

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

August 26, 1976
10:00 A.M.

Council Chambers
301 West Second Street

The Meeting was called to order with Mayor Friedman presiding.

Roll Call:

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

Absent: None

INVOCATION

The Invocation was delivered by REVEREND LARRY LEA GROH, South Austin Christian Church.

APPROVAL OF MINUTES

Mayor Pro Tem Snell moved that the Council approve the Minutes for the Special Council Meeting of August 16, 1976. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

Noes: None

Not in Council Chamber when roll was called: Councilmember Himmelblau

JANET PERINO DAY

Mayor Friedman read and then presented a proclamation to Janet Perino proclaiming August 26, 1976, as "Janet Perino Day" in Austin and called on all citizens to join the Council in recognition of her outstanding contributions. Ms. Perino has been instrumental in planning, organizing, and implementing the excellent social service programs provided by the South Austin Community.

Services, Inc., South Austin Community Clinic, United Action for the Elderly, Inc., Austin/Travis County "Meals on Wheels Service to Homebound Elderly," NASA Meal System for the Elderly, and the Austin Interagency on Aging.

Mayor Friedman noted that Ms. Perino will be leaving the City in the very near future and this proclamation is only a small token from the Council to express appreciation for all of her dedicated work in the community. Ms. Perino felt that Austin had really progressed in the past five years in the area of services for the elderly and she thanked the Council for their help.

ISRAEL PHILHARMONIC DAY

Mayor Friedman read and then presented a proclamation to Dr. Frank Kaseman, Mr. Earl Podolnick, and Mr. Charles Epstein, members of the Jewish Community Council, proclaiming August 31, 1976, as "Israel Philharmonic Day" in Austin and asked all citizens to support and recognize the social and cultural contributions made by the Israel Philharmonic Orchestra and the Jewish Community Council. Dr. Kaseman thanked the Council for the proclamation.

REQUEST TO HANG BANNERS

Councilmember Lebermann moved that the Council approve a request from Mrs. M. A. Jackoskie, Secretary, McCallum Booster Club, for permission to hang a school banner across Koenig Lane at Sunshine Drive, from August 30, 1976, through November 12, 1976. The motion, seconded by Councilmember Hofmann, carried by the following vote:

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

Councilmember Lebermann moved that the Council approve a request from Mr. Gary Schriber, President, William B. Travis Quarterback Club, for permission to hang a banner across East Oltorf directly in front of the school, from August 30, 1976, to December 1, 1976. The motion, seconded by Councilmember Hofmann, carried by the following vote:

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

PERMISSION FOR USE OF CITY PROPERTY

Mr. David R. Jarrott, Project Director, March of Dimes Haunted House Project 1976, appeared before the Council requesting permission for the use of the City-owned Batts House at 15th and East Windsor Road for the 1976 fund-raising "haunted house" project at Halloween, from the present time through November 15, 1976. Mr. Jarrott stated that much work had gone into this project to make it successful; he had checked possible problems and noted that

there would be close patrol of the area. He stressed that people would not be admitted to the haunted house unless they are parking in specified area belonging to the March of Dimes. He said contact has been made with several residents in the area with no opposition to the project. In response to Councilmember Himmelblau's question as to the insurance, Mr. Jarrott commented that the policy would be the same as last year which included \$100,000 coverage on the property and liability.

City Manager Davidson stated that he had discussed this request with Mr. Jarrott and informed him that this project will take place very close to a residential area and he felt there would be traffic problems associated with it; therefore, he could not recommend its approval. Even though the residents have been contacted, Mr. Davidson felt that there would still be a problem for the residents and property owners. Councilmember Himmelblau expressed concern that this area is difficult to reach and even the use of shuttle buses would not stop people from coming in their own cars. Mr. Jarrott stressed that admittance would be refused to persons that did not come by the shuttle bus.

In response to Councilmember Lebermann's question as to the closing of Windsor Road, Mr. Jarrott noted that Windsor would be closed only partially and contact would be made with the residents daily.

MRS. CHARLIE SEARIGHT felt that there had not been sufficient contact with the persons residing on Lorrain Street regarding this project and asked that this be done before granting any approval. Mr. Jarrott stated that he was planning to approach all of the people in the area that had not already been contacted. He noted that there would be no blockage of Lorrain Street.

Councilmember Lebermann asked Mr. Jarrott if the Council had his assurances that the flow of participants would be accommodated by the shuttle buses, and Mr. Jarrott commented that this is what has been planned and would be followed. In response to City Manager Davidson's question regarding the charge for the bus service, Mr. Jarrott noted that if there is a charge for the bus service, it would be incorporated in the charge of admission to the haunted house.

Motion

Councilmember Lebermann moved that the Council grant permission to Mr. David R. Jarrott, Project Director, March of Dimes Haunted House Project, 1976, for use of the City-owned Batts House at 15th and East Windsor Road for the 1976 fund-raising "haunted house" project at Halloween, from the present time through November 15, 1976. The motion was seconded by Councilmember Trevino.

Councilmember Lebermann stated that with the assurances from Mr. Jarrott concerning the mode of operation for the project and that all of the concerned citizens would be contacted and informed of the project, he felt it could be approved.

Roll Call on Motion

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

*Councilmember Himmelblau felt that this project impacts a residential neighborhood and although it is a very worthy project, she would like to see it elsewhere.

REQUEST FOR COUNCIL AUTHORIZATION TO RELOCATE DARRELL ROYAL WORKSHOP

The Council had before it for discussion a request to relocate the Darrell Royal Workshop. Mayor Friedman stated that this was placed on the agenda as an emergency item because of problems associated with certain land matters. The request was discussed by the Council at a Council meeting recently, and it was decided that it would be considered again in conjunction with the budget.

MR. JIM FENNELL, Director of the Darrell Royal Workshop, responded to Mayor Pro Tem Snell's question concerning the opinion of the Advisory Board regarding this matter by commenting that they supported this request. The adult activity center and the workshop are not in good facilities at the present time. Regarding the choice of sites, Mr. Fennell stated that this was considered in conjunction with where the clients resided. 32% of the Darrell Royal Workshop clients reside in South Austin; 28% reside in East Austin; and the remaining are 6% in the University area; and 32% in northern Austin. In the adult activity center, there are 30% of the clients residing in South Austin; 31% in East Austin; 8% in the University area; and 21% in North Austin.

Councilmember Linn expressed concern about combining two different types of facilities and felt it could produce a negative effect. She asked if the impact of the entire program being placed in the same area as all of the other MHMR facilities has been looked at. Mr. Fennell felt that no identity would be lost by the relocation process. Mayor Pro Tem Snell stated that he had seen a similar move made several years ago, and it did not work very well.

Councilmember Linn pointed out that the City does have a staff to work on locating property for this type of thing and the Property Management Department has located property in the 300 block of West 5th Street that is equipped for mobility impaired people. She noted that the City staff would be available to work with MHMR in this location process, and she would like to pursue this course. Councilmember Linn stressed the problems that could be incurred with the combination of the Mental Health and Mental Retardation programs and cost of the facility. Mr. Jarrott stated that the option to purchase expires September 19, 1976, and a loss of grant monies could also be encountered if this relocation does not take place soon. Councilmember Linn stated that she wanted the program to be located where all would be able to benefit from it.

MATT SNAPP, a member of the Board of Trustees of MHMR, felt that the question to be addressed today is whether it is appropriate at Council level to deal with this kind of issue. Mayor Friedman stated that the contract was written in a manner whereby the Council would have input into this matter.

Councilmember Linn felt that the Mental Retardation staff should have been working with the Property Management staff on this matter of locating property. Mr. Snapp stated that he would be glad to provide the Council with any additional information on this item if they so desired, and he would be very happy to work with the Property Management staff on the concerns of the Council.

