

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

July 6, 1978
9:00 A.M.

Council Chambers
301 West Second Street

The meeting was called to order with Mayor McClellan presiding.

Roll Call:

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

Absent: None

INVOCATION

The Invocation was delivered by Reverend Gary O. Dennis, minister of the Westlake Hills Presbyterian Church.

CLASSES RECOGNIZED

The fourth and fifth grade classes from Maplewood School were present in the Council Chamber. Mayor McClellan recognized their presence, along with their teachers, Mrs. Harden and Mrs. Cross.

"JOIN THE FUN"

Mayor McClellan read a proclamation designating July 8, 1978 as "Join the Fun" Registration Day, to recognize the second session of summer classes to be held at the Y.W.C.A. Ms. Vera Wilkes and Ms. Patricia Peterson accepted the proclamation with their thanks and appreciation.

ANNOUNCEMENTS

Mayor McClellan announced that the minutes from the meeting of June 29, 1978 were not yet complete. She also said that an announcement was being circulated among Councilmembers stating the Work Session on Goals and Priorities could be held earlier in the day than the 7:00 P.M. time previously scheduled.

After discussion the Council decided to change the time to 2:00 P.M. and the City Clerk was instructed to post the change in meeting time.

Mayor McClellan also announced that Council will convene in a closed or executive session at 12:00 Noon, authorized by Section 2, Paragraphs (e), (f) and (g) of Article 6252-17, Texas Revised Civil Statutes Annotated; and after such closed or executive session, any final action, decision or vote with regard to any matter considered in the closed or executive session will be made in open session, should such action, decision or vote be necessary.

EMINENT DOMAIN PROCEEDINGS

Councilmember Snell moved that the Council adopt a resolution to authorize eminent domain proceedings to acquire the following tract of land for an enclosed drainageway easement for Model Cities Project:

1,082 square feet of land out of Lot 1, Block 4, E.H. Deets.
et al Estate. (Gillie Igo DeBerry, owner)

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

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

RIGHT-OF-WAY & EASEMENTS

Councilmember Snell moved that the Council adopt resolutions to approve dedication of certain city-owned properties for right-of-way easements:

- a. Street right-of-way for Spicewood Springs Road and other streets.
- b. Easements for various water or wastewater lines.
- c. Drainage, sidewalk and/or public utility easements in various locations.

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

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

Councilmember Snell moved that the Council adopt a resolution to authorize release of the following easement:

A portion of the existing fifty (50.00) foot Public Utility
and drainage Easement on the south side of Lot 1, D.W.P.
Addition, City of Austin, locally known as 3809 Hidden Hollow.
(Requested by Mr. Fred E. Davis, owner.)

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

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

CONTRACTS APPROVED

Councilmember Snell moved that the Council adopt a resolution to approve the following contract:

TEXAS EMULSIONS, INC. 1103 Perry-Brooks Building Austin, Texas	- Emulsion, Public Works Department. Twelve (12) Months Supply Agreement Items 1 and 2 - \$109,770.00
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The motion, seconded by Councilmember Trevino, carried by the following vote:

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

Councilmember Snell moved that the Council adopt a resolution to approve the following contract:

SUMMERS ELECTRIC COMPANY 503 East Second Street Austin, Texas	- Traffic Signal Poles, Central Stores Division. Items 1 thru 3 - \$49,546.00
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The motion, seconded by Councilmember Trevino, carried by the following vote:

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

Councilmember Snell moved that the Council adopt a resolution to approve the following contracts:

Bid Award:	- Pneumatic & Hydraulic Rams, Vehicle & Equipment Service Department
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CLOSNER EQUIPMENT COMPANY 1415 West Poplar San Antonio, Texas	- Item 1 - 1 ea. \$9,155.00
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CENTRAL TEXAS EQUIPMENT COMPANY 127 East Riverside Drive Austin, Texas	- Item 2 - 1 ea. \$3,647.60
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R.G. STUDER MACHINERY COMPANY 4315 Willow Springs Road Austin, Texas	- Item 3 - 1 ea. \$3,170.00
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The motion, seconded by Councilmember Trevino, carried by the following vote:

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

Councilmember Snell moved that the Council adopt a resolution to approve the following contract:

THE WILLIAMHOUSE OF TEXAS
1234 Round Table Drive
Dallas, Texas

- Envelopes, General Services
Division for Utility Customer
Service. Twelve (12) Month
Supply Agreement. Items 1 & 2 -
\$20,163.00

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

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

Councilmember Snell moved that the Council adopt a resolution to approve the following contract:

GENERAL ELECTRIC SUPPLY COMPANY
7521 North Lamar
Austin, Texas

- CAPITAL IMPROVEMENTS PROGRAM -
transmission Line Dampers, Electric
Department.
Item 1 - \$1,734.00 ea.
Total \$41,147.82

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

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

Councilmember Snell moved that the Council adopt a resolution to approve the following contract:

HARLEY INDUSTRIES
8406 Speedway
San Antonio, Texas

- Air Compressor, Electric Department
Item 1 - 1 ea. \$14,045.00

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

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

Councilmember Snell moved that the Council adopt a resolution to approve the following contract:

AUSTIN ENGINEERING COMPANY
P.O. Box 3255
Austin, Texas

- CAPITAL IMPROVEMENTS PROGRAM -
Water System Improvements, West
Austin Water Transmission Main,
Phase II - \$683,512.40.
C.I.P. No. 73/40-04

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

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

Councilmember Snell moved that the Council adopt a resolution to approve the following contract:

U.C.I. CONSTRUCTION COMPANY
1413 Sam Bass Road
Round Rock, Texas

- CAPITAL IMPROVEMENTS PROJECT -
8-inch Wastewater Mains, Angus
Valley - \$118,611.00
C.I.P. No. 73/50-02

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

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

PAYMENT APPROVED

Councilmember Snell moved that the Council adopt a resolution to authorize payment to the following:

NPC Realty

- The cost difference of 12"/8"
water and wastewater lines installed
stalled in Northwood Section 2
Subdivision - \$3,347.40

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

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

SUMMER PROGRAM FOR ECONOMICALLY DISADVANTAGED YOUTH

Councilmember Snell moved that the Council adopt a resolution to authorize acceptance of \$108,313 supplemental allocation from the U.S. Department of Labor for the Comprehensive Employment and Training Act FY 1979 Title III Summer Program for Economically Disadvantaged Youth. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

AGENDA ITEM PULLED

Councilmember Snell moved that the Council postpone consideration of authorizing an amendment to the contract for the Center for Battered Women. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

APPEAL HEARING SET

Councilmember Snell moved that the Council adopt a resolution to set a hearing for July 27, 1978 at 9:30 A.M. on an appeal by James F. Dear Jr., from the order of the City Health Officer to determine whether the property at 4323 James Casey complies with the provision of Section 13-5 of the Austin City Code. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

STREET NAME CHANGED

Mayor McClellan introduced the following ordinance:

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

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

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

Mayor McClellan announced that the ordinance had been finally passed.

