And that's based upon taxes generated, jobs generated, so I guess we could do -- you'd have to do a cost benefit of that. If you continued to fund the chambers of commerce, then you would not -- you wouldn't save any money there. If you discontinued the funding of the chambers of commerce and the workforce organizations, which are our biggest expenses, I guess you could probably save some money there. But I think your original question is, why were we created and what is this bureaucracy all about, if that's what you consider us.

[3:30:49 PM]

Us. But there was a dot-com boom and a dot-com bust. When that occurred, a former mayor, when the

city lost tens of thousands of jobs and the structure of the city had to be altered tremendously and poverty went up enormously, there was a city-wide team that was assembled from public and the private sector that decided that creating an economic development department was in the best interests of the city. In order to continually diversify the economy, to administer the tools that needed to keep Austin a prosperous community. So I know that your campaign was your -- your motion or your focus was to eliminate us. I don't think I can really answer that because I think that there's a lot of things that would have to be done.

>> Okay. That was a decent advertisement for keeping you in existence. But I still maintain that in my district, northwest 6, northwest Austin, you guys could disappear and the vast majority of them would never know that you ever existed.

>> Houston: Mayor, I have one last question.

[Laughter].

>> Mayor Adler: It seems to me Ms. Houston, I am calling you on every other person today. I'm just saying, I'm just saying.

>> Houston: It's over here. Over there I didn't get but once a day. It's moved to the left side.

>> Mayor Adler: All right. It's my better side.

>> Houston: The better side. This helped me remember this question. Workforce solutions we give about how much money to that particular economic --

>> Workforce solutions, receives 498,000, skill point alliance, receives 437,000, capital idea receives 1.4. For a total of 2.1 in workforce development.

>> The last one was.

>> Capital idea: 1.4 million. How many people graduated from that program?

[3:32:50 PM]

>> We can get that information to you.

>> Houston: Okay, thank you.

>> Mayor Adler: Okay. Anything else, thank you very much.

>> Thank you.

>> Mayor Adler: Thank you. We're going to go out of order, as I said earlier, we're going to call Austin energy since Mr. Weis will not be in town next week. Our agenda is calling for us this afternoon, after Austin energy, to have development services, planning and zoning and then Austin water this afternoon.

>> For tonight?

[Laughter]. It is 3:30 now. Do we want to let any of those departments go. Where is ed? Ed? Mr. Van eenoo, we lost him.

>> Mayor, how late do you all want to go today?

>> Mayor Adler: The question is how late do you want to go? We could stay here to hit the four remaining departments? At the space we're going, odds are we're not out of here at 5:00 or 5:30. How late do we want to go? 6:00? 5:00?

>> She has a baby.

>> [Indiscernible].

>> Mayor Adler: What's people's preference? Yes?

>> [Indiscernible].

>> Mayor Adler: What time.

>> They have it booked at 5:00, but I think it starts at 6:00. So --

>> Mayor Adler: So probably 5:30 then.

[3:34:52 PM]

Elaine, how many people do you think we're going to be able to get here until 5:30. Should we let some go.

>> I would imagine we can get Austin energy and probably one more department. We have development services, planning and zoning and Austin water. After Austin energy. It really depends on how many questions that you have.

>> Mayor Adler: I would think at this point I would let one of these go and keep two. That will leave us three. I'm going to let one go keeping three right now unless someone objects because I doubt we're going to get to all four.

>> Mayor, given it's taken us an hour and a half average for each committee, if we are keeping three, that's four and a half more hours that would be 8:00.

>> Mayor Adler: If you look the at next page, we have two more half days, if we continue to work at the pace we have been working on the days that we get set they we don't get through all of these. Then we're going to have to make the conscious decision to pick it up as a group. My decision is we let one go and try to hit three here and carry one over to the next day. At the end of the deal we're not going to get to the last five or six. So I would propose to let one go and push hard.

>> Plus we're moving Austin energy from a different day, right?

>> They were on today, we're just moving them up earlier today. Ms. Tovo.

>> Tovo: I would just wonder -- sounds like then we would probably end up splitting development services and planning and zoning, I'm not sure if we want to do that or do them together on one day.

>> Mayor Adler: I was going to keep those two and let Austin water go.

>> I this I that makes sense. I think that makes sense. You want to do that? We will let Austin water go and we are we're going to hit Austin energy here and really book to get development services and planning and zoning.

[3:36:57 PM]

All right. Proceed, please.

>> Good afternoon. Larry Weis, general manager of Austin energy and I have mark our cfo with me, along with David (indiscernible) On our budget office. And Robert good, of course, assistant city manager. I'm going to go through the department overview, the slides pretty quickly. And I think I want to start out by saying that this budget year I think we've got some good news in the budget. And I'll start off by talking about our growth. We're a retail electric provider for 450,000 roughly customers. And if you've been following our statistics of -- over the last few years, this is pretty rapid growth for us. We have over 3900 megawatts of generation, including natural gas, coal, nuclear and our renewable contracts. We operate and maintain 74 substations, 11,500 miles of distribution line and 624 miles of

transmission. Our major accomplishments, we continue to have outstanding reliability, we measure our reliability by some acronyms, which I will call (indiscernible) And our transmission index, what they really are is the frequency of outages that we have and the duration that we have. In our details you can see what that is. But basically the lower they are, the better, it's like a golf score. We continue to have very good reliability. We continue to increase our renewable portfolio. We have positive financial results for our reserves and we update our generation resource plan to 2025. And we're among the top 10 cities in the United States, that's back and forth, like a horse race on electric vehicles. Our Austin 311, Austin energy, is a little unique in a comparison to other city-owned electric utilities in the country.

[3:38:58 PM]

We operate the 3111 system for the entire city. We also do all of the billing for all of the utility services for the city. We signed a contract for Austin's first community solar project, which is underway and our line crews have a competition every year. We took first place this year at the 19th annual Texas lineman's rodeo. So key performance indicators down at the bottom, one I get questions about every budget year is what does that mean, heat rate. It's basically the efficiency of our generation as it relates to the market and that's relatively unchanged. Our frequency of outages is at .80. And proposed but that's our goal our actual for last year was .57. Renewable powers, percent of consumption, forecast has us moving to 30%. Now as you know, we have a lot of renewable contracts that we've already entered into, those are just -- those will put us substantially above that, but they are as of yet not generating because they are being constructed. Customer satisfaction through customer surveys are forecasted to be improving. Experience with rates always tends to bring your customers satisfaction down a little bit when you -- when you have new rates and changes and we're well past that. And working hard on our customer service objectives. Our fuel costs, when we took up fuel costs, we look at our power supply adjustment as is really what's that's been changed to. We're forecasting for that to go down and we have some work discussions on that coming up. Our ratings from our credit rating agencies were at aa minus and stable. We do not project an fy '16 change in that, but I will say that we have reason in the future after that to probably look for an increase based on our performance.

[3:41:08 PM]

The next slide is our source of funds. And the source of revenue that we have coming in is in our base revenue. You will see that it has gone up. That doesn't mean that we're changing rates. That means we're growing. So we have increased revenue from -- from increased customers. Our power supply adjustment will go down substantially this year. In the budget. And that will take effect after this budget year end, but it's a big savings that will be passed on to customers. Our community benefits charge remains relatively unchanged in terms of revenue. The regulatory side, from last year, we did not recover all of the regulatory revenue. This is a pass-through, it's a cost that ERCOT puts on to us and we pass it there you to our customers. Through to our customers. We undercollected last year, so we're going to be trying to get that back this year, so that shows that. Transmission is unchanged and interest and other basically unchanged. So in the next slide basically gets into it a little bit more specific on the base, as I discussed. This has to do with customer growth. We are normalized for weather and for sales,

our customer growth is 1.3%. That's pretty substantial in our industry. Power supply adjustment, we're having a \$70 million decrease. This will be passed on to our customers in their power supply adjustment charge that all customers receive on their bill. Our regulatory charge, 50 million-dollar increase, due to the undercollection of last year to keep our rates from exceeding our -- our 2% per year no greater than impact to customers, so that's what we did last year, we undercollected on a regulatory, pass it on this year. Community benefit for change. Other increase, we have our downtown chilled water business. Of which this building is on. We're having a significant amount of growth, \$6.6 million of increased revenue from the new hotels that -- that have opened and are operating and being provided chilled water from our system.

[3:43:20 PM]

The -- the other is we will be proposing a new rate in our large commercial rates, industrial rates, well, commercial industrial, they are called primary rates. And we have now a primary one, two and three rate. We will be putting forward a primary four rate. This is to capture the customers that are very large that will be coming off of contracts. Our power supply adjustment covers dollar for dollar the net power supply costs consisting of ERCOT revenue from power production, our costs for fuel generation, that would be coal, uranium for south Texas project nuclear fuel. Purchased power agreements that we have with entities for solar excuse me wind energy and power purchases needed to serve retail customers. What it does not include, it does not include the interest for any capital generating facilities that we own and any of the labor associated costs of operating that generation that we own. For example, sand hill facility would be an example of that. The FY 2015-16 forecast that power supply adjustment is based on a rolling 12-month period ending February 2015. Market prices are decreasing resulting in a lower PSA. We talk about that, we talk about gas prices going lower. It isn't directly just gas that's lowering it, but here's what happens in the ERCOT market. So much natural gas generation in the ERCOT market it dominates the market. When natural gas is inexpensive it brings the entire market down, including coal and everything. That's what we're experienced. In fact these last few days of extremely hot weather have been -- I've been very surprised at how low the cost of power off peak in this market today.

