

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Special Meeting

January 15, 1976

10:30 A.M.

Council Chambers  
301 West Second Street

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The meeting was called to order with Mayor Friedman presiding.

Roll Call:

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

Absent: Councilmember Trevino

Mayor Friedman announced that this was a Special Called Meeting of the Council for the purpose of opening and receiving bids and passing the ordinance authorizing the issuance of \$40,000,000 Electric, Light and Power, Waterworks and Sewer System Revenue Bonds. He stated that the City Council of the City of Austin had advertised that it would receive sealed bids until 10:30 a.m., C.S.T., this day for the City of Austin. He inquired about the assembly of the bids and if all bids had been received and whether there were any others either through the mail, from the members of the Council, the City Clerk, the Finance Administrator, or anyone present in the Council Chamber. He announced that it was now 10:30 a.m., and the time for receiving bids was closed.

Mr. Norman Barker, Finance Administrator, then opened and read bids on \$40,000,000 Electric, Light and Power, Waterworks and Sewer System Revenue Bonds as per attached list.

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

Councilmember Trevino entered the Council Chamber at this time.

It was noted that three bids were received. Mr. Barker stated that the bids had been verified both mechanically and through the City's computer. The lowest bid was that of Boston Corporation and Associates at an effective interest rate of 6.2113%.

Councilmember Himmelblau moved that the Council award the bid to Boston Corporation and Associates at an effective interest rate of 6.2113%. The motion, seconded by Mayor Pro Tem Snell, carried by the following vote:

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

MINUTES PERTAINING TO PASSAGE AND ADOPTION OF  
 ORDINANCE AUTHORIZING ISSUANCE OF \$40,000,000  
 "CITY OF AUSTIN, TEXAS, ELECTRIC LIGHT AND POWER,  
 WATERWORKS AND SEWER SYSTEM REVENUE BONDS,  
 SERIES NO. 36," DATED FEBRUARY 1, 1976

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|                    |   |
|--------------------|---|
| THE STATE OF TEXAS | Y |
|                    | Y |
| COUNTY OF TRAVIS   | Y |
|                    | Y |
| CITY OF AUSTIN     | Y |

ON THIS, the 15th day of January, 1976, the City Council of the City of Austin, Texas, convened in regular session at the Council Chambers, Municipal Annex, the meeting being open to the public and notice of said meeting having been given as prescribed by Article 6252-17, Section 3A, V.A.T.C.S., with the following members present and in attendance, to wit:

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

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

The Mayor presented for the City Council's consideration an ordinance authorizing the issuance of \$40,000,000 "CITY OF AUSTIN, TEXAS, ELECTRIC LIGHT AND POWER, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES NO. 36," dated February 1, 1976, the caption of said ordinance being as follows:

"ORDINANCE NO. 760115-A

"AN ORDINANCE by the City Council of the City of Austin, Texas, authorizing the issuance of \$40,000,000 'CITY OF AUSTIN, TEXAS, ELECTRIC LIGHT AND POWER, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES NO. 36,' dated February 1, 1976, of which the sum

of \$14,830,000 is for the purpose of extending and improving the City's Waterworks System (being the sixth parcel or installment of a total voted authorization of \$37,400,000 for Waterworks System purposes); the sum of \$4,430,000 is for the purpose of extending and improving the City's Sewer System (being the third and final parcel or installment of a total voted authorization of \$10,500,000 for Sewer System purposes); the sum of \$9,000,000 is for the purpose of extending and improving the City's Electric Light and Power System (being the first parcel or installment of a total voted authorization of \$236,600,000 for Electric Light and Power system purposes); and the sum of \$11,740,000 is for the purpose of extending and improving the City's Electric Light and Power System (Participation up to 16% in the South Texas Nuclear Project to be constructed in Matagorda County by City of San Antonio, Houston Lighting and Power and Central Power and Light of Corpus Christi)--(being the second parcel or installment of a total voted authorization of \$161,000,000 for Electric Light and Power System purposes), as authorized by the General Laws of the State of Texas, particularly Article 1111 et seq., V.A.T.C.S.; prescribing the form of the bonds and the form of interest coupons; pledging the net revenues of the City's combined Electric Light and Power, Waterworks and Sewer System to the payment of the principal of and interest on said bonds; enacting provisions incident and relating to the subject and purpose of this ordinance; and declaring an emergency."

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

AYES: Mayor Friedman and Council Members Trevino, Snell, Lebermann and Himmelblau.

ABSTAINED: Council Member Hofmann and Councilperson Linn.

NOES: None.

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

AYES: Mayor Friedman and Council Members Trevino, Snell, Lebermann and Himmelblau.

ABSTAINED: Council Member Hofmann and Councilperson Linn.

NOES: None.

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

AYES: Mayor Friedman and Council Members Trevino, Snell, Lebermann and Himmelblau.

ABSTAINED: Council Member Hofmann and Councilperson Linn.

