

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

September 14, 1961
10:00 A.M.

Council Chamber, City Hall

The meeting was called to order with Mayor Palmer presiding.

Roll call:

Present: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Absent: None

Present also: W. T. Williams, Jr., City Manager; Doren R. Eskew, City Attorney; Reuben Rountree, Jr., Director of Public Works; Robert A. Miles, Chief of Police

Invocation was delivered by REV. BRANDOCH LOVELY, Unitarian Church.

DR. E. K. BLEWETT, Chairman, Special Committee of Travis County Medical Society, and a member of the Brackenridge Hospital Staff, submitted a statement from the Travis County Medical Society, which was to appear as a full page advertisement in Friday's paper. The group sponsoring the advertisement are of the opinion the City should remain in the Hospital business and provide care as a community enterprise. Councilman SHANKS inquired about his opinion on a district hospital. Dr. Blewett stated this was something in the future, and an effort was being made through the Legislature to work something state-wide so that the districts could be accomplished locally. Dr. Blewett stated the people were not informed on the immediate issue. MAYOR PALMER expressed appreciation to all the doctors for the fine contribution they are making at Brackenridge Hospital. He explained the city's responsibility to care for the indigent patients. The Mayor read excerpts from "Hospital Craze is Rough on Tax Payers" by Dr. George W. Crane; and "Why our Hospital Costs go up so Fast", as well as from the Steinle Report. The Mayor stated the Council had appointed a Committee to study the hospital situation in Austin and to determine just where Brackenridge fits into the overall picture of our Hospital care. He stated no matter which way the Election went; if the Council comes to the place to make a decision on the Hospital, it will seek the advice of the doctors and the public. The City Manager stated Austin was the only city that operates a hospital, and stated it is a community responsibility to take care of the indigent patients. Councilman WHITE stated he was closely connected with the Hospital, and he appreciated the time the doctors gave to the hospital. Councilman ARMSTRONG stated this Council was dedicated to efficiency in city Government. He asked how much is our City Hospital being abused and what could be done about it? He reported on a firm where 80% of the employees had to sign up for group insurance and the employees

voted against it, as they did not want to deduct that small amount from their salaries as they said they could go to the hospital and get their medical help free.

MR. CHARLES BURGESS, representing a large segment around Gullett School, asked for information concerning the bridge across Shoal Creek, and asked if the foot bridge could be replaced. The Mayor stated within the last week the Council had discussed some plans, and it had something now that it was working on; and he asked Mr. Burgess if he would allow a little more time, he thought the matter could be resolved, and he could give him an answer.

MR. RICHARD BAKER, 608 Brown Building, appeared representing over 50% of property owners located within a distance of 200 feet from the property at 819 to 821 East 32nd Street, and 3106 to 3110 Red River, and filing their petition under Section 31 (5) of the Zoning Ordinance to have this property zoned from "O" Office to "B" Residence 1st Height and Area, and pointed out this is the same property on which an application is pending before the Council for a filling station permit. The Council accepted the petition and referred it to the Planning Commission.

MR. ROBERT LUCE appeared asking for two hour parking on West 5th Street, stating that when this was requested once before, a survey had been made and it was reported that no one car was parked over two hours per day, but the group knew better. He said in the 500 block meters had been installed, and the all-day parkers came on down into their block, the 600 block. Mayor Palmer asked if they wanted meters, and Mr. Luce stated they wanted just two-hour parking. The Mayor read the survey previously made regarding the 600 Block of West 5th, which was conducted over a 10days period. The report stated at no time was it found that all spaces were being utilized and that the Traffic Department did not believe the city could justify two-hour parking regulations in this area, and that the establishments located in this area have adequate facilities for customers to drive in and look over their cars.

MR. STANLEY SCHUSTER, 1301 Hillside Drive, read a proposition regarding the possibility of making city owned earth moving equipment available to individuals on an "at cost" basis for the purpose of excavation for fallout shelter construction. He distributed copies to the Council members and City Manager. The Mayor thanked him for submitting this and stated everyone was getting more conscious of Civil Defense.