[3:45:21 PM]

The proposed rate includes actual data updated through June 30th of 2015. We have a couple more months left of this fiscal year so we hope everything keeps running the way it's supposed to and we'll end up the fiscal year projected with these numbers. Our proposed rate decrease of a typical 1,000 kilowatt hour per month residential bill will be by 2.1%. The regulatory charge is Austin Energy's share of the state-wide grid cost using the transmission grid as well as managing and expanding and keeping those lines. We're roughly about 4% of the entire grid, which set a new record the day before yesterday, I think, about 70,000 megawatts. So that's where we fit into it. When -- we also are getting really close to sitting a record. We helped bring more renewable energy from west Texas through this regulatory charge and costs are reviewed and approved and apportioned by the PUC, the public utility commission of Texas, and other non-discretionary other regulatory costs may also be included. So that's how we account for the regulatory charge. In our revenue highlights, we are showing in a typical residential

customer impact, we have the customer charge no change, the base electricity charge no change, the power supply adjustment will be a 20% decrease. In the power supply adjustment. It will go from 3.945 cents to 3.145 cents. 3.139 cents. I guess I can't read that very well. So community benefits charge will remain unchanged and the regulatory charge will go up to -- will be changed to \$5.84 for this period of this one year. We anticipate going forward to the next year that we will not have that charge there, so that's basically a one-year makeup depending on how the ERCOT bills come in.

[3:47:30 PM]

The typical, total monthly bill is a decrease of 2.1%. Staying with the council's goal of our overall system revenue of not increasing it by -- so this is a 1.5% decrease to the average system rate. For -- for the utility. So what did we use all of the funds for in our departure expenditures? Our non-fuel O and M. That's keeping the lights on and operating the system. We have a slight increase in expenditures. We have a power supply adjustment decrease, which I've already discussed. We have a recoverable expenses that are basically pass-throughs. And we have nuclear and coal, those are costs that we are in our power supply budget. We have transfers and debt service. Which include the city of Austin transfers from Austin Energy. And expense refunds and grants. So overall we also at the upper right we have FY 2016 FTEs, the 1672, so there's no change in our FTEs for this next year. So starting with that on our cost containment efforts, we have no new FTEs added in the budget, nor have we much in the last few years. I get questions about how we're doing that and I want to be clear that one of the reasons for that, in some of our extremely complex positions, which require engineering and IT skill, in some of the IT arena that we are actually contracting for some of those services because we're having such a difficult time filling those jobs. We have high vacancies in recruiting positions and we go out to recruit someone, we'll get them in, we'll talk to them, ready to take the job, they get another job offer and we start all over.

[3:49:41 PM]

This is a very difficult market in it and a very specialized software engineering positions that we have. So also what we have done with FTEs is I've tried to balance the company and take as we grow, the electric craft to operate the system, to try to make sure that we are right-sized in our management ranks and maybe we can move FTEs from that part of the company to the other. So we've been doing some work on that. Because we are growing. Power supply adjustment decrease. We discussed we have lower transmission costs for the grid build out and we have contract maintenance costs at Sand Hill and Decker power plants of a savings of \$2.3 million. We also have a decrease in the nuclear and coal operating costs this fiscal year, 1.7 million. Our department service reduction due to bond refund savings in 2015 of the 3 million that was different than our forecast and our capital improvement program transfer by use of line extension fees. So a couple of years ago, we included or raised the cost required by developers to hook up to our system. So that's had an impact there and our bad debt expenses come down. Temporary employees to supplement staff for pole audit and audit attachments by outside vendors, we've had that as a \$2 million project. As you know, there's been some very large companies in putting high speed fiber and other types of technology in our utility system and so we've been providing for that. Administrative fees are cost drivers from the Electric Reliability Council of Texas, 1.2 million. In

our fy '15-'16 new appropriations and spending plan, we have transmission and distribution upgrades.

[3:51:48 PM]

Including substations and networks and street lights. We have system reliability improvements. And 21 million for growth-related projects. In our power supply arena we are also taking care of our machines that are out there and we have \$36 million for on site energy additions and improvement. That's our chilled water business. 3.8 million for preliminary engineering work to meet the council's new generation plan that was approved by council in 2014 and that includes the 500-megawatt combined cycle project at Decker. The utility-wide facilities and technology, we have 37.3 million and we have about \$30 million of hardware and software enhancements to the utility systems. In our energy efficiency and demand response programs, I won't be line by line -- I won't go line by line, but basically the staff has determined there's some market areas where we do a lot of hard marketing of our program rebates and our other incentive programs to commercial and residential customers and we want to be pretty accurate with our forecast. We are forecasting less participation in some of those areas, existing commercial, for example. Of a decrease of \$800,000. And we also have some other areas showing some decrease due to participation. So what we've tried to do every year with our energy efficiency is be as accurate as we can to forecast and that's what this -- what this slide shows. So that's the last of the slides that I have for a pretty quick run through with Austin energy and I'll open it up for questions.

>> Zimmerman: Thank you for all of that, could you back up on the slide, I wanted to make a point, the one there, this one here.

[3:53:52 PM]

Down here there's a line about four down it says free weatherization costs 1.37 million. So I appreciate that. The appreciate the fact that the free weatherization has a price tag of 1.37 million. I would really appreciate it, I like you putting those line items in because people think something is free but it has the cost of 1.37 million. So thank you for doing that. Good job. The other thinkery, if you will back up -- there was a slide that shows transfers and debt service. Right there. Fourth, fifth column there. Transfer/debt service. That to me is like -- it's not apples and oranges, it's apples and maybe bacon and those things need to be split apart because, you know, the debt service that you are obligated to pay for the bonds and what have you, capital expenses, they have nothing to do with the transfers. Am I wrong?

>> No, you're right. This is a very simplistic view of our use of funds in total. To -- this slide I believe fits all of the other departments of the city and -- but we do have that detail as broken out substantially in our backup. So you should have it.

>> Zimmerman: While we're on this assumption, the column right before, which is nuclear and coal, this is -- this is apples and bacon again. Because I know there's an agenda to get rid of CO₂ emissions, methane, which has something to do with coal. But nuclear, it's a clean-burning fuel. Right?

>> It is. Yeah, we didn't categorize it by clean or whatever. These are -- go immediate, mark.

>> Joint projects.

>> These are projects where we have a use of fund because they go to another entity, so in other words

Austin energy does not run stp, we have a company that we're a part owner of that does: Lcra operates fayette.

[3:55:53 PM]

We are not the owner/operator, we are the participant. So that shows the money that we pay to them.

>> Zimmerman: But that's the same with the solar plant. We don't own the solar facilities either.

>> Correct. So that's in the power supply adjustment. It's a different --

>> Zimmerman: Okay.

>> We have assets here. That's I think the difference.

>> Zimmerman: One final point. Because we've been doing a lot of work with that nacogdoches wood burning wood chip plant as you know. Maybe I'll have some other questions there. But it came up when we were investigating that that the most efficient way to produce power, the cheapest way to produce power right now is nuclear, isn't that correct?

>> Not exactly. Nuclear has extremely high capital costs at the beginning.

>> But we have the south Texas nuclear project virtually paid off.

>> But it wasn't at the beginning.

>> Zimmerman: But it is now.

>> So it's like a hydro-electric project. You know, you have a very inexpensive fuel, very high capital costs, at the end of the life of the plant, on both of those, you'll have extremely low power and that's the benefit of it. And but I will say that probably nationally, as a part of our agenda to have a clean power plant, nuclear does have a play in that. And but -- and coal does not, obviously. So --

>> Mayor Adler: Okay. Ms. Garza.

>> Garza: Thank you. You mentioned the two million on one of the slides for temporary workers for -- you used Google as the example. But then there's also a line on -- in our big binder on page 471 that has a 1.3 million for temporary. And we've just heard concerns how sometimes temporary employees, they are called temporary employees, but they in fact are not temporary employees. Can you explain the difference in the two million in the slide and the 1.3?

[3:57:58 PM]

Are those two different groups of temporary employees?

>> Yeah, those are two different groups. Specific projects, they could fill in real detail, but from a high level we are doing a project for companies that are putting high-speed fiber in and we're retaining outside contractors to do that work. Our crews are too busy, frankly, to do that, we just can't handle the work that we have so they're doing that. On the other side, we do have a series of contractors, contract employees, that I mentioned, that we have such a difficult time hiring those individuals in the industry that we have to go outside and contract for them. So, mark, do you want to add anything to that?

>> Well, the 1.3, it says increase in temporary employees for increased workload. Is that -- those are the specialized engineers that you're speaking of?

>> They're more specialized in it. Our it work tends to be kind of a combination of engineering and it, very specialized real-time engineering work that goes into our system automation and our -- energy

management systems and the like. So we also have a lot of sophisticated tools that we launched, like the automated distribution management systems and the like. And so we -- so we have a lot of it needs.

>> So they are -- but they are temporary?

>> They are [multiple voices]

>> We've heard of temporary employees that stick around for like three years.

>> We have a combination of temporary and we have contractors. So we would hire contract software companies and so forth to do pieces of work for us. They're not there forever. For example when we have the ccmb system, when we put that in, we had to hire temporary contractors to do some of the software work. As we get that done they go away. But then we always have another project coming back, so it's pretty complicated internally to manage that. But we are forecasting to try to reduce some of that.

[4:00:00 PM]

Because we've already installed a lot of the projects that we're doing.

>> Okay, thank you.

>> Uh-huh.

>> Mayor Adler:

>> Mayor Adler: Ms. Tovo, and then Mr. Renteria.

>> Tovo: Just wanted to mention, given our discussion about nuclear, and maybe our staff can confirm this, with the south Texas nuclear project there have been some pretty costly repairs in the last couple years, as I recall, and so you talked about the up-front initial capital investment, but it seems like -- it seems like we've had some pretty substantial repairs in recent years with closed-down sections of it and various other things.

>> That can happen.

>> Mayor Adler: Okay. Mr. Renteria.

>> Renteria: Yes. I just want to go back to your contract workers. You know, your contracting of the Google technology cables. I wonder, are you all keeping a track on these guys that you're hiring? I've been hearing a lot of complaints about how they've been doing their work and how rude some of these employees are, especially in the battle bend area where they're taking up people's -- you know, laying lines there, and I wonder, do you all track complaints on these companies, or do you have any oversight over them?