UNIFORM FIRE CODE

Mayor McClellan brought up the following ordinance for its second reading:

AN ORDINANCE AMENDING CHAPTER 38 OF THE AUSTIN CITY CODE OF 1967, BY ADOPTING AND INCORPORATING THE UNIFORM FIRE CODE, 1976 EDITION, WITH CERTAIN DELETIONS AND CHANGES TO BECOME CHAPTER 38; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE:

The ordinance was read the second time, and Councilmember Himmelblau moved that the Council waive the requirement for third reading, and finally pass the ordinance. The motion, seconded by Councilmember Snell carried by the following vote:

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

Mayor McClellan announced that the ordinance had been finally passed.

ZONING ORDINANCE

Mayor McClellan introduced the following ordinance:

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

A 4.026-ACRE TRACT OF LAND, LOCALLY KNOWN AS 7101-7125 SPRINGDALE ROAD AND 7030-7124 ED BLUESTEIN BOULEVARD; FROM INTERIM "AA" RESIDENCE, INTERIM FIRST HEIGHT AND AREA DISTRICT TO "GR" GENERAL RETAIL, FIRST HEIGHT AND AREA DISTRICT; SAID PROPERTY BEING LOCATED IN AUSTIN, TRAVIS COUNTY, TEXAS; SUSPENDING THE RULE REQUIRING THE READING OF ORDINANCES ON THREE SEPARATE DAYS; AND PROVIDING AN EFFECTIVE DATE. (Patricia Howard Harris, C14-77-181)

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

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

Mayor McClellan announced that the ordinance had been finally passed.

ARTS COMMISSION ORDINANCE

Mayor McClellan introduced the following ordinance:

AN ORDINANCE AMENDING SECTION 47-15 OF THE CODE OF THE CITY OF AUSTIN, 1967; SUSPENDING THE RULE REQUIRING THAT ORDINANCES BE READ ON THREE SEPARATE DAYS; AND DECLARING AN EMERGENCY.

Councilmember Himmelblau moved that the Council waive the requirement for three readings, and finally pass the ordinance. The motion, seconded by

Councilmember Snell, carried by the following vote:

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

Noes: None

Mayor McClellan announced that the ordinance had been finally passed.

AGENDA ITEM PULLED

Mayor McClellan announced that the status report on the South Texas Project would not be discussed at this meeting.

ELECTRIC UTILITY COMMISSION REPORT SOUTH TEXAS PROJECT PARTICIPATION

MR. BRUCE TODD, Chairman of the Electric Utility Commission, presented a report to Council on the South Texas Project. He stated that at the Commission's public hearing on June 27, 1978, they heard some 2 to 2½ hours of testimony, which was the second public hearing. The Commission then debated 2½ hours among themselves and voted their recommendation to the Council according to what they believe Council should do involving not only the South Texas Project, but the entire construction program. Mr. Todd then read the exact motion to Council, which passed with a 6-3 vote. "We recommend to the City Council that the 47 million dollar over-run be approved, and if ever they call an election, the amount of this over-run be explicit as to what it is, and that the amount of fuel capitalization cost also be listed as a separate item, so that the citizens know exactly what they are voting on". Mr. Todd told Council that he was in the position of voting with the minority so that he would not attempt to present the opinion of the majority. He said that two other members of the Commission, Mr. Hetherly and Dr. Woodson were present to do that.

"However," said Mr. Todd, "there are 3 points I would like to make before I turn the floor open to them. First of all, regarding the legal problems. There are any number of legal problems and Mr. Harris and I spent until 8:00'clock last night trying to discuss what the various legal ramifications are in terms of how you present this to the voters. It is not an easy question...one that needs to be studied thoroughly. The Commission did not have before it the night it voted a completely accurate discussion or all the information it would like concerning the legal position. And therefore, we took no real position on how it legally ought to be submitted to the voters. We would urge at such time as that legal position becomes clear, that the commission might take another look at it and make a recommendation regarding that specific issue. Number 2, even though it was a split commission decision, there was fairly unanimous consent that this item was of such importance and had been debated publicly for so long, and there was so much divisiveness about it, that it ought to be presented to the voters in such a way to allow them to ultimately make the decision. We urge the Council to have public hearings and study the matter very carefully, and to ultimately submit it to the voters in the way...in whatever legal manner seems to be most appropriate.

"And the 3rd point I would like to mention," continued Mr. Todd, "is that as Mr. Hetherly pointed out the night of the Commission deliberations, he has heard and we have heard technical experts testify one way and testify other ways, in such ways as contradict each other. It is a complicated question, one that very few people seem to agree on thoroughly, so I would urge you in your deliberations to look very carefully at the objective information, but to apply a rather subjective view of the whole situation before you come to a final conclusion and decide what the voters will vote on."

Mr. Todd then introduced Mr. C.W. Hetherly, a member of the Electric Utility Commission, and told Council that he would discuss the motion and the reasons behind that motion.

MR. HETHERLY spoke as follows: "I am up here to try to explain to you why we voted the way we did, and that's difficult because it took us all night to be able to vote. Dr. Woodson also has some remarks from the technical standpoint I would like him to have an opportunity to make.

"As a layman on this Commission, and one that doesn't understand all the arguments pro and con, what I tried to do was attempt to see the needs of the City of Austin into the 1990's. At the same time, try to do this at the cheapest dollar for the ratepayers. In my opinion what we voted is the answer. Now the night of the Commission meeting, we were in the mood possibly to compromise, not pick up the 47 million over-run, stay at percentage points of maybe 12 or 13 percent, whatever it decreases to from the 16%. And at that time we were advised by the City Attorney's office we could not do it. If we did such a thing it would put us in a position possibly with our partners that could jeopardize our position. So, therefore, it wasn't advisable to do so. It was a majority of the Commission's opinion that we should stay in the South Texas Project, and if that was the alternative that we had, and we ought to also vote for the over-run, because we wouldn't want to insinuate after our public hearings, to the public, that we felt we ought to get out of it, because you are in fact going to have to have an election...or I am under the understanding that you are going to if you fund the over-run and/or on the capitalization of your fuel, you are still going to have one. So, I personally wanted to vote not only to stay in but to..that the Commission still believes in the participation of the City of Austin. I think that the public spoke to the Council two years ago with their vote. They voted twice..it has been before the public 3 times. It failed once, and passed the last two times. I am not going to sit on any Commission and vote against what the public has already told me they want. My only concern the night of the Commission meeting was whether or not to fund the over-run. Because we weren't there to decide whether to be in South Texas or not. We are already in. And everyone, 95% of the people that spoke were simply speaking from the standpoint of wanting to get out of South Texas, not the over-run. Therefore, I felt that that question was moot, as we are in South Texas. If you people decide in your wisdom to give it back to the voters and see whether they want to stay there or not, again, then that's your privilege too. I think that is all I have, and I think that's primarily where we came from with the vote, and at this time I turn it over to Dr. Woodson."