MR. TOM BROWN appeared before the Council regarding the Metropolitan Telephone Service Plan for the long range development of telephone service in Austin, in Travis County and in nearby areas. He explained the rates which would apply to those in these areas served. Mayor Palmer inquired about any rate structures that might come up, would this Council have jurisdiction over any rates in the Metropolitan Area, or would they be entitled to have their own rate hearings? The City Attorney explained the regulation of rates would still be a matter within the province of each incorporated city, and explained some of the problems to be expected. After discussion, Councilman Armstrong offered the

following resolution and moved its adoption:

(RESOLUTION)

Whereas:

The Southwestern Bell Telephone Company has presented a Metropolitan Telephone Service Plan for the long range development of telephone service in Austin, in Travis County and in nearby areas;

And Whereas:

This plan is more fully described in a brochure entitled Austin Metropolitan Telephone Service Plan, which is hereby incorporated herein and made a part hereof;

And Whereas:

This plan affords a sound basis for the long range economic growth of Austin and its environs;

Now Therefore Be It Resolved:

That the City Council of the City of Austin endorse the plan and request the Southwestern Bell Telephone Company to present the plan to the other city governing bodies that exercise regulatory authority within the area encompassed by the plan, to secure authorization for the plan and to proceed with the introduction of the plan in whole or in part as soon as the facilities are available.

The motion, seconded by Councilman White, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer

Noes: None

(Brochure attached)

"AUSTIN METROPOLITAN TELEPHONE SERVICE PLAN

- Contents -

- "Section I - What the Plan Is
- Section II - How the Plan Works
- Section III - Local Service Arrangements;
Interzone Message Charges
- Section IV - Map of Austin Metropolitan Area

"AUSTIN METROPOLITAN TELEPHONE SERVICE PLAN

"The Metropolitan Telephone Service Plan is a long-range plan designed by the telephone company to provide adequate telephone service for the rapidly-growing Austin area both today and for the years to come.

"Telephone exchanges have existed in Austin, Manor, Pflugerville, Round Rock, Leander and Bee Caves for many years. These exchanges have been connected to the Austin telephone exchange by means of long distance circuits.

"The need for a metropolitan plan first came to light several years ago when citizens of Manor came to our company and asked for a plan which would

expand their local service by permitting them to call and receive calls from the Austin exchange. Following an extensive study of the community's needs a schedule of rates was devised which made it possible for the telephone company to provide the additional plant investment to make the service a reality. The proposal was accepted by the citizens of Manor, and the service was instituted July 13, 1959.

"Today, we are engaged in the construction of a new telephone office in the Jollyville area to serve residents who have been receiving rural service from our Glendale-Homestead office. As the completion of this office draws near, we are again reminded that the telephone requirements of metropolitan Austin--like the area itself--are growing and must plan a system which will keep pace with that growth.

"As cities grow in size, the Metropolitan Service Plan answers their present and future needs. This is now true of Austin, Travis County and the surrounding area. Many major cities such as Dallas, Fort Worth, San Antonio, Oklahoma City, Tulsa and St. Louis have adopted this plan which takes into consideration the long-range growth of the city and permits orderly planning of telephone service to promote that long-range growth and orderly construction of the facilities required.

"How does the Metropolitan Service Plan differ from the plans formerly used? In the past, the fundamental basis for the application of telephone rates (in Austin as in all other exchanges) has been to establish base rate areas which essentially followed the city limits and offer city service at uniform rates within the area. Customers outside the base rate area, but within the service area, have been offered eight-party rural service. City service in rural areas has been offered with the payment of mileage charges in addition to basic rates where facilities were available.

"The Metropolitan Service Plan, subject to the acceptance by the governing bodies of the several cities involved, would offer greater flexibility and more efficient service to the customer in this manner:

"(1) Customers within a given service area (Jollyville for example) would be provided with equipment to dial each other.

"(2) In addition, equipment would be provided to permit them to dial direct and without charge all of the telephones both within the Austin service area and within any other contiguous service area. Jollyville customers, for example, would be able to call Austin, Leander, Round Rock, Lake Travis and Marshall Ford without charge.

"We believe the Metropolitan Service Plan as outlined for Austin would materially assist in the growth of Austin and the Highland Lakes Area. Since it is a long-range plan, however, it cannot be put into operation overnight. Several of the service zones shown on the map in Section IV do not presently have telephone switching centers and will not have for some time to come.

"Following approval of the plan by the Austin City Council and the governing bodies of other incorporated cities involved, considerable time would be required to provide the switching facilities and trunking lines necessary to put the complete plan into effect. Some areas would be activated before others, and those in the outlying areas would of necessity be the last to be activated.

"Further descriptive information on the plan is shown in the following sections.

"(How the Plan Works)

"I. Description of Metropolitan Service Plan

A metropolitan service plan for Austin and surrounding territory would be comprised of the following:

"1. The Austin zone which would be the primary or principle zone.

