

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

June 24, 1976
10:00 A.M.

Council Chambers
301 West Second Street

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

Roll Call:

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

Absent: Mayor Friedman

The Invocation was delivered by REVEREND MERLE S. FRANKE, First English Lutheran Church.

INTERIOR DESIGN WEEK

Mayor Pro Tem Snell read and then presented a proclamation to Mrs. Johnnie Farrier, Chairman of the Austin Association of American Society of Interior Designers, proclaiming the week of July 26-August 2, 1976, as "Interior Design Week" in Austin and called on all residents to recognize the contributions of the men and women in this organization.

Mrs. Farrier thanked the Council for the proclamation and noted that the proclamation would be displayed at the American Society of Interior Designers Conference and International Exposition of Designer Sources in Atlanta, Georgia, July 30 through August 2, 1976, and was proud to have Austin's proclamation in this group.

NATIONAL SAFE BOATING WEEK IN AUSTIN

Mayor Pro Tem Snell read and then presented a proclamation to Commander Andy Anderson, ~~Phillips~~ of the Auxiliary Coast Guard, proclaiming the week of July 4, 1976, as "National Safe Boating Week in Austin" and urged all who use our waterways to acquire those skills essential to the safety of themselves and others, and to apply them carefully.

Commander Anderson expressed his appreciation to the Council for their interest in National Safe Boating Week in Austin and then reviewed some interesting facts concerning the Coast Guard. He noted that the primary functions of the Coast Guard was education in boating safety, and examinations of pleasure crafts for Federal and State requirements. Commander Anderson wished everyone a safe summer.

APPROVAL OF MINUTES

Councilmember Linn moved that the Council approve the Minutes for the Special Meeting of June 15, 1976, and the Regular Meeting of June 17, 1976. The motion, seconded by Councilmember Himmelblau, carried by the following vote:

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

REQUEST FOR AMENDMENT TO RESTRICTIVE COVENANT

Mr. Charles C. Cook, Dorothy Bryant Cook and Mae Minette Bryant requested to appear before the Council concerning an amendment to a restrictive covenant required for Zoning Case C14-67-212. Mr. Cook stated that in 1968 he had three parcels of land zoned "LR" Local Retail District with the restrictive covenant that all of them be developed as one unit. Two of the parcels front on West 35th Street, and he would like to have the covenant amended whereby 1811 West 35th Street could be separated from the other two so development could begin.

Councilmember Linn felt that before the Council took any action on this request, it should be referred back to the Planning Commission and the Planning Department. Mr. Cook stated that the Planning Department had studied this for the past month and recommended it, and the Legal Department prepared the proposed amendment as outlined in the material presented to the Council.

In response to Councilmember Himmelblau's question, Mr. Dick Lillie, Director of the Planning Department, commented that the usual procedure involves the Council having several options from which to choose:

1. The Council can decide that the amendment is not significant and pass a resolution to act on it without referral to the Planning Commission.
2. Referral to the Planning Commission for their action and recommendation.
3. Request that a public hearing be conducted on the amendment. If it is referred to the Planning Commission, the Council can require that a public hearing be held.

Mr. Lillie noted that after reviewing this request, he felt the change was not significant and asked that the Legal Department draft the appropriate amendment for Council consideration.

Motion

Councilmember Linn moved that the Council refer the request for an amendment to a restrictive covenant required for Zoning Case C14-67-212 back to the Planning Commission and request that they conduct a public hearing. The motion was seconded by Councilmember Trevino.

Substitute Motion

Councilmember Himmelblau moved that the Council grant the request for an amendment to a restrictive covenant required for Zoning Case C14-67-212. The motion was seconded by Councilmember Lebermann.

In response to Councilmember Hofmann's question, Mr. Lillie noted that the reason for the restrictive covenant in the beginning was because of the concern of no access to Oakmont, which is a residential street. As long as the no-access provision is held in the covenant, the staff did not think that splitting off one lot was a significant amendment to the covenant. Councilmember Himmelblau pointed out that the entire area of 34th Street has been developed into a retail and commercial area and she could see nothing wrong with granting this request for one lot.

Roll Call on Substitute Motion

Ayes: Councilmembers Himmelblau, Hofmann, Lebermann
Noes: Councilmembers Linn, Trevino, Mayor Pro Tem Snell
Absent: Mayor Friedman

The substitute motion failed to carry.

In response to Councilmember Hofmann's question, Mr. Cook stated that he planned to use the property for a Commercial use and wanted to obtain access to the lot from 35th Street. Councilmember Trevino felt that it should be referred to the Planning Commission and the Planning Department before the Council made a decision, but that this would not preclude the fact that the request may be granted.

Roll Call on Motion

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

The Mayor Pro Tem announced that the original motion had carried.

Councilmember Linn stated that she was not opposed to this request, but felt that the Planning Commission should act on this first. Mr. Lillie noted that this would be placed on the Planning Commission agenda for June 29, 1976, and should be back to the Council in two weeks.

REQUEST TO INSTALL TEMPORARY TRANSMISSION CABLE FOR JERRY LEWIS
MULTIPLE SCLEROSIS TELETHON

Ms. Juanita Salazar appeared before the Council to request permission to install a temporary transmission cable over East 7th Street between the Stephen F. Austin Hotel and the Driskill Hotel for the Jerry Lewis Multiple Sclerosis Telethon on September 5, 1976.

Councilmember Linn moved that the Council approve the request for permission to install a temporary transmission cable over East 7th Street between the Stephen F. Austin Hotel and the Driskill Hotel for the Jerry Lewis Multiple Sclerosis Telethon on September 5, 1976. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

APPEARANCE TO REQUEST APPROVAL OF CERTAIN ACTIVITIES IN
CONNECTION WITH FOURTH OF JULY CELEBRATION

Mr. Joe Don Conger, Austin Jaycee First Vice-President, appeared before the Council requesting approval of the following, in conjunction with the Austin Bicentennial Commission and Parks and Recreation Department presenting a Fourth of July Celebration:

1. Permission for a fireworks show held on Auditorium Shores on July 4, 1976, from 9:00 p.m. until 10:30 p.m.
2. City of Austin provide insurance for the activities during the day and evening of July 4, 1976, for the area around Auditorium Shores
3. Permission to use a power safety boat on Town Lake

Mr. Conger pointed out that the insurance referred to in item 2. of the above would be for liability for the fireworks show.