MRS. CHARLIE SEARIGHT stated that there is a deadline to meet and if not met, certain monies could be lost. She felt there needed to be some direction of moving ahead in order not to lose the money.

Mayor Friedman noted that if the Council approved the concept of moving, that would not give MHMR the approval to relocate on Collier Street. Mrs. Searight felt there would be no problem with locating the service for the retarded across the street from mental health service.

In response to Councilmember Hofmann's question as to contacting the neighborhood, Mrs. Searight stated that no neighborhood contact has been made.

MR. ANDY RAMIREZ, Director of Human Resources Department, stated that he had met with the staff of MHMR and also has some concerns ~~involving~~ the cost. He felt that it would be in the best interest of MHMR and the City to have a comprehensive plan as to the relocation of various services, but this is difficult since there is a time element involved.

City Attorney Jerry Harris stated that he could not give any type of a legal opinion since he had not had the opportunity to review the contract.

Mr. Snapp felt that the issue involved is whether or not MHMR should be allowed to join with the East First and Rosewood Center without full input from the Council. Mr. Ramirez noted that the contract stated that the Council has the right to review and comment on any relocation of facilities; not approval or disapproval. MR. JOE MORAHAN, Director of Property Management, stated that he had looked at property for several weeks but felt that he could not perform an adequate search without certain specifications. He felt there should be more time to investigate the sites. Mr. Snapp asked that the Council authorize them to proceed so the funds for the project will not be lost. In response to Mayor Pro Tem Snell's question, Mr. Snapp commented that the Rosewood Center would not be moved to Collier.

Councilmember Trevino moved that the Council grant authorization for the relocation of the Darrell Royal Workshop. The motion was seconded by Mayor Pro Tem Snell.

Councilmember Linn offered an amendment to the motion whereby MHMR would work with the City staff to investigate the possibility of finding a better location. Councilmember Trevino accepted the amendment.

Roll Call on Councilmember Trevino's amended motion, Mayor Pro Tem Snell's second, showed the following vote:

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

PRESENTATION OF THE RECOMMENDED 1976-77 ANNUAL OPERATING BUDGET

City Manager Dan Davidson presented to the Council the 1976-77 Annual Operating Budget and pointed out that this had been one of the most difficult budgets to prepare in a long time. He stated that the Budget is balanced. It recommends a spending level of \$237.3 million, \$198.7 million for the operating costs of municipal programs and services and \$38.6 million to pay the principal and interest on debt. During the coming year the budget proposes a 3.5% reduction in the municipal work force which will result in 230 fewer employees than are now authorized. This represents 563 positions fewer than were recommended by City department heads although what had been recommended by the department heads could have been justified if the City could afford the funding for the additional programs and services.

The total appropriations recommended are \$9.1 million less than what the City department heads felt could be justified. The employment level per capita is back where it was in 1972, if the Council should adopt these recommended employment levels. The department appropriations under the General Fund are recommended at \$54 million; that compares with the current year of \$52 million or approximately a 4% increase.

In the past fifteen months, this Council has taken record strides in improving human services in Austin. Health and recreation programs, social and welfare services, transportation and emergency programs are now available to citizens as they have never been before. In drafting this budget proposal, special care was taken to reflect the policies of the Council. This year, however, it is necessary to concentrate on bolstering the City's sagging finances. Mr. Davidson urged that the Council undertake a systematic three-year program to bring the balance of the General Fund to a point where it can be depended upon as an emergency source of cash. He noted that he would also encourage legislative programs to improve the City's financial posture.

City Manager Davidson stated that except for completion of a study of commercial waste fees now underway, no increases are recommended in the tax rate or in any fees or charges.

Mr. Davidson stated that he outlined for the Council consideration the most important programs and services that were ~~deleted~~ from departmental budgets as per Council request. In the area of organizational changes, two major changes are recommended:

1. Creation of an Office of Trust and Endowments, to be effective with the dissolution of the Office of Bicentennial Affairs. The City has developed good momentum with bicentennial programs designed to provide legacies for future generations of Austinites. Mr. Davidson felt an individual should be working full time on this project.
2. Investigation of alternative administrative and governmental approaches to health care. The wisdom of municipal ownership of hospitals and clinics has been challenged and the Brackenridge Advisory Board has been asked by the Council to study approaches other than continued municipal ownership. Mr. Davidson pledged full support of the Hospital Board study in seeking alternatives for presentation to the Council.

Mr. Davidson noted that the rate of inflation is slowing. This allows for the opportunity to make some necessary improvements in the over all classification and pay plan of the City. He recommended that the completed Fire and Police reclassification plans be funded within this budget; that funds be incorporated within the budget to take care of the City-wide reclassification program which is being drafted now. He suggested that the plan be implemented or the funding be provided to implement that part of the plan by January 1, 1977. He suggested that the Police and Fire department reclassification study be implemented effective November 1, 1976.

In addition to a comprehensive review of the City's retirement system, Mr. Davidson asked that the Council consider a 4% across-the-board increase for all City employees, effective October 1, 1976

Mr. Davidson pointed out that the Council has some extremely difficult decisions to make, and he knew that there are programs that the Council would like to see funded for which there are no revenues to support. He asked that the grants to other agencies which are now at \$1.4 million be cut back to \$750,000. He stated that something must be done to reduce the cost of medical education and indigent care at Brackenridge Hospital and suggested that it be reduced from \$4.5 million to \$4 million. If these steps are not taken, the Council will encounter difficulty in the budget for the coming year; future Councils will have the same difficulty in 1977-78.

Mr. Davidson noted that the Budget is in two volumes. Volume One includes program information on the budgets of each department of the City; Volume Two includes details on the organization of the entire City and details as to personnel allocation and personnel costs. A Volume Three will be available tomorrow which outlines certain monies being requested for grant requests.

At this time, Mr. Davidson took the opportunity to recognize the Research and Budget Office and thank them for all of their effort in the preparation of this Budget. Mr. Joe Liro, Assistant City Manager, introduced the employees of the Research and Budget Office.

Mayor Friedman stated that there is still a tremendous amount of work to be done and the decisions the Council will have to make will show that there are going to be further restrictions on what has been suggested by the City Manager. He pointed out that no department head or employee should feel that they are being singled out. Mayor Friedman noted that for the first time a document has been prepared that does not take an accountant to read and complimented the staff on a job well done. He assured everyone that the decisions by the Council regarding the budget will be based on what the citizens can afford. He noted that work sessions and public hearings will be conducted on the Budget beginning next week.

PUBLIC HEARING ON THE CAPITAL IMPROVEMENT PROGRAM

Mayor Friedman stated at the outset of the meeting that new projects have been added as new ones were completed. He stated that there are 23 new projects. The Mayor also stated that some of the projects have been "shifted" due to funding necessities or increases in the scopes of the particular projects. In addition, the Mayor stated that 99% of what has already been approved is still included in the document.