2. The following first tier zones:

Jollyville	Manor	Creedmoor	Bee Caves
Round Rock	Webberville	Manchaca	Marshall Ford
Pflugerville	Garfield	Cedar Valley	

3. The following second tier zones:

Bee Creek	Lake Travis	Leander
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4. First tier zones are those areas which border and have a contiguous boundary with the principle zone.

5. Second tier zones are those areas outside the inner circle of first tier zones, but which have a contiguous boundary with a first tier zone.

6. The term "contiguous", as used in conjunction with the Metropolitan Service Plan, covers those instances where adjacent zone boundaries are common boundaries for a reasonable distance.

"II. Description of Local Service Offering

"1. Local exchange service under the Metropolitan Service Plan would provide unlimited local service calling:

a. Between all customers within the same zone, and

b. Between all customers in one zone and all customers in all zones participating in the Metropolitan Service Plan which are contiguous thereto.

2. The local calling area for each zone to be included in the Austin Metropolitan exchange would be as follows:

a. Austin Zone

All customers in the Austin zone area would have unlimited local calling scope to each of the contiguous first tier zones shown on the Metropolitan area map in Section IV.

b. All other first tier zones would have unlimited local calling scope to the Austin zone and all other contiguous zones. The chart in Section III gives the interzone message charge for calls to non-contiguous zones.

c. All second tier zones would have unlimited local calling scope to all contiguous zones. Interzone message charges to non-contiguous zones are shown on the chart in Section III.

LOCAL SERVICE ARRANGEMENT AND
INTERZONE MESSAGE CHARGES BETWEEN
NON-CONTIGUOUS ZONES OF THE PROPOSED
AUSTIN METROPOLITAN AREA

	Round Pfluger-	Webber-	Car-	Creed-	Man-	Cedar	Bee	Marshall	Jolly-	Lake	Bee				
	Austin	Rock	Ville	Manor	ville	field	moor	chaca	Valley	Caves	Ford	ville	Leander	Travis	Creek

SECOND TIER ZONES (con't)

Lake Travis	.20	.15	.20	.25	.25	.30	.30	.25	.15	L	L	L	L	-	L
Bee Creek	.20	.25	.25	.30	.30	.25	.25	.20	.15	L	.10	.15	.20	L	-

L - Local Call

Initial Period

5 minutes (10 - 20¢ Rate)
3 minutes (25 - 30¢ Rate)

Overtime

3 minutes (10¢ Rate)
2 minutes (15 - 20¢ Rate)
1 minute (25 - 30¢ Rate)



MR. BROWN distributed proposed ordinances to eliminate the last few remaining four-family service lines. The Council set this matter for public hearing, 10:30 A.M. October 5, 1961.

Councilman White offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, by that certain instrument dated August 30, 1946, of record in Volume 823, at page 482 of the Deed Records of Travis County, Texas, same being out of and a part of Lot 12, South Side Addition, said South Side Addition being a subdivision of a portion of the Santiago Del Valle Grant, in the City of Austin, Travis County, Texas, a sanitary sewer easement was granted to the City of Austin according to a map or plat of said South Side Addition of record in Volume X, at page 576, of the Deed Records of Travis County, Texas; and

WHEREAS, the developer of said property (Proposed Mariposa Terrace) has re-routed the sanitary sewer line in connection with the development of his subdivision and is providing new easements on his subdivision plat, and requests the City Council of the City of Austin to authorize the release of said sanitary sewer easement; and,

WHEREAS, the Water and Sewer Department of the City of Austin has determined that the relocation of said sanitary sewer easement is at a more desirous location; Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That W. T. Williams, Jr., City Manager of the City of Austin, be and he is hereby authorized to execute a release of the following described sanitary sewer easement, conditioned that the developer of said property will provide new easements on his subdivision plat, such sanitary sewer easement to be so released concurrently with the filing of said plat and being described as follows, to-wit:

All of that certain portion of a sanitary sewer easement granted to the City of Austin, Travis County, Texas, and described in an instrument dated August 30, 1946, of record in Volume 823, at page 482, of the Deed Records of Travis County, Texas, same being out of and a part of Lot 12, South Side Addition, said South Side Addition being a Subdivision of a portion of the Santiago Del Valle Grant in the City of Austin, Travis County, Texas, according to a map or plat of said South Side Addition of record in Volume X, at page 576, of the Deed Records of Travis County, Texas.

