

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

March 8, 1979
9:00 A.M.

Council Chambers
301 West Second Street

The meeting was called to order with Mayor McClellan presiding.

Roll Call:

Present: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem
Goodman, Councilmembers Himmelblau, Mullen, Snell,
Trevino

Absent: None

INVOCATION

Reverend Henry E. Beseda, Austin Brethern Church, gave the Invocation.

EBONY FASHION FAIR

MRS. WILLIE KIRK was present in the Council Chamber as a representative of the Ebony Fashion Fair. She presented tickets to the fair to the Mayor and all Councilmembers.

CAMP FIRE GIRLS BIRTHDAY WEEK

Camp Fire Girls Week will be observed the week of March 11-17. Mayor McClellan read a proclamation designating the week and presented the proclamation to MRS. LOUANNE LeBOURVEAU, Executive Director, Campfire Girls, the Angle Birds Club, and MS. ALICE MOORE, Group Leader. The Campfire Girls presented T-shirts to the Mayor and Councilmembers.

BOARD AND COMMISSION APPOINTMENTS

Mayor McClellan announced the following Board and Commission appointments will be made March 22, 1979:

Wrecker Standards Commission - 2
On-Going of Goals Committee - 3
Dental Health Advisory Committee - 9
Library Commission - 7
Elisabet Ney Museum - 7
Commission on the Status of Women - 1
Building Standards Commission - 1
Citizen's Board of Natural Resources and Environmental Quality - 1
Community Development Commission - 6
Energy Conservation Commission - 1

JOE TERNUS HAS A NEW SON

Mayor McClellan congratulated Joe Ternus, Director of Urban Transportation, on the birth of his baby boy. Mr. Ternus said they have named the boy John Stretton after his two grandfathers.

PAYMENT AUTHORIZED

Mayor Pro Tem Goodman moved that the Council adopt a resolution to authorize payment to Allied Development Company in accordance with the subdivision right-of-way policy. The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell
Noes: None

CAPITAL IMPROVEMENTS PROJECTS

Mayor Pro Tem Goodman moved that the Council adopt a resolution to authorize certain land for the Spicewood Springs Road Project. CAPITAL IMPROVEMENTS PROJECT No. 73/62-23.

0.94 of one acre of land out of that certain 25.96 acre,
more or less, tract out of the James Mitchell Survey.

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell
Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to authorize acquisition of certain land for the Bull Creek Greenbelt project. CAPITAL IMPROVEMENTS PROJECT No. 75/86-13.

1.77 acres of land out of the James Coleman Survey.
(William H. Bright)

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell
Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to authorize acquisition of certain land for the Bull Creek Greenbelt project. CAPITAL IMPROVEMENTS PROJECT No. 75/86-13.

2.28 acres of land out of that certain 65.98 acre tract of
land out of the James Coleman Survey. (W. H. Bullard)

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell
Noes: None

RELEASE OF EASEMENTS

Mayor Pro Tem Goodman moved that the Council adopt a resolution to authorize release of the following easements:

Fourteen public utility easements out of Dove Springs, Phase IV
Subdivision. (Requested by Nash Phillips/Copus Company, owners.)

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell
Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to authorize release of the following easement:

The east 1.6 feet of the 5.00 foot public utility easement at the
rear of Lot 1, Block 11, Rosedale "C."

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell
Noes: None

APPROACH MAIN

Mayor Pro Tem Goodman moved that the Council adopt a resolution to authorize the following water approach main:

ALSTON BOYD

- For construction of a 12" water approach main to serve the Long Canyon Subdivision. (No cost to City)

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell
Noes: None

CONTRACTS APPROVED

Mayor Pro Tem Goodman moved that the Council adopt a resolution to approve the following contract:

ROBERT C. GRAY CONSTRUCTION COMPANY
P. O. Box 9442
Austin, Texas

- CAPITAL IMPROVEMENTS PROJECT -
Proposed Barton Skyway, 48-inch
Water Transmission Main Relocation
at Loop 1 - \$203,430.00 C.I.P.
No. 75/40-10

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell
Noes: None

Councilmember Cooke asked if, ultimately, this would mean no cost to the City. Mr. Davidson, City Manager, told him that is correct.

Mayor Pro Tem Goodman moved that the Council adopt a resolution to approve the following contract:

GUARANTY FENCE COMPANY
1301 East Lakeland Drive
Austin, Texas

- Furnish and install chain link
fencing on property off Burleson Road,
Water and Wastewater Utility. Items
1 and 2 - \$44,521.00

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell
Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to approve the following contract:

DIAMOND ELECTRONICS
c/1 J. R. Woodruff Company
1400 West Belt North
Houston, Texas

- Closed Circuit Television
Equipment, Electric Power
Production.
Items 1 through 11 - \$13,157.00

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell

Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to approve the following contracts:

Bid Award:

- CAPITAL IMPROVEMENTS PROGRAM -
Electric Utility Department.
C.I.P. No. 79/35-01

WESTINGHOUSE ELECTRIC CORP.
201 North St. Mary's Street
San Antonio, Texas

- Circuit Switcher, Item 1, 2 ea. @
\$21,500.00 Total \$43,000.00

FEDERAL PACIFIC COMPANY
c/o R. D. Erb Company
Fredericksburg Road
San Antonio, Texas

- Metalclad Switchgear, Item 2,
1 ea. - \$70,263.00

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell

Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to approve the following contracts:

Bid Award:

- Maintenance Equipment, Vehicle and
Equipment Services Department.

KINCO, INC.
6702 Willardville Road
Houston, Texas

- Items ME-1 and ME-5 - \$12,279.87

RIVER CITY MACHINERY COMPANY
10411 North Lamar
Austin, Texas

- Items ME-2 and ME-4 - \$94,592.00

PLAINS MACHINERY COMPANY
2235 West Loop 410
San Antonio, Texas

- Item ME-3 - \$30,216.00

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen,
Snell
Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to approve the following contract:

R. E. WELCH EQUIPMENT COMPANY
701 South Key
Lampasas, Texas

- One Large Wrecker Body, Vehicle and
Equipment Services Department.
Item 1, 1 ea. - \$22,031.87

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen,
Snell
Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to approve the following contract:

FIRE FOX CORPORATION
802 Nebraska
Houston, Texas

- One Fire Truck Service Body,
Vehicle and Equipment Services
Department.
Item 1, 1 ea. - \$9,995.00

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen,
Snell
Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to approve the following contracts:

Bid Award:

- Annual Purchase of Truck Bodies,
Vehicle and Equipment Services
Department

COMMERCIAL BODY CORPORATION
Fifth at Pedernales
Austin, Texas

- Item LB-1 - \$7,318.00

FLEET TRUCK EQUIPMENT
6540 S. Interregional
Austin, Texas

- Items LB-3, LB-4, LB-6, LB-7 and
LB-10 - \$27,837.00

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell

Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to
approve the following contract:

TEXAS BATTERY ASSOCIATION, INC.
5209 North Lamar Boulevard
Austin, Texas

- Automotive Batteries, Vehicle and
Equipment Services Department.
Twelve months supply agreement.
Items 1-36 - \$30,660.40

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell

Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to
approve the following contract:

PAVEMENT SPECIALISTS, INC.
P. O. Box 29045
Dallas, Texas

- CAPITAL IMPROVEMENT PROGRAM -
Robert Mueller Municipal Airport
Runway 12R-301 Grooving -
\$88,362.32 C.I.P. No. 78/81-14

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell

Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to
approve the following contract:

OAK FARM DAIRIES
901 Red River
Austin, Texas

- Milk Products for Hospital,
Parks and Recreation, and Police
Department. Six months supply
agreement, with a six months
extension.
Item 1-9 - \$30,793.75

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The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell
Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to approve the following contract:

CORNING MEDICAL Damson Oil Building 260 North Belt East Houston, Texas	- Automated pH Blood Gas System, Corning 175 for Brackenridge Hospital Laboratory - \$15,700.00
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The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell
Noes: None

Mayor Pro Tem Goodman moved that the Council adopt a resolution to approve the following contract:

JENNINGS & COLLINS CONSTRUCTION COMPANY, INC. 4515 Manchaca Road, Suite 200 Austin, Texas	- CAPITAL IMPROVEMENTS PROGRAM - Austin High Tennis Center - \$70,100.00 C.I.P. 75/86-07
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The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell
Noes: None

CONTRACT APPROVAL POSTPONED

Mayor Pro Tem Goodman moved that the Council postpone until March 15, 1979, consideration of approval of the following contracts:

Bid Award:	- Annual Purchase of Heavy Duty Trucks, Vehicle & Equipment Services Department.
COMPTON MOTORS 911 Austin Georgetown, Texas	- Item HT-1 thru HT-4 and HT-14 - \$105,305.24

LEIF JOHNSON FORD TRUCK CITY
502 East Ben White
Austin, Texas

- Items HT-5 through HT-13 -
\$378,930.00

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen,
Snell
Noes: None

POLICE COMPLEX EXPANSION

Mayor Pro Tem Goodman moved that the Council adopt a resolution to select the firm of Holt-Fatter-Scott and Wilson, Stoeltje-Martin for architectural services for the police complex expansion. CAPITAL IMPROVEMENTS NOS. 79/87-03, 76/87-02 and 76/87-03. The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen,
Snell
Noes: None

GRANT APPLICATION

Mayor Pro Tem Goodman moved that the Council adopt a resolution to submit a grant application to the department of Health, Education and Welfare, Institute of Museum Services, for funding in the amount of \$15,000. (October 1, 1979, through September 30, 1980) The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen,
Snell
Noes: None

AUSTIN/TRAVIS COUNTY SENIOR LUNCH PROJECT

Mayor Pro Tem Goodman moved that the Council adopt a resolution to accept Title III funds from the Capital Area Council, Area Agency on Aging, in the amount of \$10,000 to purchase equipment for the second project kitchen for the Austin/Travis County Senior Luncheon Project. The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell

Noes: None

TEMPORARY STREET CLOSING

Mayor Pro Tem Goodman moved that the Council adopt a resolution to temporarily close the 2400 block of Pearl Street from 4:00 p.m. to 7:00 p.m., March 30, 1979, as requested by MR. BILLY JOE CROSS of Lambda Chi Alpha Fraternity. The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell

Noes: None

Councilmember Himmelblau asked if this is contingent on traffic and crowd control. Mayor McClellan said it is.