>> Well, I'll just say when the complaints get really bad, I hear about them directly and I get calls directly. I have not had many, but I do know that it's not a perfect world out there. I will tell you that in a city this old, when you start putting anything underground, there's so much unexpected there that you're taking a lot of risks. And so I know that I have met with the company in question here that's been doing the work. I met with them. They're working as hard and diligently as they can.

[4:02:02 PM]

There's a lot of unexpected facilities underground. There are also expectations that our facilities are underground, but they turn out not to be there, so they have to be extremely cautious when they're

working there. So it has been -- it has been a slow process. I don't know that there's been an extraordinary amount of customer complaints, in my opinion, based on a project the size of this and the scope that it is, but we -- we become concerned about our attachments. If you look -- I suppose you don't drive around and look at power poles very much like I do, but when I drive around and look at our systems, we have so many attachments on our poles. We have a multitude of attachments. And it's a structural issue, it's a safety issue for our personnel, and we are addressing it. So we do keep a pretty tight reign on the contractors and on the attachment, and we have staff dedicated to supervising those contractors. But we can't -- we could not staff up ourselves fast enough to do the work that need to be done in the case of this project.

>> If I may comment, as city , am we're hearing two different complaints. The complaints I think you're referencing are not Austin energy's contractors, they're Google fiber contractors that are in the roadway. So we are now communicating back to Google and saying we're hearing a lot of issues. So we are trying to coordinate and find out what's happening because we are hearing those.

>> Renteria: Yeah. I appreciate that. Because I had some bad experience when they were -- not with Google but the other company, when they were laying their cables.

>> Sure.

>> Renteria: And there were promises they were going to come back and fix the -- you know, the walk area and the sidewalk area, and, you know, they just never showed back -- they never did come back, so those are the kind of -- I know that sometimes, you know, just these little small, minor things that really, you know, put a black eye on some of these companies, and especially how their employees handle it.

[4:04:19 PM]

>> I agree.

>> Renteria: So that's why I was bringing it up.

>> Mayor Adler: Thank you. When will we hear back from you as to the gaap study, as to the inquiries that the community is making about how much of the new -- the rfp contracts to execute on or not execute on, when do we hear back? When do we have that conversation?

>> I'll let mark answer this question.

>> Mark debossi, chief financial officer. The initial intent was to complete the independent review of the generation plan prior to the rfp for the 600 megawatts of wind. Because of purchasing issues and protests on the contract, we got late on the independent review. We now have under contract and working, but we expect to have their final report within the next 90 days.

>> Mayor Adler: Will that still give us time to execute on the rfp contracts? Will they all still be available to us at that point?

>> We'll still have the rfp. Whether all those resources that they bid in on the rfp are available at that time, we don't know. They bid those potential development projects to a number of utilities, and so the first one that bites gets it. I'm not sure -- our vice president for marketing operations can give you a response next week. He's working with those proposers on that rfp.

>> Mayor Adler: If you could. There's some concern -- I mean there's some people that would like us to go ahead and execute on those contracts now. There are other people that are suggesting it would be more prudent to wait till we got the study back. But if the study is going to be too far out in front and

there's a danger of losing those contracts, then maybe we need to have that conversation sooner than later. So the timing of those two elements I think are related, and if you could get back to us and just let us know how they relate next week, that would be helpful.

[4:06:26 PM]

>> We have a committee meeting at the end of August.

>> Mayor Adler: Okay.

>> And we attend to address it then.

>> Mayor Adler: Okay. Thank you.

>> Intend to address that. I will say that some of that is -- in the Texas market, there is, as of yet, no solar developers that are bringing their projects to merchant status, that is to say they'll just build it and sell it into the ERCOT market, so I'm not concerned that some of those contracts will go away from that standpoint, but they may want to take those resources and build a project in another part of the United States. You know, they might want to do that. Because we have -- in the details of the different companies that have bid, we have many, many different companies that have bid different pieces. So it's pretty complicated. But we'll have it all prepared for the end of the month, and I think that also we will be prepared to discuss what are the implications of tax credits going away or not being there, too. That's another part of it.

>> Mayor Adler: I think that is a part of it. It all relates. I just don't want us to have decision that's kind of made by default because of the timing associated with how things are fitting together. That's the concern.

>> Duly noted.

>> Mayor Adler: Thanks. Ms. Gallo.

>> Gallo: Thank you for being here. I've got a question on impact the consumer debt that we have has on our rating and what is the consumer bad debt that we have at this point?

>> There is a line called bad debt. The impact it has on our credit rating would be to the extent that it degrades our net income, because that's revenue we've earned but we did not collect. Last year it was just under \$21 million. We are forecasting that to go down.

[4:08:26 PM]

I believe it's about \$15 million for next year. We continue hopefully to bring that down working with our customers.

>> Gallo: And then as we roll into the new installment and customer assistance programs that we passed in June, how will that affect?

>> One of the things we hope to do is to be -- intervene with the customers much earlier in the process so they don't accumulate as much debt to the utility. We can work with them at that point. Once you get a resident with four or five or \$6,000 of utility that becomes very difficult to collect. The ones that are impacted the most. So we -- we're working with the customers, our customer care group, to try to intervene earlier and try to get those customers online.

>> Gallo: So do you -- I mean, it seems to me that that's a real positive movement in the right direction,

being more aggressive or having a program that's more easily worked with with the customers. I mean, do you get a sense as a department that we're moving in the right direction with that, or is it better to --

>> Well, yes, I think we are starting to turn the corner. You know, the policy -- the policy discussion that we had before council last was how many arrangements do we allow customers to make and all of that. And it's -- it's challenging because it isn't an Austin energy bill that we're talking about. We're talking about the bills for all utilities, all of the services. So -- and when a customer is delinquent and they're turned off, they're turned off for everything. So that's unique. And it's very challenging for our customers. But, like mark said, we're starting to turn the corner. The policy changes that are made here I think will help. We -- I think from my perspective, we didn't end up with the recommendation that we, the utility, recommended, but we ended up at a better place.

[4:10:29 PM]

And I think at what -- what our duties, is to come back to you frequently and let you know how we're doing.

>> Gallo: That was going to be -- thank you. That was going to be my next question, is what period of time would be a reasonable at of time to give you a chance to see how this is working, to come back to the council?

>> Quarterly is how I look at it.

--So I think quarterly we can do that.

>> Gallo: Thank you again for having a very lean operational budget with your department. That's very appreciated. Thank you.

>> Well, thank you.

>> Mayor Adler: Okay. Anything else? Ms. Troxclair.

>> Troxclair: I heard you mention during the presentation something about you were marketing aggressively -- I think it was specifically in regards to one of the rebate programs. But do you -- what is the -- your marketing budget overall? How much do you spend on marketing or advertising?

>> Just a second.

>> That, we can get back to you. I'll have to get -- it's within the customer energy solutions --

>> I think what we could do is, we could report back to you because we market in a lot of different areas, and some of it's not directly tied to specific programs.

>> Troxclair: Right.

>> But Debbie is here and she can answer from her perspective.

>> Until this also year we spent very little money in marketing just our programs remember the as a result only 40% of our customers realized we had those programs based on research we conducted. So we increased the budget in this past year or current fiscal year we allotted one and a half million dollars for marketing those programs. We expect we'll fall a little short of that and we've pared that amount back for fiscal year 2016 to one million dollars. Because it's a small portion of our budget and it served to really lift awareness in our programs and participation.

[4:12:34 PM]

>> Troxclair: So it seems like you're talking about marketing for specific programs, but I've also seen -- like I saw recently there was an event at the long center and Austin energy was a sponsor.

>> Okay. Yeah. That's where I thought you were going.

>> It's marketing events and outreach, as Mr. Ruiz mentioned, there are other monies that are spent in support of those types of efforts. For example, the science fest and those sorts of things.

>> Yeah. Outside of the energy efficiency programs and all of that which is in Debbie's organization, publicly owned electric utilities by cities or other electric cooperatives, number of others, are very integrated in the community, so we use a lot of opportunities. We -- for example, we help sponsor the south by southwest eco. We help sponsor a number of issues. Historically, we've helped support long center. And the marketing that we get is no different than any other utility. Our branding, Austin energy brand, we want to have that out there.

>> Troxclair: Right. Okay. So would that one and a half million that you mentioned, does that include your total marketing budget, including things like that? Do you know how much that -- what that number is?

>> We can get back to you with that amount.

>> Yeah. We're going to have to detail that out and get back to you. Because it's in a number of different places.

>> Troxclair: Okay.

>> If you want to talk about marketing as a whole, then I'll have to get back to you on that. Because that comes from a lot of different places.

>> Troxclair: I understand if the purpose of doing those things is because you want to support the community, I guess that's one aspect of marketing, but I mean in general, most of your customers don't have a choice. I mean, a lot of people who market, who advertise, do it to gain market share or gain customers. A lot of people who are Austin energy customers, they don't have a choice of their electric provider. So it, I guess, takes away that benefit of marketing.

[4:14:36 PM]

So that just made me curious. That's one of those kinds of things -- that's the kind of thing that my constituency -- and they say, is that why my utility bills are going up, because we're spending money on, you know, sponsoring some event? So I just thought I would ask, since you mentioned marketing.

>> That's related to the one and a half million that was included last year, we offset in other administrative costs an amount necessary to cover that, so that it wouldn't have the impact that you're talking about, councilmember. Good question.

>> Troxclair: Uh-huh.

>> Mayor Adler: Anything else? Thank you very much. Thank you. We're going to move on to then development services, and then we'll do planning and zoning.

>> Good afternoon.

>> Mayor Adler: I don't think your mic is on.

>> There it is. Good afternoon mayor and council, Rodney Gonzales, act with the development services department. With us is Meredith quick, Melissa Martinez, our chief administrative officer, and we've also got both of our assistant directors, as well as our I.T. Manager, Greg hand, with us today. So I think

I'll just wait for the presentation to come up.