MS. JOAN BARTZ, past President of the University Home Owners Association and present Zoning Chairman of that association, made the following recommendations to the Council:

1. Public Works: #73/62-39, Springdale Road and Manor Road:
She stated that her organization was in support of most of the proposed improvements in this project except a stretch from Highway 183 to the "Y" where Manor and Springdale come together. She stated that her organization only wants four (4) lanes in this area rather than six (6) lanes. She also stated that anything in excess of four lanes would not be eligible for federal funding. Mayor Friedman commented that the Council was also interested in only four lanes in this area.
2. Parks and Recreation: #77/86-17, Handball Center and Gymnasium:
Ms. Bartz supported the idea of placing this facility close to LBJ High School.
3. Parks and Recreation: #76/86-12, Webberville Road District Park Development: She stated that she thought it was something that is long overdue and supported the project.
4. Parks and Recreation: #75/86-69, Lake Long Development:
Ms. Bartz expressed her support for this project also.
5. Parks and Recreation: #75/86-46, Northeast District Park Development: Ms. Bartz expressed her support for this project. Mayor Friedman stated that this particular project was under discussion by the Council.
6. Parks and Recreation: #75/86-03, Major Park Land Acquisition:
Ms. Bartz recommended the City not cut the park acquisition too desperately.
7. Parks and Recreation: #75/86-37, Jordan Park Improvements:
Ms. Bartz stated that they were in favor of erosion control in this area but that they did not want a concrete wall erected. She mentioned that there were mixed feelings as to the question of parking improvements in the area. Ms. Bartz stated that the matter of parking improvements would have to be carefully discussed so the most equitable agreement could come out of it. She also made mention of the automatic irrigation system proposed for this area.
8. Fire Department: #76/83-02, Decker Lake Road Fire Station:
She expressed support for this project.
9. Library: #77/85-02, Replace Windsor Village Branch:
She expressed support for this project. She asked that the current library remain open until the new one was in service. Ms. Bartz also commended the staff at the Windsor Village Branch Library.

MS. JEAN BRINGOL, representing the Environmental Board, made the following recommendations to the Council:

1. Public Works: #73/79-02, Street and Bridge Division Central Service Center Improvements: Her recommendation was that the City relocate this project (including the service center) or design buildings for future public use.
2. Public Works: #76/70-09, Johnson Creek Drainage Improvements/Enfield Road to Margranita Circle: The recommendation was to delay the project by one (1) year to consider alternatives to channelization. Also to provide adequate monies in the 1976-77 year to fund this study of alternatives.
3. Electric: #76/10-01, Decker and Holly Power Plants - Oil Conversion, and Public Works: #74/89-07, Sanitary Fill: The recommendations for this project were as follows:
 - a. Postpone any conversion to oil-fired boilers at Decker at least one year--until the solid waste study is completed.
 - b. Include monies in the 1976-77 year to fund studies for environmental impact and installation of air pollution control equipment.
4. Public Works: #76/62-10, Barton Skyway Extension, Barton Hills Drive to MoPac: The recommendation was to remove any monies for engineering and construction in the fourth and fifth years. Provide sufficient funding in the fifth year for a conceptual design study and a major environmental impact study. Mayor Friedman stated, however, that this recommendation would be impossible to fund for the fifth year because the City only had money for the 1977-78 period.
5. Parks and Recreation: #76/86-15, Walnut Creek Golf Course: The recommendation was to consider relocating the project. She stated that the Walnut Creek Park was too small to construct an 18-hole golf course on.
6. Parks and Recreation: #75/86-03, Major Parkland Acquisition and #75/86-13, Major Greenbelt Acquisition: The recommendation for this project was to increase the funding.
7. Parks and Recreation: Park Irrigation Projects: The recommendation was that scrutiny should be focused on the inordinate number of park irrigation projects in the 1976-80 CIP. Moreover, that priority on irrigation cost allocations be given to the construction of basketball slabs on the parks located in zone 8 and zone 5.
8. Parks and Recreation: Parkland/Greenbelt Acquisition: Provide funds to purchase Taylor Slough from Reed Park to Lake Austin and to develop sufficient land abutting this slough west of Scenic Drive in order to provide access to the Lake.

She further recommended that funding be provided for projects which address the following environmental needs:

1. Study the water quality in Austin's waterways and devise and experiment with measures which can be taken to reduce water pollution from urban runoff and other sources.
2. Purchase areas for use as holding ponds for floodwater detention.
3. Recycling centers, with appropriate facilities, to be established on strategically located City property.
4. Study design of roadways in order to reduce traffic noise.

She closed by stating that her organization endorsed the Office of Environmental Resource Management's comments to the City Manager on the proposed CIP which address general and specific environmental concerns for various projects.

MR. MICHAEL MOORE stated that the backyards in his area were eroding due to increased water flow brought about by the construction of the Capital Plaza complex. Mr. Moore suggested increasing the \$30,000 for park drainage improvements by another \$9,000. He stated that by doing this the problems for six (6) homeowners would be solved. Mayor Friedman stated that he thought the problem could be solved with the money already available but added that more money could be allocated, if necessary, to get the job done right. He also stated that this particular project was being worked on.

MS. MARGARET LOERA, representing the South Austin Citizens Advisory Board and the Community Development Commission, made the following recommendations to the Council:

1. That the City appropriate \$123,000 from the CIP to include a diving well and filter system adjacent to the present pool at Gillis Park.
2. That the City fund a wading pool for the Rickey Guerrero Park located in the poverty target area and near the 23-year-old Meadowbrook Housing Development.
3. That approximately 510 feet of South Second Street, from the alley to the South and to Fletcher Street to the north, be permanently paved at an approximate cost of \$16,500.
4. That approximately 255 feet of South 3rd Street, from the alley to the south, to West Oltorf to the north, be permanently paved at an approximate cost of \$6,000.
5. That approximately 255 feet of South 4th Street, from the alley to the south to West Oltorf to the north, be permanently paved at an approximate cost of \$5,800.
6. That 450 feet of the alley in question from South 3rd Street to the West and to South First to the east, be permanently paved at an approximate cost of \$15,800.

7. That the intersection of South First and West Oltorf receive monies to initiate and install a protected left turn signal for all four streets at this intersection.
8. She stated that her organization supported a \$1.1 million project to widen Stassney Lane in the interest of public safety.
9. That the City contribute \$500 for the installation of proper school warning signs in the area of Fulmore at Congress Avenue. She also stated that they also desire that a crosswalk be designated in the area.

Ms. Loera closed by stating that her organizations would appreciate the Council's consideration of their proposals.

MS. FRANCIE BREYFOGLE, representing Quail Creek and Zone 2, spoke before the Council. Ms. Breyfogle stressed the need for Walnut Creek Park. She also stated that there was a shortage of ~~swimming~~ and picnicking facilities in the community. In referring to Walnut Creek Park, she noted that the land had been purchased but that there are no facilities on it. She stated that Zone 2 had children with needs for recreational facilities. She stated that Zone 2 was the only community that listed Parks as their number one goal. As a member of the Parks and Recreation Board, Ms. Breyfogle reminded the Council that the Board was in total support of the Walnut Creek project. Mayor Friedman stated that although \$150,000 had been shifted from the Walnut Creek Project, the project was still going through.

MR. JIM LACKEY, President of the North Austin Civic Association, also spoke before the Council on the Walnut Creek Project, #73/86-46. He stated that his organization felt that the \$150,000 shift of funds for the Walnut Creek Project would delay work on the project for one year or longer. He also commented that there were no golf facilities in North Austin.

At this point, the Council recessed until 2:00 p.m. that afternoon.

MS. BETTY BROWN, representing the Barton Hills Neighborhood Association, spoke before the Council concerning the proposed Barton Skyway Extension and Bridge over Barton Creek, #76/62-10. Ms. Brown indicated that a door-to-door poll on this project was taken and had shown that 84% of single-family residents in the community did not want this bridge constructed. She stated that this bridge would make the area a major thoroughfare and that it was not suited for this purpose. She stated that the environmental quality of the area would be spoiled and that the bridge would pose certain safety problems. She voiced support for a proposal of the Austin Transportation Study that would extend Loop 1 through to Loop 360. She said that this would be a viable alternative to the bridge. Councilmember Lebermann stated that the Austin Transportation Study approval of MoPac to Loop 360 included an off-ramp at Barton Skyway but with the expressed deletion of the bridge to the east of MoPac over Barton Creek. Mayor Friedman stated that there was no approval by the Council that the project would ever be built because the public has not approved of it. He stated that there were no funds available for the project.