Councilmember Mullen said, "Before you go, can I ask just one question. In your comments you said that the presentation that was made by legal counsel is that it would have some legal implications. Of course, Bruce has addressed this to some extent, that if we couldn't get out of the project?" Mr. Hetherly replied, "What we thought going into the meeting that night, and what I had just about decided to do before that meeting, was to retain 161 million dollars worth of South Texas, dropping the percentage of our ownership, from 16% to 12%.

We were advised by the City Attorney's office that if we did such a thing it would have to go to the voters anyway, because that would put us into a position of default, or possibility of default. I don't know, we will have to ask the City Attorney, but that's the way it was explained to us. At that time I was worried. I changed my position and the reason I changed it was because I wouldn't...to me if we voted not to do it, then we are by insinuation saying that we are not happy with South Texas, and that nothing is further from the truth. So, I went ahead and voted to fund the 42 million. The recommendation was quite explicit from everybody on the Commission that these items, if you have to have an election, could be listed separate from other utility items coming out of the Electric Department, so it will be sure to give the people a chance to see what they are voting on."

Mayor McClellan said that Council had just been handed a memo written by Mr. Harris as a result of the discussion the previous evening with Mr. Todd. And she said that in skimming through it, it looks like it would take an election to have less participation and asked Mr. Harris to clarify.

Mr. Harris stated, "In short, the memo on that particular point talks about the two ways that possibly our participation could be reduced. Number 1 is to submit it to the voters to transfer or to sell some portion of the current interest that we have with South Texas Project. As the memo points out, there is another possibility which has some very undesirable aspects and that is to just pay for \$161 million dollars worth, and that does put in a default position, and one of the negative possibilities is that the other participants could then pick up the share that we default on. On the other hand they have the option to go ahead and buy our entire share, and that option lies with them, and the memo discusses that end." Councilmember Mullen said, "What you are saying, and what was at least initially presented to the Commission in their deliberations was that if the decision were made to cut back, or to not fund the over-run, that we could put ourselves in maybe an overall jeopardizing position with regard to the whole STP project. That was the preliminary legal information that this Commission had to deliberate on when they made their vote...O.K.?" Mr. Hetherly replied, "The only thing we questioned as far as our participation was the ballot itself. The ballot that was voted on the last time read something like this, something to the effect of authorizing \$160-million bond, or a participation up to 16%. It didn't say we had to retain 16%. What the contract said between the City of Austin and their partners we don't know, but the ballot itself, as we read it, said we could have any percentage point in there, but up to \$161-million dollars not to a percentage point. So that's why we felt like you could decrease it, and obviously we are wrong." Mayor McClellan asked, "Did the contract hang us on the 16%?" Mr. Harris replied, "Yes, as pointed out in this particular memo, basically that was the authority given by the people to the Council. To participate or purchase up to 16% of the South Texas Project. Based on that authority the City Council authorized the City Manager to enter into this particular contract, which obligates the City of Austin to 16%, and gives the City of Austin the right to 16% of the South Texas Project. Now, perhaps the contract could have been written in a different fashion, but it was not, and so we are bound at this time to carry on with the 16%, or as the contract is currently written, possibly subject ourselves to the default provisions, which have some very negative aspects."

Councilmember Cooke asked, "To what degree were you justified that the over-runs are proper? Have you justified that in your mind? "Truthfully, no," answered Mr. Hetherly, "I think it is possible that over-runs are going to con-

tinue anytime you build something. I think you are going to be faced with this issue again....I'm not speaking for the majority of the Commission, I am not speaking for anybody but myself." Councilmember Mullen said, "There was a certain amount of over-run built into the contract. You know that better than I do, since you sat through all these meetings. What I am curious about, backing off completely, and looking at the over-run...are they justified, should we finance them, if we should go as you are suggesting. It seems to me like that is stage one."

Mr. Hetherly told Council, "The way we ended up into the position we ended up in, was purely a question of participation in South Texas. I didn't like that feeling. If I could have stayed in the \$42-million and fought that back and forth, then I think what I would have done was said, well, we will just keep what we have got and somebody else could spend the \$42-million. They wouldn't leave us in that position... wouldn't let us stay in that position, therefore I moved over, because I do definitely think from all of the hearings and the people that spoke, as far as I am concerned Austin is better in it. But that's just my opinion. And I think you are going to have some alternatives that we didn't have. And I think that possibly the majority of the Commission felt the way I did that night. As it ended up, we split 6-3, and any other way, we may have gone something else, nobody knows."

DR. HERBERT H. WOODSON was the next to appear before Council as a member of the Electric Utility Commission. His remarks were as follows:

"Mr. Hetherly has reported to you the motion concerning Austin's participation in the South Texas Nuclear Project that was passed by the Austin Electric Utility Commission on June 27, 1978. He has also given some of the philosophy underlying his offering of that motion. I have been asked by Mr. Todd and Mr. Hetherly to make this statement on behalf of the majority of six that voted for the motion. Although what follows represents my views on the bases for a positive vote on the motion, I must emphasize that I have not cleared this statement with the other five of the majority. If any of them disagree with what I say I am sure they will let you know.

To attempt to define the issues we face more precisely, let me make my statement by asking and answering a number of questions.

First, is it likely that electric energy from the South Texas Nuclear Project will be less expensive for the citizens of Austin than electric energy from alternate sources?

The opponents of STNP argue that construction costs and uranium costs will continue to escalate so rapidly that electric energy from STNP will be more expensive than alternatives soon after it is completed. This contention is not supported by concrete evidence. The Austin Electric Department did a series of thorough analyses, including one with extremely pessimistic assumptions about costs associated with STNP, and found that electric energy from the nuclear plant would still be less expensive. I have participated in three studies, one for California, one for Texas and one for the entire country by regions that show nuclear-generated electric energy to be substantially less expensive than electric energy from alternate sources.

All of these arguments concern predictions of the future which no one can do with certainty. But let's look at the present and recent past. On a national average basis, the cost of generating electric energy for 1976 and 1977 are as follows:

	1976	1977
Nuclear	1.5¢/kWh	1.5¢/kWh
coal	1.8¢/kWh	2.0¢/kWh
oil	3.5¢/kWh	3.9¢/kWh

From these results, nuclear energy appears to be getting relatively less expensive, not more expensive.

Incidentally my most recent electric bill cost me 4.91¢/kWh with a fuel charge of 2.44¢/kWh. I would gladly have my electricity supplied by a nuclear plant and I am sure my family and I would enjoy the money saved.

My conclusion is that given the current cost advantage of nuclear energy and the results of the available studies it is highly likely that electric energy from STNP will be substantially less expensive for the citizens of Austin than electric energy from alternate sources over the design life of the project.

The second question I believe people are asking is, even if nuclear energy is less expensive, is it really worth the dangers it imposes on mankind?

The only danger attributed to nuclear energy is the radiation introduced to the environment from fuel cycle operations, nuclear plants themselves, and radioactive waste management. In all of these activities the federal government requires strict control of radioactive releases to level of about one-one hundredth of what is already experienced by the populace from natural and other man-made sources of radiation. The opponents of nuclear power imply that radiation is a new danger that only nuclear power produces. In fact we are all subjected to natural radiation from cosmic rays and the decay of radioactive atoms that exist in virtually all substances we encounter. In addition, man-made sources, primarily for medical and dental use, subject us to still more radiation.