Motion

Councilmember Linn moved that the Council grant the request from the Austin Jaycees as outlined above with the addition of the City digging holes along the shoreline of Town Lake to hold mortar pipes for the fireworks. The motion, seconded by Councilmember Hofmann, carried by the following vote:

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

Mr. Conger pointed out that the Austin Jaycees are very proud of the Fourth of July celebration and have worked hard with the Bicentennial Commission and the Parks and Recreation Department. He invited all to attend the festivities. Mr. Homer Reed, Deputy City Manager, stated that the Austin Jaycees had done a good service for the community for several years which is appreciated.

PARADE PERMIT

Councilmember Trevino moved that the Council approve the request for a parade permit from Mr. Pete Reyes for Metz Recreation Center Advisory Board on July 2, 1976, from 1:00 p.m. to 1:45 p.m., beginning at Metz Elementary School, corner of Anthony and Canterbury to Metz Park grounds (2407 Canterbury). The motion, seconded by Councilmember Lebermann, carried by the following vote:

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

APPEARANCE TO DISCUSS CITY PERSONNEL POLICIES AND EMPLOYMENT PROCEDURES

Mr. Thomas R. Greening appeared before the Council to discuss City Personnel Policies and Employment Procedures. He stated that in the process of getting on the agenda for the Council meeting it took him approximately 24 hours for a reply as to whether he would appear before the Council or not.

Mr. Homer Reed, Deputy City Manager, noted that the deadline for being placed on the agenda is noon Wednesday for the City staff. City Clerk Grace Monroe stated that the deadline for citizens was noon Friday. Mr. Reed wanted to be clear that anyone that desires so can be placed on the agenda to appear before the Council.

Mr. Greening then reviewed for the Council his experience in applying for employment with the City. He established his credentials as to the employment of handicapped individuals and noted that for ten years he served as State Supervisor of the Placement for the Handicapped for the Texas Employment Commission in Austin. He spent three years as Liaison Officer of the President's Committee for Employment of the Handicapped in Washington, D. C. Mr. Greening noted that he had applied for numerous positions with the City of Austin and as of this date had not acquired one position. He felt that he had been discriminated against based on the Ordinance No. 750710-A which pertains to non-discrimination of a citizen obtaining employment with the City because of a handicap.

Mr. Greening concluded by stating the following points:

1. No action has been taken to conform to any section of the referred to act except remove the architectural barriers to public buildings.
2. The affirmative action program has not been revised to include the aged and handicapped as provided for in the laws.
3. A responsible City employee has not been appointed to coordinate the City's responsibility as called for in the law.
4. He felt he had been discriminated against regarding employment with the City.

He requested that his request for Council action be revised to the extent that the words "I be advised in writing," be stricken from the request.

Mayor Pro Tem Snell introduced the following ordinance:

AN ORDINANCE VACATING AND PERPETUALLY CLOSING THAT CERTAIN PORTION OF HODGES STREET IN THE CITY OF AUSTIN, TRAVIS COUNTY, TEXAS; RETAINING AN EASEMENT IN THE CITY FOR PUBLIC UTILITY PURPOSES; SUSPENDING THE RULE REQUIRING THE READING OF AN ORDINANCE ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

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

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

Noes: None

Absent: Mayor Friedman

The Mayor Pro Tem announced that the ordinance had been finally passed.

RELEASE OF EASEMENT

Councilmember Trevino moved that the Council adopt a resolution authorizing release of the following easement:

The south one and one-half feet of the north seven and one-half feet of the west 107.50 feet of Lot 4, Block 10, Trailwood Village One at Travis Country, also known locally as 4702 Trail West. (Requested by Mr. Wallace Prince, President Board of Directors, Travis Country Community Service Association, owners of said Lot 4, Block 10)

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

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

Noes: None

Absent: Mayor Friedman

SETTING PUBLIC HEARING ON ANNEXATION OF CERTAIN LAND

The Council had before it for consideration the setting of a public hearing to consider annexing 25.79 acres of land. (Case No. C7a-76-011)

Councilmember Trevino moved that the Council adopt a resolution setting a public hearing on July 15, 1976 at 8:00 p.m. to consider annexing the following land:

7.23 acres out of the David Thomas Survey No. 1 and the Wilkerson Sparks Survey No. 4, Harvey H. Lane Associates, Inc., owners

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

Councilmember Hofmann pointed out that personnel matters are referred to the City Manager, and that the Council could only take this request under advisement. Mayor Pro Tem Snell stated that he was very interested in the concerns of Mr. Greening and would like for him to come and see him at his office.

In response to Councilmember Trevino's question as to whether or not the City was the only agency Mr. Greening had applied to for a job, Mr. Greening noted that he had applied for work at the State and at Brackenridge Hospital.

Deputy City Manager Reed commented that the staff would provide the Council with information and policies concerning the employment of the handicapped. Mayor Pro Tem Snell and other Councilmembers indicated that they would like to have a report on this. (A copy of Mr. Greening's presentation is on file in the City Clerk's office.)

PUBLIC HEARING ON STREET VACATION

Mayor Pro Tem Snell opened the public hearing scheduled for 10:30 a.m. to consider vacating the following streets and passage of Ordinances:

1. WOODMONT AVENUE, fifty (50.00) feet in width and containing 0.23 of one acre of land and extends from the east line of Sharon Lane to an easterly direction 204 feet, more or less, to the west bluff line of Johnson Creek. (Requested by Mr. James W. Heironimus, William R. Geise and Oscar F. Wiegand, owners of all the property adjacent to the street)
2. HODGES STREET, fifty (50.00) feet in width and extending from the south line of Crockett Street in a southerly direction 115 feet more or less. (Requested by Don Lilljedahl, ACSW, Director of Mary Lee School, representing the Mary Lee Foundation, owners of property adjacent to Hodges Street)

Mayor Pro Tem Snell introduced the following ordinance:

AN ORDINANCE VACATING AND PERPETUALLY CLOSING THAT CERTAIN PORTION OF WOODMONT AVENUE, IN THE CITY OF AUSTIN, TRAVIS COUNTY, TEXAS; RETAINING AN EASEMENT IN THE CITY FOR DRAINAGE AND PUBLIC UTILITY PURPOSES; SUSPENDING THE RULE REQUIRING THE READING OF AN ORDINANCE ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

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

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

Noes: None

Absent: Mayor Friedman

The Mayor Pro Tem announced that the ordinance had been finally passed.