MS. ANN COLTHORPE, representing the Walnut Creek Neighborhood Association and the Walnut Creek P.T.A., voiced their support for the Walnut Creek Park Project. She stated that there are no family recreational facilities in far North Austin and that the children in the area have only a makeshift playground at the school that was constructed by the parents. She also urged the Council to reconsider shifting \$150,000 away from the Walnut Creek Park Project.

WADELL ELDER, representing the Austin Women's Tennis Association, spoke before the Council concerning the Pleasant Valley Tennis Center, #77/86-12. She stated that there are not enough tennis courts to accommodate their membership. She voiced support for the CIP and said that emphasis should be placed upon the construction of a minimum 20-court facility with lighting and pro shops constructed at each of the two 8-court high school facilities. Mayor Friedman asked Ms. Elder if she was requesting that the proposed date for project #77/86-12 be moved up from 1979-80. Ms. Elder stated that this was her request.

MS. PAT THOMPSON, President of the Capitol Area Tennis Association, also spoke before the Council concerning the Pleasant Valley Tennis Center, #77/86-12. She stated that with adequate facilities, Austin could host a major zone tennis tournament. She stated that these tournaments could bring outside monies into the City.

MS. SHERYL DEHNE, representing the Tennis Teaching Pros in Austin, spoke before the Council. She stated that they wanted a 160court complex in Austin because they felt that another 8-court facility in the Pleasant Valley area would not be adequate. She also stated that this would draw more tennis tournaments to the area. She also stated that additional courts would extend the tennis teaching capabilities in the area.

MS. VIRGINIA BIEDINGER urged the Council to move the project date on the Pleasant Valley Tennis Center, #77/86-12 up from the proposed 1979-80 date.

MR. ROYAL MASSET, Executive Director of the Austin Citizen's League, also spoke before the Council. Mr. Masset stated that his organization was concerned that the Planning Commission has recommended certain shifts in project priority. Mayor Friedman stated that there had been no final shifts and that there were only six (6) proposed project shifts. He stated that the CIP was not a political football and that he (Masset) should address himself to specific projects that he wanted included in the CIP.

MR. DONALD ELMER spoke before the Council concerning energy and energy conservation policies that are related with CIP policies. Mr. Elmer cited project #75/20-01, Overhead Line Extensions to New Service Areas. He stated that this project is designed to bring in extra City revenue and expresses a policy of the advancement of the continuous city growth. He stated that the Council needs to have adequate information on the projects to be sure that the policies expressed by the proposed program are the policies that the Council itself wishes to forward. Mr. Elmer suggested that particular projects in the CIP contain an assessment of the life cycle energy use and energy cost over the life cycle of the entire program. He also suggested that an assessment be required of the likely effect on continuing energy growth or the decrease of energy growth for the City of Austin. He also suggested that proposed

projects clearly articulate the particular policy that they are seeking to advance. Also, that policies present alternatives for accomplishing the same policy purpose which alternatives would maximize energy saving and energy conservation. Mayor Friedman stated that some of those considerations were already under way and that the citizens have already authorized the proposed electric generation plant and that "all of this was tied in."

MR. WOODROW SLEDGE, representing the Austin Independent School District, also spoke before the Council. He stated that the proposed extension of Barton Skyway was needed to facilitate the travel of students across the river. He commented that some means would have to be found to alleviate the traffic congestion problem and to put residents, south of the river, in touch with the MoPac. He stated that he did not think Loop 360 was the answer. He expressed concern that the Council did not heed the advice of their staff in the matter of the Ullrich Water Treatment Plant expansion project and the Southwest Austin Transmission Line. Councilmember Hofmann stated that they do listen to the advice of the staff. Mr. Sledge stated that in the Springdale Road project, the cut of the so-called "chicken alley," was unprofessional. He said that the center lane was necessary for public safety. He also referred to the street that runs east and west between South 1st and South Congress Avenue, and north of the new Williams School. He stated that rather than annex this territory in block as suggested by the Planning Commission, the Council only annexed halfway east. Mr. Sledge stated that that cripples the possibility of any future development. He stated that there are two subdivisions there and the City does not have the capability of properly developing the arterial there that is needed. He also stated that he felt that Project #73/62-25, South 1st Street Widening/Blue Valley Drive to Rambla Lane, needed extension of about one block further south.

Mayor Friedman moved that the Council cancel the work session scheduled for that night because there was one set for the following day at 4 p.m., which would give ample time to come up with requests based on what was said at the two public hearings as well as the work sessions. The Mayor also moved that the Council set Thursday, September 2, 1976, at 2:00 p.m. for the next public hearing on the Capital Improvements Program. The motion, seconded by Councilmember Linn, carried by the following vote:

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

Noes: None

Not in Council Chamber when roll was called: Councilmember Himmelblau

AFTERNOON SESSION
2:00 P.M.

EXECUTIVE SESSION ACTION

Mayor Friedman announced that the Council had met in an Executive Session earlier in the day to consider appointments to various boards and commissions. The Council also named Councilmembers Trevino and Hofmann to the Austin Transportation Study which will expand the City representation to three. The following appointments were before the Council for action:

Arts Commission

Councilmember Hofmann moved that the Council reappoint the following to the Arts Commission for 2 years:

Mary Lou Chapman
Jane Combs
Amado Pena

Mrs. Ruth Sauls
Dr. John Barclay

New Appointment:

Mrs. Wayne Holtzman

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

Ayes: Councilmembers Linn, Trevino, Mayor Friedman, Councilmembers Himmelblau, Hofmann

Noes: None

Not in Council Chamber when roll was called: Councilmember Lebermann, Mayor Pro Tem Snell

On-Going of Goals Assembly

No set term

Councilmember Hofmann moved that the Council appoint the following to the On-Going of Goals Assembly:

Zone 5 - Robert Ramirez
Zone 8 - Lucille Crawford
Zone 9 - Walter Timberlake

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

Ayes: Councilmembers Linn, Trevino, Mayor Friedman, Councilmembers Himmelblau, Hofmann

Noes: None

Not in Council Chamber when roll was called: Councilmember Lebermann, Mayor Pro Tem Snell

Boggy Creek Ad Hoc Committee

Councilmember Trevino moved that the Council appoint the following to the Boggy Creek Ad Hoc Committee:

Alex Martinez

Fidel Estrada

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

Ayes: Councilmember Trevino, Mayor Friedman, Councilmembers
Himmelblau, Hofmann, Linn

Noes: None

Not in Council Chamber when roll was called: Councilmember
Lebermann, Mayor Pro Tem Snell

Building Code Board of Appeals

Councilmember Linn moved that the Council appoint the following to the Building Code Board of Appeals:

Reappoint to June 11, 1981 - Henry Holman

To fill unexpired term to June 11, 1977 - Chris Lanier

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

Ayes: Mayor Friedman, Councilmembers Himmelblau, Hofmann,
Linn, Trevino

Noes: None

Not in Council Chamber when roll was called: Councilmember
Lebermann, Mayor Pro Tem Snell

Building Standards Commission

Councilmember Linn moved that the Council appoint the following to the Building Standards Commission:

To fill unexpired term to February 9, 1978 - B. J. Dukes

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

Ayes: Councilmembers Himmelblau, Hofmann, Linn, Trevino,
Mayor Friedman

Noes: None

Not in Council Chamber when roll was called: Councilmember
Lebermann, Mayor Pro Tem Snell

Historic Landmark Commission

Councilmember Linn moved that the Council appoint the following to the Historic Landmark Commission:

To fill unexpired term to April 4, 1978 - Martin Kermacy

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

Ayes: Councilmembers Himmelblau, Hofmann, Linn, Trevino,
Mayor Friedman

Noes: None

Not in Council Chamber when roll was called: Councilmember
Lebermann, Mayor Pro Tem Snell

Schedule of Appointments

Mayor Friedman announced that on September 2, 1976, the Council would consider appointments to the Manpower Advisory Planning Council.