RAILROAD CROSSING PROTECTION

Mayor Pro Tem Goodman moved that the Council adopt a resolution to enter into contracts for the installation of railroad crossing protection devices at Pedernales and Waller Streets. The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell
Noes: None

CETA

Mayor Pro Tem Goodman moved that the Council adopt a resolution to contract with the Texas Employment Commission for \$21,476 to provide for verification of PSE applicant eligibility data under Titles II-D and VI of CETA. (February 1, 1979 through September 30, 1979) The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell
Noes: None

Councilmember Himmelblau asked where the money is coming from. Ms. Jackie Williams told her it will come from the services category in Manpower.

ZONING CASE REINSTATED

Mayor Pro Tem Goodman moved that the Council adopt a resolution to reinstate Zoning Case No. C14-68-142, 503-505 Bellvue Place. The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell
Noes: None

AGENDA ITEMS PULLED

Mayor Pro Tem Goodman moved that the Council pull a resolution authorizing lease agreement and settlement of eminent domain proceedings with Economy Engraving Company, 401 West 2nd Street, from the Agenda. The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell
Noes: None

Mayor Pro Tem Goodman moved that the Council pull from the agenda consideration of the request for funding of the production of the rape prevention film, "Not Only Strangers." The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell
Noes: None

PUBLIC HEARING SET

Mayor Pro Tem Goodman moved that the Council set a public hearing on permission to construct approximately 1,400 feet of wastewater interceptor through parkland in the Williamson Creek Greenbelt for April 12, 1979 at 10:00 a.m. The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember
Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau,
Mullen, Snell
Noes: None

STREET NAME CHANGED

Mayor McClellan introduced the following ordinance:

AN ORDINANCE CHANGING THE NAME OF A STREET FROM WEEPING WILLOW LANE TO WEEPING WILLOW DRIVE; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

Mayor Pro Tem Goodman moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino
Noes: None

The Mayor announced that the ordinance had been finally passed.

STANDARDS OF DRIVEWAYS

Mayor McClellan introduced the following ordinance:

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AN ORDINANCE AMENDING SECTIONS 31-16.3, 31-21.1(b), 31-21.1(h), SECTION 31-23(b) (4), SECTION 31-23(d); PROVIDING THAT THE DIRECTOR OF URBAN TRANSPORTATION SHALL HAVE THE AUTHORITY AND DUTY TO REVIEW DRIVEWAY PERMIT APPLICATIONS AS TO THEIR IMPACT ON VEHICULAR AND PEDESTRIAN TRAFFIC AND SAFETY AND APPROVE OR DENY THE PERMIT BASED ON THESE CONSIDERATIONS; PROVIDING THAT NO PERMIT SHALL BE DENIED UNLESS IT IS DETERMINED BY THE DIRECTOR THAT THE PROPOSED LOCATION OF THE DRIVEWAY WILL HAVE AN ADVERSE EFFECT ON THE PUBLIC SAFETY; PROVIDING VARIOUS FACTORS WHICH THE DIRECTOR SHALL CONSIDER IN MAKING HIS DETERMINATION; PROVIDING THAT THE DIRECTOR SHALL ALSO ESTABLISH GEOMETRIC DESIGN STANDARDS FOR DRIVEWAY APPROACHES; PROVIDING THAT NO PERMIT SHALL BE ISSUED WITHOUT APPROVAL OF THE SAID DESIGN BY THE DIRECTOR OF URBAN TRANSPORTATION OR HIS DESIGNATE; PROVIDING AN APPEAL TO THE CITIZENS' TRAFFIC SAFETY COMMISSION BY ANY DRIVEWAY PERMIT APPLICANT WHO IS AGGRIEVED OF THE DECISION OF THE DIRECTOR; PROVIDING THAT THE APPLICATION FOR A PERMIT REQUIRED BY SECTION 31-18(a) SHALL INCLUDE THE PARKING LAYOUT AND THE LOCATION OF ANY EXISTING AND PROPOSED BUILDINGS OR STRUCTURES; DELETING THE TERM "PARKING AND DRIVEWAY STANDARDS" AND SUBSTITUTING THEREFORE THE TERM "DESIGN CRITERIA MANUAL FOR STREET IMPROVEMENTS"; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

Mayor Pro Tem Goodman moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino

Noes: None

The Mayor announced that the ordinance had been finally passed.

BRACKENRIDGE HOSPITAL STAFF INCREASED

Mayor McClellan introduced the following ordinance:

AN ORDINANCE AMENDING ORDINANCE NO. 780925-A, ANNUAL BUDGET ORDINANCE FOR FISCAL YEAR 1978-79, BY APPROPRIATING FUNDS FROM THE 1978-79 BRACKENRIDGE HOSPITAL REVENUES TO PROVIDE INCREASED HOSPITAL STAFFING; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

Mayor Pro Tem Goodman moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino

Noes: None

The Mayor announced that the ordinance had been finally passed.

WRIGHT ROAD FARM FOR CHRONIC ALCOHOLICS

Mayor McClellan introduced the following ordinance:

AN ORDINANCE AMENDING ORDINANCE NO. 780925-A, ANNUAL BUDGET ORDINANCE FOR FISCAL YEAR 1978-79, BY APPROPRIATING FUNDS FROM THE 1978-79 GENERAL FUND ENDING BALANCE FOR OPERATING EXPENSES ASSOCIATED WITH DIRECT PATIENT CARE AT THE WRIGHT ROAD FARM FOR THE CHRONIC ALCOHOLIC; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

Mayor Pro Tem Goodman moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino

Noes: None

The Mayor announced that the ordinance had been finally passed.

AGENDA ITEM PULLED

Mayor Pro Tem Goodman moved that the Council pull off the agenda consideration of an interim ordinance prohibiting the erection of off-premise signs and providing standards for the erection of on-premise signs within 200 feet of U. S. Highway 183 between Balcones Drive and F. M. 620. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino

Noes: None

MAYOR AND COUNCILMEMBER ELECTION SET

Mayor McClellan introduced the following ordinance:

AN ORDINANCE ORDERING AN ELECTION TO BE HELD IN THE CITY OF AUSTIN ON APRIL 7, 1979 FOR THE PURPOSE OF ELECTING SIX COUNCILMEN AND A MAYOR OF THE CITY OF AUSTIN FOR A TERM OF TWO YEARS BEGINNING MAY 15, 1979; PROVIDING FOR POLLING PLACES; PROVIDING FOR THE FORM OF THE BALLOT; PROVIDING FOR HOURS OF ABSENTEE VOTING; PROVIDING FOR A SPECIAL CANVASSING BOARD; PROVIDING FOR THE USE OF AN ELECTRONIC VOTING SYSTEM; PROVIDING FOR PROPER NOTICE AND SUCH OTHER ASPECTS AS ARE INCIDENT AND RELATED TO THE PURPOSE OF THIS ORDINANCE; SUSPENDING THE RULE REQUIRING THE READING OF AN ORDINANCE ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Mayor Pro Tem Goodman moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino

Noes: None

The Mayor announced that the ordinance had been finally passed.

VOTING PRECINCTS - ANNEXED TERRITORIES

Mayor McClellan introduced the following ordinance:

AN ORDINANCE INCORPORATING CERTAIN TERRITORY ANNEXED TO THE CITY OF AUSTIN INTO APPROPRIATE VOTING PRECINCTS IN THE CITY OF AUSTIN; SUSPENDING THE RULE REQUIRING THE READING OF AN ORDINANCE ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Mayor Pro Tem Goodman moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmembers Cooke, Himmelblau, Mullen,
Snell

Noes: None

Abstain: Mayor Pro Tem Goodman, Councilmember Trevino

The Mayor announced that the ordinance had been finally passed.

CITY AND COUNTY VOTING PRECINCTS
TO CONFORM

Mayor McClellan introduced the following ordinance:

AN ORDINANCE CONFORMING THE BOUNDARIES OF VOTING PRECINCTS IN THE CITY OF AUSTIN TO THE BOUNDARIES OF THOSE VOTING PRECINCTS OF TRAVIS COUNTY WHICH ARE WITHIN THE CITY; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HERewith; SUSPENDING THE RULE REQUIRING THE READING OF AN ORDINANCE ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Mayor Pro Tem Goodman moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmembers Cooke, Himmelblau, Mullen,
Snell

Noes: None

Abstain: Mayor Pro Tem Goodman, Councilmember Trevino

The Mayor announced that the ordinance had been finally passed.

AGENDA ITEM POSTPONED

Mayor Pro Tem Goodman moved that the Council postpone until March 15, 1979, consideration of the Amplified Sound Ordinance. The motion, seconded, by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino

Noes: None

ZONING ORDINANCES

Mayor McClellan introduced the following ordinance:

AN ORDINANCE ORDERING A CHANGE IN USE AND HEIGHT AND AREA AND CHANGING THE USE AND HEIGHT AND AREA MAPS ACCOMPANYING CHAPTER 45 OF THE AUSTIN CITY CODE OF 1967 AS FOLLOWS:

TRACT 1: A 2.0 ACRE TRACT OF LAND; AND

TRACT 2: A 0.5 ACRE TRACT OF LAND, LOCALLY KNOWN AS 9317 MCNEIL ROAD; FROM INTERIM "A" RESIDENCE, INTERIM FIRST HEIGHT AND AREA DISTRICT TO "D" INDUSTRIAL, FIRST HEIGHT AND AREA DISTRICT; SAID PROPERTY BEING LOCATED IN AUSTIN, TRAVIS COUNTY, TEXAS; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE. (Eleuterio Loreda, Jr., C14-73-253 - part)

Mayor Pro Tem Goodman moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino

Noes: None

The Mayor announced that the ordinance had been finally passed.

