

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Special Meeting

May 1, 1975

10:30 A.M.

Council Chambers  
301 West Second Street

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The meeting was called to order with Councilman Friedman presiding.

Roll Call:

Present: Councilmen Binder, Friedman, Snell, Lebermann,  
Councilperson Dr. Linn

Absent: Mayor Butler, Mayor Pro Tem Dryden

Councilman Friedman announced that this was a Special Called Meeting of the Council for the purpose of opening and receiving bids for the sale of Certificates of Obligation for the Municipal Annex Projects and passage of an ordinance authorizing the issuance of such Certificates in the amount of \$750,000. He stated that the City Council of the City of Austin had advertised that it would receive sealed bids until 10:30 a.m., C.D.T., this day for the City of Austin. He inquired about the assembly of the bids and if all bids had been received and whether there were any others either through the mail, from the members of the Council, the City Clerk, the Finance Administrator, or anyone present in the Council Chamber. He announced that it was now 10:30 a.m., and the time for receiving bids was closed.

Mr. Norman Barker, Finance Administrator, opened and read bids on Certificates of Obligation in the amount of \$750,000 as follows:

CITY OF AUSTIN, TEXAS  
 TABULATION OF BIDS RECEIVED ON  
 \$750,000 CERTIFICATES OF OBLIGATION  
 MAY 1, 1975

<u>Name of Bidder</u>	<u>Amount</u>	<u>Maturity</u>	<u>Nominal Interest Rate</u>	<u>Gross Interest Cost</u>	<u>Premium Offered</u>	<u>Net Interest Cost</u>	<u>Effective Interest Rate</u>
First National Bank in Dallas Dallas, Texas	\$750,000.00	Jan. 1, 1976	3.95%	\$19,748.02	\$ .02	\$19,748.00	3.95%
First Texas Bancorp, Inc. Georgetown, Texas	\$750,000.00	Jan. 1, 1976	4.00%	\$20,000.00	\$52.50	\$19,947.50	3.98950%
Hornblower & Weeks - Hemphill, Noyes, Inc., Dallas, Texas	\$750,000.00	Jan. 1, 1976	4.09%	\$20,447.95	\$-0-	\$20,447.95	4.09%
Cullen Center Bank & Trust, Houston, Texas	\$750,000.00	Jan. 1, 1976	4.25%	\$21,250.00	\$50.00	\$21,200.00	4.240424%
The Fort Worth National Bank, Fort Worth, Texas	\$750,000.00	Jan. 1, 1976	4.70%	\$23,497.65	\$82.50	\$23,415.15	4.68350%
First City National Bank of Houston, Houston, Texas	\$750,000.00	Jan. 1, 1967	4.75%	\$23,747.625	\$-0-	\$23,747.625	4.75%

The bids were referred to Mr. Barker and Mr. Curtis Adrian, First Southwest Corporation, for verification.

Mr. Barker announced that the low bid for the Certificates was that of First National Bank in Dallas for an effective interest rate of 3.95%.

Mr. Adrian reviewed this by noting that there had been six bids received, but the bid of Hornblower & Weeks - Hemphill, Noyes, Inc., was rejected because it was not in accordance with bidding instructions. He reiterated Mr. Barker's statement that the low bid was that of First National Bank in Dallas for an effective interest rate of 3.95% and a net interest cost of \$19,748. He recommended that the sale of the \$750,000 Certificates be awarded to First National Bank in Dallas. He commented that these bids were considerably below the Dow Jones; but usually the Certificates were for 20 years, and these were for 8 months.

Councilman Lebermann moved that the Council accept the bid offered by the First National Bank in Dallas for an effective interest rate of 3.95%. The motion, seconded by Councilman Binder, carried by the following vote:

Ayes: Councilperson Dr. Linn, Councilmen Binder, Friedman, Snell, Lebermann

Noes: None

Absent: Mayor Butler, Mayor Pro Tem Dryden

MINUTES PERTAINING TO PASSAGE AND ADOPTION OF  
ORDINANCE AUTHORIZING ISSUANCE OF \$750,000  
"CITY OF AUSTIN, TEXAS, CERTIFICATES OF OBLI-  
GATION, SERIES NO. 2," DATED MAY 1, 1975

THE STATE OF TEXAS        X  
                                  X  
COUNTY OF TRAVIS        X  
                                  X  
CITY OF AUSTIN            X

ON THIS, the 1st day of May, 1975, the City Council of the City of Austin, Texas, convened in special session at the Council Chambers, Municipal Annex, the meeting being open to the public and notice of said meeting having been given as prescribed by Article 6252-17, Section 3A, V.A.T.C.S., with the following members present and in attendance, to wit:

BOB BINDER	)	
LOWELL H. LEBERMANN	)	COUNCILMEN
JEFFREY M. FRIEDMAN	)	
JIMMY SNELL	)	
DR. EMMA LOU LINN	)	COUNCILPERSON

and with the following absent: Mayor Butler and Dr. Dryden,  
constituting a quorum; at which time the following among other business was  
transacted:

Councilman Friedman, presiding, presented for the City Council's consideration an ordinance authorizing the issuance of \$750,000 "CITY OF AUSTIN, TEXAS, CERTIFICATES OF OBLIGATION, SERIES NO. 2," dated May 1, 1975, the caption of said ordinance being as follows:

"AN ORDINANCE by the City Council of the City of Austin, Texas, authorizing the issuance of \$750,000 'CITY OF AUSTIN, TEXAS, CERTIFICATES OF OBLIGATION, SERIES NO. 2,' dated May 1, 1975, for the purpose of purchasing land and buildings for expansion of the municipal annex; providing the terms and conditions to be followed in the issuance and delivery of such certificates; making provision for the payment of such certificates by the levy and collection of an ad valorem tax; enacting provisions incident and relating to the subject matter and purpose of this ordinance; and declaring an emergency."

The ordinance was read and Councilman Lebermann moved that the rule be suspended which requires that no ordinance shall become effective until the expiration of ten days following the date of its final passage, that such ordinance be finally passed and adopted at this meeting, and that, for the reasons recited therein, said ordinance be passed as an emergency measure for the immediate preservation of the public peace, health and safety of the citizens of Austin as permitted by the City Charter. The motion was seconded by Councilman Binder and carried by the following vote:

AYES: Councilmen Binder, Lebermann, Friedman, Snell and Councilperson Dr. Linn

NOES: None

ABSENT: Mayor Butler, Mayor Pro Tem Dryden

The ordinance was read the second time and Councilman Lebermann moved that the rules be further suspended and that the ordinance be passed as an emergency measure to its third reading. The motion was seconded by Councilman Binder and carried by the following vote:

AYES: Councilmen Binder, Lebermann, Friedman, Snell and Councilperson Dr. Linn

NOES: None

ABSENT: Mayor Butler, Mayor Pro Tem Dryden

The ordinance was read the third time and Councilman Lebermann moved that the ordinance be finally passed as an emergency measure. The motion was seconded by Councilman Binder and carried by the following vote:

AYES: Councilmen Binder, Lebermann, Friedman, Snell and Councilperson Dr. Linn

NOES: None

ABSENT: Mayor Butler, Mayor Pro Tem Dryden

Councilman Friedman then announced that the ordinance had been finally passed and adopted.

Councilman Friedman announced that the Council would meet in an Executive Session at 12:00 noon to discuss several matters.

The Council recessed at 10:50 a.m.

APPROVED

*Ray Butler*  
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Mayor

ATTEST:

*Grace Monroe*  
\_\_\_\_\_

City Clerk