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

Councilmember Trevino moved that the Council adopt a resolution setting a public hearing on July 15, 1976, at 8:00 p.m. to consider annexing the following land:

18.97 acres of the Wilkerson Sparks Survey No. 1 portion of lots 23 through 32 Lakeshore Addition plus unplatted land, Carl Wootten, owner.

The motion, seconded by Councilmember Hofmann carried by the following vote;

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

Deputy City Manager Homer Reed noted that these two tracts of land have been furnished with sewer service.

LICENSE AGREEMENTS

Councilmember Trevino moved that the Council adopt a resolution authorizing the following License Agreement:

The City of Austin and the University of Texas, to allow encroachment on the south and north right-of-way of East 26th Street and across San Jacinto Boulevard, consisting of two chilled water lines. Also a 4-communication duct bank across the intersection of San Jacinto Boulevard. (Requested by R. S. Kristoferson, Director of Facilities Planning and Construction for the University of Texas System.)

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

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

Councilmember Trevino moved that the Council adopt a resolution authorizing the following License Agreement:

Permitting encroachment by an underground conduit bank across East 11th Street in the 200 Block, between Brazos Street and San Jacinto Street. (Requested by Mr. Robert M. Sexton, Jr., P. E., Chief, Design and Specifications, representing the State Board of Insurance, owner of property on both sides of East 11th Street in said 200 Block)

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

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

COST DIFFERENCE PAYMENTS

Councilmember Linn moved that the Council adopt a resolution authorizing payment to the following:

WILLIAM A. CRENSHAW and CHARLES CROSLIN, the cost different of
12"/8" water mains installed in Kramer Lane Industrial Village -
\$2,323.49.

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

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

Councilmember Linn moved that the Council adopt a resolution authorizing payment to the following:

DAVID B. BARROW, the cost difference of 12"/8" water mains installed
in North Bluff - \$6,556.10.

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

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

Councilmember Linn moved that the Council adopt a resolution authorizing payment to the following:

JOE GILBRETH, the cost difference of 12"/8" water mains installed
in Sonesta West - \$15,819.19.

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

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

Councilmember Linn moved that the Council adopt a resolution authorizing payment to the following:

WOODSIDE DEVELOPMENT COMPANY, INC., J. W. Smith, President, the cost difference of 21"/8" and 15"/8" wastewater mains and 12"/8" water mains installed in Western Oaks I-A - \$31,967.51.

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

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

CONSTRUCTION CHANGE ORDER

Councilmember Linn moved that the Council adopt a resolution for approval of a Construction Change Order in the amount of \$8,651.50 to TERRY EDWARDS CONSTRUCTION COMPANY, INC., for Third Year Model Cities Street and Sidewalk Improvements, Phase Two. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

AUTHORIZATION TO PURCHASE PRIMARY ELECTRICAL SYSTEMS POSTPONED

The Council had before it for consideration the authorizing of purchasing six primary electrical systems in six apartment complexes to allow the conversion of these systems to individual meters. (\$45,102.55) Councilmember Himmelblau asked that this be postponed until more information can be obtained concerning the number of other units that might be coming in and if this would be applicable to office buildings also. Councilmember Linn asked concerning the apartments and businesses that have already done this and have paid for it themselves, and who will bear the cost of the individual meters.

Councilmember Himmelblau moved that the Council postpone consideration of authorizing purchase of six primary electrical systems in six apartment complexes to allow the conversion of these systems to individual meters until more information can be obtained. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

CONTRACTS AWARDED

Councilmember Linn moved that the Council adopt a resolution awarding the following contract:

VALMONT INDUSTRIES, INC.
312 Center Drive
Valley, Nebraska

- Steel Transmission Line Structures,
Design & Fabrication, Electric
Department.
Items 1-14 - \$249,982.00

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

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

Noes: None

Absent: Mayor Friedman

Councilmember Linn moved that the Council adopt a resolution awarding the following contract:

GENERAL ELECTRIC COMPANY
5555 North Lamar
Austin, Texas

- Radio Communication Equipment,
Vehicle and Equipment Services
Department.
Items 1-7 - \$53,109.85

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

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

Noes: None

Absent: Mayor Friedman

Councilmember Linn moved that the Council adopt a resolution awarding the following contract:

SMITH KLINE INSTRUMENTS, INC.
880 West Maude Avenue
Sunnyvale, California

- Ekoline 20A Diagnostic Ultrasonoscope,
including an ECG Sweep System and
Recorder to be used by Brackenridge
Hospital - \$16,626.00

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

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

Noes: None

Absent: Mayor Friedman

Councilmember Linn moved that the Council adopt a resolution awarding the following contract:

MEDICAL ELECTRONICS
3727 Dillido, Suite 102
Dallas, Texas

- Vectorcardiograph Model VCG-1B, 3-channel EKG Machine to be used by Brackenridge Hospital - \$6,500.00

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

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

Noes: None

Absent: Mayor Friedman

Councilmember Linn moved that the Council adopt a resolution awarding the following contract:

BROWN & ASSOCIATES
602 Fort Drum
Austin, Texas

- Projectors, Brackenridge Hospital for School of Nursing. Items 2, 3, 5 and 6 - \$5,879.80.

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

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

Noes: None

Absent: Mayor Friedman

Councilmember Linn moved that the Council adopt a resolution awarding the following contract:

HUMMEL CHEMICAL COMPANY
10 Harmich Road
South Plainfield, New Jersey

- Hydrazine, 35% Solution in Water, N_2H_4 , used to reduce corrosion in steam turbine boilers, Power Production Division. Twelve month supply agreement including option for 12-month extension. Item No. 1 estimated 15,000 pounds at \$0.89; Total \$13,350.00.

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

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

Noes: None

Absent: Mayor Friedman

Councilmember Linn moved that the Council adopt a resolution awarding the following contract:

TEXAS CRUSHED STONE COMPANY
4 Miles South on I. H. 35
Georgetown, Texas

- Crushed Limestone Aggregate, Street and Bridge Division.
Twelve Months Supply Agreement including a 12-month extension.
Item No. 1, estimated 1200 c.y. at \$3.31 c.y.
Item No. 2, estimated 800 c.y. at \$2.97
Estimated total \$6,348.00

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

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

Councilmember Linn moved that the Council adopt a resolution awarding the following contract:

LAMAR SAVINGS LEASING CORP.
524 North Lamar
Austin, Texas

- 12 Month Lease of Three Vans, including option to purchase, to be used by Austin Transit System as buses for the mobility impaired.
Item 1; 12 months lease of 3 vans \$13,054.68
Purchase Option of 3 vans \$13,700.00.