Mayor McClellan introduced the following ordinance:

AN ORDINANCE ORDERING A CHANGE IN USE AND HEIGHT AND AREA AND CHANGING THE USE AND HEIGHT AND AREA MAPS ACCOMPANYING CHAPTER 45 OF THE AUSTIN CITY CODE OF 1967 AS FOLLOWS:

TRACTS 7 AND 9: A 79.255 ACRE TRACT OF LAND, LOCATED ON PLEASANT VALLEY ROAD AND EAST RIVERSIDE DRIVE; FROM INTERIM "A" RESIDENCE, INTERIM FIRST HEIGHT AND AREA DISTRICT TO "GR" GENERAL RETAIL, FIRST HEIGHT AND AREA DISTRICT; SAID PROPERTY BEING LOCATED IN AUSTIN, TRAVIS COUNTY, TEXAS; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE. (Dickson Properties, Inc. & Roberta P. Dickson, C14-72-204 - part)

Mayor Pro Tem Goodman moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino

Noes: None

The Mayor announced that the ordinance had been finally passed.

AGENDA ITEM WITHDRAWN

The Library Commission report on Library Budget, scheduled to be heard at 9:30 a.m. was withdrawn from the agenda.

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ZONING HEARING

Mayor McClellan announced Council would hear the zoning scheduled for 9:30 a.m. Pursuant to published notice thereof, the following zoning case was publicly heard:

LaCHANCE INVESTMENTS 3621-3629 Manchaca Road
LTD.
By Jim LaChance
C14-78-205

From "O" Office
1st Height and Area
To "LR" Local Retail
1st Height and Area
NOT Recommended by the
Planning Commission

Mr. Richard Lillie, Director of Planning, reviewed the application. MR. PETER KREISNER, representing LaChance Investments, appeared before Council and asked for the zoning change so that the site could be used for a 7-11 store. Councilmember Himmelblau said she would prefer to see a special permit granted because that would show no change on the zoning map. Mr. Kreisner indicated that a special permit would not serve their needs.

CARL CONNOLLY, who lives in the area on Fleetwood Drive, appeared before Council and objected to the site being used for a 7-11 because of the increase in traffic which would result. He also objected to a PUD. After more discussion, Councilmember Himmelblau said she is against the zoning change because she considers it to be spot zoning.

Councilmember Himmelblau moved that the Council uphold the recommendation of the Planning Commission, and DENY the zoning change. The motion, seconded by Mayor Pro Tem Goodman, carried by the following vote:

Ayes: Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen,
Snell, Mayor McClellan

Noes: None

Not in Council Chamber when roll was called: Councilmembers Cooke, Trevino

The Mayor announced that the zoning case had been DENIED.

AGENDA ITEM PULLED

Mr. Dan Pershell, Chairman, Cyclo-Commuters of Austin, was scheduled to appear under Citizens Communications, to request that Council pass a resolution designating the week of April 23-28, 1979 as "Bicycle Commuter Week." The item was pulled off the agenda.

SKI JUMP FOR LAKE LONG

MR. DAVID CORNWALL, President, University of Texas Water Ski Team, appeared before Council to request permission to anchor a regulation ski jump on Lake Walter E. Long.

Mayor Pro Tem Goodman moved that the Council approve the request and bring it back as a License Agreement. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor Pro Tem Goodman, Councilmembers Himmelblau, Snell, Mayor McClellan

Noes: None

Not in Council Chamber when roll was called: Councilmembers Mullen, Trevino, Cooke

FARMWORKERS RESOLUTION

MR. ENRIQUE LOPEZ, representative, State Capital Support Committee, appeared before Council to request that Council hear representatives from the farmworker support group and consider adopting of a resolution endorsing and supporting collective bargaining legislation for all farmworkers in the State of Texas. The resolution would designate March 10-16, 1979, as Texas Farmworkers' Week.

MS. KATHY VASQUEZ appeared before Council to tell them that the farmworkers have a broad based support by various groups.

Motion - Failed

Councilmember Trevino moved that the Council adopt the resolution endorsing and supporting collective bargaining legislation for all farmworkers in the State of Texas. The motion, seconded by Mayor Pro Tem Goodman, failed to carry by the following vote:

Ayes: Mayor Pro Tem Goodman, Councilmembers Snell, Trevino

Noes: None

Abstain: Mayor McClellan, Councilmembers Cooke, Himmelblau

Not in Council Chamber when roll was called: Councilmember Mullen

Mayor Pro Tem Goodman said he would urge his Representative and Senator to support them.

SALE OF AUSTIN UTILITY SYSTEM REVENUE BONDS

Mayor McClellan stated that the City Council of Austin had advertised that it would receive sealed bids until 10:30 a.m., CDT, this day, for the City of Austin, Texas, \$80,000,000 worth of City of Austin Utility System Revenue Bonds, Series 5. She 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 members of the Council, the City Clerk, the Finance Administrator, or anyone present in the Council Chamber. It was determined no other bids had been received. The Mayor announced it was 10:30 a.m., and the time for receiving bids was closed.

Mr. Norman Barker, Finance Administrator, then opened and read three bids on \$80,000,000 worth of City of Austin Utility System Revenue Bonds, Series 5 as follows on the next page:

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CITY OF AUSTIN, TEXAS
TABULATION OF BIDS RECEIVED ON
\$80,000,000 UTILITY SYSTEM REVENUE BONDS, SERIES 5
MARCH 8, 1979

Name of Bidder	Maturity Dates	Nominal Interest Rate	Gross Interest Cost	Premium Offered	Net Interest Cost	Effective Interest Rate
Blyth Eastman Dillon & Co., Inc. Merrill Lynch White Weld Capital Markets Group Salomon Brothers and Associates	April 1, 1981 thru April 1, 1993	7.00 %				
	April 1, 1994 thru April 1, 1997	6.00				
	April 1, 1998	6.10				
	April 1, 1999	6.20				
	April 1, 2000 thru April 1, 2005	6.25				
	April 1, 2006	6.00	\$ 99,988,670.83	\$ -0-	\$ 99,988,670.83	6.2568 %
Bear, Stearns & Co. and Associates	April 1, 1981 thru April 1, 1994	7.00 %				
	April 1, 1995	6.20				
	April 1, 1996	6.00				
	April 1, 1997	6.10				
	April 1, 1998	6.20				
	April 1, 1999 thru April 1, 2000	6.30				
	April 1, 2001 thru April 1, 2002	6.40				
	April 1, 2003 thru April 1, 2004	6.50				
	April 1, 2005 thru April 1, 2006	6.00	\$101,352,408.33	\$ 442.00	\$101,351,966.33	6.342161 %
Bache Halsey Stuart Shields, Inc. and Associates	April 1, 1981 thru April 1, 1991	7.00 %				
	April 1, 1992	6.30				
	April 1, 1993 thru April 1, 1996	6.00				
	April 1, 1997 thru April 1, 1998	6.10				
	April 1, 1999	6.20				
	April 1, 2000 thru April 1, 2001	6.25				
	April 1, 2002	6.40				
	April 1, 2003 thru April 1, 2005	6.50				
	April 1, 2006	6.00	\$101,431,187.50	\$ 800.00	\$101,430,387.50	6.3470 %

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Mayor McClellan referred the bids to Mr. Barker and Mr. Curtis Adrian First Southwest Company for verification. Mr. Barker and Mr. Adrian left the Council Chamber to verify the bids.

During the interim, before they returned to the Council Chamber with verification of the bond sale, the City Council continued to hear, discuss and vote on agenda items.

Mr. Barker and Mr. Adrian returned to the Council Chamber and were asked by Mayor McClellan if they had verified the bids. Mr. Barker answered that they had and recommended that the award of bid for \$80,000,000 worth of City of Austin Utility System Revenue Bonds, Series 5, should go to Blyth Eastman Dillon & Co., Inc.; Merrill Lynch White Weld Capital Markets Group; and Salamon Brothers and Associates at an effective interest rate of 6.2568%, for a net interest cost \$99,988,670.83. He said the bid had been verified through two sources.

Mr. Adrian addressed Council by saying, "This is always a pleasant subject to talk about, especially when you have the kind of sale you had this morning. As you know, Austin did maintain their excellent bond ratings for this sale, which further indicates the necessity for making these presentations to the rating services in New York. There's been an unusual amount of interest in this sale. We've received a number of telephone calls as has the Director of Finance and the Finance Administrator. This also is interesting because to me it indicates that if we have enough interest, we're going to get some good bids. The Dow-Jones average today is 7.02%. The bonds sold at 6.26% which brings about a difference of 76 basis points. Each basis point is worth \$159,800.00. You multiply that by 76 and that gives you a figure of \$12,145,000. Meaning and comparing the Dow-Jones averages with the sale you had today, your sale, interest-wise, sold at \$12,145,000 under the national Dow-Jones averages. I think it is a point of interest that should be pointed out...since 1960 the City of Austin has conducted 31 revenue bond sales. There's only been two sales out of the 31 wherein the City of Austin sold at a larger percentage point other than they sold today. I congratulate the City. You always seem to sell in a good market. That is, the market is not necessarily good interest-wise but you sold so far below the market that it does certainly produce an excellent sale for the City of Austin and I congratulate you."