As long as radioactive releases associated with nuclear power generation result in additional exposure to the population that is small compared to what is already experienced, I conclude that the small additional risk is acceptable to enjoy the benefits of less expensive nuclear energy.

The next question people ask is whether alternative sources of energy will be available soon enough to eliminate the need for nuclear energy?

The alternative energy source most frequently cited is solar in one of its several manifestations. My assessment of the status of solar energy is as follows. Solar heating of water and living and working space can be economical in some areas as a fuel saver. That this is so in Austin is verified by the fact that many such installations are now being made. But in Austin, this impacts the demand for natural gas more than for electric energy because more heating is done with gas in Austin. Solar powered air conditioning is far from being economically competitive with electric-powered air conditioning which is the origin of the peak electric demand in Austin.

The production of electricity from solar energy is currently technically feasible but uneconomical. Depending on the technology considered, solar plants cost from 10 to 100 times as much per kilowatt as a nuclear plant and their reliability and durability are unknown. It is my considered opinion that solar-generated electricity will not be economical soon enough to eliminate our need for nuclear energy. Furthermore, to expose the future electric supply of Austin to such an uncertainty would be irresponsible.

Coal and lignite are alternative sources of energy that are economical and reliable and Austin's plans for future electric generation include these. In my opinion it is important to achieve a diversity of fuel sources commensurate with economical and reliable operation. To become totally dependent on one fuel type is unwise as Austin experience demonstrates.

In summary, I believe it is highly probable that electric energy from the South Texas Nuclear Project will be the least expensive source of electricity for the citizens of Austin for the design life of the project and probably longer. I believe it is highly unlikely that any alternative source of electric energy, other than coal and lignite, will prove economical and reliable soon enough to affect our need for nuclear power. Finally, I believe the risks to the populace from radiation releases associated with nuclear power are so small that the benefits of inexpensive nuclear energy are well worth the small risks.

Before closing, let me say that the anti-nuclear feelings of some citizens of Austin are so strong that as commission member Young stated during the June 27 meeting of the commission, the citizens of Austin should be willing to pay higher electric bills to avoid involvement in a nuclear power project. To me this is the essence of the issue. The City Council and all the citizens of Austin should understand thoroughly the costs, benefits and risks associated with alternative plans for electric energy supply and make the collective value judgement on which course to follow."

Councilmember Goodman said he wanted to thank Dr. Woodson for introducing some of the safety considerations, even though that is not the basic point before the Council today. He addressed Dr. Woodson by saying, "You referred to the only danger being that of radiation from fuel cycle operations, plants and waste management. What type of radioactive waste management program do we have right now? Dr. Woodson replied, "Well, at the moment, the spent fuel rods are stored on site in the nuclear plant, because the Federal Government has not yet decided what it ultimately wants to do with the waste. There are a number of technological alternatives available, and supposedly this will all be resolved according to the Feds by 1985, and in the meantime we do have plenty of storage facilities for spent fuel rods that maintain them safe and so they really won't hurt anybody.... The U.S. doesn't have a plan, but there is a thriving reprocessing and waste disposal industry going in Europe, and the laws of physics and chemistry are the same here as they are there. So, the technology exists. We just haven't decided which one to follow."

Mayor McClellan thanked Mr. Todd, Mr. Hetherly and Dr. Woodson for their reports. She said that the Council would have one, and maybe several, public hearings before making a decision on this matter and thought that when Council is working with their Capital Improvements Program would be the most appropriate time. She also asked the City Manager to supply Council with any additional material related to this that they can study for their information. Both Councilmembers Cooke and Himmelblau said they would like a staff analysis of the actual cost of the over-run and the justification. Councilmember Goodman said he wanted to extend the request further. He said that such a study is asking a lot of staff and they may not be able to properly assess the cost over-run. Mr. Goodman continued that he "would like to leave it open to the City Manager, to come back next week or the week after and make a recommendation as to whether or not the staff can properly assess the cost over-runs, and if not, then perhaps the Council ought to consider some other type of arrangement such as auditors or engineers or both to try to make some assessment considering the multi-millions of dollars that are involved." Mayor Pro Tem Mullen said that he agreed totally with that.

At this point a man in the audience indicated he wanted to speak. The Mayor informed him that this was not a public hearing, but that there would be hearings when he would be allowed to speak. After discussion among the Councilmembers as to whether the man should speak, it was decided to allow him two minutes.

BOB RUSSELL identified himself as a private citizen, interested in Austin and in electrical power and in nuclear power. He said he thought that much more concentration should be given to the conservation of electrical energy.

Councilmember Goodman asked Mr. Davidson, City Manager, how long it would take for the staff to determine whether or not they can properly assess the over-runs, or whether or not they will rely on a consultant. Mr. Davidson said he would have that information to the Council for July 20. Later this was discussed again, and it was decided that the information would be in Councilmembers hands by July 21st for inclusion on the July 27th agenda of the regularly scheduled Council Meeting.

BOARD & COMMISSION ANNOUNCEMENTS

Mayor McClellan announced that the appointments which will be made to Boards and commission on August 3, 1978 are:

- Arts Commission (6)
- Electrical Board (3)
- Employees Retirement System (1)
- Heating, Air Conditioning & Refrigeration Appeals Board (2)
- Solicitation Board (1)
- Parks & Recreation Board (2)
- Historic Landmark Commission (1)

AUSTIN AQUA FESTIVAL

Mr. Mike Merschan, Commodore, Austin Aqua Festival, appeared before the Council to request that the Fest Nights be moved from Fiesta Gardens to Auditorium Shores. Mr. Merschan indicated that the Aqua Festival would be bigger and better than ever this year and would therefore need more room for the 9 Fest Nights. City Manager Dan Davidson told the Council that he had responded to the Aqua Festival that the location would be good for this type of activity. He also pointed out that the necessary City assistance is within the realm of accomplishment by Fest Night. Mr. Davidson stated that the estimated cost is approximately \$10,000, and that a portion of this cost would be spent any way even if the Fest Nights were to remain at Fiesta Gardens.

Councilmember Trevino pointed out that the Aqua Festival was merely seeking Council permission to use Auditorium Shores and that the final decision to move the Fest Nights there would be up to the Aqua Festival. Councilmember Trevino asked Mr. Davidson what City Departments were involved in the decision to move the Fest Nights. Mr. Davidson indicated that he'd held a number of meetings with the Police, Urban Transportation, Parks and Recreation, Municipal Auditorium, Public Works and Electric Utility Departments.

Motion

Mayor Pro Tem Mullen moved to grant the request to allow the Aqua Festival Fest Nights on Auditorium Shores, and to provide City assistance. The motion was seconded by Councilmember Himmelblau.