[4:16:37 PM]

All right. Well, thank you for the time to allow us to present our proposed budget to you. As we had mentioned in the August 4th work session, we've got six performance goals we're targeting through our action plan, and the budget provides the resources to help us meet those purchases goals. And those include reducing wait times, ensuring quality reviews, providing exceptional customer service, implementing the effective use of technology, coordinating our reviews with all of our partner city departments, and investing in our employees. The mission of our department is to provide comprehensive development review and inspection services to build a better Austin. And in front of you today are three key performance metrics that we use to track the work that we do. Not listed is the amount of development activity that we've experienced in Austin over the last five to six years. As an example, last year in fiscal year '13-'14, we permitted over 17,000 housing units in Austin. That's a 223% increase from the fiscal year 2009 and 2010. And in terms of commercial development we permitted over 39 million square feet of development. So we've seen a substantial increase in our development activity. With regard to major accomplishments for the department, as we released on July 10th, we released our action plan, which details steps that are going to be making various improvements to our department in many different areas, including those that I just noted. With regard to technology, we are pleased that we have brought some of our payments online and we did that at the beginning of this year in March. And we are implementing our electronic plan review. We have already rolled that out for general permit. In February of next year we're going to roll that out to commercial and residential, and then in May we're going to roll that out for land use review site plans.

[4:18:37 PM]

As I mentioned back on August 4th, we have done the first phase of bash accordance, which are the management side and we'll be implementing dashboards that are available that reflect our metrics as well. Just a quick overview of our department, we've got the one-stop shop area, which is approximately 70% of our budget. That includes the plan review, the permitting, the inspection side of our budget. We've got support services which includes similar services that you've seen with other departments, including human resources, technology, and those items. Then the transfer and other requirements are the transfers to the general fund to cover those support services as well. In this next fiscal year, as outlined in our action plan, we are requesting 27 positions to meet the different performance goals that we've talked about. And as well, you see an addition of six other positions, and those are related to the transfer of urban forestry positions from both parks & recreation and the office of sustainability. Getting into some of the detail, as I mentioned, six of those positions are coming over from other departments. And those positions came over last year in terms of an organization chart. This year we're moving the dollars from those departments into our department. And we've got nine positions in our support services department. Those include human resources advisor, public relations specialist, I.T. Programmer, a position that will be dedicated to making improvements to our website. We've got a cost accountant proposed in our budget as well. Currently we recoup 56% of our department costs. And so

bringing on a cost accountant, their position, their responsibilities will be to continuously look at our cost of service and make sure that our fees are in line with that. We're also bringing on board another cashier position to help with transactions, two customer service reps to help with call taking to take our answer rate from 45 -- or 48% to 75%, as well, I think, Kevin Johns mentioned this earlier, we're going to be implementing the interactive solution to help our businesses understand our processes more.

[4:20:48 PM]

Then moving on to land use review, we've got several positions there. Two planners, customer service representative in our intake position. We've got an administrative position for our trees gigs and we've got two other positions that are going to be shared with the development assistance center, and all of these are focused on reducing our wait times. As well, we've gotten an environmental review consultant that we'll be adding. Currently we have only one position, and the second will allow for us to review more of the plans that get submitted to us and also to reduce our wait times as well. Moving on in terms of commercial planning review, we're going to be adding four engineering associates that will take care of on time reviews up to 90. Sand riched in here with the 27 positions, we need to create space for the 27 positions in one Texas center so we'll be working with building services as well as real estate to help us with creating that space. In terms of building inspections, there are three positions that we're requesting. Two of those are replacement positions that were formerly from Austin water utility and those are going back to the water utility. As well, we've got an inspection supervisor. We've got an issue with an inspection supervisor that supervises, I believe, in excess of 20 individuals, so we've got a span of control that we've got to resolve, so we want to bring on another inspection supervisor. As well, you've heard me about the training program, that we want to implement in our department, the training program will address issues that we know are out there with regard to consistency of our reviews. We understand that from time to time that there are those inconsistent messages that we send out with regard to our plan review, and we want to address that through our training. As well, there's going to be another position for our development assistance center that will help to reduce the zoning and site plan consultation times down to 25 minutes. As well, we've got a residential review position also.

[4:22:53 PM]

In terms of capital highlights, the spending plan for next year is 1.1 million. That will be to, of course, implement the electronic plan review, to expand our online services for Austin build connect. Currently we receive approximately 73 faxes per day for trade permits. We want to move that system completely online and not just that system, many of the other services that folks come to the permit center, we want to move as many of those as possible online so that way, they're available 24/7 for our customers. And then, of course, we're making various database enhancements to our Amanda system as well. Some revenue enhancements, you'll see a large number of 19 point medical transferred. That's the amount of revenue that is attributable to the development services department. You also see 7.2 million increase from anticipated development growth. Now all of that is, of course, the increase in fees. The increase in fees that we're forecasting I believe is 3.3 million. The rest is just in alignment with what the budgeted

forecast has been in making sure that that revenue is attributed for. So the 3.1 million in fee increase, that is for this year. Next we're we're -- the fee increase we're proposing will be spread over a two-year period. 3.1 million is attributable this year. An additional 1.4 million is on board for next year. And that will help us, of course, to obtain our goal of achieving enterprise fund status by fiscal year '16-'17. Mayor and council, that concludes our presentation. Of course, we're open to questions that you might have.

>> Mayor Adler: Let me ask a few questions if I could.

>> Absolutely. Let me put my phone on silent. Sorry about that. Okay.

>> Mayor Adler: And I was talking to the attorney a second ago so I apologize if I ask anything that you're covering. A lot of this stuff that you're taking with respect to making the perspectiving process better are things that are difficult, if not impossible.

[4:24:58 PM]

They're impossible for me to evaluate. I'm not in a position to be able to know, so -- but I see the changes and I think that they're -- I'm hopeful. I do know that already I've had people come to me in the development community that have talked about a perceived change in culture, a change in approach, and I am excited by that.

>> Thank you.

>> Mayor Adler: I want to get into the field as soon as we can, the quantitative measure, so that you get credit for all of the new systems and how they're working well. I want the baseline to reflect as much of the baseline as we can before you -- before you make the system perfect here. But since I can't measure and can't evaluate these steps, then what I'm left for are the things that you talked about when you were talking about these steps. I'm doing this in order to achieve this result.

>> Uh-huh.

>> Mayor Adler: And that's the work that we started last Monday. We couldn't pick -- you weren't quite ready to move with that on Monday. We were going to pick it up on the next Monday. And, again, I think that's going to be an interim process back and forth between us and you and the council over the course of August, letting the staying holders in the community see it so that they can weigh in. It's very important to me that we get to the end of that process before we adopt the budget because if there are differences or things we work out where we say, hey, we hear this is the goal you set, but we want you to double that goal, I know this is where you were heading to, but we want to be more aggressive on that one. Or this is a goal you set that we're not particularly interested in you hitting. So don't put any effort against that one. I want us to have gotten through all of those things before we adopt the budget so that you're able to make the budget fit what are the agreed goals.

[4:27:01 PM]

So on Monday, we'll pick back up that conversation. If you can get to us prior to Monday, whatever the first suggested working draft of what those might be, that would be helpful --

>> Okay.

>> Mayor Adler: -- So that we can circulate it. I say that because I think it would help us get there more quickly. Maybe Quebec get through it one week or two weeks instead of two weeks to three weeks. But

I see that kind of process, the sooner you can get that to us and let's see how far we can advance the ball on Monday. My hope is to be able to advance the ball a lot outside of Monday so that we're not sitting in the board or commission room trying to work through that, but that you can get us stuff, we can get you stuff, you know, it can evolve so that we're doing as little of the actual work as we can when we're sitting face-to-face. I think that would be real helpful.

>> Thank you.

>> Mayor Adler: Okay. Further conversations on the development? Ms. Gallo.

>> Gallo: I was ready to wait in line for a question. Thank you.

>> Mayor Adler: Well, Ms. Houston hasn't raised her hand so we can go straight to everyone else on the dais.

>> Gallo: Thank you, and thank you for moving us in the right direction with all of the concerns that -- because I come from that industry, I certainly hear, and I mirror what the mayor said. We're getting comments. We're not anywhere close to where we want to be but it is important that the public is seeing some movement in the right direction, so thank you. I have a question that it doesn't really deal specifically with your department, but deals more -- but it's -- it's a process or it's something that's happened that I don't know that is the most cost effective way to do something, and as we've been dealing with the short-term rentals, it -- it has become more and more apparent that the code department is kind of an island out there where -- I know in the past, unfortunately I've been around long enough that I remember, they were actually within the building inspection department, probably prior to 2000 or before 2000, and then there was a movement to move code enforcement to solid waste, which was an interesting place, but I think a lot of that had to do with enterprise funding to help them expand.

[4:29:37 PM]

And then at some point they kind of became a stand-alone department. And so I just -- I guess my question is, would it -- it certainly would make sense from what they do, which is a process that needs to be very familiar with our code, zoning and building, and would it be a more efficient department if it actually was under your department? Would it save the taxpayers money to do that? Would it make more sense from the standpoint of the knowledge base of the people that work in that department? So you don't need to answer that directly, but I just -- you know, as we've been working with code, it just seems like that they're kind of out here when, really, they ought to be under your umbrella. So I was just curious if you've had any of that discussion and would that produce a cost savings, and would it make more sense from the standpoint of the expertise that's involved in what they do. You know, it's a department that works hard, but would it make more sense to put them in that umbrella?

>> Thank you for the first -- for the question, and thank you also for sharing the positive feedback that you've gotten from the community. We certainly have shared with everyone that we're customer service oriented and that is our department, as I stated, and our mission. We intend to provide quality reviews and inspection services to build a better Austin, so thank you for sharing those comments. With regard to your question, I think that's more of a policy -- a higher policy level question that I think the city manager also needs to be involved in with regard to answering that question. I can tell you, though, that Carl Smart, he and his group and my group, we meet monthly, formally, to talk about the matters

that relate to both departments, and we meet informally more often than that. Because both of our services are so intertwined, we rely on them to, of course, do the code compliance and when they find something that requires us to then help the customer go through the permit process, that's with we get involved.