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

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

Councilmember Linn moved that the Council adopt a resolution awarding the following contract:

B. G. BOYD CONSTRUCTION
COMPANY
P. O. Box 396
Austin, Texas

- Site Work, Installation of Foundations and Erection of Owner Furnished Bus Passenger Shelters at Four Locations - \$5,559.00.

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

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

Councilmember Linn moved that the Council adopt a resolution awarding the following contract:

P. G. SOSA PLUMBING
3302 Catalina
Austin, Texas

- Plumbing and Associated Improvements
for the North Austin Pump Station -
\$6,089.50.

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

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

Noes: None

Absent: Mayor Friedman

CONTRACT WITH URBAN MASS TRANSPORTATION

Councilmember Trevino moved that the Council adopt a resolution authorizing execution of a contract with the Urban Mass Transportation Administration for an increase in the Capital Grant UMTA Project No. TX-03-0023 in the amount of \$51,232. The motion, seconded by Councilmember Lebermann, carried by the following vote:

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

Noes: None

Absent: Mayor Friedman

TEMPORARY STREET CLOSURE

Councilmember Lebermann moved that the Council adopt a resolution temporarily closing COLORADO between 14th and 15th Streets, from 12:00 noon July 3, 1976, to 3:00 p.m. July 4, 1976, as requested by Mr. Jack L. Reynolds, representing the State Bar of Texas. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

Noes: None

Absent: Mayor Friedman

CONSIDERATION OF AN AMENDMENT TO RESTRICTIVE COVENANT

The Council had before it for consideration an amendment to a restrictive covenant on Zoning Case No. C14-71-071. Deputy City Manager Homer Reed pointed out that this had been before the Planning Commission and was approved.

The Planning Commission and Council required as a condition of zoning case C14-71-071 at 1106 Clayton Lane, that a solid six-foot fence be constructed on all property lines adjoining "A" Residence District. The applicant has requested the fencing be a chain link fence with aluminum slats. The Planning Commission unanimously voted to recommend to the Council that the language of the covenant be amended to read:

"A six foot chain link fence with aluminum slats constructed on all property lines adjoining property zoned "A" Residential at the time construction of improvements on the above described property is undertaken."

Councilmember Linn moved that the Council adopt a resolution approving the aforementioned amendment to the restrictive covenant on Zoning Case No. C14-71-071. The motion, seconded by Councilmember Lebermann, carried by the following vote:

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

AMENDMENT TO ZONING ORDINANCE CONCERNING SIGN CONTROLS ON
MOPAC AND LOOP 360

Mayor Pro Tem Snell introduced the following ordinance:

AN ORDINANCE AMENDING SUBSECTION (h) OF SECTION 3-5 OF CHAPTER 3 OF THE AUSTIN CITY CODE OF 1967 AS ORIGINALLY ESTABLISHED BY ORDINANCE NO. 751211-B, AND AMENDED BY ORDINANCE NO. 760401-B, PROVIDING FOR INTERIM SIGN CONTROLS ALONG MISSOURI-PACIFIC BOULEVARD AND LOOP 360 BY EXTENDING SUCH CONTROLS UNTIL DECEMBER 31, 1976; SUSPENDING THE RULE REQUIRING ORDINANCES TO BE READ ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Councilmember Linn 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 Trevino, carried by the following vote:

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

The Mayor Pro Tem announced that the ordinance had been finally passed.

SELECTION OF SOILS INVESTIGATION AND ENGINEERING TESTING SERVICES

Councilmember Lebermann moved that the Council adopt a resolution selecting the firm of SNOWDEN & MEYER, INC., for Soils Investigation and Engineering Testing Services in connection with the following Capital Improvements Project:

Southeast District Park

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

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

APPLICATION TO COMMUNITY SERVICES ADMINISTRATION

Councilmember Trevino moved that the Council adopt a resolution authorizing the submission of a grant application to the Community Services Administration for funding an Emergency Energy Conservation Program. (Grant request is for \$50,000 with the Human Resources Department providing the \$15,000 in-kind match) The motion, seconded by Councilmember Linn, carried by the following vote:

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

ACCEPTANCE OF A GRANT FROM THE COMMUNITY SERVICES ADMINISTRATION

Councilmember Linn moved that the Council adopt a resolution authorizing acceptance of a grant from the Community Services Administration in the amount of \$70,000, of which \$8,000 is for Administration and \$62,000 for General Community Programming. (May 1, 1976, through June 30, 1976) The motion, seconded by Councilmember Lebermann, carried by the following vote:

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

APPLICATION FOR FUNDS TO ESTABLISH THE MONTOPOLIS PLAYERS

Councilmember Trevino moved that the Council adopt a resolution authorizing the submission of an application and acceptance to the Capital Area Planning Council for funds to establish the "Montopolis Players" drama project in the amount of \$1700. (Grant period June 30, 1976, to September 15, 1976.) The motion, seconded by Councilmember Lebermann, carried by the following vote:

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

CONTRACTS FOR PURCHASE OF NATURAL GAS SUPPLIES
WITHDRAWN

The Council was to have considered authorizing contracts for the purchase of natural gas supplies for the electric utility; however, this item was withdrawn.

ORDINANCE AUTHORIZING 5-YEAR APPROACH MAIN CONTRACT

Mayor Pro Tem Snell introduced the following ordinance:

AN ORDINANCE AUTHORIZING THE CITY MANAGER OR THE DEPUTY CITY MANAGER TO ENTER INTO A CERTAIN REFUND CONTRACT WITH WOODSIDE DEVELOPMENT COMPANY, INC.; AND PROVIDING AN EFFECTIVE DATE. (Western Oaks 1-A)

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

Ayes: Councilmembers Himmelblau, Hofmann, Lebermann, Trevino,
Mayor Pro Tem Snell
Noes: Councilmember Linn
Absent: Mayor Friedman

The Mayor Pro Tem announced that the ordinance had been finally passed.