Councilmember Trevino felt that it was important to know that it was not the decision of the City Council to relocate the Fest Nights but was being done at the request of Aqua Festival. Councilmember Trevino hoped that the Council would show the same sensitivity to neighborhoods when making a decision on the Town Lake boat races. Mayor Pro Tem Mullen felt that the Council has already demonstrated such sensitivity by allowing no traffic into the neighborhoods bordering the site of the boat races. Mayor McClellan stated that relocating the Fest Nights would be a good move for the neighborhoods and that it would be within the realm of feasibility for the City. Mayor Pro Tem Mullen pointed out that the City does not have as many options with the boat races unless it wants to spend a great deal of money.

Roll Call On Motion

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

POLICE BEHAVIOR

Mr. David Morris of the Austin Human Rights Coalition appeared before the Council to discuss the behavior of police at the Gay Freedom Week March and Street Dance of Saturday, June 24, 1978. Mr. Morris stated that the recent event was closed down by Austin Police for little or no reason of complaint. He cited University of Texas post-game revelry as permissible by the City, whereas much more subdued gay-oriented events are closed down by Police because they involve gay individuals. Mayor McClellan assured Mr. Morris that there had been no attempt on the part of the City to close down the event because of the cause it represented. She pointed out that the event was in violation of current City Ordinances which prohibits amplified music and sound after 8:00 P.M. The Mayor indicated that perhaps the Ordinance needs to be amended if 8:00 P.M. is an unreasonable time.

Police Chief Frank Dyson told the Council that they received one complaint the night of the event. A supervisory officer was sent to the scene and asked that the event close down the noise. Chief Dyson pointed out that the event was in violation of the Ordinance. Mayor Pro Tem Mullen pointed out that the Police were doing a fine job and were only enforcing the Ordinances enacted by the City Council. Mayor McClellan also agreed that responsibility for the Ordinance fell upon the City Council and not the Police.

GOLF TOURNAMENT

Mr. Herbert C. Martinez appeared before the Council to request the use of golf courses for the 1980 National Pan American Golf Association's National Tournament and Convention. Mr. Martinez indicated that the Association would be making a site selection within a couple of weeks in Kansas City.

Motion

Councilmember Goodman moved to approve the request for 2 golf courses for the National Tournament and Convention. The motion was seconded by Mayor Pro Tem Mullen.

Councilmember Snell voiced opposition to allowing the use of three courses because he felt that it would deny golfers not involved in the tournament the opportunity to play golf. Mayor McClellan disagreed, stating that many golfers would want to see the national tournament being played.

Motion Withdrawn

Councilmember Goodman moved that the Council allow the usage of 3 golf courses for the 1980 National Pan American Golf Association's National Tournament and Convention. The motion, seconded by Councilmember Trevino, carried by the following vote:

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

During roll call, Councilmember Snell stated that a golf association other than Pan American should have been contacted prior to making a decision.

ZONING HEARINGS

Mayor McClellan opened the public hearing scheduled for 10:00 A.M., on the following application. Pursuant to published notice thereof, the following zoning was publicly heard:

TEXAS COMMERCE
BANK, ET AL
By Jay C. Trapp
C14-78-095

Parker Lane, East
St. Elmo, IH 35
Woodward Street and
San Marino Drive

From Interim "A" Residence
1st Height and Area
To "C" Commercial and
"BB" Residence
1st Height and Area
NOT Recommended by the Planning Commission
Recommended "O" on Tracts
1,2,3 with 25 feet "A" Residence as an
environmental easement on northern bound-
ary of Tract 6 and to amend Tract 6 to
line up with Planned Unit Development to
the north; "BB" Residence on Tracts 4 and
6 also to have Urban Transportation re-
spond to off-street parking in regard to
context of Southeast District Park and
existing and proposed use and report re-
sults to City Council.

Mr. Lillie reviewed the application by use of slides. Mr. Ternus, Director of Urban Transportation appeared to state that there will be no problem with parking in regard to context of Southeast District Park.

Councilmember Trevino moved that the Council grant "O" Office on tracts

1,2,3, with 25 ft. "A" Residence as an environmental easement on northern boundary of Tract 6 and to amend Tract 6 to line up with Planned Unit Development to the north. "BB" Residence on Tracts 4 & 6 subject to conditions. The motion, seconded by Councilmember Goodman, carried by the following vote:

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

Noes: None

The Mayor announced that the change had been granted to "O" Office on Tracts 1,2,3, with 25 ft. "A" Residence as an environmental easement on northern boundary of Tract 6 and to amend Tract 6 to line up with Planned Unit Development to the north. "BB" Residence on Tracts 4 & 6 subject to conditions, and the City Attorney was instructed to draw the necessary ordinance to cover.

ZONING POSTPONED

EL CHICO REALTY
CORPORATION
By Jack H. Brown
C14-78-087

2610 South IH 35

From "GR" General Retail 1st
1st Height and Area
To "GR" General Retail
2nd Height and Area
RECOMMENDED By the Planning
Commission subject to re-
strictive covenant restrict-
ing height to 45 feet.

Mr. Lillie reviewed the application by use of slides.

Motion

Councilmember Goodman moved that the Council accept the Planning Commission recommendation for the erection of a 45' sign with a restrictive covenant, and zoning to revert back if El Chico ceases to exist in that location. The motion, was seconded by Councilmember Trevino.

Councilmember Himmelblau expressed concern as to whether the change in sign height would block any view of the Capitol when driving into the city. She said she planned to have an item on next weeks agenda concerning the regulation and control of the height of signs along I.H. 35 and Loop 360 to protect our scenic routes.

JACK H. BROWN, representing El Chico, appeared before Council and pleaded for their approval to allow the sign to be higher. He said that a large amount of money had been spent on the restaurant and business was very bad. They feel that people do not know the restaurant is there because the present sign cannot be seen from the highway. It is his feeling that the more prominent sign will increase business. He said the sign they are requesting is 45' high and that it will not block any view of the Capitol.

JEAN MATHER, President, South City River Association, appeared before Council to protest the increase in height of the sign.

Motion Re-Stated

Councilmember Goodman re-stated the motion for the benefit of Mayor

McClellan who was out of the room at the time of the motion.

Substitute Motion

Councilmember Himmelblau moved that the Council delay action on this zoning until her item is discussed at next week's Council Meeting. The motion was seconded by Mayor Pro Tem Mullen.

Roll Call on Substitute Motion - Failed

Ayes: Councilmember Himmelblau, Mayor Pro Tem Mullen

Noes: Councilmembers Trevino, Mayor McClellan, Councilmembers Snell, Goodman

Not in Council Chamber when roll was called: Councilmember Cooke

Discussion followed among the Councilmembers when Councilmember Himmelblau reminded them that this was the first time one of the members had been denied a request for a delay. She asked that this item be pulled down until there is a full Council.

Motion Withdrawn

Councilmember Goodman withdrew his motion, Councilmember Trevino withdrew his second.

There was concern expressed by Council that if the decision were postponed until the next time there would be a full Council present for meetings, which will be July 27, 1978, that if the zoning change is granted, the delay would then be longer for the applicant until the ordinance would be brought back to Council. Mr. Harris, City Attorney, said he could bring a prepared ordinance that could be passed the same date if the zoning change is approved.