NOES: None.

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

Mr. Curtis Adrian, First Southwest Corporation, stated that this was an exceptionally fine sale, and it was the best sale, interest wise, the City of Austin had experienced since June 20, 1974. He noted that there was a void in portfolio throughout the country for the City of Austin bonds. Mr. Adrian concurred with Mr. Barker's recommendation that the City accept the bid of First Boston Corporation and Associates. In response to Mayor Friedman's question, Mr. Adrian commented that Austin is a prime area for investors. This interest rate is the lowest since 1970, being 72 basis points below the Dow Jones average.

Mayor Friedman felt that this spoke well of the confidence being placed in the City of Austin and its citizens.

Mr. Adrian noted that never in the time he had served Austin, had they had as many inquiries concerning the bonds and felt there was a vast amount of interest in the bonds. Mr. Claud Boothman, Bond Attorney, felt that it was a wonderful sale.

Mayor Friedman stated that on behalf of the Council, he wished to thank the bidders that participated in the bond sale and was looking forward to having their bids the next bond sale.

#### EXECUTIVE SESSION

Mayor Friedman announced that the Council would go into Executive Session at 5:30 p.m.

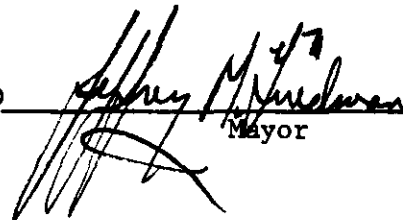
CITY OF AUSTIN, TEXAS  
 TABULATION OF BIDS RECEIVED ON  
 \$40,000,000 ELECTRIC LIGHT AND POWER, WATERWORKS AND SEWER SYSTEM REVENUE BONDS, SERIES NO. 36  
 JANUARY 15, 1976

| Name of Bidder                                 | Maturity Dates                   | Nominal Interest Rate | Gross Interest Cost | Premium Offered | Net Interest Cost | Effective Interest Rate |
|--|----------------------------------|-----------------------|---------------------|-----------------|-------------------|-------------------------|
| 1. The First Boston Corporation and Associates | April 1, 1981 thru April 1, 1990 | 7.25 %                |                     |                 |                   |                         |
|  | April 1, 1991                    | 7.00 %                |                     |                 |                   |                         |
|  | April 1, 1992                    | 6.00 %                |                     |                 |                   |                         |
|  | April 1, 1993                    | 6.10 %                |                     |                 |                   |                         |
|  | April 1, 1994 thru April 1, 1998 | 6.25 %                | \$43,353,883.33     | \$19,243.00     | \$43,334,640.33   | 6.2113 %                |
| April 1, 1999 thru April 1, 2001               | 5.25 %                           |                       |                     |                 |                   |                         |
| 2. Weeden & Company, Inc. and Associates       | April 1, 1981 thru April 1, 1989 | 7.50 %                |                     |                 |                   |                         |
|  | April 1, 1990                    | 5.90 %                |                     |                 |                   |                         |
|  | April 1, 1991                    | 6.00 %                |                     |                 |                   |                         |
|  | April 1, 1992                    | 6.10 %                |                     |                 |                   |                         |
|  | April 1, 1993                    | 6.20 %                |                     |                 |                   |                         |
|  | April 1, 1994                    | 6.30 %                |                     |                 |                   |                         |
|  | April 1, 1995                    | 6.40 %                |                     |                 |                   |                         |
|  | April 1, 1996 thru April 1, 1997 | 6.50 %                |                     |                 |                   |                         |
|  | April 1, 1998                    | 6.00 %                |                     |                 |                   |                         |
|  | April 1, 1999 thru April 1, 2001 | 5.50 %                | \$43,453,332.00     | -0-             | \$43,453,332.00   | 6.22838%                |
| 3. Blyth Eastman Dillon & Co. and Associates   | April 1, 1990 thru April 1, 1990 | 7.50 %                |                     |                 |                   |                         |
|  | April 1, 1991                    | 6.20 %                |                     |                 |                   |                         |
|  | April 1, 1992                    | 6.10 %                |                     |                 |                   |                         |
|  | April 1, 1993                    | 6.20 %                |                     |                 |                   |                         |
|  | April 1, 1994                    | 6.30 %                |                     |                 |                   |                         |
|  | April 1, 1995                    | 6.40 %                |                     |                 |                   |                         |
|  | April 1, 1996                    | 6.50 %                |                     |                 |                   |                         |
| April 1, 1997                                  | 6.60 %                           |                       |                     |                 |                   |                         |
| April 1, 1998 thru April 1, 2001               | 5.50 %                           | \$43,888,400.00       | -0-                 | \$43,888,400.00 | 6.2907 %          |                         |

ADJOURNMENT

The Council adjourned at 11:13 a.m.

APPROVED

  
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Mayor

ATTEST:

  
\_\_\_\_\_  
City Clerk