ZONING ORDINANCES

Mayor Pro Tem Snell introduced the following ordinance:

AN ORDINANCE ORDERING A CHANGE IN USE AND CHANGING THE USE MAPS ACCOMPANYING CHAPTER 45 OF THE AUSTIN CITY CODE OF 1967 AS FOLLOWS:
LOT 10, BLOCK 3, GROOMS ADDITION, LOCALLY KNOWN AS 419 EAST 30TH STREET, AND ALSO BOUNDED BY DUVAL STREET, FROM "C" COMMERCIAL DISTRICT TO "C-1" COMMERCIAL 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. (Robert Bales and Larry Bales, C14-76-042)

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

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

The Mayor Pro Tem announced that the ordinance had been finally passed.

Mayor Pro Tem Snell introduced the following ordinance:

AN ORDINANCE ORDERING A CHANGE IN USE AND CHANGING THE USE MAPS ACCOMPANYING CHAPTER 45 OF THE AUSTIN CITY CODE OF 1967 AS FOLLOWS:
LOT 12, RESUBDIVISION OF LOTS 21, 22, AND 23, BLOCK "A," NORTHGATE SUBDIVISION, LOCALLY KNOWN AS 1017 AGGIE LANE, FROM "A" RESIDENCE DISTRICT TO "B" RESIDENCE 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. (Eric Neely, et ux, C14-75-121)

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

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

Noes: None

Absent: Mayor Friedman

The Mayor Pro Tem announced that the ordinance had been finally passed.

NAMING CERTAIN STREETS IN THE CITY OF AUSTIN

Mayor Pro Tem Snell introduced the following ordinance:

AN ORDINANCE NAMING CERTAIN STREETS WITHIN THE CITY OF AUSTIN; RATIFYING THE ACTIONS OF PAST CITY OFFICIALS IN NAMING STREETS; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; PROVIDING A SEVERABILITY CLAUSE; AND PROVIDING AN EFFECTIVE DATE.

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

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

Noes: None

Absent: Mayor Friedman

The Mayor Pro Tem announced that the ordinance had been finally passed.

Streets named are as follows:

Former Name

Name Designated by Prior City Council Action and Hereby Named

Acacia Avenue
Acacia Avenue
Airole Way
Alice Avenue
Barnard Drive
Bartholomew Drive
Beacon Drive
Bethun Avenue
Bill Hughes Road
Bitterwood Drive
Blythewood Drive
Bridgewater Drive
Camp Mabry Road
Catlow Drive
Cloud Drive
Crestline

Fairmont Circle
Village Way Drive
Westridge Drive
Medical Parkway
Kings Point West
Greenbrook Parkway
Pecan Brook Drive
Bethune Avenue
Bradsher Drive
Deadwood Drive
Treys Way
Coldstream Drive
West 44th Street
McGregor Drive
Aberdeen Way
Highland Hills Drive

Former NameName Designated by Prior
City Council Action and
Hereby Named

Elmhurst East
Estrada Street
Gillum Circle
Glacier Drive
Green Flint Circle
Grist Boulevard
High Street
Highland Hills Parkway
Highland Hills Terrace
Highland Hills Terrace
Highland View
Highland View Drive
Holyoke Avenue
Hummington Drive
Jasmine Street
Kings Point Lane
Lamplight Lane
Mountain Quail Drive
Murcia Drive
Neal Street
Northeast Cove
Northhills Drive
Oak Glen Drive
Palo Pinto Drive
Pleasant Valley Road
Quail Run
Rock Ridge
Scenic Drive
Scenic Pass Circle
Shadow Mountain Drive
Taunton Drive
Toledo Drive
Tumbling Trail
U. S. Highway 183
Vance Lane
Village Way Drive
Village Way Drive
Vista Drive
Westgate Circle
Westover Road
Whatley Road
Woodbine Drive
Woodcrest Drive
Woodstone Drive
19th Street
South 3rd Street
South 4th Street

Elmhurst Drive
Ponca Drive
South Meadow Boulevard
Childress Drive
High Oak Drive
Shoal Creek Boulevard
Tallwood Drive
Highland Pass
Highland Hills Drive
Highland Hills Trail
Highland View Drive
Highland Hills Drive
Colony North Drive
Humington Drive
Barton Hills Drive
Kings Point
Highland Hills Drive
Quail Creek West
Toledo Drive
Conway Drive
Chimney Hill Circle
North Hills Drive
High Oak Drive
Pershing Drive
South Pleasant Valley Road
Briardale Drive
Rockridge Drive
Pecos Street
Mount Bonnell Circle
Shadow Valley Drive
Aberdeen Way
Murcia Drive
Highland Hills Drive
Research Boulevard
Sugar Shack Drive
Fairhill Drive
Village Circle
Tartan Avenue
Windswept Cove
Hillview Road
Justin Lane
Breezewood Drive
D-K Ranch Road
Croftwood Drive
Martin Luther King, Jr. Boulevard
Garden Villa Lane
Bouldin Avenue

MR. MARION FINDLAY, Chairman of West 19th Street Association, commented he was representing the West 19th Street Association and approximately 17,064 Austin voters who signed petitions last summer regarding the renaming of West 19th Street. He stated that he was in opposition to the passage of this ordinance because he felt it violated a basic property right. After going to Court three times, the Court has upheld the position of Mr. Findlay regarding this matter.

He pointed out that never before in the City has a street name been changed without the consent of the property owners. Mr. Findlay felt that there was considerable question as to whether the Council has the legal authority to change the name. By the Council adopting the Ordinance that was just passed, Mr. Findlay submitted that the action taken by the Council on April 10, 1975, was illegal and felt it violated civil rights. Two errors resulted from the action taken on April 10 and that is (1) when the former City Council accepted the ruling of the City Attorney that a motion was sufficient and an ordinance was not necessary; and (2) when the present Council accepted the ruling from the same City Attorney that the action was not subject to a referendum and refused to accept the petitions filed bearing the signatures of 17,064 voters asking that this matter be put to a referendum. In conclusion, Mr. Findlay stated that for the Council to deny the right for a referendum would be unfair and vindictive and hoped that the Council would take action to place this matter before the voters of Austin.

HARRIS JOHNSON referred to some literary work by Dr. Martin Luther King, Jr., concerning just and unjust laws.