The motion, seconded by Councilman Armstrong, carried by the following vote:
Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

Councilman White offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, by that certain instrument of record in Volume 655 at page 391 of the Deed Records of Travis County, Texas, an easement for electrical purposes

was granted to the City in, upon and across that certain tract of land out of and a part of the Santiago Del Valle Grant in Travis County, Texas, described in a deed to Mrs. Hattie Annie Friedrich, of record in Volume 694 at page 213 of the Deed Records of Travis County, Texas; and,

WHEREAS, the owner of the tract of land across which the hereinabove described blanket electric easement was granted has requested that such easement be released for the reason that such owner has subsequently granted a more satisfactory electric easement which is described by metes and bounds and for the further purpose of removing a cloud from the tract of land across which such blanket electric easement was originally granted; and,

WHEREAS, the granting of the latter easement which is described by metes and bounds instead of being a blanket easement has made it unnecessary for the City of Austin to retain said blanket easement which is not now needed and will not be needed in the future; Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That W. T. Williams, Jr., City Manager of the City of Austin, be and he is hereby authorized to execute a release of the blanket easement described as follows, to-wit:

That certain portion of that certain electrical easement described in Volume 655 at page 391 of the Deed Records of Travis County, Texas, which is in, upon and across that certain tract of land out of and a part of the Santiago Del Valle Grant, in Travis County, Texas, described in a deed to Mrs. Hattie Annie Friedrich, of record in Volume 694 at page 213 of the Deed Records of Travis County, Texas.

The motion, seconded by Councilman Armstrong, carried by the following vote:
Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

The Council discussed a five-year extension of the existing lease with MR. T. C. STEINER for a public sanitary land-fill site. Councilman ARMSTRONG inquired about purchasing our own sanitary fills. The City Manager stated there were very few areas available, and the owners were not interested in selling. Mr. Armstrong suggested buying the land from Mr. Steiner, as the City was paying to build this man's property up. The City Manager explained that other people were paying for the same privilege now. The Mayor pointed out the advantages of the fills, and stated he was sure other sites had been investigated. The Director of Public Works stated that was true, and the site adjacent to this one was more expensive. The City Manager pointed out if the sites are too far out, it would be too expensive to operate them. The Director of Public Works said some cities were buying land and reclaiming it and turning it into parks. The Mayor noted that a part of Zilker Park was being used; and within a year that part would be a beautiful park area. Councilman White offered the following resolution and moved its adoption:

(RESOLUTION)

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY AUSTIN:

That the City Manager be and he is hereby authorized and directed to enter into a lease agreement on behalf of the City of Austin, with T. C. Steiner, for a public sanitary land fill site, in accordance with the terms and provisions of a certain lease agreement exhibited to the City Council; and

BE IT FURTHER RESOLVED:

That the City Clerk is hereby directed to file a copy of said lease agreement in the permanent records of her office without recordation in the Minutes of the City Council.

The motion, seconded by Councilman Shanks, carried by the following vote:
Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

The City Manager submitted the following:

"September 12, 1961

"MEMO TO: Mr. W. T. Williams, Jr.
City Manager

"FROM: A. H. Ullrich, Superintendent
Water and Sewage Treatment

"SUBJECT: Tabulation of bids received for 20 MGD Addition to Water Treatment Plant No. 2, 3500 West 35th Street. Bids were received at 10:00 A.M. on Wednesday, September 6, 1961. Attached tabulation of bids made by Mr. A. M. Eldridge, Supervising Engineer, and Mr. McDuff of the Construction Engineering Division.

"DISCUSSION:

"Attached is a complete, detailed, tabulation of bids received on the subject project. You will note that the bid documents provide for a base bid and also list a number of alternates for equipment manufactured by reputable manufacturers other than those called for in the base bid.

"You will note that the J. C. Evans Construction Company of Austin base bid in the amount of \$1,448,000.00 is the lowest bid received. The alternate equipment offered by the manufacturers in the J. C. Evans proposal is either higher in price than the equipment listed in the base bid or does not meet the specifications.

"RECOMMENDATION:

"It is my recommendation that the contract for the subject project be awarded to the J. C. Evans Construction Company of Austin, Texas on their low bid in the amount of \$1,448,000.00.