PUBLIC HEARING TO VACATE A CERTAIN STREET

Mayor Friedman opened the public hearing scheduled for 10:30 a.m. to consider vacating the following street and passage of the ordinance:

GREGORY STREET, thirty (30)00 feet in width and containing 3,327 square feet of land, and extending from the east line of Comal Street in an easterly direction 150 feet, more or less, to the west curving line of Gregory Street Cul-de-sac. (Requested by Mr. Leon M. Lurie, Executive Director of the Urban Renewal Agency, owners of all of the land around Gregory Street)

MRS. ORA LEE NOBLES, 1419 Rosewood, appeared before the Council and requested additional information.

CLIFFORD COFFMAN, Project Director of the Urban Renewal Agency, showed Mrs. Nobles a map referring to the vacation and what area would be included. He noted that Comal Street would be abandoned and become a property line. The changes being made are done according to the Urban Renewal Plan that was approved by the neighborhood.

Mrs. Nobles stated that another property owner, Mrs. A. M. Jones living at 1603 Gregory, was concerned that her house would have to be moved. MRS. A. M. JONES commented that she was informed that she would have to move so her land could be used for more small lots. Mayor Friedman pointed out that Mrs. Jones lived east of Concho and would not be involved with this street vacation, but would like to have more information concerning a plan to take her property.

MR. ROBERT NOTON, associated with the Urban Renewal Agency, stated that this particular closing of Gregory Street would not involve Mrs. Jones' property; however, Mr. Noton stated that her property would have to be purchased. He commented that contact had not been made with the people concerning the land the Urban Renewal Agency would buy for the streets because enough people usually volunteer to sell their property.

City Manager Davidson pointed out that the City of Austin is not in charge of this development; the City is helping the Urban Renewal Agency get the streets improved. The City does not have the responsibility of notifying property owners, for acquisition of right-of-way or for the relocation of anyone who is being relocated. Mr. Noton stated that he was not completely in agreement with this.

Mr. Davidson stated that if this was a City project the City would be requesting this vacation, and he felt this item should be taken off the agenda today so the procedures in dealing with abutting property owners be outlined so the Council will know what the Urban Renewal procedures entail.

Councilmember Linn moved that the Council take no action on the vacation of Gregory Street and that the present policy with the Urban Renewal Agency concerning notification procedures be reviewed. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

Noes: None

Mrs. Nobles expressed her appreciation for this item being delayed until sufficient information can be obtained.

MRS. O. B. CONNALLY, 1319 Rosewood, thanked the Council for all of the sidewalks that had been installed.

APPEARANCE CONCERNING TRANSCENDENTAL MEDITATION PROGRAM

Mr. Jerry Danials and Mr. Robert W. Semands, representing the International Meditation Society, appeared before the Council to present research and recent developments regarding the Transcendental Meditation Program. Mr. Danials explained Transcendental Meditation and distributed some material regarding the program. He recommended that Austin take action involving the program and asked that the Council support it by notifying the City employees of a course at Austin Community College relating to stress. In response to City Manager Davidson's question, Mr. Danials stated that the fee for the course was \$12.00.

LICENSE AGREEMENT

Councilmember Trevino moved that the Council adopt a resolution authorizing a License Agreement for encroachment of parking area into Chalmers Avenue (east side) at East 9th Street. (Requested by John T. King, President of Huston-Tillotson College) The motion, seconded by Mayor Friedman, carried by the following vote:

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

Noes: None

Not in Council Chamber when roll was called: Councilmember Lebermann

Dr. King expressed his appreciation for this action and also requested that the fees associated with the encroachment agreement be waived as well as the annual fee for the use of this property. Mayor Friedman stated the City would have to investigate this request before any decision could be made. Dr. King reminded the Council that Huston-Tillotson College is an institution operating not for profit.

The public hearing heard at this time concerning Southwestern Bell Telephone Rate Increase will be found at the end of the Minutes.

PUBLIC HEARING TO AMEND TEXT OF ZONING ORDINANCE REFERRING
TO TERM "ACCESSORY USE"

Mayor Friedman opened the public hearing scheduled for 2:30 p.m. to consider amending the text of the Zoning Ordinance, Section 45 of Article I, Chapter 45 of the Austin City Code, 1967, redefining the term "Accessory Use." At the request of the Building Inspection, Legal and Planning staffs, the Planning Commission considered an amendment to the Zoning Ordinance related to accessory uses. The specific need for this amendment is to resolve that the location of accessory parking shall be on the same property as the principal use. Present ordinance provisions allow accessory parking to occur on separate property in the same or other blocks.

Mr. Lonnie Davis, Director of Building Inspection, pointed out that this amendment would make it mandatory that parking be on the same tract of ground until the time that the zoning classification reaches "O" Office or less restrictive. This has been before the Planning Commission and was recommended.

MRS. DOROTHY RICHTER, a member of the Hyde Park Neighborhood Association, appeared in support of this amendment and hoped that this will give the opportunity to the Planning Department, Council and neighbors to have an input in further parking that possibly will be applied for.

Mayor Friedman introduced the following ordinance:

AN ORDINANCE AMENDING SECTION 45-1 OF ARTICLE I OF CHAPTER 45 OF THE CODE OF THE CITY OF AUSTIN, 1967; REDEFINING THE TERM "ACCESSORY USE"; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE.

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

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

Noes: None

Absent: Councilmember Himmelblau

Not in Council Chamber when roll was called: Councilmember Lebermann

The Mayor announced that the ordinance had been finally passed.

PUBLIC HEARING ON PAINT AND GLUE SNIFFING ORDINANCE AND PASSAGE
OF THE ORDINANCE

Mr. Charles Bluntzer, Assistant City Attorney, reviewed the major changes in the Ordinance with the Council and stated that the volatile solvents increased from one to twenty, and the paints containing these solvents have gone from six to all aerosol paints and glues. The record keeping requirement has been put in terms of "may" rather than "shall."

Mr. Bluntzer noted that there had been one addition since the publication of the original draft which involves Section 23-8(b)4 and it reads as follows:

"To sell, offer for sale, deliver or give away to any person any aerosol paint or glue as defined in subsection (a) when he knows or has reason to believe that such aerosol paint or glue will be used for the purpose of intoxicated, dizzy, or unconscious."

RUDOLPH ZAPATA, associated with Mental Health-Mental Retardation, appeared in support of the Ordinance and felt there is a real problem in this area of glue and paint sniffing. He urged the Council to pass the Ordinance.

FRANK MARTINEZ, associated with Travis County Juvenile Court, also supported the Ordinance and agreed with remarks presented by Mr. Zapata.

MARY DIXON, representing the Citizens' Advisory Council for the South Austin Branch of MHMR, also urged the Council to pass this ordinance. She noted this is a serious problem in the schools and that there is usually permanent damage to a person after using these inhalants. Councilmember Hofmann expressed her concern about the problems in this area of glue and paint sniffing and thanked Mrs. Dixon for concern and comments.

City Manager Davidson stated that Police Chief Dyson and the Parks and Recreation Department has studied this matter and recommends passage of this Ordinance.

Councilmember Trevino commented that Mr. Jesse Flores, associated with the Youth Advocacy Program, and Mr. Henry Gonzales, associated with the Austin Police Department, could not attend the meeting today; however they are in support of this Ordinance.

Mayor Friedman introduced the following ordinance:

AN ORDINANCE AMENDING CHAPTER 23 OF THE AUSTIN CITY CODE OF 1967 BY AMENDING SECTION 23-8 REGULATING THE SALES, DISPLAY AND RECORD KEEPING OF SALES OF CERTAIN TYPES OF GLUE AND PAINT; SUSPENDING THE RULE REQUIRING THE READING OF AN ORDINANCE ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Councilmember Trevino made the following statement and motion:

"In the week since we set this public hearing, the response from the community and from the media has been extremely gratifying. I wish to personally thank all of those who have taken an interest in the resolution of this growing problem. Now it is time for the Council to take action. The Ordinance before us has been developed with the assistance and input from all concerned sectors of the citizenry. The business sector finds it feasible and workable; the Police department sees it as necessary and useful; and outreach workers who deal directly with the youth involved believe that this Ordinance must be put into effect.