INSTRUCTION TO PLANNING DEPARTMENT TO PROCESS ZONING CHANGE

Councilmember Himmelblau moved that the Council instruct the Planning Department to process zoning change of the Hancock Recreation Center and Golf Course from "B" Residence District to "A" Residence District. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

AUTHORIZATION FOR COMPLETE COMPUTER RUN ON ELECTRIC RATE STRUCTURE

Councilmember Linn moved that the Council authorize proceedings to begin for a complete computer run on proposed electric rate structure. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

Deputy City Manager Homer Reed pointed out that this analysis is needed and was recommended by Mayor Friedman, but he could not say exactly how long this process will take. The Council will be advised as of a reporting date.

JOHNSON CREEK PEDESTRIAN/BICYCLIST PLAN

Mayor Pro Tem Snell noted that this was also connected with another item on the agenda concerning the Urban Transportation Commission - Johnson Creek Pedestrian/Bicyclist Plan and could be taken together.

Mr. Joe Ternus, Director of the Urban Transportation Department, stated that with the opening of MoPac Boulevard in November of 1975, the access problems of people living in an area bounded by Enfield Road on the north, Town Lake on the south, Lamar Boulevard on the east and Exposition Boulevard on the west were intensified. To help reduce these problems, particularly for pedestrians and bicyclists, new transportation facilities are needed to link existing facilities and to provide safe travel routes for West Austin residents.

Existing transportation facilities in this area are oriented toward vehicular traffic. Austin Transit System and the Austin Independent School District have several routes which adequately serve the three schools within this section. At present, two Hike and Bike Trails serve the residents; one is located just north of Town Lake, both east and west of MoPac Boulevard. The second runs under MoPac Boulevard's main lane bridges that cross Town Lake, then enters Zilker Park. Sidewalks carrying pedestrian traffic are located mainly east of MoPac Boulevard.

To improve the efficiency of travel for the residents in this area, new facilities are needed to connect and support existing transportation facilities. This could be accomplished by providing additional sidewalks and bikeways along carefully selected streets east and west of MoPac Boulevard. Also, a pedestrian overpass could be built to span MoPac.

Although there is satisfactory vehicular access in the Town Lake area, a need for a comprehensive non-motorized access plan to serve those people who walk or ride bicycles is evident. To complement the existing hike and bike facilities, the proposed Johnson Creek Hike and Bike Trail would be installed by the State within the MoPac Boulevard right-of-way along Johnson Creek. Starting at Enfield Road southbound, the trail could tie in with Johnson Creek and provide a safe, as well as scenic, route through the Town Lake area. A pedestrian overpass could be constructed over MoPac in the vicinity of West 12th Street, west of MoPac, and between Waterston Avenue and West 11th Street, east of MoPac. This facility could provide a point of safe and direct access over MoPac for both pedestrians and bicyclists.

The system should be linked with other pedestrian and bicycle facilities in the area to obtain maximum usage. In traveling this area, bicyclists and pedestrian could use the the proposed bikeways, sidewalks, and pedestrian overpass as an integrated system which provides safe access to the schools, parks and shopping centers. Although the sidewalk and bikeway proposals provide a safe and convenient route for Austin High School students, they still have the option of crossing West 1st, West 5th and West 6th Streets, MoPac Railroad, and the Lake Austin Interchange to get to school. Due to heavy traffic this is a very dangerous route. Fencing could be erected along the median that divides West 1st Street to discourage its usage.

As part of the development plan to provide safe access in the Town Lake area, the implementation program listed in the material presented to the Council is suggested. This program provides for the construction of the Johnson Creek Hike and Bike Trail, a pedestrian overpass, sidewalks, bikeways and fencing. Construction of the suggested fencing is proposed for this fiscal year to begin directing pedestrians away from the West 1st Street area. Planning for bicycle improvements along the area streets is underway and is scheduled for implementation during the next fiscal year. The pedestrian overpass is proposed for future construction.

Although this study provides safe routes for bicyclists and pedestrians in West Austin, it is important that the availability of these facilities be known by all area residents. Once this plan is implemented, every effort should be made to familiarize the citizens in these neighborhoods with the proposed facilities. Through this type of action, safe and efficient use of all facilities is possible.

Mr. Ternus pointed out that this plan had been developed with the cooperation of the Concerned Citizens for the Development of West Austin, representatives from three public schools, bicycle clubs and interested area residents. The Urban Transportation Commission has reviewed this proposal and endorsed it. In response to Councilmember Linn's question, Mr. Ternus stated that the pedestrian walkover would be a City expenditure since there are no CIP programs for these types of overpasses. In the next six months, he anticipated a pedestrian report that would present to the Council recommendations concerning pedestrian safety. Councilmember Linn asked Mr. Ternus if he agreed that when the Highway Department constructs a road and a pedestrian overpass is needed that they be responsible for the construction of this, and he stated he was in agreement with this.

Councilmember Lebermann commented that it was his understanding that an agreement had been made with the Highway Department concerning the Hike and Bike Trail. He noted that a couple of weeks ago, the Austin Transportation Study and the Steering and Policy Advisory Committee passed a resolution encouraging the Highway Department to take all necessary steps to proceed forward with the Hike and Bike Trail.

Councilmember Linn requested that Mr. Ternus investigate a pedestrian overpass being constructed in Zilker Park in the area of the soccer fields.

Deputy City Manager Homer Reed commented that the report to be presented by the Urban Transportation Commission is very brief and would only entail a request to the Council to pass a resolution endorsing this plan and urging the State Highway Department to put it on their priorities and fund it.

Councilmember Lebermann moved that the Council adopt a resolution adopting and implementing the Johnson Creek Pedestrian/Bicyclist Plan and stating that the State Department of Highways and Public Transportation be requested to make the Johnson Creek Hike and Bike Trail one of its highest priorities and to implement it as soon as possible. The motion, seconded by Councilmember Linn, carried by the following vote:

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

Noes: None

Absent: Mayor Friedman

CONTINUED PUBLIC HEARING ON INSTALLATION OF A WATER MAIN
THROUGH KEALING PARK

Mayor Pro Tem Snell opened the continued public hearing from June 17, 1976, to consider the installation of a water main through Kealing Park to serve the Blackshear area. He noted that this was delayed to obtain information from the Parks and Recreation Department.