"Respectfully submitted,
s/ A. H. Ullrich"

BID TABULATIONS		J. C.	B. B.	Broyles & Cage	H. B.	Mitchell	Kitchens	J. C.	Elm
20 MGD ADDITION TO WATER		Evans	Adams	Broyles, Bros.	Zachry	Darby,	Const.	True-	Fork
TREATMENT PLANT NO. 2		Const.	Gen.	Incorpor-	Const.	Inc.	Co.	heart	Const.
(Bids received Sept. 6, 1961)		Co.	Const.	ated	Co.	pany		Co.	Co.
BASE BID		1,448,000	1,527,000	1,551,000	1,575,630	1,626,842	1,725,000	1,767,211	1,898,980**
ALTERNATE-Flocculator Equip.:									
Chain Belt		1,400	1,800	8,000	1,400 N.B.	1,300	4,150	2,000	
Walker Process		18,000	18,000	18,000	13,800 N.B.	N.B.	18,650	17,000	
Process Engineers		2,900	No Change	4,000	653 N.B.	500	4,500	Same	
Dorr Oliver		2,000*	1,500*	2,700*	2,000*	2,000*	650*	2,000*	
Link Belt		1,400	10,000	3,000	4,485 N.B.	1,500	3,250	N.B.	
ALTERNATE-Sludge Removal Equip.:									
Walker Process		2,300	8,000	9,000	1,045 N.B.	N.B.	5,400	6,000	
Process Engineers		8,000*	7,000*	3,000*	7,842 -	5,000*	8,000*	6,350*	6,000*
Link Belt		3,000*	13,000*	600*	13,122*N.B.	-	3,000*	750*	N.B.
ALTERNATE-Filter Equip.:									
Builders-Providence		N.B.	1,600	No Change	5,093-	3,000	10,900	N.B.	Same
Simplex		N.B.	N.B.	N.B.	N.B.	N.B.	N.B.	N.B.	N.B.
ALTERNATE-Meter Equip.:									
Bristol									
Simplex									
ALTERNATE-Sluice Gates									
Armco		No Change	-50	No Change	878	N.B.	100	200	Same
ALTERNATE-Sludge Pumps									
Carter		No Change	N.B.	N.B.	N.B.	N.B.	4,900	N.B.	
Lowest Combination of Bids									
Meeting Specifications:		1,448,000	1,526,950	1,551,000	1,570,537	1,623,842	1,714,000	1,761,611	1,898,980

* Item proposed is not equal to equipment in base bid.
 ** Base Bid Only

NO ALTERNATE BIDS SUBMITTED ON METER EQUIPMENT

"SUPPLEMENTARY DATA AND INFORMATION

"The subject project for expansion of the No. 2 Water Treatment Plant is included in the Capital Budget proposed for 1961-1962.

"This project is recommended in the "Long Range Development Program for Austin's Water System, dated 1958". This study and report schedules the project in the first phase of the development program. It anticipated construction work to start in 1960.

"The subject project will increase (double) the capacity of the mixing units, the settling basins, the filters and the clear wells of the No. 2 Plant from a design capacity of 20 million gallons per day to a design capacity of 40 million gallons per day. This project does not include the addition of any new chemical feed machines, pumps or other auxiliary equipment. It is planned to add this type of equipment as needed since it can be installed with our own forces in existing buildings. Also, this project does not include additional raw water line capacity. It is planned to have plans and specification for a second raw water line prepared in the near future. The addition of the second raw water line will be proposed as a separate project.

"Doubling the No. 2 Plant will bring its design capacity to 40 million gallons per day. The No. 1 Plant has a design capacity of 22 million gallons per day. After this expansion the total treatment plant design capacity will be 62 million gallons per day. The maximum usage which has been recorded for any one day is 70 million gallons per day.

"Our specifications call for substantial completion of this project by April 1, 1963. This schedule is intended to allow a thirty day period for starting and testing it. It is essential that the new section be ready for full operation at the start of our 1963 peak summer demands.

"Respectfully,
s/ A. H. Ullrich"

After discussion with and explanation by the City Manager and the Superintendent of the Water Treatment Plant, Councilman Shanks offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, bids were received by the City of Austin on September 6, 1961, for 20 MGD Addition to Water Treatment Plant No. 2, 3500 West 35th Street; and,

WHEREAS, the bid of J. C. Evans Construction Company of Austin in the sum of \$1,448,000.00 was the lowest and best bid therefor, and the acceptance of such bid has been recommended by the Superintendent, Water and Sewage Treatment Department of the City of Austin, and by the City Manager; Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the bid of J. C. Evans Construction Company of Austin in the sum of \$1,448,000.00 be, and the same is hereby accepted and W. T. Williams, Jr., City Manager of the City of Austin is hereby authorized and directed to execute a contract on behalf of the City of Austin with J. C. Evans Construction Company of Austin.