[4:31:39 PM]

So I can tell you that the partnership is a very good one. The other thing that I can offer to you is that on August 20th he will be considering a contract with ducker systems to come back and look at the relationships not just between us and code but between us and every other city department, so that way, we can look at those areas where efficiencies can be gained. And the end result is that we will be developing memorandum -- memorandums of understanding between each department that clearly lines up the roles and responsibilities of each department. So your first question, like I said, I'd much rather we have a consultation with the city manager about that, but I can guarantee you that we do have a strong partnership with code department. We work very well together and we're going to be looking at not just our relationship with them but with every other city department as well.

>> Gallo: So thank you for that and that kind of leads into my other question, which is one of the concerns that we have heard with the -- with the permitting process or the plan review process is that it really needs to take multiple departments to review and coordinate at the same time. For example, the fire department.

>> Uh-huh.

>> Gallo: And so do we have in budgets amounts sufficient to be able to have that happen, or is it just really more of a coordination of effort and a timing?

>> For this year I know that there are going to be two fire department employees added for, I believe, plan review, as well as another position in health and human services to do just what you had mentioned, which is making some you are that we have the appropriate staffing levels for that. And it also does rely on the coordination, so that's why we're proposing to bring Mr. Zucker back in to make sure that we are the best coordinated among all departments, and every department understands their roles and responsibilities for the permitting and inspections and plan review processes.

>> Gallo: So what I'm hearing is that your budget is adequately funded to be able to allow that to happen once the coordination becomes --

[4:33:39 PM]

>> Yes. And just as a short reminder, our action plan is a two-year action plan, so what you're seeing is the first-year resources that are needed. The second-year resources, we will be programming into the '16-'17 budget.

>> Gallo: Okay. Thank you.

>> Mayor Adler: Ms. Tovo.

>> Tovo: Thanks very much for all the work that you're doing and will continue to do. I have a series of specific questions about some of the additional staff, and so I guess I'll just start -- start at the top. One of the -- in the description on page 177, you talk a little bit more about the function of the different

positions, and one of the ones I wanted to ask more information about was the position supporting educational and outreach activities.

>> Yes. You know, that is going to be a very valuable position in the work that we do, and it was highlighted in the Zucker assessment.

>> Tovo: How was it highlighted? Would you mind just telling me exactly what did the Zucker report suggest with relationship to that position.

>> Sure. I can pull through it. There's a specific recommendation for it. But the way that it was highlighted was with regard to the way that we engage with stakeholders, engage with the community and the residents. We don't have a coordinated strategy to do that and we don't have the resources that make our communication with the community in a simple manner. For example, what was highlighted in the Zucker analysis was that we have a lot of different handouts that we provide about our services. Those handouts are outdated. They're not very professional looking. And we really need to emphasize the professionalism in our department and make sure that we are sending out a very coordinated message to our stakeholders and to the development community that says here's how you access our resources. Here's how you go through the permitting process. You know, it was highlighted in the music industry census that our customers don't really understand our process, and they don't.

[4:35:44 PM]

And this position will help to do that, so that way, we are speaking in layman's terms and not in technical terms, this is how you can get through the permitting process, and we're here to help. And, you know, when we speak to our customers in technical jargon, it doesn't really help them. We have to put that into language that's easy to understand, and this position, the public information specialist, we're going to be looking for somebody who's skilled in that regard that will help bridge that communication between our department, our customers, the neighborhoods and the residents. You see this in other departments. It's being used very effectively with regard to reports or information or handouts or resource material, and we just don't possess the resources to do that.

>> Tovo: I'll probably ask some follow-up questions through the Q and a process. I'd like to get a sense from you, though, is anybody performing that function now? You don't have anybody working on -- working on these issues now?

>> We have that person doing this, plus about six or seven other things as well. We have one person who's doing just this, who's doing our media inquiry responses, who's doing our website responses, who's leading our call center. So this person who's doing this is trying to do the best that she can, as well as with all the other requirements that we've put in front of her. So, unfortunately, we just really lack the resources. We want a dedicated resource for engaging with our customers.

>> Tovo: Well, one of the reasons I'm asking this question, in part, is because over the last two budget cycles there's been a marketing specialist position in the budget and each time the council has stripped it out, for -- because it didn't seem to be the highest need as you look across the city budget. So this is a position I really need to understand -- for one thing, it sounds -- as I look back at my own budget question from fiscal year 2014, it's budget question 15, it talks about the new staff and marketing representative is described in much the same way as this one is, marketing and communication educational promotional campaigns of departmental programs and council initiatives, and so, you know,

again, it's not that it wouldn't be a great position to have if resources were not an issue, but I think they are, so that's one of the positions I'm going to need -- I'm really going to need to be convinced about.

[4:38:04 PM]

Again, especially since over the last couple budget cycles, a position like this has surfaced and I'm going to want to --

>> Thank you, councilmember, and I appreciate those concerns. And, you know, in looking at all the action plan and in looking at all the multitude of areas that we're intending to improve, our communication with our customers is one of those priority areas for us. And that's the reason that we've asked for the position. And I realize that resources are constrained. And that's the other reason why we look to increasing development fees so, that way, in the past, you know, that position was lined up and Mr. Zucker highlighted this in his report. When we line up our priorities with our priorities of other general fund departments, it really becomes a constraint on resources issue. And that's why we've proposed increasing our development fees in order to accommodate these resources that we're requesting.

>> Tovo: Well, I certainly thank, I absolutely think increasing the development fees is the right way to go. In fact, at the appropriate time I'm going to -- I appreciate you providing that information that the additional step increase would be 1.4 million and I'm at the appropriate time to prepared to make an amendment to suggest that we do that increase this year so we can begin recovering our costs, especially since we're contemplating making a big investment in these staff resources. With regard to the biz right position, is it really -- do you really envision that one 40-hour a week staff position is necessary just to manage that software tool?

>> I don't envision that the person will solely manage software, but also helping to facilitate the communication as well with our customers. So the public information specialists, their charge of course would be developing those materials. The biz right position would be in charge of communicating with customers as well, helping to -- when we're talking about an interactive portal, somebody who's on the other end, whether it's online chat, whether it's maintaining the knowledge bases or forums, but really engaging with the customers.

[4:40:09 PM]

I don't view this person as solely maintaining the software. This person is going to have to implement that, and so they're going to have to work with the software developer in that regard, initially. But as you know, once a software is implemented, the maintenance is not that much time, so I don't view this position as solely maintaining the software.

>> Tovo: So the position to launch and manage biz right is really going to be communicating -- is more outwardly focused on communicating with customers who are using that software?

>> Yes. Biz right is the program, not necessarily the software, biz right is the program itself.

>> Tovo: Okay. Customer service positions answering customer telephones, I understand the Zucker report indicated that it is critical that people respond, get a quick response when they call, that they hear back, and I appreciate that you set a standard, or reminded staff of the standard to respond within

the same business day or 24 hours. But when they're calling, are they really calling -- I would assume they're trying to talk to their case manager or they're trying to talk to somebody with content area specific information rather than just a general customer service representative who's then going to direct them to other people. So I guess I would ask you, and I can do this again through the Q and a process, to help us understand the volume of calls and whether we really need to add two additional customer service positions who are simply, it sounds like, going to be answering the call and then directing them on to staff. It seems like really where we need the support is back with the staff who have the answers to the questions.

>> Well, thank you and I'm sorry if I conveyed it as a simple type of issue, because it really isn't. And you're absolutely right in that a lot of our calls are to speak to the folks who are either doing the review or the permitting, et cetera. What we've found, though, is that a lot of the calls also have patterns to them. Patterns that can be answered. Where do I find this, or how do I go about doing X?

[4:42:13 PM]

And so these customer call takers are not just going to be routing calls, but we're going to supply them with the most frequently requested information so, that way, they're not just answering but they're actually responding with the information. And the premise for that is that the more our customer call center takers can take those and answer those calls, then the less calls to the actual staff who are diagnose the reviews, who are doing the inspections, who are doing the permitting. So we want our call takers not to be just routing calls but they want them to be actually responding with the information. And we can do that through programming them, and they already know because they're giving us the information, they're telling us, here's what these calls are about, and if we had some training as to how to respond to them, we could resolve the phone call at that same phone call. And so for us, that's very important to get to that level.

>> Tovo: That sounds like a very good strategy. Have you collected some data to show how many calls coming in are of that type that cope handled right then and there without directing them on to another -

>> And that would be a good Q and a question. We get on average about 7,000 calls but we've already started collecting some of that data. But that is our plan, and then, of course, eventually to get to 100%, as mentioned on August 4th, we want to contract with Austin 311 so they then begin are the call routers, and then they send the calls to our customer representatives so, that way, we are responding with the information at that level. The goal is to be able to respond to questions by the call takers and not necessarily route them to the staff.

>> Tovo: To the extent they can.

>> To the extent that they can.

>> Tovo: Thank you. I will ask that question so that way, we can get some sense of the call volume to know whether an additional 80 hours a week is really required for that activity.

>> Yes. And it will help, as I mentioned also in my presentation on August 4th, San Antonio has ten customer service call takers, and they keep very busy.

[4:44:13 PM]

We want to make sure that our call -- our customer service representatives are armed with information so, that way, at the onset of the phone call, that they can answer those questions that are being asked, as opposed to routing the calls.

>> Tovo: Sure. Okay. The department -- the position that's going to be devoted to the department website -- I think you mentioned you have somebody currently working on the website and doing some other jobs. Some of those jobs if this budget is approved are going to be reviewed to the marketing specialist. So help me understand who currently does this. Is this the public information manager who's currently updating the department website?

>> Yes. Not just one website but two websites because that person -- our support services are shared, so our support services are shared, of course, between development services and planning and zoning, so this person is also doing services for both departments. And we have two websites, of course, development services and planning and zoning that need to be maintained so this would be dedicated to both websites.