Therefore, in order to better control and decrease the use of these harmful inhalants in the City of Austin, I move that the Council pass the Ordinance before us, as amended, on the first reading only."

Councilmember Trevino felt that by passing the Ordinance on the first reading only, the importance of the Ordinance and the dangers associated with glue and paint sniffing would have greater importance with the public. He noted that if the Council would be willing to allow him to comment on the Ordinance at each time it comes up in the next few weeks, he would amend his motion and move that the Council waive the requirement for three readings, declare an emergency and finally pass the ordinance. The motion, as amended, and seconded by Councilmember Lebermann, carried by the following vote:

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

Noes: None

Absent: Councilmember Himmelblau

The Mayor announced that the ordinance had been finally passed.

Mayor Friedman suggested that in order for Councilmember Trevino to have the opportunity to talk additionally about this Ordinance, that it be placed on the agenda under "Items from Council."

RELEASE OF EASEMENTS

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

The north 117.49 feet of the fifteen (15.00) foot telephone easement which traverses Lot 13, Block C, Westover Hills Section Six. (Requested by Mr. Maury Hood, Vice President of Mayfield Companies, owners of Lot 13, Block C)

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

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

Noes: None

Absent: Councilmember Himmelblau

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

The south seven and one-half (7.50) feet of the west 113.16 feet of the drainage and public utilities easement in Lot 5, Highland Hills, Section Four, also known as 5803 Highland Hills Drive. (Requested by Mr. Michael Rosenthal, owner of Lot 5, Highland Hills, Section Four)

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

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

Noes: None

Absent: Councilmember Himmelblau

In response to Mayor Friedman's question, Mr. Reuben Rountree, Director of Public Works, stated that the easements have been checked and are in accordance with City policy.

DEMOLITION OF CERTAIN STRUCTURE

The Council had before it for consideration authorizing demolition of the following structure:

Accept negative bid - to be demolished

2701 Dancy

Clarence Cullen Company

\$321.00

Mayor Pro Tem Snell pointed out that recently a house was moved on Goodwin Avenue which was in worse condition than the aforementioned house and inquired as to what procedure was being utilized.

MR. LONNIE DAVIS, Director of Building Inspection, stated that this house does belong to the City and is in the right-of-way for the extension of 26th Street. He noted that the house contains decayed wood and was deteriorated; therefore, he recommended that it be demolished. As far as the house referred to by Mayor Pro Tem Snell, Mr. Davis commented that it was in better condition on the inside.

City Manager Davidson stated that if the Council wanted to pass an Ordinance prohibiting the moving of this kind of a structure, he would certainly bring one before the Council. He did not think that the idea should be to demolish every house, and felt there is a limit on what the City can require a private property owner to do with his property. He felt that this involves a judgement call, and if the Council is not in agreement with the procedure, then he would be glad to change it.

Councilmember Linn noted her agreement with Mayor Pro Tem Snell and felt that the City should be watchful of having the houses condemned in one place and then their being moved into another neighborhood. Mr. Davis stated that his department does support the fact that any structure to be relocated shall be approved by the Ad Hoc Committee and the Building Standards Commission first. City Manager Davidson stated that this kind of situation would not be allowed in the future. Mayor Pro Tem Snell requested that all permits involving the removal of a house into a neighborhood be duplicated and a copy sent to his office.

Councilmember Linn moved that the Council adopt a resolution authorizing demolition of the aforementioned structure. The motion, seconded by Mayor Pro Tem Snell, carried by the following vote:

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

Noes: None

Absent: Councilmember Himmelblau

CONTRACTS AWARDED

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

HAYS CITY CORPORATION
dba Tex Con Oil Company
5414 Fairmont Circle
Austin, Texas

- Antifreeze, Department of Vehicle and Equipment Services.
Twelve Months Supply Agreement
Item No. 1, estimated 1,200 gal.
@ \$3.31/gal. Item No. 2, estimated
25 drums (55 gal. ea.) @ \$3.09/gal.
Total estimate: \$8,220.75.

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

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

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

CACTUS CANYON QUARRIES, INC.
Off FM 1855 (Highway 281)
Marble Falls, Texas

- Crushed Granite Aggregate, Parks and Recreation Department.
Twelve Months Supply Agreement
Item: estimated 1,750 tons
@ \$4.97/ton
Total estimate: \$8,697.50

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

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

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

BLAND CONSTRUCTION COMPANY
P. O. Box 190
Austin, Texas

- Installation of approximately 2700 linear feet of 12-inch force main for the North Walnut Lift Station, near Gault Lane - \$26,026.30.

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

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

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

COMMERCIAL BODY CORPORATION
2501 East Fifth Street
Austin, Texas

- Truck Mounted Hydraulic Crane,
Vehicle & Equipment Services
Department.
Item 1 - \$22,153.00

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

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

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

LONGHORN INTERNATIONAL
EQUIPMENT INC.
4711 East Seventh Street
Austin, Texas

- 50,000 GVWR Truck Cab and Chassis,
Vehicle & Equipment Services
Department.
Item 1 - \$19,849.97

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

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

GRANT APPLICATION FOR EMPLOYMENT AND TRAINING ASSISTANCE

Councilmember Trevino moved that the Council adopt a resolution for authorization to submit a \$2,088,418.00 grant application to the Department of Labor for CETA Title I funds to provide employment and training assistance to eligible area residents. (Program period October 1, 1976 through September 30, 1977) The motion, seconded by Councilmember Hofmann, carried by the following vote:

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

TRANSFER AND ASSIGNMENT OF EASEMENT RIGHTS

Councilmember Lebermann moved that the Council adopt a resolution approving the transfer and assignment of certain easement rights acquired in connection with the Fayette Power Project to Colorado Valley Telephone Cooperative, Inc., General Telephone Company of the Southwest and Texas-New Mexico Pipeline Company. The motion, seconded by Councilmember Linn, carried by the following vote:

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

SELECTION OF CONSULTANT TO EVALUATE ELECTRIC RATE PROPOSAL - POSTPONED

The Councilman Mayor Friedman's request, postponed consideration of selection of consultant to evaluate Electric Rate proposal submitted by the Mayor's Commission on Electric Rates until the September 2, 1976, Council Meeting.

ESTABLISHING DATES FOR WATER AND WASTEWATER BOND ELECTION AND NEIGHBORHOOD MEETINGS

The Councilman Mayor Friedman's suggestion, requested that consideration of establishing dates for Water and Wastewater Bond Election and for neighborhood meetings be placed on the September 2nd agenda, at which time the dates of November 20, 1976, and October 30, 1976, be considered as potential election dates. In addition, the Manager was asked to submit four dates for neighborhood meetings at that time. Councilmember Trevino asked that the City Manager also be instructed to look for sites for the neighborhood meetings. Mayor Friedman pointed out that the neighborhood meetings should be finished no later than October 8, 1976.