Motion

Councilmember Trevino moved that the Council bring this zoning application back to Council on July 27, 1978 at 9:45, and instructed the City Attorney to prepare an ordinance for the same date. The motion was seconded by Councilmember Goodman.

MS. EILEEN RIVERA from South River Citizens, appeared before Council to say she lives in the area in question and feels there are already too many signs being put up and that if the Council makes this exception to the height of a sign it will set a precedent. Mr. Brown re-appeared to state that the sign may not turn business around, but the way it is now the property just cannot be seen.

Roll Call on Motion

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

Noes: None

PUBLIC HEARING TO CONSIDER GAS RATE INCREASE

Mayor McClellan opened the public hearing at 10:15 A.M. to consider the rate increase request filed by Southern Union Gas Company with the City of Austin on June 12, 1978. MR. ROBERT M. LACZKO, District Vice-President for Southern Union Gas Company made the following remarks to Council:

HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL:

For the record, I am Robert M. Laczko, District Vice-President for Southern Union Gas Company, a division of Southern Union Company. My purpose this morning is to present Southern Union's request for an increase in the gas service rates charged to all general service customers served by the company in the City of Austin. For your information, statements of intent similar to the one filed with the City of Austin have been filed with the municipalities of West Lake Hills, Rollingwood and Sunset Valley and for the Austin Environs, since the Company operates an integrated gas distribution system in this, our Company's Central Texas District.

The statement of intent which I filed with the City on June 12 included eight (8) schedules which provide a detailed summary of earnings, adjustments to revenue, adjustments to expenses, our rate base, earnings applicable to general service customers, our revenue deficiency, the effect of the proposed rate increase on customers by class and location and the proposed revision of tariffs and purchased gas adjustment clause.

These schedules are fairly detailed and from them I have taken the numbers for our central Texas District which are on the exhibit which I have distributed to you.

From schedule 1, our rate base is \$38,683,563. Of the Company's total expenses of \$34,557,621, seventy three point nine percent (73.9) goes to pay for the natural gas we buy from our supplier. Another eight point three percent (8.3%) goes for State and local taxes. Of the remainder, three point six percent (3.6%) is depreciation expense and fourteen point two percent (14.2%) goes to pay all other operating expenses.

Some examples of the increasing costs we are experiencing in our business follow: Since 1975, our operating expenses have increased by a total of twenty seven percent (27.0%) (slide 1). The average hourly wage paid to Austin employees of the company has increased by fifteen point seven percent (15.7%) (slide 2). Our total plant investment has increased by fifteen percent (15.0%) (slide 3). The average cost for routing a meter has gone up fifty five percent (55.0%) (slide 4). The average cost to install a foot of pipe has gone up thirty two percent (32.0%) (slide 5), and the cost of a one-half ton pickup truck has gone up twenty one percent (21.0%) (slide 6).

Referring again to the exhibit, with all adjustments made to year-ending 1977 figures, the revenues from our general service customers fall \$3,904,231 short of the revenues needed to pay for the natural gas we buy, all other expenses, State, local and income taxes, and to provide an adequate rate of return to those who have invested their funds in this business.

I think that a fair and concise appraisal of Southern Union's situation is that virtually all costs of doing business continue to increase while our

growing rate base due to additional investments in facilities does not generate sufficient revenues to cover these operating costs and to provide an adequate rate of return.

It is my opinion that had Southern Union's 1976 request for a rate increase been handled more expeditiously, I would not have to be before the Council requesting another increase so soon or if so soon, certainly not asking for an increase of this amount.

The company appreciates the opportunity of serving the citizens of Austin and hopes that we can continue to provide high quality service to our customers. This Council has been given a major responsibility as the regulatory agency for the natural gas utility in Austin. I respectfully request that the Council consider the needs of the company as well as the ratepayer in coming to a speedy decision in this matter. As always, I am available as are others from the company to provide additional information for this purpose if needed.

REVENUE COMPUTATION
SOUTHERN UNION GAS COMPANY
CENTRAL TEXAS DISTRICT

Year ending 1977, as Adjusted

	<u>Amount</u>
Value of the Company's Property Required to Serve Central Texas District Customers at year end 1977 ¹	<u>\$38, 683,563</u>
Money Paid for Gas ²	\$25,545,675
Money Paid to Other Suppliers, Wages, Etc. ²	4,911,868
Depreciation on the Company's Property Used ² to Serve Central Texas District Customers	1,246,960
State and Local Taxes	<u>2,853,118</u>
Total Expenses	\$34,557,621
Cost of Investor's Money ¹	\$ 3,288,103
Income Taxes	<u>1,901,354</u>
Revenue Needed from General Service Customers	\$39,747,078
Revenue Received from General Service Customers ²	\$35,842,847
Revenue Increase Required ¹	\$ 3,904,231

¹ Schedule F

² Schedule E

Mayor McClellan asked if there was anyone in the audience who wished to speak. No one appeared to speak. City Attorney Harris advised that the public hearing should not be closed as the other public hearings will be a continuation of this one.

At this time Council had before it a resolution to consider suspending the operation of proposed rate schedules filed by Southern Union Gas Company for a period of one hundred twenty (120) days beyond the date (July 18, 1978) on which such schedules would otherwise go into effect.

Motion on Resolution

Councilmember Himmelblau moved that the Council adopt a resolution to suspend the operation of proposed rate schedules filed by Southern Union Gas Company for a period of one hundred twenty (120) days beyond the date (July 18, 1978) on which such schedules would otherwise go into effect. The motion, seconded by Councilmember Goodman carried by the following vote:

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

Council next considered a resolution to select a consultant to study and analyze the Southern Union Gas Company rate increase request which was filed with the City of Austin on June 12, 1978.

Motion

Councilmember Himmelblau moved that the Council adopt a resolution to select the consultant firm of Hess and Lim, Inc. to study and analyze the Southern Union Gas Company rate increase request which was filed with the City of Austin on June 12, 1978. The motion was seconded by Councilmember Goodman.

MR. DAN CROWLEY, Southern Union Gas Company, appeared before Council to state that Hess and Lim, Inc. has been used a number of times in the past and would question their use again because during the last rate case before the City their recommendation was ignored entirely. He said that it appeared to him that the action taken by Council, ignoring the consultant's recommendation would make him question Hess and Lim's credibility. He said he had no recommendations to make for a consultant. Mayor McClellan pointed out that decision had been by another Council. Councilmember Snell, who sat on the previous Council, said he did not think the advice of Hess and Lim was ignored, but it was decided by the majority not to go along with the recommendation.

Roll Call on Motion

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

Councilmember Goodman asked the Mayor if the actual cost of the consultant would be back before Council for approval. Mayor McClellan said that was correct.

Councilmember Cooke asked what would happen if they were not pleased with the fee. Mr. Goodman answered that Council could reconsider at that time. Mr. Harris, City Attorney, stated: "We've just retained them as a consultant and we haven't specifically brought back a fee. We'll be pleased to do that. We have no problem about it." Councilmember Cooke said, "I would like a negotiated fee brought before Council before they are retained..for an estimate." Mr. Harris said his department will provide that information to Council.