>> Tovo: It sounds like you have a staff member currently performing that activity.

>> Yes, that activity plus other activities as well.

>> Tovo: Okay. That, too, I think I need some information through Q and a because if you're moving some of those responsibilities for the proposed educational and outreach staff, then the person who's currently doing the website, I would assume, will have more time to continue to perform that activity, so do we then need to add a website, a dedicated staff member who's focused on the websites as well.

>> Yeah. And thank you for that question. And from my perspective, our website has -- has been barely adequate. And I'll use that term. There's a lot of expectation of our customers of the neighborhoods, of the residents, that we provide a very well-rounded website. And so from my perspective, we're going to really have to put an emphasis on our website. And I need a dedicated resource whose sole job is to make the website the most valuable tool that we can for our customers and for our residents.

[4:46:20 PM]

I've heard from organizations who have said, you know, Rodney, we've had to put information on our own website because we can't find it on yours. Yours isn't easy to navigate. And that's the purpose of that resource, so that way, we can have one person who is getting those phone calls, who understands customers' concerns, who understands residents' concerns, because neighborhood associations are having to do this as well. They're having to beef up their website to put information on their website because we don't have it in an easy to access manner as well. And I want to make sure that we're providing our customers the best resource possible and the primary tool will be our website.

>> Tovo: Okay. Thanks. Again, I have a few more, but I'll leave it with one last one, and then submit the rest in the interest of time. The position that's proposed to support the human resources support function, can you help me understand that, since the department -- because of the split, the department has actually gotten smaller, so why is there a need to add a human resources --

>> Yes. The department has gotten smaller but the human resources function supports both departments still. So we've got a human resource manager, another position, and they're supporting our 3334 3 -- our 333 positions plus the ones from planning and zoning as well. It's our understanding that

on the high end, you need one H.R. Person per approximately 300 employees, and so we're short. And that's at the high end. And we want to make sure that as positions come vacant, that we have the resources to get those on board immediately because it's no good to have a position that we don't -- we're not able to get to immediately, to fill, because those are services that we need to provide. And the human resources function is so important for doing that, especially in light of municipal civil service rules, there's a lot more that we have to make sure that we get into our advertisements and making sure that we're meeting all of the requirements.

[4:48:21 PM]

And so it's taken more effort on our human resources staff to get jobs posted and filled and we just want to make sure we're staffed up in that area so, that way, as positions become vacant -- and retention is always going to be important for us, but as they become available we're filling as quickly as possible.

>> Tovo: But the human resources manager was a brand new, newly created position last year, as I recall, manager level position.

>> I wasn't there last year so I may have to defer to that, but -- okay. It was a reclassified position so it's not --

>> Tovo: It came over from code or I mean it was a transfer from another department as I recall. Then I think we had a lengthy discussion about it being -- but that was the first -- as I remember, it was the first time there had been a manager over the human resources function.

>> Okay. You're right, that was the first time we had a manager position. We had one other H.R. Manager position that are tasked with helping us with the hiring, et cetera, as well as the other H.R. Issues that are involved with the department, or two departments of our size.

>> Tovo: Okay. Thanks. Again, I'm just trying to get a sense of -- over the last couple budget cycles there have been some pretty substantial additions in staff so when we're going back to the same areas, in this case human services support, I want to really make sure there's a need to add another when we just in the last fiscal year, again, added a managerial level position in that.

>> Thank you. I appreciate your concerns and I can tell you as I mentioned, the six goals that we're attempting to achieve, they're broad and we want to make sure that all of our department employees are fully supported, and that means fully supporting our support services function, whether it's I.T., whether it's human resources, whether it's helping our staff to communicate with the public or helping to put more of our services online, it's really important for us as we lift up all facets of what we do to make sure that we've got the support services to support all of our departments.

[4:50:31 PM]

Thank you.

>> Tovo: Thank you so much for all the information. I appreciate it, and all your work.

>> Mayor Adler: I would just point out, Ms. Gallo, I'm probably going to join with you as we make development in the development process pay for itself. So I will be with you as we -- as we do that. I'm probably going to be a little bit reticent in prescribing to the staff how it is that they achieve the

performance objectives that we're about to set out for how it's supposed to work. I want the staff to have what it takes in order to meet those objectives. Because it's the objectives that I want to -- I want to measure at the end, and I -- quite frankly, I think that the community will be willing to pay for services if they knew real clearly what it was that the result would be at the end. I think that's how we're going to -- how I would communicate that and sell that, to say that staff got all the tools that it needed north to be able to hit the benchmarks that we have set. And I think that's important for the city, as I look at people that are developing now, it is not -- it's riskier to develop the smaller projects in the city. So I think that until we get to the benchmarks we want, we're going to have trouble getting the breadth of development that we need in this city, the housing that fits for workforce housing and the like. That's why I think this is a real high priority for the city. I get back to the benchmarks and I'm probably, Rodney, going to support anything that you say you need in order to be able to get there.

>> Thank you.

>> Mayor Adler: In part because I'm going to hold you accountable for getting there. So that's why it's important, given this kind of question, that this gets nailed as part of this budget process over the next two, three weeks, got to be done then.

[4:52:42 PM]

>> Thank you. And thank you for mentioning small businesses because those are very important. We've got 42,000 small businesses in our city. And the majority of those businesses don't have the luxury of being able to take the time to make sense of our development process. We want to help in that regard. We want to be able to outreach to those small businesses, give them the educational materials so, that way, they understand in a very clear manner how to go through the permitting process. And information is going to be key. One of the things that we're going to be doing is we're going to be ebbs panged the permit center into the small business center and sharing that space. What a collaboration, you know, where our small businesses are there, learning about starting up, and they're also learning about the perspectiving process and getting educated on that permitting process. And we're moving the majority of our permits online so, that way, they can access them at their hours, that they're not having to be pulled away from making their living from 8:00 to 5:00, but rather we're providing our services on their timeline. Thank you.

>> Mayor Adler: Thank you. Ms. Kitchen.

>> Kitchen: I have a question. You had mentioned before that you would be bringing back Mr. Zucker to work on looking at connections with other parts of the city. So that just raised a question in my mind. To what extent do you guys work with the neighborhood liaison program?

>> You know, I'm not sure exactly how to answer that question just yet, other than I can give you my own personal examples of working with the neighborhood liaisons.

>> Kitchen: Okay.

>> For example, I've attended several of the neighborhood association meetings, and Ms. Gibbs has been there and helped with making introductions. But I know that they play a very critical role in how we work with our neighborhoods in helping them to understand some of the permitting that we do and the interpretation of code.

[4:54:50 PM]

And so the partnership is a very important one. But that's -- it's been very helpful for me, personally, to have the neighborhood liaisons communicate and to attend meetings with neighborhood associations as well, so that way, they can see that it is a partnership and that we are working together.

>> Kitchen: I know that's under Mr. Guernsey's area. I was just curious trying to think about the other areas that you work with if that was one.

>> And they do then, in that regard as well, so they work with the staff as well, so when a resident is having a hard time understanding how did staff come up with a specific interpretation, they help to bridge that communication with the neighborhoods. And so they're a very valuable tool in our resource.

>> Kitchen: Okay. Thank you.

>> Mayor Adler: Thank you. Anything else? Thank you very much, Rodney.

>> Thank you.

>> Mayor Adler: Thank you. We have our last group for today. We have 33 minutes to get through it. Zoning and planning.

>> Mayor and council, Greg Guernsey, planning and zoning department. And I'm joined by Meredith quick again because we share our financial services and also H.R. Services that Rodney mentioned. So with a slide coming up, I'll go through our last presentation for today. Planning and zoning department. I want to give you a little bit of overview. Our mission of the department is to provide planning, zoning, preservation, urban design services to make Austin the most livable city in the country. We've had some major accomplishments this past year. We did implement the south Austin plan for garrison, Westgate, and basically those neighborhoods, and south Austin, and we have coming up on the horizon the burnet road/anderson lane corridor, and also the north shoal creek plans.

[4:57:07 PM]

As you can see by our performance measures, we anticipate those actually coming to you in this coming fiscal year. We finished up the other three the last fiscal year. Right now, one of the other major -- we're actually going into phase II of codenext, which is an important phase. We're working with our core team of different city departments, which does include members from the watershed protection department that have looked at the green infrastructure program and some of the concerns about trees, landscape architecture, that's part of that, in that group. Also, getting to an administrative draft that staff can start looking at. There's also a little piece that deals with electronic code for the mapping. Our electronic code in the future, so it'll be easier for Rodney's staff, my staff, citizens to interact with that. And that first part will be in that piece. We also reorganized our -- part of our neighborhood advisor area, creating a neighborhood implementation group within the department. Right now 53% of all our small area plans, neighborhood plans, the recommendations basically are complete, are ongoing, being planned or already in progress. So this is a big accomplishment of the 53 neighborhood plans that we have already adapted over the past couple years. The department itself is composed of approximately 50 staff within the planning and zoning department. There are 21 positions that are in the capital area, metropolitan planning organization, otherwise known as campo. They're the regional transportation planning organization for about a five-county area that surrounds Austin. We are kind of their host, that are part

of that.

[4:59:08 PM]

And the budget itself is about 9.9 million, and does compose of those activities that deal with current planning, annexation, historic preservation. The urban design section. Our long range planning, codenext is part of that, and also some support services that make up my office and a financial manager position. So budget highlights coming up this coming year would be the improved neighborhood planning process. And tentatively our staff is coming back and we're calling plan it. It would be a much more involved process of going back to the communities, establishing for the first time an office that people could interact with, part of the neighborhood planning process, or that small neighborhood planning process. We have demonstration projects so people get an idea of kind of what's proposed for their area, what might be in a typical neighborhood, to have a lot more outreach than before, to setting up a technical advisory group, staff departments that would be organized around that small planning area. And then more important, a stakeholder outreach committee that would be made up of citizens, residents, business owners, some of the neighborhood organizations from that area to interact with more strong tie between my department and that area that we're planning in. The San Antonio-austin corridor council member, fees have gone up so this is part of that. And as Rodney mentioned, a big piece of the Zucker report was providing additional training for staff and certifications and that's what the \$25,000 is for in that last item. Under the capital highlights, our department is involved with our great streets program that you'll see downtown, working with developers and making a more pedestrian-friendly blocks in the central business district.

