

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Special Meeting

August 21, 1975
10:00 A.M.

Council Chambers
301 West Second Street

The meeting was called to order with Mayor Pro Tem Snell presiding.

Roll Call:

Present: Councilmembers Himmelblau, Hofmann, Lebermann, Linn,
Trevino, Mayor Pro Tem Snell

Absent: Mayor Friedman

Mayor Pro Tem Snell announced that this was a Special Called Meeting of the Council for the purpose of opening and receiving bids and passing ordinances authorizing the issuance of \$26,000,000 Electric Light & Power, Waterworks and Sewer System Revenue Bonds, Series 34, together with a letter of agreement with the Texas Water Quality Board for \$4,070,000 Revenue Bonds. 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, first read the letter of agreement from the Texas Water Development Board which covered their purchase of \$4,070,000 Electric Light & Power, Waterworks and Sewer System Revenue Bonds, Series 35 at a statutory lending rate of 4.967848%, pursuant to Texas Water Quality Board Order 71-1216-5. Delivery would be taken by the Texas Water Development Board on September 10, 1975.

Mayor Friedman entered the Chamber at this time.

Mr. Barker then opened and read bids on \$26,000,000 Electric Light & Power, Waterworks and Sewer System Revenue Bonds, Series 34, as per attached sheet:

CITY OF AUSTIN, TEXAS
 TABULATION OF BIDS RECEIVED ON
 \$26,000,000 ELECTRIC LIGHT AND POWER, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES 34
 AUGUST 21, 1975

Name of Bidder	Maturity Dates	Nominal Interest Rate	Gross Interest Rate	Premium Offered	Net Interest Cost	Effective Interest Rate
1. Halsey, Stuart & Co., Inc.	Oct. 1, 1987 thru Oct. 1, 1989	8.00 %				
	Oct. 1, 1990	7.375%				
	Oct. 1, 1991	6.90 %				
	Oct. 1, 1992	7.00 %				
	Oct. 1, 1993	7.10 %				
	Oct. 1, 1994	7.20 %				
	Oct. 1, 1995	7.30 %				
	Oct. 1, 1996 thru Oct. 1, 1997	7.40 %				
	Oct. 1, 1998	7.50 %				
	Oct. 1, 1999 thru Oct. 1, 2000	7.00 %	\$35,972,260.42	\$2,600.00	\$35,969,660.42	7.2936 %
2. Blythe Eastman Dillon & Co., Inc.	Oct. 1, 1987 thru Oct. 1, 1989	8.50 %				
	Oct. 1, 1990	8.25%				
	Oct. 1, 1991	7.00 %				
	Oct. 1, 1992	7.10 %				
	Oct. 1, 1993	7.20 %				
	Oct. 1, 1994	7.25 %				
	Oct. 1, 1995	7.30 %				
	Oct. 1, 1996	7.40 %				
	Oct. 1, 1997 thru Oct. 1, 1998	7.50 %				
	Oct. 1, 1999 thru Oct. 1, 2000	6.50%	\$36,138,687.50	-0-	\$36,138,687.50	7.3278 %
3. Salomon Brothers & Associates	Oct. 1, 1987 thru Oct. 1, 1989	8.75 %				
	Oct. 1, 1990	7.80 %				
	Oct. 1, 1991	7.10 %				
	Oct. 1, 1992	7.20 %				
	Oct. 1, 1993 thru Oct. 1, 1994	7.25 %				
	Oct. 1, 1995 thru Oct. 1, 1998	7.40 %				
Oct. 1, 1999 thru Oct. 1, 2000	6.75%	\$36,464,145.83	\$4,120.00	\$36,460,025.83	7.39304%	

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

It was noted that three bids were received. Mr. Barker stated that the bids had been verified both manually and through a computer in Dallas, and for the first time, through the City's computer. They recommended award of the bid to Halsey, Stuart and Co., Inc. at an effective interest rate of 7.2936%.

Mr. Curtis Adrian, First Southwest Corporation, stated that unfortunately, cities could not wait for good market conditions to sell bonds. During the 16 years he had kept records on the City's bond sales, interest rates were at an all time high today. He would not recommend postponing the sale because the market could get worse. He felt that the situation in New York City with Big Mac (Mutual Assistance Corporation) had influenced the sale but did not know to what extent. He compared Austin's sale to a recent sale in New York, and stated that the City had a good sale in spite of the high interest rate in view of market conditions. He recommended award of the bonds be made to Halsey, Stuart and Co., Inc. at an effective interest rate of 7.2936%.

Councilmember Lebermann moved that the Council award the bid to Halsey, Stuart and Co., Inc., at an effective interest rate of 7.2936%. The motion, seconded by Mayor Pro Tem Snell, carried by the following vote:

- Ayes: Mayor Friedman, Mayor Pro Tem Snell, Councilmembers Himmelblau, Hofmann, Lebermann, Linn, Trevino
- Noes: None

MINUTES PERTAINING TO PASSAGE AND ADOPTION OF
 ORDINANCE AUTHORIZING ISSUANCE OF \$26,000,000
 "CITY OF AUSTIN, TEXAS, ELECTRIC LIGHT AND POWER,
 WATERWORKS AND SEWER SYSTEM REVENUE BONDS,
 SERIES 34," DATED SEPTEMBER 1, 1975.