Motion

Councilmember Trevino moved that the Council approve the official statement as of the date of sale of the bonds and authorizing certificate at the time of payment and for delivery of the bonds, \$88,000,000 City of Austin Utility System Revenue Bonds, Series 5, at an effective interest rate of 6.2568%. The motion, seconded by Mayor Pro Tem Goodman, carried by the following vote:

Ayes: Councilmember Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell, Trevino, Mayor McClellan

Noes: None

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The Mayor presented for the City Council's consideration an ordinance authorizing the issuance of \$80,000,000 in revenue bonds, the caption of said ordinance being as follows:

"ORDINANCE NO. 790308-A

"AN ORDINANCE by the City Council of the City of Austin, Texas, authorizing the issuance of \$80,000,000 'CITY OF AUSTIN, TEXAS, UTILITY SYSTEM REVENUE BONDS, SERIES 5,' dated March 1, 1979, for the purposes stated in this ordinance; 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 after providing for the payments required by the ordinances authorizing issuance of the first lien bonds; providing certain covenants pertaining to the bonds similarly secured (including the bonds herein authorized) and the funds from which same are to be paid; enacting provisions incident and relating to the subject and purpose of this ordinance and declaring an emergency."

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

Ayes: Mayor McClellan, Councilmembers Cooke, Goodman, Trevino, Mullen, Himmelblau and Snell

Noes: None

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

Ayes: Mayor McClellan, Councilmembers Cooke, Goodman, Trevino, Mullen, Himmelblau and Snell

Noes: None

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

Ayes: Mayor McClellan, Councilmembers Cooke, Goodman, Trevino, Mullen, Himmelblau and Snell

Noes: None

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

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INTERFRATERNITY COUNCIL CARNIVAL

GEORGE ALCORN, Round-Up Chairman, Interfraternity Council at the University of Texas appeared before Council requesting relief from the Building Inspector's ruling on a carnival at 26th and Rio Grande April 4th and 5th, 1979. He said this is the old Seton Hospital site which would be an ideal central location for the carnival, making it accessible to University students. MR. ED PAGAENT, the owner, told Mr. Alcorn he would be happy to let the Interfraternity Council use his land. Plans and investments have been made, but when applying to the City for a sound permit, they were told they could not have any of the planned functions on the land at 26th and Rio Grande because it is zoned Residential. Mr. Alcorn was told the land needed to be zoned Commercial in order to have the carnival; so he is asking the Council to grant IFC temporary immunity from the zoning restrictions so they can have the carnival on the land.

Mr. Albert De La Rosa, Assistant City Attorney, stated, "There is a very serious problem here because Council does not have the authority to vary the zoning use. We suggest you find a tract that is "C" zoned." Mr. Alcorn asked if they could have the band and the fraternity and sorority booths on the land.

Mr. Harris, City Attorney, said his office just received the problem yesterday and the scope of the carnival had been described to him as booths, dancing, and carnival rides which are clearly in the category of being carnival, and not allowed in residential zoning. Mr. Harris said they needed to talk to IFC today and look at the scope of the activity and see if they fall in the definition of a carnival or what and see if there is any possible solution to having the activity on this particular tract. Mayor McClellan suggested they find a place to relocate if they cannot have the carnival on this tract. Mr. Alcorn said they have found no opposition to the carnival when checking with the neighbors. Councilmember Trevino suggested there might be City property IFC may want to use, such as Auditorium Shores. The IFC will discuss alternate sites with the Legal Department.

PUBLIC HEARING - TRANSPORTATION ENTERPRISES, INC.
CHARTER SERVICE FRANCHISE

Mayor McClellan opened the Public Hearing on Transportation Enterprises, Inc., Charter Service Franchise, scheduled for 10:00 a.m. Mr. Joe Ternus, Director of Urban Transportation, told Council that several weeks ago Mr. Scott Keller, representing Transportation Enterprises, Inc., submitted an application for charter service. This franchise, basically, allows TEI to operate within the corporate limits as a charter service, for a period of five years. There is a fee they would pay the City of \$500 per year, plus 5% of gross receipts. In return the City would then authorize them to operate within the City of Austin. He said the charter rates will later be reviewed by the Urban Transportation Commission and submitted to Council for their consideration. Mr. Ternus told Council that the franchise before them has been reviewed by the Transportation Commission and it was determined the Austin Transit System did not have the equipment to satisfy the public need in providing the charter services within the City. For that reason, the Commission, on a 4-2 vote acknowledged that a public convenience and necessity does exist and recommends favorable consideration by the Council.

Mr. Albert De La Rosa, Assistant City Attorney, stated that under the City Code the Council is required to hold a public hearing on all applications for bus franchises. The Code also provides Council must find and determine that the public convenience and necessity will be served by the issuance of the bus franchise. The ordinance provides the public needs will be benefited and served by the proposed service and the public interest, in receiving safe, convenient and economical public transportation service will not be adversely effected by the granting of the franchise. Mr. De La Rosa advised Council to take these items into consideration when listening to the evidence as presented during the public hearing.

MS. SHERRY NOLT, Mr. Scott Keller's secretary, appeared before Council on his behalf. She read a letter from him outlining the charter franchise sought by Transportation Enterprises, Inc. In the letter Mr. Keller asked for 2% rather than 5% of gross receipts since the bus will be used mainly for church and school groups, thus placing a burden on this type of group.

MR. JACK CONNELL appeared before Council to oppose the award of the franchise to Transportation Enterprises, Inc.

Mayor McClellan brought up the following ordinance for its First Reading:

AN ORDINANCE GRANTING TO TRANSPORTATION ENTERPRISES, INCORPORATED, A FRANCHISE FOR FIVE YEARS TO OPERATE AND MAINTAIN A LIMITED CHARTER BUS SERVICE FOR TRANSPORTATION OF PERSONS UPON THE PUBLIC STREETS AND HIGHWAYS OF THE CITY OF AUSTIN, TEXAS, PURSUANT TO THE PROVISIONS OF THE CONSTITUTION AND LAWS OF THE STATE OF TEXAS, THE CHARTER OF THE CITY OF AUSTIN, AND THE CODES AND ORDINANCES OF THE CITY OF AUSTIN.

The ordinance was read the first time, and Councilmember Mullen moved that it be passed to its second reading. The motion, seconded by Councilmember Cooke, carried by the following vote:

Ayes: Councilmember Snell, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen

Noes: None

Not in Council Chamber when roll was called: Councilmember Trevino

The Mayor announced that the ordinance had been passed through FIRST READING only.

Mr. De La Rosa pointed out that the Charter provision provides that every ordinance granting a franchise shall be read at three regular meetings of the City Council and shall not be finally acted upon until 30 days after the first reading thereof.

VETERANS OUTREACH PROGRAM

Councilmember Mullen moved that the Council adopt a resolution authorizing an increase in the funding level for Title III - HIRE II Contract with American G.I. Forum Veterans Outreach Program by approximately \$50,000 to serve 25 veterans upon notification of the U.S. Department of Labor. The motion, seconded by Councilmember Cooke, carried by the following vote:

Ayes: Councilmember Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell

Noes: None

Not in Council Chamber when roll was called: Councilmember Trevino, Mayor McClellan

Councilmember Mullen asked how the staff finds out if the City is getting their money's worth on the contracts; how they monitor them and how they are compared to other jobs in the city. MS. JACKIE WILLIAMS told him that this has been their most successful on-the-job training program. The contract was finalized and staff hired in September 1978; 38 job slots were developed with private sector employers for positions for veterans. They exceeded their goal and have been in jobs that pay a minimum of \$3.50 an hour and a maximum of \$5.21. She said there has been very little turn-over in the slots developed with a variety of employers and some very good occupations.

LIBERTY LUNCH AND WAGONYARD

Council had before it a resolution to consider authorizing execution of an amendment to the Lease Agreement dated April 12, 1976, between the City of Austin and Liberty Lunch and Wagonyard.

Mr. Joe Morahan, Director of Property Management, told Council the amendment is to the lease agreement. The previous owners of Liberty Lunch have sold their interest to Dr. Tesser and he is requesting the lease be amended to reflect he is now the lessee. Dr. Tesser has also requested to do some renovations such as tearing down the old lumber sheds and putting in more parking. Mr. Morahan said his department has no problems with a change in the lessee but is concerned about Dr. Tesser doing a lot of work and making changes. He recalled that the reason Liberty Lunch has existed at that location the last three years was they had just begun their business there when the City acquired the property and asked for sufficient time in order to recoup their initial investment. Council granted that to them. Mr. Morahan said he looks at the current request for changes as taking more time to amortize and is hesitant to approve because it might place Council in an implied position of extending the lease although it is not really the question at hand at this point.

Councilmember Mullen asked Dr. Tesser to appear before Council and state for the record that if the amendment is granted "that you understand if we approve this, because I think it's a good deal for the City...it may be a bad deal for you but I want it on tape that you understand that and you're willing to take that risk and you won't come back to us if we decide to exercise our options. Because I would like to go ahead and approve it like you requested because it is a good deal for us."

Dr. Tesser stated, "The changes we're asking to make are ones we should be able to amortize out within the year. I am thoroughly apprised of the conditions of the lease agreement. We want to remove the barn back there which is not only an eyesore but a liability in order to put more parking back there. We'd like to put a Victorian garden outside. There are very few capital improvements and will not require a great deal of outstanding debt. For the record, I am apprised of the conditions of the lease and will so act on that basis."

Mayor Pro Tem Goodman moved that the Council adopt a resolution to authorize execution of an amendment the lease agreement dated April 12, 1976, between the City of Austin and the Liberty Lunch and Wagonyard. The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Trevino

Noes: None

Not in Council Chamber when roll was called: Councilmember Snell

MORATORIUM ON HIGHWAY 183

Motion

Mayor Pro Tem Goodman moved that the Council waive the requirement for three readings and finally pass an ordinance establishing a maximum sixty day moratorium on the processing of zoning cases for land abutting on U.S. Highway 183 between Balcones Drive and F.M. 620 for the purpose of completing a zoning area study. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino

Noes: None

The above ordinance was passed with the consent motion.