Councilmember Snell asked if they could find a consultant who would do this free. He pointed out that he was asking this question for the record's sake.

Councilmember Cooke asked what Hess and Lim, Inc. had charged last time. Mr. Harris said, "I'll provide you with that information...what the charges have been in the past in the cases Hess and Lim handled, and what an estimate would be in this particular case."

CONTRACT

The Council had before it, consideration of the following contract:

SYNERCOM TECHNOLOGY, INC.
6300 Hillcroft Avenue, Ste. #303
Houston, Texas

Computerized Mapping System
and maintenance for system,
Engineering, Water & Waste-
water, Electric and Tax
Departments.
Total: \$275,970.00

Mr. Charles Graves, Director of the Engineering Department, stated that this contract was for the acquisition of the hardware and software geographic data base. He stated that this was the next step in a program that was begun about 4 years ago when, for the lack of maps and acquisition to data in records, they began the mapping program. Mr. Graves stated that at the present time they have mapped approximately 140 square miles of Austin and its ETJ, this leaves about 40% which remains to be mapped. He stated that the device will enable them to enter data through a digitizer, into storage, so that it can be processed or utilized. Mr. Graves stated that this touches upon problems they have had with utility locations and many other areas. He stated that the equipment has been very carefully investigated by a team made up of personnel from Data Processing, Engineering, Water and Wastewater and Electric Utility Departments. He stated that later the program can spread to numerous other departments including the Tax, Public Works, Urban Transportation and EMS Departments. Mr. Graves stated that the system includes a plotter so that they can call out a map and information that is geographically based at any scale required. This will serve the needs of departments working on different map scales. Mr. Graves stated that the plotter will do the work of several drafters so that the map will be drawn in ink and will be available in the needed scale. He stated that they will also be able to recall the map in video so that they can look at the particular area, and then they will be able to make a hard copy of whatever is on the screen. Mr. Graves stated that they have estimated that within a six year period the system will save the City \$423,000. He stated that the system will be a very vital resource and that it will lessen the amount of manpower to do the same job.

Councilmember Goodman asked Mr. Graves if the system would be compatible with other systems in case the City later decided to switch companies. Mr. Graves indicated that it would. In response to a question from Councilmember Cooke, Mr. Graves stated that Austin and its ETJ encompass between 420-450 square miles. He stated that they do not have half of the total area mapped at this time, but do have half of the most important areas, or areas with the most activity, mapped. Mr. Graves stated that all of the City limits should be covered and a substantial part of the ETJ, but not all of it at this time. He stated that the next area of mapping is out into the northwest, south and south-east parts of town. Mr. Graves stated that, so far, they have mapped everything to the east, the north, all of the Walnut Creek basin and almost everything east of the Interstate. Mr. WALT LITTLE, representing Synercom Technology, Inc. told the Council that all of the components of the systems were of industry standard. Mr. Little stated that the system was a very proven technology and is being currently utilized all over the country. He pointed out that the City of Houston has a similar pilot program going, using the same system. He stated that the Houston City Council will be meeting within the next 1-2 weeks to consider the project. In response to a question from Councilmember Goodman, Mr. Little indicated that his company is composed of 75 persons.

In regard to future maintenance of the system, City Manager Dan Davidson indicated that the initial request was for the system only and that they were not asking to commit the Council for additional years expenditures. Mr. Graves pointed out that the maintenance costs for the system over a 60 month period would be \$123,000.

CONTRACT

The Council had before it, consideration of the following contract:

JOE McDANIEL
15203 Highway 71 West
Austin, Texas

CAPITAL IMPROVEMENTS PROJECT -
Water System Improvements,
Brodie Lane from Slaughter
Creek to Eldorado Trail, 12
inch water main - \$61,982.60
C.I.P. No. 75/40-06

Councilmember Himmelblau asked what could be done to prevent the contractor from sub-contracting work with the same firm which caused problems on the West Austin transmission main. She cited continued water leakage at the intersections of Balcones and Perry and Balcones and Fairview, and questioned what this cost the City and whose fault it was. Mr. Curtis Johnson, Director of the Water and Wastewater Department, pointed out that the leakage at Balcones and Perry Lane was unrelated to both the 24" and 48" West Austin transmission mains. He stated that the 24" main was not part of the West Austin transmission main project. Mr. Johnson indicated that the contractor in question did no work on the 24" main but on the 48" transmission main. City Manager Dan Davidson stated that the City had no claims against the particular contractor and recommended approval of the contract.

Motion

Councilmember Cooke moved that the Council approve the contract with Joe McDaniel for said water system improvements. The motion was seconded by Mayor Pro Tem Mullen.

Councilmember Himmelblau again asked what was to keep the contractor from sub-contracting with the same firm the City has had problems with. Councilmember Goodman suggested that Mr. Johnson could pass along Councilmember Himmelblau's sentiments to the contractor. Mr. Johnson indicated that he would do this.

Roll Call On Motion

Councilmember Cooke moved that the Council adopt a resolution approving the contract with Joe McDaniel for water system improvements, Brodie Lane from Slaughter Creek to Eldorado Trail. The motion, seconded by Mayor Pro Tem Mullen, carried by the following vote:

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

CHANGE ORDER

The Council had before it for consideration, approval of a Change Order in the amount of \$12,700.00 to M.C. Construction Company for meter shop addition to line construction building at Kramer Lane Service Center. City Manager Dan Davidson stated that it was never intended that a City Department would be in a position to vie or compete for this particular job. The requested cost estimate information was requested by the Operating Department in order to judge the validity of the contractor's estimated change order. Mr. Davidson stated that since that came out, he's had extensive meetings with Mr. Eldridge and Mr. German. He stated that the contract architect has estimated that the change would cost \$14,640, and that the City Public Works Department has estimated the change to cost \$8,641.43. Mr. Davidson stated that prior to the Council meeting he learned that that estimate is incomplete and that there were things that would have to be added to that price if the City of Austin were to undertake to do that work with City forces. Mr. Davidson recommended that the Council approve the Change Order as indicated on the agenda, and not consider utilizing City forces for construction purposes of this type. Mr. Davidson stated that the City's cost estimate left out a number of components which were included in the contractor's price. In addition, the City does not utilize in considering such cost estimates, the sort of overhead factors that would face a private contractor. He stated that considering the cost of utilizing City forces, the estimate for the City doing the work would be close to if not more than the contractor's estimate. In response to a comment from Mayor McClellan, Mr. Davidson stated that the reason they decided not to do the work was that there are no personnel budgeted to do contracted construction work.