SETTING PUBLIC HEARING ON RECOMMENDED 1976-77 ANNUAL OPERATING BUDGET

Mayor Friedman moved that the Council reconfirm the following dates for consideration of the Annual Operating Budget and officially set September 16, 1976, at 7:30 p.m. and September 23, 1976, at 2:30 p.m. as public hearings:

Tuesday, August 31, 1976, at 4:00 p.m.
Wednesday, September 1, 1976, at 4:00 p.m.
Friday, September 3, 1976, at 4:00 p.m.
Tuesday, September 7, 1976 at 4:00 p.m.
Thursday, September 9, 1976 - Public Hearing at 2:30 p.m.
Friday, September 10, 1976 at 4:00 p.m.
Thursday, September 16, 1976 - Public Hearing at 7:30 p.m. (Special
Services
Saturday, September 18, 1976 at 10:00 a.m.
Thursday, September 23, 1976 - Public Hearing at 2:30 p.m. (Adoption
and Pay Increase)

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

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

Councilmember Linn suggested that the parity study for the Police and Fire classification and pay plan be a part of the meeting September 23, 1976.

ORDINANCE AMENDING 1975-76 OPERATING BUDGET

Mayor Friedman introduced the following ordinance:

AN ORDINANCE AMENDING ORDINANCE NO. 750925-D, THE ANNUAL BUDGET ORDINANCE FOR FISCAL YEAR 1975-1976, BY APPROPRIATING AND TRANSFERRING INTEREST INCOME FROM THE GENERAL OBLIGATION DEBT SERVICE FUND TO THE GENERAL FUND; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Councilmember Lebermann 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 Snell, carried by the following vote:

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

The Mayor announced that the ordinance had been finally passed.

AMENDING CERTAIN ZONING ORDINANCES

Mayor Friedman introduced the following ordinance:

AN ORDINANCE AMENDING ORDINANCE NOS. 721109-I, 731213-G, 740815-B, 751016-C, AND 760617-I, BY AMENDING THE PROPERTY DESCRIPTIONS IN SAID ORDINANCES; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE. (C14-70-037, C14-73-201, C14-74-068, C14-75-090, C14-76-031)

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

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

The Mayor announced that the ordinance had been finally passed.

ZONING ORDINANCES

Mayor Friedman brought up the following ordinance for its first reading:

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

TRACT 1: LOT B-2, SAVE AND EXCEPT THE SOUTHERN FIFTEEN FEET, RESUBDIVISION OF BLOCKS A, C, AND D, OF THE WESTGATE SQUARE COMMERCIAL SUBDIVISION, FROM "BB" RESIDENCE DISTRICT TO "O" OFFICE DISTRICT; AND,

TRACT 2: THE SOUTHERN FIFTEEN FEET OF LOT B-2, RESUBDIVISION OF BLOCKS A, C, AND

D, OF THE WESTGATE SQUARE COMMERCIAL SUBDIVISION, FROM "BB" RESIDENCE DISTRICT TO "A" RESIDENCE DISTRICT;
LOCALLY KNOWN AS 4701-4717 WESTGATE BOULEVARD, AND ALSO BOUNDED BY WESTERN TRAILS BOULEVARD; ALL OF 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. (Dick Nichols, C14-76-052)

The ordinance was read the first time, and Mayor Pro Tem Snell moved that it be passed to its second reading. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

The Mayor announced that the ordinance had been passed through its first reading only.

Mayor Friedman 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:
THE EAST 41 FEET OF LOT 4, BLOCK 103, OF THE ORIGINAL CITY OF AUSTIN, LOCALLY KNOWN AS 600 WEST 8TH STREET, AND ALSO BOUNDED BY NUECES STREET, FROM "B" RESIDENCE DISTRICT TO "O" OFFICE 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. (Carolyn Knappe Martin, C14-76-132)

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 Trevino, carried by the following vote:

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

The Mayor announced that the ordinance had been finally passed.

Mayor Friedman 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 152.74 ACRE TRACT OF LAND, SAVE AND EXCEPT THE SOUTHERNMOST FIFTY FEET OF LOTS 1, 2, AND 3, BLOCK "E," MISSOURI PACIFIC INDUSTRIAL PARK, SECTION 1, FROM INTERIM "AA" RESIDENCE, INTERIM FIRST HEIGHT AND AREA DISTRICT TO "D" INDUSTRIAL, FIRST HEIGHT AND AREA DISTRICT; AND,

TRACT 2: THE SOUTHERNMOST FIFTY FEET OF LOTS 1, 2, AND 3, BLOCK "E," MISSOURI PACIFIC INDUSTRIAL PARK, SECTION 1, FROM INTERIM "AA" RESIDENCE, INTERIM FIRST HEIGHT AND AREA DISTRICT TO "A" RESIDENCE, FIRST HEIGHT AND AREA DISTRICT; LOCALLY KNOWN AS 4500-5500 BURLESON ROAD; ALL OF SAID PROPERTY BEING LOCATED IN AUSTIN, TRAVIS COUNTY, TEXAS; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY. (City of Austin, C14-76-059)

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

The Mayor announced that the ordinance had been finally passed.

ORDINANCE EXEMPTING CERTAIN PERSONS FROM RENAISSANCE MARKET LICENSE FEE

Mayor Friedman introduced the following ordinance:

AN ORDINANCE AMENDING SECTION 31-52(h) OF THE CODE OF THE CITY OF AUSTIN OF 1967; PROVIDING FOR THE ISSUANCE OF A LICENSE AND LICENSE FEE FOR VENDING IN PUBLIC MARKET AREAS; PROVIDING A LICENSE FEE EXEMPTION FOR PERSONS SIXTY (60) YEARS OF AGE OR OLDER; AMENDING ORDINANCE NO. 721214-B BY PROVIDING FOR THE SETTING ASIDE OF TWO (2) VENDING SPACES IN THE PEOPLE'S RENAISSANCE MARKET AREA FOR THE EXCLUSIVE USE OF LICENSEES WHO ARE SIXTY YEARS OF AGE OR OLDER; SUSPENDING THE RULE REQUIRING THAT ORDINANCES BE READ ON THREE SEPARATE DAYS; 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. The motion, seconded by Mayor Pro Tem Snell, carried by the following vote:

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

The Mayor announced that the ordinance had been finally passed.

PUBLIC HEARING SET ON AMENDMENT TO THE "LEASH LAW" OR "DOG ORDINANCE"

Councilmember Hofmann moved that the Council set a public hearing on a proposed amendment to Article 2 of Chapter 5 of the City Code commonly known as the "Leash Law" or "Dog Ordinance" for October 21, 1976 at 7:30 p.m. The motion, seconded by Councilmember Lebermann, carried by the following vote:

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

Mayor Friedman pointed out that when requests are made as to what is the best Leash Law or Dog Ordinance to the Texas Municipal League, the current Leash Law of Austin and Waco are looked on as the models for the state. Councilmember Hofmann stated that 80% of her calls on this matter have been in support of the amendment.

SETTING PUBLIC HEARING ON MASS GATHER ORDINANCE - POSTPONED

Due to illness, Councilmember Himmelblau was not present at the Council meeting to present this request; therefore, Mayor Friedman commented that it would be considered at the September 2, 1976, Council meeting.

COMMITTEE TO STUDY ALTERNATIVE SOURCES OF REVENUE

MR. RONALD BREY, Co-Chairperson of the Committee, stated that the recommendations made are all for additional study in certain and no concrete recommendations have been made. The issues, in general, were beyond the limits of the expertise of the Committee members and need to be studied in much greater detail. Also, Mr. Brey stated that the Committee did not in any way evaluate or discuss the political feasibility of any of the recommendations. He noted that members of the Committee are willing to work with the Council on any of the recommendations presented in the report. Mayor Friedman extended the Council's appreciation for the work that was done. Councilmember Hofmann noted a special thanks to the Committee since she was involved in getting this Committee started.