Later, MR. WILLIAM T. CARLISLE, appeared before Council and asked for consideration concerning the ordinance. He stated to Council, "My concern on the ordinance is its application regarding the matter I have. It pertains to a matter that has received favorable recommendation by the Planning Commission and would otherwise come up March 29. I believe the application of this ordinance would create a severe hardship in our particular case. We are under contractual obligation regarding the zoning and have a deadline that would expire prior to the May 7th date. I request that the ordinance be modified so that in the case of items that have received a recommendation from the Planning Commission that they could be heard on a case by case basis by the City Council so you could then decide whether to act or postpone them."

Councilmember Cooke said he appreciated Mr. Carlisle's request, but "I stated last week when we discussed this that those cases that had been heard by this body and approved for modification based on special requirements, that the Council might have put on it. Those cases that were before us at that zoning hearing should not suffer because they were not aware of this particular ordinance

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or 60-day moratorium. They had acted in good faith. However at that time I also concluded that those cases in the pipeline, and had not been heard by Council, if we were going to conclude some sort of policy statement on the roughly 32% of the acreage that had not been zoned out there, that it would be inappropriate to continue to let that process continue at the Planning Commission level or come to Council. And, if we're going to try to adopt a policy in 60 days which under consideration of law is a reasonable period of time, that we would be in essence again doing what we have been doing for the last 19 months, and that is sort of looking at each case on an individual piecemeal basis and not trying to come up with a consolidated policy. So while I realized at the time I submitted this particular ordinance or moratorium for your consideration that we would probably impact selected individuals and would probably create some hardship. But for the total analysis of that entire area, I felt like it was best that we try to expedite and come up with a policy on how we are going to zone the remaining lands out there and try to do so as promptly as possible. I have sympathy with this particular request, but I cannot support it."

Councilmembers Mullen and Himmelblau inquired as to the number of other zonings there are in the Highway 183 area which have been heard and voted on by the Planning Commission. Mr. Lillie, Director of Planning, said there have been 4 on the agenda, but 3 postponed voluntarily for the moratorium. He pointed out that while the 3 cases said they would wait, if Mr. Carlisle's case is given favorable consideration, it may cause problems with other cases. He said there are two cases in the new cycle, deadline for which was yesterday.

Councilmember Mullen asked if they could legally come in and make an exception on one piece of property. City Attorney Harris answered not under the ordinance as written. It would have to be amended to provide a cut-off date for this case to pass through and not others.

Mr. Harris went on to say, "If you want to make an amendment I would suggest we add in here that this shall not apply to any case that was heard and acted upon by the Planning Commission prior to the effective date of this Ordinance."

Motion to Reconsider

Councilmember Mullen moved that the Council approve reconsideration of the ordinance establishing a 60-day moratorium on the processing of zoning cases for land abutting on U.S. Highway 183 between Balcones Drive and F.M. 620 for the purpose of completing a zoning area study. The motion, seconded by Councilmember Trevino, carried by the following vote:

Ayes: Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen, Snell, Trevino, Mayor McClellan, Councilmember Cooke
Noes: None

Motion

Mayor McClellan introduced the following ordinance:

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AN ORDINANCE OF THE CITY OF AUSTIN; PROVIDING A TEMPORARY MORATORIUM ON THE PROCESSING OF ZONING APPLICATIONS FOR LAND ABUTTING ON U. S. HIGHWAY 183 BETWEEN BALCONES DRIVE AND F.M. 620; PROVIDING THAT SUCH MORATORIUM SHALL BE IN EFFECT UNTIL MAY 7, 1979 OR UNTIL THE COMPLETION OF A ZONING AREA STUDY, WHICHEVER OCCURS FIRST; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY. (This provision shall not apply to any zoning case heard and acted upon by the Planning Commission prior to the effective date of this ordinance.)

Councilmember Trevino moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Mayor McClellan, carried by the following vote:

Ayes: Councilmembers Himmelblau, Mullen, Snell, Trevino, Mayor
McClellan, Mayor Pro Tem Goodman
Noes: Councilmember Cooke

The Mayor announced that the ordinance had been finally passed.

Mayor Pro Tem Goodman stated, "If it involved any more than one case, I wouldn't be voting for it, but since it is a singular example with unique hardship elements, I will vote yes."

Councilmember Mullen stated, "Many times government is inflexible and I think we need to take this kind of thing into consideration."

DAVENPORT RANCH M.U.D. NO. 1

Council had before it for consideration a resolution to grant consent of the City of Austin to the creation of the Davenport Ranch Municipal Utility District No. 1 and authorizing execution of a District Creation Agreement.

Council began discussion during the morning session, realized there was not enough time to finish discussion and resumed discourse at the recessed meeting scheduled for 9:30 p.m.

RECESS

Council recessed its meeting at 12:10 p.m. and resumed its recessed meeting at 2:25 p.m.

PUBLIC HEARING ON AUSTIN UTILITY BOARD

Mayor McClellan opened the public hearing scheduled for 2:00 p.m. to consider submission of proposed legislation which would authorize the establishment of the Austin Utility Board for direct operation of Austin's utility systems and authorizing the refunding of outstanding Senior Lien Bonds.

City Manager Davidson referred to a memo he had submitted to the Council on February 15, 1979, concerning the proposed legislation and a recommendation for some special mechanisms relating to debt financing. The memo also pointed out that over the next 20 to 30 years it was possible to save some \$42 million for the rate payers if the proposed legislation is created.

The Utility Board would consist of 9 members appointed by the City Council for 5-year staggered terms. The Board would hire a system manager and provide the appropriate staff to run the systems or contract with the City of Austin for a continuation of certain services where such an arrangement would benefit rate payers. The Board would have the authority to enter into contracts on behalf of the system, prepare a recommended system budget, prepare recommendations for rates and charges, prepare recommendations for condemnation proceedings and would recommend at the appropriate time the issuance of bonds.

Under the format, the City Council would continue to approve the system budget, set rates and charges, exercise eminent domain proceedings and issue bonds.

The City Manager recommended that Board meetings be limited to 5 per month and that Board members be paid \$50 per meeting, plus reimbursement for any expenses incurred. Board members would elect the Chairman, Vice-Chairman and secretary. Utility system personnel would no longer be responsible to the City Manager, but to the Utility Manager appointed by the Board. The Board would have to comply with State law and all municipal ordinances.

Advance refunding bonds would be issued in an amount sufficient to pay the principle and interest and debt reserve requirements of the outstanding senior lien bonds. Proceeds from sale of the advance refunding bonds would be placed in government securities to mature at a rate identical to the outstanding senior lien bonds. There would be no further requirement to place current funds in debt service for the senior lien bonds. Such action would give present outstanding and future issues first call on system revenues making them equivalent to senior lien bonds. Dollar savings would be realized on future bond sales due to an improved credit rating and a decrease in interest rates on future bond sales.

Mr. Davidson felt that the utility system was now complex and large enough to deserve the concentrated planning and policy making which could be achieved by a separate board of directors and separate management. The key to the success of the Board concept would be the quality of appointments to the Board. To clarify an item in his previous memo, Mr. Davidson said that in referring to appointing people who were business oriented, he did not necessarily mean people who owned businesses. His concern was that the appointees understand the complexities on a scale that the utility systems constituted at this time.

Mr. Davidson also pointed out that \$190.6 million of the City's \$294.6 million budget was for the utility systems; however, most of the other major Texas cities did not own their utility systems. It was unfair to say that Austin's budget was too high when compared to those cities.

Mr. Davidson stated that his primary concern was what kind of policies would be necessary to carry the City's utility systems into the future and what kind of concentrated effort would be required on the Utility Board of Directors to plan carefully for the future. He felt that for the future a change in format by the City Council was absolutely necessary and he was submitting the proposed legislation for that purpose. He asked the Council to authorize submission of the proposed legislation to the Texas Legislature. Even if the legislation were approved, the Council would still have to design and consider an ordinance which would describe the actual transfer process and all details which must be worked out before the plan was put into effect. No attempt had been made to work out the details and he felt that such details could wait until the enabling legislation has been passed. In conclusion, Mr. Davidson felt that the proposed idea was the best possible way to benefit rate payers for the Austin utility systems.

DICK SHOCKETT, member of the Citizens Board for Natural Resources and Environmental Quality, stated that he was speaking as an individual and did not represent the Board. He requested that the Environmental Board be included in discussions pertaining to the proposed Utility Board.

Councilmember Cooke proposed the following amendment to Section 2(c), page 3:

"Without limiting the previous sentence, it is specifically provided that the extensions of water and wastewater lines shall be approved or disapproved by the Board in accordance with all City Council adopted policies, resolutions and ordinances pertaining to such extensions."

City Manager Davidson stated that one example of how it might apply would be that the Council could have an understanding that within the preferred growth corridor contained in the Master Plan that the Utility Board would have the authority to extend lines and services anywhere within the corridor as long as they complied with City ordinances without having to return to the Council. Extensions outside the corridor would still have to be approved by the Council.

SAM GRAHAM, member, Electric Utility Commission, reported that the Commission supported the proposed Utility Board in principle by the following vote: (5 for, 2 against, 2 abstaining). Some members had expressed concern over the length of term (5 years) and felt that the term should be 3 years.

Mr. Graham then brought up the following proposed changes which he wanted in the proposed legislation:

1. No notice of intention to issue bonds--should apply only to refinancing of issues.
2. Delete ability to issue bonds for operating and maintenance costs.
3. Private or negotiated sales should be allowed only for refinancing of issues.

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Regarding the first item, Mr. Graham agreed that the notice of intent should be deleted for the refinancing of issues due to the timing matter, but felt that the notice should be retained for other issues.