[5:01:20 PM]

Then our area planning and engineering studies, some of these include the plaza saltillo, transit development area, sometimes is part of our cip funds under those things and the station area plans that would also include the highland mall redevelopment area. The street scapes and building improvements, some of these projects, a lot are finishing up on Guadalupe and east 7th, south congress and the phase two and phase 3 along the second street corridor. Between Colorado and congress. So that kind of ends my presentation. We're not asking for ftes, but we are asking for probably those critical pieces, probably the codenext piece to keep marching forward. We will be asking for funds in the final year to finalize codenext.

>> Mayor Adler: I would like to have a little bit more detail on that, and perhaps as part of this budget, only because I think it may very well be the most significant thing that is on your plate. And on your department's plate is codenext. I think that it is a huge priority project for this city. And so many levels and so many answers to so many questions to this council the answer has been that we truly can't fix it until we have codenext done or that the ultimate answer to this will be in codenext, and to a degree it's a black box and we need to move it where it isn't. The code impacts the entire city, every person in this city, whether they know it or not. It impacts the things we do as a city and our future as a city, and at the end of the day we need a code that the public can support, and that is a huge concern of mine as well.

[5:03:33 PM]

We've seen what happens when we go through a process that is trying to solve a city issue and that then gets to the community and doesn't have community support. And I couldn't even begin to think how we would recover from the train wreck that would be having a codenext process that does not get to us where we need to go. In the budget that you have, can you break out how much money and funding is associated with codenext in this year's budget?

>> Yes. It's 500,000.

>> Mayor Adler: All right. And is there a breakout of that \$500 and what it covers?

>> Yes. I can give you a general overview, but it might be best if we actually give that, maybe part of a question/answer and detail. There's a little bit more than half of that goes to certain consultant costs.

>> Mayor Adler: Let me go ahead and ask the question, would you please give the council a note that breaks out then --

>> Yes.

>> Mayor Adler:.

>> Mayor Adler: What that is? Given the additional activity that the development services permitting department is doing as they're developing their program, are you confident that the budget for codenext is right? I don't know if that predates what's happening in permitting department. I want to make sure that you're taking into account what's happening in permitting department with that change. And my understanding is some of that has almost been a work in progress so I'm not sure how early the codenext funding was set relative to what's happening in permitting, but now would be the time to take another second to take a look at that and see if given later developments in codenext would suggest something different. And I would like this budget, if you can, to make sure that it includes what you think is necessary for this to actually be delivered in a way that has the public brought along in this next two-year period of time.

[5:05:43 PM]

>> And mayor, we look at that black box being opened so the public will have next summer a public draft to review, not only that they would basically support, but they can interact with and use. Rodney's staff and development services department as well as other core team earlier this year in response to some of the concerns that were raised by council to expand that core team to include additional and that does include our development services staff so they're part of that core team. There are cag members that are also watching and mindful of that.

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>> [Indiscernible] That are projected for the fall and I don't know if we have the right number of charrettes we have in the fall. And I want to make sure as we're planning those out and as we're deciding what areas to do that because that will be the first time that the public really begins to get a feel for what this might look like in their area. I don't know if we should have, you know, double the charrettes that we have or more examples of what we have. And I want to make sure that in no way are we limiting the success of this effort because we felt budget constrained at this point. In other words, I want to make sure that in December we're not saying, well, it would have been nice to have been able

to do an additional charrette in November, but the funding wasn't available for it. I want to make sure we never hear anything like that.

>> I feel comfortable with the budget that is going forward. It's instrumental that the budget expenditure that I'll be requesting next fiscal year in '17 is there. The events that will be taking place in November are very important. They're not charrettes so much testing code in particular places in the city.

>> Mayor Adler: I'm sure I misused the word charrette.

[5:07:45 PM]

It's that public testing.

>> Place testing different parts of the code which will be basic templates that we might be able to emulate elsewhere is a key deponent. But I feel confident that we can move forward with that and under the contract that we have with the consultant that --

>> Mayor Adler: If there are any second thoughts, now would be the time to make sure that we have enough resources to engage and communicate with the public and to get their support. Is there a way for us if we wanted to increase the resources to increase the speed with which we could deliver the codenext process? Could we accelerate the process?

>> Mayor, let me say this, we can take a look at that, but we are basically planning out the steps we would take all the way going into next year. To make sure that's adequate time for the public to receive information, for staff to receive information, for the cag to absorb. As you said writing the code we want to make sure we get it right and I don't want to rush it to the point where we put that in jeopardy. We can look at that, but I want to make sure we do that right --

>> Mayor Adler: First priority is to do it right and not jeopardize that. I know the consultants will be coming in, be dealing not just with staff, but with cag and the the community. My hope is that the council will have access to the consultants as well for questions and updates. As part of this budget. If that's not built into the budget then I'd like to know that because I would like to build in that component as well. Only because I think that this is both a political as well as a practical exercise and I want to make sure that both arms of city government are invested and involved with making sure that at the end of the day this is something that this works.

[5:09:45 PM]

When you go through and detail that \$500,000, if you could set out for us what that funding has in terms of community engagement activities like the place setting exercises, that I think would be helpful for us to be able to talk to our communities. I also want to make sure that the budget provides for a culturally competent engagement and outreach so that at the end of this process the community at large recognizes this as a good thing and something that will further their interests as well. So I'm assuming and I want to make sure that your budget has accommodations for translation and interpretation and all of those kinds of things as well. And I want to make sure finally that you have the staff in order to be able to treat this as a priority. I know that with as much planning and zoning -- platting and zoning as is going on in this city because we're in a boom, I want to make sure that we don't

lose the dedicated attention to this project that has to happen. And we -- we can't let either of those two things fall. So if additional resources are necessary to be able to do it, in other words, again, I'm urging against us looking back and saying we would have been able to do this right if only. I don't want us to do that because we can't miss. We just can't miss this. And finally, I want to make sure that there are enough resources in the budget for test mapping of the code only because we've discussed that's critical. And then finally, I want to make sure that the budget for this process includes accommodation by expertise in green infrastructure because I think that that has been raised by several members of the community as something that hasn't been sufficiently represented thus far.

[5:12:00 PM]

In other words, again, we've got to do this right. So whatever we need to do, we need to lay out and if there are tough conversations to have, let's have them, but let's not have the conversation because somebody is afraid of coming to this group and saying in order to do this well this is what I need. Okay? Ms. Kitchen.

>> Kitchen: Thank you. I just have a few follow-up questions. First northward to the information that you'll be -- in regard to the information that you'll be providing us with codenext, when you break it down can you also let us know the dollars that are going towards public engagement from the consultant? And if you could also let us know how that compares with the original contract with the consultant, if there's been a change in terms of the scope, particularly with regard to community engagement? So -- and then just also, as the mayor requested, let us know who is going to be responsible for community engagement and what the plan is for community engagement. So let's see, I wanted to shift just a little bit, I had a question about the neighborhood liaison. So it sounds like you have the creation of the neighborhood involvement participation, and I assume that's where the neighborhood liaisons, they're housed under that?

>> Yes.

>> Kitchen: Is this -- if I was hearing you correctly this was a change. Is there anything -- you talk some about the purposes of the change and some of the enhancements and all that. Is there anything in writing to describe the -- or maybe you could put together for me just a description about how the creation of this neighborhood division enhanced the neighborhood liaison type services.

[5:14:04 PM]

>> And basically it took the neighborhood liaisons and grouped them with our team that implements the neighborhood plans or small area plans. So that people that are -- that are working with our neighborhood organizations and that work with our planning contact teams, they're all kind of brought together. And that they can work together on implementation of the plans.

>> Kitchen: Okay.

>> Before they were kind of separate and now they're together in one unit.

>> Kitchen: Okay.

>> And you'll see that I think if you go through some of the budget documents, neighborhood advisory, there were two of them and now they're part of a larger group.

>> Kitchen: I know there was a question earlier and maybe councilmember tovo wants to follow up on this so I'll just ask briefly, so what's the staffing of that division at this point? There's two neighborhood Lee liaisons?

>> There's two for the fiscal year. There are two that basically went away. They were never funded positions. They were two positions that were -- I think almost five years or more that were just held vacant, versus funding that was devoted to hire additional neighborhood advisors.

>> Kitchen: So there's two dedicated neighborhood advisors that just do the neighborhood advising at this point?

>> That's correct.

>> Kitchen: And then the contact team staff or contact team or neighborhood plan staff is the rest of that division?

>> That's correct. They do -- they do outreach. They also work with the plan implementation, working with other departments in coordinating the activities and making sure that the contact teams as they outline the priorities for the neighborhood planning area, that they are -- they are up to date. They're not stagnant at the time at the time of the plan. If there are things that have been accomplished then they look and say what are the next ones on the list that they need to work on?

[5:16:08 PM]

>> Kitchen: And how many people -- what's the ftes for that?

>> I think right now basically there's a manager over that area, there are six positions. Two of those being advisors, one that works directly with the contact team and the remainder working with the implementation portions.

>> Kitchen: Okay. So six total for the whole division.

>> Seven if you include the manager.

>> Kitchen: Seven, two of whom are the neighborhood advisors.

>> Two are neighborhood advisors.

>> Kitchen: Okay. I would just say that's another area that I think -- I know it's a difficult -- it's one of the most difficult things that you have to do is the ways in which to work with neighborhoods because neighborhoods are -- the issues that you're wading in is difficult all around. I would also encourage you with regard to that area to think through and make sure that you have the resources that you need, and I would be happy to discuss -- now is the time to talk about and think about making that division active and whether that's a need for additional sources.