Motion

Mayor Friedman moved that the Council accept the report and dissolve the Committee to Study Alternative Sources of Revenue. The motion, seconded by Councilmember Lebermann, carried by the following vote:

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

PUBLIC HEARING ON THE SOUTHWESTERN BELL TELEPHONE RATE INCREASE

Mr. Don Butler, City of Austin rate consultant, opened by stating that some arguments from Southwestern Bell needed to be cleared up. Mr. Butler stated that the recommendation of Mr. George Hess was a "plain vanilla, standard, middle of the road recommendation." He then enumerated certain items that he said were within the Council's discretion and judgement. First, he stated that rather than using a 70% factor for original cost as Mr. Hess did, he used 75%, stating that the Public Utility Act allows as much as 75% to original

cost and 25% to reproduction cost. Mr. Butler said that on the reproduction cost he had given a 25% weighting rather than the 30% weighting which Mr. Hess had given. In figuring the adjustment for age and condition or depreciation for reproduction cost, he used a method which he used in the rate case before last of calculating an adjustment for age and condition which would be in excess of the reserve for book depreciation ratio to the original cost, which is 22.5%.

He stated that he had come up with a fair value rate base of approximately 105 million dollars, which is considerably less than that which Mr. Hess had recommended, which was 109.4 million dollars. The next item was a 7.5% rate of return. He stated that after having made some calculations, he saw that the company (Bell) had a net income deficiency of some 1.2 million dollars. Before taxes that would be about 2.5 million dollars. Also, he said that the effect of service concessions to various Bell employees, which amount to \$144,650, was something that Mr. Hess did not deduct, but which had been considered and deducted by other regulatory bodies.

Mr. Butler stated that he had found that there was a revenue increase required of some 2.3 million dollars. However, the company had already put into effect and would collect as of December 1, increased rates for directory advertising, which would amount to some \$368,000. If part of this 2.3 million was considered to be gained through that increase, he said that the other services would need to be increased by approximately 2 million dollars, \$2,001,623.00.

Mr. Butler stated that the old type of switching equipment which Bell used was outdated. He said that the company had deferred too long in updating this equipment and by deferring it as long as the company did, it had incurred greater inflation which came home to the rate payer. He said that the company has not been penalized for having made what had all the earmarks of a mistake in judgement as to when it made its investment.

He also stated that there seemed to be some misunderstanding in the thought that if the Council did not decide the case, that it would go to the Public Utility Commission. But he stated that what the problem was, was what the rate would be in the Austin exchange for the next few months until the Public Utility Commission acted and that it was not a matter of deferring judgement.

On the ad valorem taxes, he stated that he had not made any effort to calculate what the company's increase, if any, would be if the City were to set their rate base on the tax roll evaluation. He said that the company had a much lower evaluation for tax purposes than it does for rate base purposes. He said that they are paying taxes on much smaller figures, because taxes are supposed to be based on market value, and for a utility system, even though it is called fair value, the market value of that system is directly attributable to what you can get in the way of rates on it.

He stated that the one-party residence increase would go from \$7.15 to \$7.40 per month on the company's proposal. He also stated that the company's proposal would leave the rates for all of the equipment charges as they are, and to load all of the \$2,000,000 onto the basic line charges, and increase the pay phones from 10 to 20 cents, and increase the installation charges. He stated that should the company be granted a 4 million dollar increase, insofar as the basic services are concerned, the one-party residence would go from 7.15 to 7.75.

MR. GRAY BRYANT, representing Southwestern Bell Telephone Company, stated that the only evidence before the Council from Mr. Hess pointed to a 3.8 million dollar increase and that the increase had been arbitrarily lowered to 2.1 million dollars. He stated that his company's computations had shown that they were entitled to a 4.1 million dollar increase.

He stated that the company had to deal with inflation in Austin. He said that they had spent 159 million dollars in 5 years to upgrade service. He stated that they did not defer their spending, but met the growth problem when it came up. In regards to the ad valorem tax, he suggested bringing the rate base to meet their tax base. He said that if there were any questions, they were paying more tax on the larger base than they were being allowed to earn. He stated that if they were given a 100% tax value, that it would come very close to matching the original cost base. He said that they could live with any base because the earning in the City were so low, that you could take the increase that they had requested each time and put it on any base and you would not see the rate of return go up that high.

He requested that the Council exercise the minimum that its consultant had recommended. He asked that the Council not cut Bell to the 2.1 million dollar proposal that Don Butler recommended, because they have a proven revenue deficiency of 3.8 million dollars. But more than anything else, to act quickly and help them to get an increase as soon as possible.

Mayor Friedman commented that the proposal was \$2,001,000 and not 2.1 million dollars.

Mr. Butler stated that there were five changes that needed to be made to Mr. Hess's recommendation. One was to use a 75-25 rate base, rather than a 70-30 base. The next item was to adjust the company's reproduction cost by 22.5% rather than the 19% that was used. A 7.5% rate of return. And as far as the service concessions were concerned, that was an item which he didn't feel (Hess) should be deducted and he left this item at the discretion of the Council. And finally he said that the yellow pages would increase as recognition of the fact that the company was entitled to so much in the way of revenue increase, and that they were going to get part of it through an increase in yellow page advertising.

Mr. Butler stated that the increase that Bell wants is based on 1975 data and that it was not an adjustment for a known change.

Mr. Butler went on to say that the last time they loaded things on the equipment exclusively. He stated that all they did was equalize what had happened over the years and corrected that loading on the basic line charge some years ago. And the rate increase for the single-family residence that they had now was based strictly on a percentage basis starting from a base of 1970. He said that it was merely belated equalization.

Mayor Friedman stated that no rate ordinance could go into effect prior to 10 days from the passage of the ordinance.

Mr. Butler stated that the first mistake Mr. Bryant made was that he took the end of year, or January 1, 1976, which would be the same as end of the test year. And what you had to do was to get an average rate base was to take

January 1, 1975, and January 1, 1976, and average those two and then you would come out with comparable figures. He said that you couldn't take an end of year figure here, because the revenues were earned throughout the year. So when you took them and averaged them as has been done, you would come out much lower.

He stated that another mistake that Mr. Bryant had made was that 70% of the company's facilities were for local exchange. However, breaking it out as was properly done by the national association regulatory utility commissioners, etc., which say that only 60% is local exchange, not 70%, they were off by 10%.

Councilmember Lebermann asked Mr. Butler what he thought would be a fair proposal. Mr. Butler stated that Mr. Hess had come in with a good fair middle-of-the-road recommendation but by the same token he would have to say that there were other things that could be done within the Council's discretion to cut it further. Councilmember Lebermann then asked Mr. Butler how much money the company needed, and Mr. Butler replied that anywhere between the 2.1 the 3.8 million dollar range.

Mayor Friedman stated that Southwestern Bell had always had a substantially higher portion of a rate of return and return on their investment from this area, than many other AT&T subsidiaries. He thought that it was time some of those persons paid the tariff a little bit while Austin citizens are given a chance to take a breather from the economic crisis that all of us have been living under. He stated that he was not ready to vote for an increase at this time, particularly because he was curious about this tax structure.

Motion

Councilmember Lebermann moved that the Council accept the proposal of consultant George Hess to grant Southwestern Bell an increase of 3.8 million dollars. The motion died for lack of a second.

Motion

Councilmember Hofmann moved that the Council accept the 2.1 million dollar proposal made by consultant Don Butler. The motion, seconded by Councilmember Lebermann, showed the following vote:

Ayes: Councilmembers Hofmann, Lebermann, Trevino

Noes: Mayor Friedman, Mayor Pro Tem Snell, Councilmember Linn

Absent: Councilmember Himmelblau

The Mayor announced that the motion had failed to carry.

Motion

Mayor Friedman then moved that the Council set a ~~hearing for~~ Tuesday, August 31, 1976, at 4:00 p.m. to further discuss the Bell situation. The motion, seconded by Councilmember Linn, carried by the following vote:

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

Noes: None

Absent: Councilmember Himmelblau

(Transcript on file in the City Clerk's Office)

ADJOURNMENT

The Council adjourned at 5:40 p.m.

APPROVED


Mayor

ATTEST:


City Clerk