Mr. David Segrest, Parks and Recreation Department, commented that the Parks and Recreation had considered this item at their last meeting and recommended the following:

"That the Parks and Recreation Advisory Board recommend to the Council that the 12" water main through Kealing Park be approved, provided the work is not done during prime time use of the park and that the area be restored and any damage to the irrigation system be guaranteed by the Water and Wastewater Department to be replaced and repaired."

Councilmember Trevino moved that the Council close the public hearing and authorize the installation of a water main through Kealing Park to serve the Blackshear area subject to the aforementioned recommendation from the Parks and Recreation Department. The motion, seconded by Councilmember Linn, carried by the following vote:

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

PROSPECTIVE PURCHASERS OF AUSTIN'S SHARE OF THE SOUTH TEXAS PROJECT

Deputy City Manager Homer Reed stated that the Council had been provided with copies of the report concerning procedures for receiving proposals from prospective purchasers of the City of Austin's share of the South Texas Project. This report is in response to a request by the Council that a periodic update be given concerning the efforts of finding a purchaser for Austin's share. Councilmember Hofmann thanked Mr. R. L. Hancock, Director of Electric Utility, for completing this report so promptly. (A copy of the report is on file in the City Clerk's Office.)

WALLER CREEK MASTER PLAN

Deputy City Manager Reed noted that this item would be discussed at the Council meeting on July 1, 1976, in conjunction with the consultant's report to be presented then.

NAMING OF NORTHWEST AUSTIN LITTLE FIELD

The Council had before it for consideration naming the Northwest Austin Little Field "Steve Shanks Little League Field." Mr. Segrest noted that this was requested by the North Austin Little League Association.

Councilmember Linn moved that the Council authorize Northwest Austin Little Field to be named "Steve Shanks Little League Field." The motion, seconded by Councilmember Trevino, carried by the following vote:

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

EXECUTIVE SESSION ACTION
POSTPONED

Mayor Pro Tem Snell stated that there would not be an Executive Session today due to several of the Councilmembers being unable to attend and Mayor Friedman was out of town. Appointments to boards and commissions will be made next week and will include the following: (In addition to the ones announced last week)

Status of Women
Brackenridge Hospital Board
Boggy Creek Ad Hoc Committee

Mayor Pro Tem Snell announced that the Council stood recessed until 2:00 p.m.

AFTERNOON SESSION
2:00 P.M.

Mayor Pro Tem Snell called the afternoon session to order.

REPORT FROM MAYOR'S COMMISSION ON ELECTRIC RATES

At this time, the Mayor's Commission on Electric Rates presented a report on the proposed new rate structure. Mr. Ken Nowotny, member of the Commission, noted that the Mayor's Commission on Electric Rates recommended establishing an electric rate structure under which the costs of providing electric service will, for the first time, be borne by each customer according to the costs of supplying that customer's demands on Austin's electric utility. He then reviewed the electric utility payments being made from revenues received this fiscal year to determine the electric rate structure.

Mr. Nowotny then addressed his thoughts to the various cost allocations as follows:

1. Fuel costs are charged in a separate billing based on actual monthly fuel costs and include a 6-1/3% profit on sales. The proposed fuel charge changes each month and the 2.485¢ per KWH is based on average costs for this year.
2. Operation and Maintenance costs are allocated on a per-KWH basis and produces an operation and maintenance charge of .413 cents per KWH.
3. Distribution costs are allocated on an ascending scale based on monthly consumption and include a 9.4% return on this capital investment. The proposed distribution charges vary from \$1.00 to \$25.20 per customer per month.
4. Generation costs are allocated entirely to the peak-season surcharge on a per-KWH basis starting at 201 KWH per month and include a 9.4% return on this capital investment. The proposed Generation surcharge is 2.890¢ per KWH only during the months of June, July, August, and September.

The above allocations of charges according to cost of service result in the following electric rates (plus monthly distribution charge):

Off-peak charge is 2.898¢ per KWH during the months from October through May.

Peak charge is 5.788¢ per KWH (or 2.898¢ plus surcharge of 2.890¢) during the months of June, July, August, and September.

Mr. Nowotny commented that the commission proposed continuation of the 4% discount currently allowed to approximately seventy large users who receive electricity at high voltages and break it down to the voltages desired for their operations.

In summary, he stated that all electric utility customers will have lower rates during the eight months from October through May. A summer peak surcharge will be applied to all consumption above 200 KWH per month during the months of June, July, August, and September. All customers whose individual monthly consumption is reasonably constant throughout the year will have a lower unit cost per KWH of electricity on an annual basis and a resulting lower total of utility payments for the year. Those customers whose individual monthly consumption includes considerable summer peak demand will have a higher unit cost per KWH of electricity on an annual basis and a resulting higher total of utility payments for the year. Since our historic summer peak demand had created the periodic need for new generators, the cost of generation will henceforth be paid by those customers who cause the costly expansion of generation capacity by having individual consumption patterns adverse to the system's load factor.

In discussion of the base rate of KWH, Councilmember Linn stated that lifeline did not refer to indigent people but refers to a base rate. The base rate is not extended the year round because the 200 KWH exemption applied only to the surcharge.

Deputy City Manager Homer Reed informed Mr. Nowotny that the Council had already voted to instruct the staff to proceed with the computer analysis that was recommended in the Commission's report.

PUBLIC HEARING ON SOUTHWESTERN BELL TELEPHONE RATE INCREASE

Mayor Pro Tem Snell opened the public hearing scheduled for 2:30 p.m. to consider Southwestern Bell Telephone Rate Increase. MR. JON LAWRENCE, Attorney for Southwestern Bell Telephone, stated that his company was ready to present testimony and statements concerning the telephone company's additional revenue needs in connection with the operation of the Austin telephone exchange. He indicated that the presentation would consist of four witnesses beginning with Mr. Gray Bryant, Division Manager of Southwestern Bell, who will speak to operations of the company; Dr. Robert S. Stich, from the University of Missouri at St. Louis, describing the required earnings level for the telephone company in connection with the Austin exchange operations; Mr. Evan Moser, Chief Supervising Accountant for Southwestern Bell in the State of Texas, describing the contents of the exchange operating results of the company in the Austin exchange for the calendar year of 1975; and finally Mr. Larry W. Hageman, Engineering Manager-Valuation and Separations for Southwestern Bell in Texas, discussing the elements of the rate base contended for by Southwestern Bell in this case.