>> Councilmember, in approximate the Zucker report there's also a particular item that was pointed to about the concern of the size of contact teams and the number of contact teams and neighborhood organizations. So right now as you'll see when Rodney and I come back to you next week, one of the items I'm tasked with is coming back with recommendations. We're going to look at best practices of other cities in the United States and how they interact with neighborhood organizations. Some don't have contact teams, but there's a concern that we have a lot of them and it may not be as manageable having the number that they have. So that is one of the things that we are looking at.

>> Kitchen: One of the things -- we can talk about this later, but this might be the time to ask, and one of the things that we had talked about in the past was access to a mediator type of position.

[5:18:11 PM]

And I know the city of Austin had that position in years past, and the city auditor did a report on other cities that have that position, so we can talk further about that and I'm happy to share that with you. But I'm just curious about adding -- perhaps as a pilot program, access to someone like that, not an fte, per se, but maybe on contract, because that might be -- I'm considering that that might be helpful and it's a position that neighborhood advisors are not in the position to fill because they're advocates, not neutral parties. Or they can't be neutral parties all the time. So that mediator position is a distinct skill set in a role that I've not gotten that we have anywhere existing right now.

>> Pool: Mayor? I know this week we don't need more than one councilmember to put something on the list for costing out and requesting, but I would join in both the mayor's comments and councilmember kitchen's comments about the resources you might need to make sure that the functioning of the development services really moves forward in line with the Zucker recommendations. I'd like to ask about the funding for the manning teams. I guess, for example, some of the neighborhoods that were Teed up for neighborhood planning won't be doing it because some of the staff is moving over to work on some of the corridor studies. Specifically I know rosewood and maybe north shore creek, but I know rosewood for sure, the combined neighborhood plan that was on track to begin was put on the back burner in order to shift staff over to staff the corridor studies at burnet road and Anderson, which is good work and needs doing, but I wonder given the additional neighborhoods that are now part of the city in a larger way than ever before because of our representation, and if indeed some of the structure that supports our neighborhood planning relies on having a neighborhood plan itself, the document and of the associated work that goes with that, that maybe we need to look at staffing up so that we don't have to put neighborhood plans on hold or not do them for a number of years or even revisit them because I know some of them are old and there's interest in -- I think wasn't there a metric that the neighborhood plans would be reviewed, was it every five or seven years?

[5:21:02 PM]

>> There was -- when they were set out that we would look at them every five years. As I said, we've done 53 of them. There are seven of them out there that would include also the north shoal creek that are underway or on hold or we haven't gotten to them yet. Part of -- another one of the items that the Zucker report identified was looking at priority areas as we have priority plans. So now my staff is working on a matrix that would look at those areas that are most critical to implementing imagine Austin and those areas that might be hot spots of where things are happening that we really should look at doing the

next plans: A lot of the areas that are in the city that are established residential areas may not be as much as in flux as those things that are maybe at the edges or at certain nodes in the city. So the we'll be coming back and perhaps by the end of the year, but by certainly January because that's what I set out is one of my metrics to have that metric or that matrix system figured out for the small area plans. So that is another thing we are working on.

>> Pool: That's good. And does that include the component of needed ftes?

>> It's looking at what we have based on resources and how we can apply those resources on which ones are the priorities to do next. So I think with the pilot program, the \$176,000 that I'm asking for, we are working with what codenext would be with that matrix and how that would work and apply into the burnet-anderson corridor and that north shoal creek as being areas of just an example of how we will use this and be able to go in and do it quickly and get engaged, which is a big part of this is the engagement part with the community, making sure our communication lines are strong, but still meeting the metric test that we're trying to work on.

[5:23:08 PM]

>> Pool: I will make the request that you provide us with some information on what it would take if you needed to more fully staff up to meet maybe on your matrix. You go a little bit further down, maybe have some stratified categories. And if you had an additional two ftes, for example, how many more neighborhood plans could you begin or forward the work on? That would be really helpful. Thanks.

>> Kitchen: As a follow-up -- could I follow up? Okay.

>> Mayor Adler: I wanted to give everybody else a chance to talk.

>> Houston: Thank you.

>> Kitchen: I didn't see that she had raised her hand.

>> Houston: I'm sorry. I'll raise it higher next time. I'll get a green card like soccer so you will know that it's time. Thank you so much. I want to talk just a moment in the few minutes that we have left about how important it is for community engagement. Back in -- and this is also about the times when I talk about the city is police it in what has -- complicit in what has happened in our communities east of I-35. Back in the '90, late '90's, before you were born, the city decided that they were -- that east Austin was the desired development zone. And so we changed zoning in east Austin to be able to accomplish the things that the city wanted to do. Things like we had a capital view corridor. That went away. We had added density. We changed families to whatever happened. And so because -- and the community had no knowledge that this had happened until we started seeing the changes going on in our community. So with codenext it's critically important that you get out as often as you can to the people that are going to be affected because most of them don't know this is going on.

[5:25:13 PM]

The people that are intimately involved in it do know, but our neighbors don't have a clue that this is going on. So they will feel violated yet another time if we implement codenext and the same kind of things happen to their community that happened when we became the desired development zone. Codenext is a specific group of people who don't traditionally go outside of a defined boundary, that they define themselves. And so I've taken some people deeper in to the community. And then for the first time they're able to say oh, this is what you're talking about. Because until people see what devastation has been met upon our communities, they don't understand what Pio and I are talking about when we're talking. So sometimes a visual is worth more than words and the codenext people are just in that room at one Texas center talking to each other about how they think our neighborhoods should look. They've never been out to see what our neighborhoods look like. So it's critically important

that whatever happens, as the mayor said, community engagement has to go on to make sure that the same kind of rape doesn't happen this time.

>> Mayor Adler: Ms. Troxclair? District I want to ask about the \$50,000? What is it now?

>> I believe it's now \$50,000.

>> Troxclair: That is the most expensive organization I've ever heard of. Why are -- why are the fees doubling?

>> Councilmember, I would have to come back with you and give you the details on that. I don't know if I have actually a detail of why that amount is going up.

[5:27:13 PM]

>> Troxclair: Okay.

>> The city has been a member for quite awhile regarding this. I know the discussions are probably closer to now about improvements between Austin and San Antonio are closer to being realized now than they were maybe five, 10 years ago. So councilmember, we'll follow up and get you response on how that money was requested and the purpose of it.

>> Troxclair: I would appreciate it. Because I just looked on the website and they list three projects, the lone star rail district, Texas rail relocation improvement association, and state highway 130. So lone star rail is on hold. I don't know that the legislature -- the website says that the legislature hasn't funded the relocation project, so both of those projects are kind of on hold right now. And on state highway 130. So I was just looking for a justification of a doubling of fees.

>> We'll follow up in the Q and a.

>> Troxclair: And one more quick question. On the department overview, the key performance data measures, I know your department is just different than a lot of the other departments just because of subject matter that you deal with. So every one of them deals with neighborhood plans. Is there -- I know that's a big part of what you do and a big part of what our conversation has focused on, but it seems like there should be other performance measures.

>> So if you dial in ed's big book of budget, starting on page about 221, you can look through some of the actual performance measures that are done by some of our planning areas, certainly by the advisors, how many interactions that they have that we try to handle during the course of a year assisting neighborhood organizations. The urban design section, there's a measure that speaks to our urban design program downtown, the great streets program, how many street blocks are improved, the actual under zoning case management certainly and the planning areas, neighborhood planning areas, those are tools for those that you see the ones that are highlighted.

[5:29:35 PM]

But under annexations, we're talking about the number of contiguous areas that are annexed in the past and through time. So there are other measures beyond just the ones that's highlighted as the overall. It's usually the one that grabs the most attention because it's the one that you spend probably the most time on going through and listening to citizens, adopting small area plans, neighborhood plans or in the up upcoming year, corridor plans.

>> Zimmerman: Sorry, Mr. Guernsey, but take a look outside what's going on out there.

>> Troxclair: I think it's a signal we've been here too long.

>> I wondered what all the smiling was when I was talking about.

[Laughter]

>> Mayor Adler: They were loving what you were saying.

[Laughter] Anybody else have anything? Pio?

>> Renteria: Yes, the contact teams, it's going to be very important that we really get and work with the team because you can see what happens when the contact team -- the developers don't listen to what the contact team wants. It can become very expensive when you have these kind of projects going on and you invest a lot of your time and money. And I urge that we reach out to all the contact teams. I know there are some problems with some of the contact teams and I'm working on with my colleagues Greg and the planning committee to try and look at try to correct that to make sure that -- and that has been my concern that we have enough resource to do those kind of outreach so that we could educate these contact teams. What's coming down the line, they're going to have to get their selves together and really work with the city because as I've been telling some of these neighborhoods that are refusing to have a contact team, that if they don't come up with a plan, their master plan, that you, the city department, will make it for them.

[5:31:50 PM]

And they might not like what they see. So I encourage everyone that I've been working in my district very hard to try to -- and we've been meeting with different contact teams to make sure they're inclusive. Some of these contact teams are not allowing these new people that are moving into this area to participate, which is a big mistake on their behalf. And unless we really go out there and reach and tell these people this is the way it's going to work, we're going to have contact teams making decisions. And when you get here you will have a full -- room full of people that are angry saying no, that's not what we want. And we definitely want to avoid that. So I want to make sure that we -- you know, we go out there, reach people and say this is what's coming down. And this is your opportunity to participate. And if you don't, there are going to be consequences.

>> Thank you.

>> Mayor Adler: The next group coming in here now, so we have people panicking all around us. Do we have a really quick question?

>> Kitchen: It was very quick. When you -- you mentioned the criteria for deciding the next planning areas. If you could just share that with us, that would be great.

>> And we certainly will because that's part of the Zucker report and one of the things I'm tasked as a metric to get done.

>> Mayor Adler: We just haven't seen all the metrics yet. And we're not assuming that because they're a Zucker report metric that they're your metric. We need to take those recommendations you want and other ones you don't want you don't have to. Anything else? We will stand adjourned on today's work session.