MR. RICK PORTER stated that under current law the City had to give notice of intent to issue bonds if the bonds had not been voted. There was no requirement that the City's revenue bonds be voted. However, the provision was never used. Timing of an advance refunding was so delicate that it could cost the City money if a 10-day to two-week notice provision was included. He saw no problem with leaving the notice of intent in the proposed legislation.

Regarding the second item, Mr. Graham stated that in the past there was no authority to issue bonds for operational and maintenance expenses. Mr. Porter disagreed with Mr. Graham.

Mr. Porter stated that there would be no problem with deleting the provision but it did give the City more latitude in the event of a disaster. Also, if the system faced a financial crisis and was forced to refinance all of its outstanding debt, the City could be placed in a position to want to borrow operational and maintenance money. However, the provision could be abused as in New York.

Regarding the third item, Mr. Graham stated that under the proposed bill private or negotiated sales are allowed for all issues. He wished to restrict the provision to refinancing so that otherwise, bids could be taken.

Mr. Curtis Adrian, First Southwest Company, agreed with Mr. Graham that the matter should be limited to the refunding of issues.

DALE NAPIER, spokesman for University Citizens for Economical Energy, spoke in opposition to the proposed Utility Board.

BARBARA CILLEY objected to the timing of the proposed legislation and felt that it should have gone through several public hearings. She stated that the proposed bill was a departure from the Council-Manager form of government. She felt that the Council should continue to decide water and wastewater matters. She suggested that the financial portion of the legislation be separated from the creation of a Utility Board.

Mayor McClellan asked for verification that under the proposed bill a majority of the Council could abolish the Utility Board. City Attorney Harris stated that the statement was correct.

Mayor Pro Tem Goodman read the following statement from the proposed legislation:

"The ordinance placing control of the system with the board may specify the period during which the board shall exercise such control. The governing body may, if the same will not impair any obligations of the issuer, return control of the system to the governing body."

He felt that the phrase, "if the same will not impair any obligations of the issuer," could be construed at that particular time to include any impact on

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bonds that may have been issued by the Board. Since it would be necessary to comply with the section which he read, he did not believe that it was as simple as having a Council majority to abolish the Board.

Mayor McClellan pointed out that unless a bond covenant contained a provision giving up jurisdiction that a Council majority could abolish the Board. City Attorney Harris agreed and stated that the only reason the language was included was to enhance the sale of bonds at a good interest rate if the Council chose to put the language into a bond covenant.

ROBERT SNEED stated that Austin was destined to become a major American city and that the system of government for the City as well as a system of providing utilities for the area must be designed which would be modern, efficient and protective of area citizens. He urged the Council not to be afraid of change and to look for ways to make things better for the City.

BILL YOUNGBLOOD endorsed the City Manager's recommendation to the Council regarding creation of a Utility Board. He also urged the Council not to be afraid of change. If the Council agreed to the creation of a Utility Board, he asked that the ordinance contain a provision that the Council would have final approval of the constitution and by-laws of the Board.

City Attorney Harris said that such a provision could be made.

JACK HOPPER said that it was not clear to him how the legislation would effect the rate payers or improve the rate payers circumstances. He expressed concern over how much jurisdiction the Council would have in future ratemaking. City Attorney Harris said that the process would not change as regarded the Council. The Council would not be hearing the rates as an appellate process.

Mr. Hopper said that he could not see how much of a reduction in the Council's workload would occur by creation of the Board. He expressed concern over salaries for the Board and was afraid they might end up as the one in San Antonio, but did not see how it could be avoided.

At this point Mayor McClellan left the Council Chamber and returned in about one hour.

LESLIE GAGE spoke in support of the proposed Board. He questioned the need for full-time Board members, wondered whether or not 9 members would be better than 7 members and thought the proposed terms were somewhat long. Membership of the Board would ultimately determine the success of the Board. He saw the proposed Board as a way to enhance the City's form of government and enhance the operation of the City's utility system.

DON EIRDORF said that he was not sure how appointment of the Board would improve the City's bond rating and save money. City Manager Davidson replied that appointment of the Board would have no effect on the bond rating in his opinion. Refunding of the outstanding Senior Lien Bonds (last 14 pages of the bill) could be undertaken with or without the Board structure and would be the area where the City would save money.

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Mr. Eirdom asked if the current Electric Utility Director would be appointed as the Utility Manager. Mr. Davidson said that appointment of the Utility Manager would be up to the Utility Board of Trustees.

BRUCE TODD, member, Electric Utility Commission, stated that he had no opposition to the bill as he saw it in concept, particularly the part dealing with financial matters. He questioned the timing of the Board appointments and saw no need to rush into that portion of the bill. He thought the matter should be debated fully; with perhaps one exception all items pertaining to the Utility Board could be done by Charter. He urged the Council to consider splitting the Board off into a separate section and hold more public hearings.

In response to Councilmember Cooke's question, City Attorney Harris stated that the bill, as written, would dictate a 9-member board. However, the number could be left open.

There was discussion regarding whether to create a Utility Board by State law or by City Charter. There also was discussion concerning whether creation of the Board would be a departure from the Council-Manager form of government. City Manager Davidson did not believe that creation of the Board would have any effect on the Council-Manager form of government, nor was it a departure from existing practices. Mayor Pro Tem Goodman said that whenever a significant public agency was established it was done with a vote of the people.

C. W. HETHERLY spoke in support of the proposed Utility Board and felt that creation of it was overdue.

JERRY HALE, an engineer, supported creation of the Board.

BILL YOUNGBLOOD expressed reservations about creating the Utility Board by Charter because if the Board turned out to be a bad idea, the Charter could be amended only every two years and it was difficult to pass an amendment.

In response to Mayor Pro Tem Goodman's question, City Attorney Harris felt that a Charter amendment could be worded so that the Council could abolish the Board without waiting for a Charter amendment to do it.

SHUDE FATH, member, Electric Utility Commission, supported Mr. Todd's position and asked for more citizen input. She expressed concern over the length of time various people had had to study the proposed bill and asked that the bill be split so that only the portion relating to refinancing of bonds be acted upon at this time.

City Manager Davidson felt that it was misleading to say that even though the bill should be introduced as soon as possible, that it would be the end of opportunity for input. He did not think that the bill should be split, even though the Council had that option.

In response to Mayor Pro Tem Goodman's question, Mr. Harris stated that he was preparing a formal memo which would address delegation of power problems involving a Utility Board.

Mayor Pro Tem Goodman felt that a Charter amendment would accomplish the same thing as enabling legislation and pointed out that when the Austin Independent School District was divorced from the City, it was done by a vote of the people on April 30, 1955.

Mayor Pro Tem Goodman next read the following paragraph from the City Charter: (Article II, Section 4 (b))

"...the Council shall have no power to, and shall not:

- (b) Sell, convey, or lease all or any substantial part of the facilities of any municipally owned public utility, provided that the Council may lease all or a substantial part of such facilities to any public agency of the State of Texas if the qualified voters of the City authorize such lease by adopting in a general or special election a proposition submitting the question and setting forth the terms and conditions under which such lease is to be made."

He felt that the intent of that section of the Charter said that any significant alteration of how municipally owned utilities were operated should be done by a vote of the people.

In response to Councilmember Cooke's question, City Attorney Harris said that the proposed concept was not leasing or conveying or selling the system. It was a matter of turning over certain management functions over to a Utility Board. Mr. Harris pointed out that State law permitted the sale of a portion of a public utility by vote of the people.

Mayor Pro Tem Goodman said that he would feel more comfortable if proposed bill contained language which guaranteed that no bond covenant would prevent a majority of the Council from abolishing the Utility Board if it so chose.

There was discussion among the Council as to whether or not the proposed legislation was an attempt to circumvent the intent of the people by not allowing them to vote on the matter.

ED WENDLER commended the portion of the proposed bill which would save the rate payers money as well as the concept of creating a Utility Board. However, he was concerned that the people would not be able to vote on the matter.

Mayor Pro Tem Goodman enumerated the following amendments which he wanted to see in the proposed legislation:

1. Reduce the term of office from 5 years to 3 years.
2. Council approval of Utility Board's constitution and by-laws.
3. Amend Section 2.(c)iii of the bill to require Council approval of contracts.
4. Put language into the bill which guaranteed that no bond covenant would prevent a Council majority from abolishing the Board.
5. Expiration clause to ensure that the bill, if passed, would die after some period of time if not acted upon by the Council.

The Council discussed the possibility of placing on the April 7th ballot the two portions of the bill under consideration so that the people could vote on it. Mayor Pro Tem Goodman stated that he would support the legislation if the two items passed.

Motion

Councilmember Mullen moved the Council authorize submission of the proposed legislation as recommended by the City Manager. Councilmember Cooke seconded the motion.

LARRY HILL asked in general what would happen to present City employees who would be effected by the creation of a Utility Board.

City Manager Davidson said that after the enabling legislation was passed a lot of work would be required between the new Board, if appointed, and the City of Austin on a number of transitional matters. Responsibility for the employees would lie with the Board. However, in the transferring by ordinance which would happen after passage of the legislation, the City would have an opportunity to ensure that in the transfer employees would not lose accrued benefits.

Friendly Amendments to Motion - Accepted

Councilmember Cooke offered the following friendly amendments to Councilmember Mullen's motion:

1. Delete notice of intent for refunding (refinancing) of issues, but retain for other issues.
2. Delete ability to issue bonds for operating and maintenance costs.
3. Delete provision for private or negotiated sales for all issues except for refinancing of issues.
4. Add the following sentence to the last sentence in Section 2(c) of the proposed legislation:

"Without limiting the previous sentence, it is specifically provided that the extensions of water and wastewater lines shall be approved or disapproved by the Board in accordance with all City Council adopted policies, resolutions and ordinances pertaining to such extensions."