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

ON THIS, the 21st day of August, 1975, the City Council of the City of Austin, Texas, convened in regular 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:

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|---------------------|----------------|
| JEFFREY M. FRIEDMAN | MAYOR |
| MARGRET HOFMANN | COUNCIL MEMBER |
| DR. EMMA LOU LINN | COUNCILPERSON |
| JOHN TREVINO | COUNCIL MEMBER |
| JIMMY SNELL | MAYOR PRO TEM |
| LOWELL H. LEBERMAN | COUNCIL MEMBER |
| BETTY HIMMELBLAU | COUNCIL MEMBER |

and with the following absent: none , constituting a quorum; at which time the following among other business was transacted:

The Mayor presented for the City Council's consideration an ordinance authorizing the issuance of \$26,000,000 "CITY OF AUSTIN, TEXAS, ELECTRIC LIGHT AND POWER, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES NO. 34," dated September 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 \$26,000,000 'CITY OF AUSTIN, TEXAS, ELECTRIC LIGHT AND POWER, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES NO. 34,' dated September 1, 1975, of which the sum of \$17,565,000 is for the purpose of extending and improving the City's Electric Light and Power System, the sum of \$6,435,000 is for the purpose of extending and improving the City's Waterworks System, and the sum of \$2,000,000 is for the purpose of extending and improving the City's Sewer System (being the fifth parcel or installment of a total voted authorization of \$60,000,000 for Electric Light and Power System purposes; the fifth parcel or installment of a total voted authorization of \$37,400,000 for Waterworks System purposes; and the first parcel or installment of a total voted authorization of \$10,500,000 for Sewer System purposes), as authorized by the General Laws of the State of Texas, particularly Article 1111 et seq., V.A.T.C.S.; prescribing the form of the bonds and the form of interest coupons; pledging the net revenues of the City's combined Electric Light and Power, Waterworks and Sewer System to the payment of the principal of and interest on said bonds; enacting provisions incident and relating to the subject and purpose of this ordinance; and declaring an emergency."

The ordinance was read and Council Member 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 Council Member Snell and carried by the following vote:

AYES: Mayor Friedman and Council Members Hofmann, Trevino, Snell, Lebermann and Himmelblau and Councilperson Dr. Linn.

NOES: None.

The ordinance was read the second time and Council Member 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 Council Member Snell and carried by the following vote:

AYES: Mayor Friedman and Council Members Hofmann, Trevino, Snell, Lebermann and Himmelblau and Councilperson Dr. Linn.

NOES: None.

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

AYES: Mayor Friedman and Council Members Hofmann, Trevino, Snell, Lebermann and Himmelblau and Councilperson Dr. Linn.

NOES: None.

The Mayor then announced that the ordinance had been finally passed and adopted.

MINUTES APPROVED, this the 21st day of August, 1975.

/s/ Jeffrey M. Friedman
Mayor, City of Austin, Texas

ATTEST:

/s/ Grace Monroe
City Clerk, City of Austin,
Texas

(City Seal)

MINUTES PERTAINING TO PASSAGE AND ADOPTION OF
ORDINANCE AUTHORIZING ISSUANCE OF \$4,070,000
"CITY OF AUSTIN, TEXAS, ELECTRIC LIGHT AND POWER,
WATERWORKS AND SEWER SYSTEM REVENUE BOND,
SERIES 35," DATED SEPTEMBER 1, 1975

THE STATE OF TEXAS
COUNTY OF TRAVIS
CITY OF AUSTIN

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ON THIS, the 21st day of August, 1975, the City Council of the City of Austin, Texas, convened in regular 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:

JEFFREY M. FRIEDMAN	MAYOR
MARGRET HOFMANN	COUNCIL MEMBER
DR. EMMA LOU LINN	COUNCILPERSON
JOHN TREVINO	COUNCIL MEMBER
JIMMY SNELL	MAYOR PRO TEM
LOWELL H. LEBERMANN	COUNCIL MEMBER
BETTY HIMMELBLAU	COUNCIL MEMBER

and with the following absent: none, constituting a quorum; at which time the following among other business was transacted:

The Mayor presented for the City Council's consideration an ordinance authorizing the issuance of \$4,070,000 "CITY OF AUSTIN, TEXAS, ELECTRIC LIGHT AND POWER, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES NO. 35," dated September 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 \$4,070,000 'CITY OF AUSTIN, TEXAS, ELECTRIC LIGHT AND POWER, WATERWORKS AND SEWER SYSTEM REVENUE BOND, SERIES NO. 35,' dated September 1, 1975, for the purpose of extending and improving the City's Sewer System (being the second parcel or installment of a total votes authorization of \$10,500,000 for Sewer System purposes), as authorized by the General Laws of the State of Texas, particularly Article 1111 et seq., V.A.T.C.S.; prescribing the form of the bond; pledging the net revenues of the City's combined Electric Light and Power, Waterworks and Sewer System to the payment of the principal of and interest on said bond; enacting provisions incident and relating to the subject and purpose of this ordinance; and declaring an emergency."

The ordinance was read and Council Member 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 Council Member Snell and carried by the following vote:

AYES: Mayor Friedman and Council Members Hofmann, Trevino, Snell, Lebermann and Himmelblau and Councilperson Dr. Linn.

NOES: None.

The ordinance was read the second time and Council Member 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 Council Member Snell and carried by the following vote:

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NOES: None.

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AYES: Mayor Friedman and Council Members Hofmann, Trevino, Snell, Lebermann and Himmelblau and Councilperson Dr. Linn.

NOES: None.

The Mayor then announced that the ordinance had been finally passed and adopted.

MINUTES APPROVED, this the 21st day of August, 1975.

/s/ Jeffrey M. Friedman
Mayor, City of Austin, Texas

ATTEST:

/s/ Grace Monroe
City Clerk, City of Austin,
Texas

(City Seal)

EXECUTIVE SESSION

Mayor Friedman announced that the Council would go into Executive Session at 5:30 P.M. to consider appointments to an Alternative Sources of Revenue Committee.

City Clerk
The Council adjourned at 11:07 A.M.

APPROVED _____

[Handwritten Signature]
Mayor

ATTEST:

[Handwritten Signature]

City Clerk