Motion

Councilmember Goodman moved that the Council adopt a resolution approving a Change Order in the amount of \$12,700.00 to M.C. Construction Company for meter shop addition to line construction building at Kramer Lane Service Center. The motion, seconded by Councilmember Cooke, carried by the following vote:

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

YOUTH EMPLOYMENT AND TRAINING PROGRAM

The Council had before it for consideration, authorizing the deobligation of \$417,371 from a contract with AISD and the negotiation of contracts with Region XIII Education Service Center, \$222,688; SER Jobs for Progress, Inc., \$119,683; and Youth Employment Service, \$75,000; for the Youth Employment and Training Program under Title III of the Comprehensive Employment and Training Act (CETA). Mr. Andy Ramirez, Director of the Human Resources Department, stated that they had met with the School District some time ago and negotiated a programmatic contract and agreed on how the program would be operated. It was turned over to the AISD Legal Department at which point in time they were unable to reach any kind of agreement on the contract. Legally, AISD has some concerns over the assurances and certifications. Mr. Ramirez stated that the program is not in operation. It does run through September and it needs to be gotten under way. Mr. Ramirez stated that they felt they needed to go to another contractor. Councilmember Himmelblau asked if the program has actually lost funds and Mr. Ramirez indicated that it has not.

Motion

Councilmember Himmelblau moved that the Council adopt a resolution authorizing the deobligation of \$417,371 from a contract with AISD and the negotiation of contracts with Region XIII Education Service Center, \$222,688; SER Jobs for Progress, Inc., \$119,683; and Youth Employment Service, \$75,000; for the Youth Employment and Training Program under Title III of the Comprehensive Employment and Training Act (CETA). The motion, seconded by Councilmember Cooke carried by the following vote:

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

Noes: None

Abstain: Councilmember Goodman

HIRE II PROGRAM

The Council had before it for consideration, authorizing the negotiation of contracts with Williamson-Burnet County Opportunities, Inc., \$52,709 and Veteran's Outreach - G.I. Forum, \$98,755 to implement the Hire II Program, Title III CETA. Mr. Andy Ramirez, Director of the Human Resources Department, told the Council that the Hire II Program is aimed at special preference for veterans. He stated that they contacted the various entities that have programs similar to this. In response to a question from Councilmember Himmelblau, Mr. Ramirez stated that the training cost primarily goes to the employer. He stated that if it is in the private sector, it is not to exceed more than 50% of the salary, which is basically normal for all of the on the job training contracts. If it is within the public, non-private sector, the wage can be subsidized for a period of time. Mr. Ramirez felt that the training costs were not exorbitant in this case. In response to a question from Councilmember Snell, Mr. Ramirez indicated that TEC was the only agency interested in the program at this time. He stated that they did not contact the NAACP because they did not have a track record at this time and they wanted to go with an established agency. City Manager Dan Davidson agreed with this stating that NAACP was currently undergoing a transition and did not have the experience necessary to handle the program.

Motion

Councilmember Himmelblau moved that the Council adopt a resolution authorizing the negotiation of contracts with Williamson-Burnet County Opportunities, Inc., \$52,709 and Veteran's Outreach - G.I. Forum, \$98,755 to implement the Hire II Program, Title III CETA. The motion, seconded by Councilmember Goodman, carried by the following vote:

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

STATION LOCATION STUDY

The Council had before it for consideration, authorization to enter into the necessary agreement with the University of Texas at Austin (LBJ School of Public Affairs) to implement a Station Location Study with the Emergency Medical Service Department. (Total cost \$70,897; City share \$29,856, University of Texas share \$41,041). Councilmember Himmelblau felt that there were mistakes in the proposal. She pointed out that there were many unclear terms in the proposal. She questioned whether the Council would have any decision as to sightings and sizing of EMS stations, and wondered how many computer hours would be involved with the project. Mr. Bill Bulloch, Director of the EMS Department, indicated that there are 13 hours in the project, 5 for the research and development during the summer and 8 for actual analysis in the Spring and Fall. He stated that the intent of the program is to look at optimum locations without bias towards facility, and then look at different response times, boundaries and years and then come back and look at fire stations and other facilities for comparative analysis. Councilmember Himmelblau asked what it would cost to adapt the program to City computers. Mr. Bulloch stated that the Data Systems Department has indicated that the cost could be anywhere from \$400 to \$2,000, depending on some of the internal routines which are utilized by the University that may or may not need modification. Councilmember Himmelblau asked if the computer time would be the same if they used City computers to start with. Mr. Bulloch was not sure as to what the City's rate of charge would be, since the City would do it on a hourly basis whereas the University would do it on a contract basis. Councilmember Himmelblau felt that the program should be put on City computers to start with and put on the University computer system. Councilmember Cooke felt that placing the program on City computers would jeopardize future project with the University of Texas. He felt that it would save the City tax dollars by using the U.T. system. Councilmember Himmelblau pointed out that she was echoing the recommendations she has received to utilize the City computer system for the project.

Motion

Councilmember Goodman moved that the Council adopt a resolution authorizing entering into the necessary agreement with the University of Texas at Austin (LBJ School of Public Affairs) to implement a Station Location Study with the Emergency Medical Service Department, utilizing City of Austin computers if feasible, University of Texas computers if not. The motion, seconded by Councilmember Cooke, carried by the following vote:

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

AMTRAK SERVICE IMPROVEMENTS

Mayor McClellan presented a resolution to Council to consider supporting a proposal for AMTRAK service improvements. She said she had attended a preliminary hearing on this last week and intends to go to the full hearing on July 11, 1978 at which time she would like to present Council's endorsement of the resolution.

Motion

Councilmember Trevino moved that the Council adopt a resolution supporting the proposal for AMTRAK Service Improvements. The motion was seconded by Councilmember Goodman.

Friendly Amendment

Councilmember Goodman offered a friendly amendment to add, to the fourth paragraph "between Dallas, San Antonio, and Laredo". Councilmember Trevino accepted the friendly amendment.

Roll Call on Motion with Friendly Amendment

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

MONTHLY SYNOPSIS OF DEPARTMENTS SUGGESTED

Councilmember Cooke presented an idea to Council for consideration. It was a request that each city department submit to the Council a monthly synopsis of accomplishments of the previous month and plans for the next month.

Motion - DIED for lack of Second

Councilmember Cooke moved that the Council request the City Manager to provide them with an update of department accomplishments on a quarterly basis. There was no second to the motion.

Councilmember Trevino stated that last week the Council had agreed to limit the number of reports received by them. He asked if the idea suggested by Mr. Cooke could be incorporated into the quarterly meetings with the City Manager. Councilmember Cooke was concerned that Council might not get highlights of all departments this way. Councilmember Goodman also said he did not want a voluminous report which would take up the time of staff people, and Mayor McClellan agreed. City Manager Davidson commented that it would require staff time in order to give the report to Council on a monthly basis.

Motion

Councilmember Goodman moved that the Council have the City Manager come back to Council with alternative methods of reporting department accomplishments.

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

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

SIGN IMPROVEMENT

Motion

Councilmember Cooke moved that the Council request staff to present options for improving the appearance of signs along North and South Congress, 6th Street and the Drag. The motion was seconded by Councilmember Goodman.

Friendly Amendment

Councilmember Snell offered a friendly amendment that the motion include East 11th Street and Navasota. Councilmember Cooke and Councilmember Goodman accepted the friendly amendment.

Roll Call on Motion with Friendly Amendment


Roll call on the above motion showed the following vote:

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

ADJOURNMENT

Council adjourned its meeting at 12:20 P.M.

APPROVED


Mayor

ATTEST:


City Clerk