Mr. Lawrence then distributed to the Council and the City Clerk copies of the sworn statements of each of the aforementioned names. (Copies of each of the sworn statements presented are on file in the City Clerk's office, and copies of each of the statements are typed in full at the end of these Minutes.)

MR. GRAY BRYANT, Division Manager of Southwestern Bell, noted his appreciation to the Council for having the opportunity to appear before them and to present evidence of the need for financial relief. This evidence will include the 1975 Operating Results, and Mr. Bryant's statement and those of Dr. Stich, Mr. Moser, and Mr. Hageman as well as the Exhibits prepared in support of those statements.

Mr. Bryant then reviewed with the Council some of the dates and events that had transpired over the last 24 months regarding the requests for rate changes. He stressed that the rate increases granted Southwestern Bell thus far have not been adequate. He then presented to the Council financial and engineering principles that show the revenue deficiency of \$9 million. Mr. Bryant stated that Southwestern Bell had spent 159 million new investment dollars in this exchange in the period 1970 through 1975.

At this time, Mr. Bryant presented nine Exhibits showing the following:

1. Investment 1970-75
2. Investment, Taxes, Wages
3. Growth Statistics
4. Telephone Growth By Year
5. Rise in Prices of Strategic Raw Materials

6. Consumer Price Index
7. Rate Base
8. Rate Base with Hess Position Added
9. Rate of Return Imposed on Various Rate Bases After \$9,033,506 Increase

In conclusion, Mr. Bryant stated that Southwestern Bell had lived up to its obligation to serve and spent millions of dollars to do so. He urged the Council to fulfill their obligation to the telephone company and grant the increase requested.

DR. ROBERT S. STICH appeared before the Council on behalf of Southwestern Bell to give his opinion as to the current cost of both debt and common equity in the economy. He would also recommend what he believed to be a fair rate of return that would be applicable to the fair value of its properties subject to the jurisdiction of the City of Austin. Mr. Stich then reviewed his credentials and past employment. He stated that it was his recommendation that the overall fair rate of return to the telephone applicable to a fair value rate base that reflects fully the impact of inflation is in the range of 9.8 per cent. Mr. Stich referred to his Exhibit showing how he arrived at this recommendation. He then reviewed the following:

1. Methods that Mr. Stich used in finding an over all fair rate of return.
2. Major studies that he made in determining the cost of capital in the economy.
3. The quality of Southwestern Bell's earnings have deteriorated.
4. Embedded cost of debt and capital structure.
5. The cost of common equity to the company.
6. Determining an over all fair rate of return.
7. Inflation analysis.

MR. EVAN L. MOSER, employed by Southwestern Bell, then presented his report to the Council concerning the Austin Exchange Operating Statement for the 12-month period ending in December 31, 1975. At this point, Mr. Moser covered the major components which made up the Austin Exchange Operating Statement as follows:

1. Exchange Operating Revenues
2. Maintenance Expenses
3. Depreciation Expense
4. Traffic Department Expenses

5. Commercial Expenses
6. General Office Salaries and Expenses and Other Operating Expenses and Charges.
7. Taxes

In addition to the revenues and expenses actually recorded on the company's books, there were certain known changes that needed to be considered since they will alter, and have altered, the future level of revenues or expenses in the Austin Exchange. Therefore, appropriate adjustment amounts to reflect these changes have been calculated as follows:

1. Increase in expense due to employee's medical insurance policy rate changes.
2. Increase in expense due to the postage rate increase.
3. Increase in expense due to management salary level increases.
4. Increase in expense due to Public Utility Commission Assessment.
5. Increase in expense due to the increase in Social Security Tax wage base.
6. Increase in expense due to wage contract provisions.
7. Increase in maintenance expense due to a Western Electric price change.
8. Increase in expense due to a service pensions rate increase.
9. Increase in expense due to normalization of capitalized Social Security and Relief and Pensions.
10. Increase in revenues caused by a Directory Advertising rate increase.
11. Increase in revenues due to the rate increase.

MR. LARRY W. HAGEMAN, Engineering Manager-Valuation and Separations for Southwestern Bell Telephone Company, stated that he had performed studies to determine the fair value of property devoted to local telephone service operations in this case. Among the important facts which are taken into consideration in determining the fair value of the company's property and determining the fair value of the Austin Metropolitan Exchange area:

1. The original cost of the property, i.e., the number of dollars invested in and subject to all risks inherent to the operation of the business.
2. The original cost of the property less the book reserve for depreciation (net investment).

3. The current cost of the properties used and useful in rendering telephone service. These costs should reflect cost levels of material and wages as fo a particular date.
4. The condition of the property which indicates the effect of deterioration and obsolescence.
5. The current cost of the property adjusted to reflect the amount of deterioration and obsolescence.
6. The net investment in the property expressed in terms of purchasing power of current dollars.
7. The amount of cash working capital and the value of the quantity of materials and supplies required to properly operate the business.

In conclusion, Mr. Hageman stated that in his opinion the fair value of the company's property devoted to local exchange operations in the Austin, Texas, Metropolitan Exchange was not less than \$168,132,000 as of December 31, 1975.

Mr. Lawrence then requested from the Council an ordinance for the authority to increase telephone rates in the Austin Metropolitan Exchange in the amount of \$9,000,033.

Councilmember Linn asked what the difference was in the values used by the telephone company for tax rendering with the City and the values Southwestern Bell uses for their rate base. Mr. Lawrence replied that rendition to the City is generally based on the cost of the property less depreciation. Some of the property is located outside of the City. Mr. ~~Gay~~ Bryant noted that approximately 30% of the plant was located outside the City and inside the exchange.

Mayor Pro Tem Snell noted that Mr. Don Butler, Legal Counsel, would be available for July 22 or July 29. After discussion among the Councilmembers, the date set for continuing the hearing of Southwestern Bell Telephone Rate Increase was July 22, 1976, at 2:30 p.m. Councilmember Linn also instructed the Legal Department to look at the difference between the rate base property system as reported by Southwestern Bell and the tax rendition for the City.

In response to Mr. Bryant's question, it was noted that Mr. George Hess would be present at the Council meeting on July 22, 1976.

ADJOURNMENT

The Council adjourned at 3:30 p.m.

ATTEST:

Grace Monroe
City Clerk

APPROVED

Jimmy Snell
Mayor Pro Tem