Councilmember Mullen accepted the amendments.

Friendly Amendment to Motion - Accepted

Mayor Pro Tem Goodman offered the following friendly amendment to the motion: That the Council approve the Utility Board's constitution and by-laws. Councilmember Mullen accepted the amendment.

Friendly Amendment to Motion - Not Accepted

Mayor Pro Tem Goodman offered the following friendly amendment to the motion:

That Section 2.(c)(iii) of the proposed bill be amended to require Council approval of contracts.

Councilmember Mullen did not accept the amendment.

Motion - Died for Lack of Second

Mayor Pro Tem Goodman moved that the Council amend Section 2.(c)(iii) to read that those duties to execute contracts on the part of this Utility Board be subject to Council approval. The motion died for lack of a second.

Mayor Pro Tem Goodman said that he would support passage of the legislation and call upon the Travis County delegation for their support if the bill contained language saying that creation of the Utility Board would be subject to voter approval. Councilmember Mullen said that he did not want that language in the bill.

Mayor McClellan referred to two letters which she had received from Mr. Bill Milstead and Mr. Lowell Lebermann indicating their support for the legislation.

Call for the Question - FAILED

Councilmember Mullen called for the question, which failed by the following vote:

Ayes: None

Noes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen

Not in Council Chamber when roll was called: Councilmembers Trevino, Snell

Restatement of Motion

Councilmember Cooke restated the motion by Councilmember Mullen, with amendments as follows:

That the Council authorize submission of the proposed legislation as recommended by the City Manager with the following amendments:

1. Delete notice of intent for refunding (refinancing) of issues, but retain for other issues.
2. Delete ability to issue bonds for operating and maintainance costs.
3. Delete provision for private or negotiated sales for all issues except for refinancing of issues.
4. Add the following sentence to the last sentence in Section 2(c) of the proposed legislation:

"Without limiting the previous sentence, it is specifically provided that the extensions of water and wastewater lines shall be approved or disapproved by the Board in accordance with all City Council adopted policies, resolutions and ordinances pertaining to such extensions."

5. Require Council approval of Utility Board's constitution and by-laws.

The Council discussed further the possibility of putting the proposed legislation on the April 7th ballot for voter consideration versus placing language in the legislation making creation of the Utility Board subject to voter approval.

City Manager Davidson asked for clarification that the portion of the bill dealing with refinancing of issues not be subject to voter approval. The Council agreed that that portion of the bill would not be subject to voter approval.

RUTH EPSTEIN expressed concern over not having access to the proposed legislation before the Council meeting. City Manager Davidson said that copies of the legislation had been distributed from his office and the Electric Department. Ms. Epstein said that her chief concern was with planning.

After further discussion, the Council voted on the following motion by Councilmember Mullen with Councilmember Cooke's second:

Motion as Amended

That the City Council authorize submission of the proposed legislation as recommended by the City Manager with the following amendments:

1. Delete notice of intent for refunding (refinancing) of issues, but retain for other issues.
2. Delete ability to issue bonds for operating and maintenance costs.
3. Delete provision for private or negotiated sales for all issues except for refinancing of issues.

4. Add the following sentence after the last sentence in Section 2(c) of the proposed legislation:

"Without limiting the previous sentence, it is specifically provided that the extensions of water and wastewater lines shall be approved or disapproved by the Board in accordance with all City Council adopted policies, resolutions and ordinances pertaining to such extensions."
5. Require Council approval of Utility Board's constitution and by-laws.
6. Before creation of the Utility Board a positive vote of the people would be required. The portion of the bill dealing with refunding would not require a vote of the people.

The motion by Councilmember Mullen, seconded by Councilmember Cooke, carried by the following vote:

Ayes: Councilmembers Mullen, Snell, Trevino, Mayor McClellan,
Councilmember Cooke, Mayor Pro Tem Goodman, Councilmember
Himmelblau
Noes: None

PROPOSITIONS FOR BALLOT
APRIL 7, 1979 ELECTION

Council had before it for consideration an ordinance pertaining to an election on the South Texas Project and/or new Electric Department Facilities.

Motions

Mayor Pro Tem Goodman moved that the Council place the following Proposition No. 2 on the April 7, 1979, ballot:

Proposition No. 2

SHALL THE CITY COUNCIL OF THE CITY OF AUSTIN, TEXAS, BE AUTHORIZED TO SELL ALL OF AUSTIN'S SIXTEEN PERCENT (16%) INTEREST IN THE SOUTH TEXAS PROJECT (NUCLEAR).

The motion, seconded by Councilmember Cooke, carried by the following vote:

Ayes: Councilmember Cooke, Mayor Pro Tem Goodman, Councilmembers
Himmelblau, Mullen, Snell, Trevino, Mayor McClellan
Noes: None

Councilmember Cooke moved that the Council place the following Proposition No. 4 on the April 7, 1979, ballot:

Proposition No. 4

SHALL THE CITY COUNCIL OF THE CITY OF AUSTIN, TEXAS, BE AUTHORIZED TO APPLY THE PROCEEDS FROM THE SALE OF THE SOUTH TEXAS PROJECT (NUCLEAR) TOWARDS THE FINANCING OF COAL AND/OR LIGNITE-FIRED GENERATING UNIT(S), MINING FACILITIES, EQUIPMENT, COAL AND/OR LIGNITE IN STOCKPILE THEREFOR, AND TRANSMISSION LINES THEREFOR.

The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Councilmembers Himmelblau, Mullen, Snell, Mayor McClellan,
Councilmember Cooke

Noes: Councilmember Trevino, Mayor Pro Tem Goodman

Mayor McClellan introduced the following ordinance:

AN ORDINANCE ORDERING AN ELECTION TO BE HELD IN THE CITY OF AUSTIN ON APRIL 7, 1979, FOR THE PURPOSE OF SUBMITTING TO THE VOTERS FOR ADOPTION OR REJECTION, A PROPOSITION AUTHORIZING THE SALE OF AUSTIN'S SIXTEEN PERCENT INTEREST IN THE SOUTH TEXAS PROJECT (NUCLEAR), AND A PROPOSITION ON THE UTILIZATION OF ANY PROCEEDS RECEIVED FROM THE SALE OF AUSTIN'S INTEREST IN THE SOUTH TEXAS PROJECT; MAKING PROVISION FOR THE CONDUCT OF THE ELECTION AND OTHER PROVISIONS INCIDENT AND RELATED TO THE PURPOSE OF THIS ORDINANCE; SUSPENDING THE RULE REQUIRING THAT ORDINANCES BE READ ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Mayor Pro Tem Goodman moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilmember Cooke, carried by the following vote:

Ayes: Councilmember Cooke, Mayor Pro Tem Goodman, Councilmembers
Himmelblau, Mullen, Snell, Trevino, Mayor McClellan

Noes: None

The Mayor announced that the ordinance had been finally passed.

Motions

Councilmember Cooke moved that the Council place the following Proposition No. 1 on the April 7, 1979, ballot:

THE ISSUANCE OF \$215,850,000 REVENUE BONDS FOR ELECTRIC, LIGHT AND POWER SYSTEM EXTENSIONS AND IMPROVEMENTS (Continuing Full Participation (16%) in the South Texas Project (NUCLEAR) including Nuclear Fuel in Process and in Stock Therefor.)

The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino

Noes: None

Councilmember Himmelblau moved that the Council place the following Proposition No. 3 on the April 7, 1979, ballot:

Proposition No. 3

THE ISSUANCE OF \$433,900,000 REVENUE BONDS FOR ELECTRIC, LIGHT AND POWER SYSTEM EXTENSIONS AND IMPROVEMENTS (Coal and/or Lignite-fired Generating Unit(s), Mining Facilities, Equipment, Coal and/or Lignite in the Ground Therefor, Coal and/or Lignite in Stockpile Therefor, and Transmission Lines Therefor.)

The motion, seconded by Councilmember Mullen, carried by the following vote:

Ayes: Mayor Pro Tem Goodman, Councilmembers Himmelblau, Mullen,
Mayor McClellan, Councilmember Cooke
Noes: Councilmembers Snell, Trevino

The Mayor introduced the following ordinance:

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF AUSTIN, TEXAS, CALLING A BOND ELECTION TO BE HELD IN SAID CITY FOR THE AUTHORIZATION OF REVENUE BONDS, MAKING PROVISION FOR THE CONDUCT OF THE ELECTION AND OTHER PROVISIONS INCIDENT AND RELATED TO THE PURPOSE OF THIS ORDINANCE; SUSPENDING THE RULE REQUIRING THAT ORDINANCES BE READ ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Councilmember Cooke moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

Ayes: Mayor McClellan, Councilmember Cooke, Mayor Pro Tem Goodman,
Councilmembers Himmelblau, Mullen, Snell, Trevino
Noes: None

The Mayor announced that the ordinance had been finally passed.

ELECTION OFFICIALS APPOINTED

Mayor McClellan introduced the following ordinance:

AN ORDINANCE APPOINTING ELECTION OFFICIALS TO CONDUCT THE MUNICIPAL ELECTION TO BE HELD APRIL 7, 1979; PROVIDING COMPENSATION FOR THE ELECTION OFFICIALS; DESIGNATING THE UTILIZATION OF AN ELECTRONIC VOTING SYSTEM FOR SAID ELECTION; DESIGNATING A CENTRAL COUNTING STATION FOR SAID ELECTION; ESTABLISHING A DATE FOR A PRECOUNT TEST OF THE AUTOMATIC TABULATING EQUIPMENT; PROVIDING NOTICE OF SAME; DIRECTING THAT AN INSTRUCTION SCHOOL FOR ELECTION OFFICERS SHALL BE CONDUCTED; PROVIDING NOTICE OF SAME; PROVIDING FOR SUCH OTHER ASPECTS AS ARE INCIDENT AND RELATED TO THE PURPOSE OF THIS ORDINANCE; SUSPENDING THE RULE REQUIRING THE READING OF AN ORDINANCE ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Councilmember Trevino moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance effective immediately. The motion, seconded by Mayor McClellan, carried by the following vote:

Ayes: Councilmembers Mullen, Snell, Trevino, Mayor McClellan,
Councilmembers Cooke, Himmelblau

Noes: None

Not in Council Chamber when roll was called: Mayor Pro Tem Goodman

The Mayor announced that the ordinance had been finally passed.

RECESS

Council recessed its meeting at 5:30 p.m. and resumed its recessed meeting at 9:40 p.m.

DAVENPORT RANCH MUNICIPAL UTILITY DISTRICT - (CONTINUED)

There was some discussion earlier in the meeting to consider approval by the City of Austin for the creation of the Davenport Ranch Municipal Utility District No. 1 and authorizing execution of a District Creation Agreement. Mayor Pro Tem Goodman had asked about the precedent where municipality had offered access to services but had denied a MUD (Municipal Utility District). MS. PAM GIBLIN, attorney for Davenport Ranch, said she had met with the general counsel of the Texas Department of Water Resources, which is the agency setting the regulations implementing the MUD section. He told her, "The MUD provisions of the Water Code contemplate public expenditures for these utilities and that the City could preclude a MUD making these public expenditures if it substitutes its own public expenditure, but that the substitution of private expenditures doesn't knock out the public expenditure provision of the Code." Ms. Giblin said he pointed out to her that the Code very definitely contemplates almost the right to public service if you meet these criteria and that you can't simply say, no, you pay for it yourself and then that knocks out your right under the Water Code.

Mr. Albert De La Rosa addressed Council. He said he had been talking to Mr. Reg Arnold who is on the General Counsel's staff of the Texas Water Commission. "We discussed in lengthy detail some of the questions that had arisen during the course of this morning's hearing. Reg Arnold could not remember a specific case where a MUD had been created over the objections of a city. We did discuss essentially the same situation that Pam Giblin has addressed and that's his opinion as well." Mayor Pro Tem Goodman surmised that since no one could remember a specific case where a MUD has been created over the objections of a city, that there must be very few times it has happened. Ms. Giblin said she had been told that it is because the attitude of the city changes once it goes to the Commission proceeding and the statute is explained to them.

KEN MANNING, speaking on behalf of the Austin Regional Group of the Sierra Club, stated that Council approval of the Davenport Ranch MUD would not be in the best interests of the City of Austin. Further discussion followed on this point between Mr. Manning and Councilmembers.

TROOPER KEATON appeared before Council and suggested this issue be postponed six months.

Councilmembers and Ms. Pam Giblin continued a lengthy discussion on the pro's and con's of establishment of a MUD at Davenport Ranch. Earlier in the day, Mr. Curtis Johnson, Director of Water and Wastewater, had appeared before Council to outline the four alternatives recommended by the Planning Department and the Water and Wastewater Department. Alternative 1 states, "The MUD would be created and water and wastewater service would be provided by extensions of the City's systems at no cost to the City of Austin. The 'approach mains' would be constructed now and, hence, not be required at a future time when annexations take place."

Mr. Lillie, Director of the Planning Department, and Mr. Johnson had recommended to Council, "In view of all planning and utility considerations surrounding the proposed development of the Davenport Ranch, we jointly recommend that the City Council approve the creation of the MUD under Alternative 1 with the following conditions:

1. That no bonds be allowed to be sold for less than par.
2. That no bonds be used to finance organizational expenses, operational expenses during construction, or interest during construction.
3. That the City Council include provisions for the appropriate Development Plans and Standards (MUD policy report Section V) that it chooses.
4. That the MUD be allowed to finance with bonds an amount equivalent to the cost of the oversize water and wastewater mains, pumping and storage facilities, and the water and wastewater approach mains. The MUD or developer will be required to construct all of the above facilities with the indicated limit on the bond financing. The developer would also receive the subsequent user fees that would normally be retained by the City if the approach facilities were to have received the normal city cost participation. This, however, in no way should imply that the developer may control who may tie into the systems.

After involved and lengthy discussion among the Councilmembers; City Manager Davidson; and Ms. Giblin; Mayor Pro Tem Goodman stated, "I am not so sure any of us knows what the best thing to do is, and we are likely to irritate at least 50% of those concerned, and the others will be upset. I think with all factors considered, and I realize it is not acceptable to those who have environmental concerns, and it is not acceptable to the developer, so hoping to please others, I propose the following motion."

Motion

Mayor Pro Tem Goodman moved that the Council adopt a resolution to create the Davenport Ranch Municipal Utility District No. 1; adopting staff recommendation Alternative 1; and under Alternative No. 1 the MUD would be created, water and wastewater service would be provided by extensions of the City system with no cost to the City of Austin; the approach mains would be constructed now, and hence, not be required at a future time when annexations would take place; no bonds would be allowed to be sold at less than par, and no bonds would be used to finance organizational expenses, operational expenses during construction, or interest during construction; no internal lines would be included as a part of the MUD; the various amenities that would be involved, and other agreements from street lights to other restrictions of the City shall have the right to inspect all facilities during construction; that no land would be annexed without City approval, and the following development standard to be negotiated:

1. Sidewalks shall be installed in accordance with City Subdivision Ordinance when developing.
2. Street lights shall be installed.
3. The developer must dedicate park land of sufficient quantity and quality as approved by the Parks and Recreation Department.
4. Underground utilities must be installed throughout the district.
5. All development activities within the district shall conform to City of Austin ordinance requirements.
6. All development construction by the district or the developers must be done in accordance with City of Austin standards for similar facilities and copies of plans and specifications must be submitted to the City for approval before construction begins.
7. The City shall have the right to inspect all facilities of the district at any time during constructions.
8. No land may be annexed to a district without the approval of the City Council.
9. The district shall not furnish water or wastewater service to any customer unless he/she is in a subdivision that has been approved by the Planning Commission of the City of Austin.
10. The district shall not provide service outside its boundary unless approval is obtained from the City Council. If such permission is granted, no bond funds shall be expended or indebtedness incurred to provide such service without approval of the City Council.

The motion was seconded by Councilmember Cooke.

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Mr. Goodman stated, "We are talking specifically about an approach main to serve the needs of the Davenport Ranch at this time...12 inch main, and also if in the City staff's judgement, oversizing became a consideration, that is a consideration we would make at that time and in view of what it would do, what impact it would have to the City of Austin. If it was good management to oversize it at that particular time for our needs, and not conflicting with the Master Plan, then that is an option that would remain open. Their requirement would be to finance the 12-inch water main."

Councilmember Cooke asked, "What later time could it be?" Mayor Pro Tem Goodman answered, "The most appropriate later time would of course follow their approval, their acceptance of MUD, and so forth. We wouldn't have the reason to decide on oversizing until they accepted the MUD. If they accepted this proposal, then we could at that time determine our oversize requirements, and if they were appropriate and consistent with our Master Plan, and if we felt it was a good business practice to do so at that time then that is an option that would remain. And the only thing I can say is that it would follow their acceptance of this proposal. I think that it is a very reasonable proposal and one that would be defended resolutely and adequately before the Texas Water Commission."

Mr. Davidson said, "I think that probably you should state in general terms, 12 inches for the wastewater, 12 for the water, but allow some design consideration between the project engineer and the City of Austin for possible adjustment."

Mayor McClellan stated, "I think it is contrary to our recent action on ...annexation, Chapter 4, and I think that you are going to certainly be setting up for additional growth." Mayor Pro Tem Goodman said, "Mayor, sometimes I think we are going to have to be prepared for additional growth regardless...we have to make some realistic conclusions and say in view of all legal implications, and the undefined authority of the City to deny or create the MUD's, or allow the creation of MUD's, we are presenting what I think is a fair policy and I think it is a matter of judgement as to whether it conflicts with our recent adoption of Chapter 4. In another way you could say that if we simply deny the MUD, for example, it could lead to more disastrous consequences that would be in greater conflict with what we have recently adopted."

Roll Call on Motion

Ayes: Councilmembers Snell, Cooke, Mayor Pro Tem Goodman,
Councilmember Mullen

Noes: Councilmember Trevino, Mayor McClellan, Councilmember Himmelblau

Mayor Pro Tem Goodman stated, "Now what I would like to say is that, and that was a part of the motion, that the very specifics concerning the various amenities that would be included in the bond package can be worked out at the staff level, and come back to Council for final approval."

RENEWABLE ENERGY RESOURCES COMMISSION

Council had before it two ordinances: (1) An ordinance creating an Energy Resources and Conservation Commission; and (2) An ordinance creating a Renewable Energy Resources Commission.

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Motion

Mayor McClellan introduced the following ordinance:

AN ORDINANCE CREATING A RENEWABLE ENERGY RESOURCES COMMISSION AND PROVIDING DUTIES AND PROCEDURES FOR SAID COMMISSION; SETTING TERMS OF MEMBERSHIP; SUSPENDING THE RULE REQUIRING THAT ORDINANCES BE READ ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

Councilmember Cooke moved that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, seconded by Mayor Pro Tem Goodman, carried by the following vote:

Ayes: Councilmember Trevino, Mayor McClellan, Councilmember Cooke,
Mayor Pro Tem Goodman, Councilmembers Himmelblau, Snell
Noes: Councilmember Mullen

The Mayor announced that the ordinance had been finally passed.

CITY MANAGER'S REPORT POSTPONED

Council postponed until March 15, 1979, the receiving of the report and setting the time frame for Barton Creek Interim Control.

ADJOURNMENT

Council adjourned its meeting at 11:10 p.m.

APPROVED Carol Keeton McClellan
Mayor

ATTEST:

Grace Monroe
City Clerk