The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

Councilman Armstrong commended MR. ALBERT ULLRICH and the Treatment Plant personnel on its fine water, stating the evacuees had remarked that one of the best things in Austin was the water.

The Council had before it request for approval of a filling station at the southwest corner of East 32nd Street and Red River Street for CONTINENTAL OIL COMPANY, Lessee - Dan McCaskill, Owner. MR. RICHARD BAKER, Attorney for a group of residents in the area asked that this be postponed so that he could make a study of the location in order to discuss it with the Council in accordance with Sec. 11.68 of the Code and present sound reasons why this permit should not be granted. He asked that he be given until the next week to prepare his case. Finally after lengthy discussion, Councilman White offered the following resolution and moved its adoption:

(RESOLUTION)

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

THAT the City Council of the City of Austin hereby approves as a filling station site the property located at the southwest corner of East 32nd Street and Red River Street, which property fronts 91.45 feet on East 32nd Street and 145.0 feet on Red River Street, being known as a portion of Outlot 5, Division "C" in the City of Austin, Travis County, Texas, and hereby authorizes the said Continental Oil Company to construct, maintain, and operate a drive-in gasoline filling station and to construct curbs, ramps, and sidewalks in conjunction therewith subject to the same being constructed in compliance with all ordinances relating thereto, and further subject to the foregoing attached recommendations and plans. The Building Inspector is hereby authorized to issue an occupancy permit for the operation of this filling station after full compliance with all the provisions of this resolution, and said permission shall be held to be granted and accepted to all necessary, reasonable and proper, present and future regulations and ordinances of the City of Austin, Texas, in the enforcement of the proper Police, Traffic and Fire regulations; and the right of revocation is retained, if after hearing it is found by the City Council that the said Continental Oil Company has failed and refused and will continue to fail and refuse to perform any such conditions, regulations, and ordinances.

(Recommendations attached)

"September 14, 1961

"Mr. W. T. Williams, Jr.
City Manager
Austin, Texas

"Dear Sir:

"We, the undersigned, have considered the application of Continental Oil Company for permission to construct, maintain, and operate a drive-in gasoline

filling station and to construct commercial driveways in conjunction therewith upon the property located at the southwest corner of East 32nd Street and Red River Street, which property fronts 91.45 feet on East 32nd Street and 145.0 feet on Red River Street, being known as a portion of Outlot 5, Division "C" in the City of Austin, Travis County, Texas, and the property upon which this filling station is to be located is owned by Dan McDaskill, and is under lease to Continental Oil Company. We hereby advise that the following conditions exist.

"The property upon which this filling station is to be located is designated as "O" Office upon the zoning maps of the City of Austin. Special permission for a filling station on this site was granted Continental Oil Company by the City Council on September 7, 1961.

"All drainage, natural or otherwise, from this filling station is to be disposed of in such a manner that such drainage will not flow across the sidewalk area into the street, and furthermore, shall not create a nuisance to others in the neighborhood. It is understood that the disposal of such drainage shall be entirely the responsibility of the property owner. Any waste connection to a storm sewer which empties into an open drainage-way shall be discontinued, if the waste becomes a nuisance or damages any property or rights of others in the vicinity of the open drainageway.

"We recommend that Continental Oil Company be granted permission to construct, maintain, and operate said drive-in gasoline filling station and to construct curbs, ramps and sidewalks in conjunction therewith subject to the following conditions.

"(1) That all buildings and equipment shall be placed inside of the property line; correct lines to be obtained before construction starts or equipment is installed. Lines and grades to be obtained from the Department of Public Works for entrances and driveways; building lines to approved by the City Building Inspector. That the applicant shall confer with the Department of Public Works as to future grades of the sidewalks and gutters on the adjacent streets before he starts any construction relative to the filling station.

"(2) That only underground tanks shall be used, and that all pumps shall be so located that it will be impracticable to service motor vehicles therefrom while said motor vehicles are standing on any part of a sidewalk, street, or alley.

"(3) That the gasoline tanks, pumps, and all equipment used in connection with the storage and handling of gasoline shall be an approved type and shall bear the label of Underwriters Laboratories, Inc., and that all construction of the filling station improvements shall be in accordance with the Building Ordinance, the Zoning Ordinance, the Filling Station Ordinance, and in accordance with the ordinance prohibiting the disposal of commercial water or oils upon the City Streets.

"(4) That the grades of the station shall be such that no waste water or oils or any floor washings shall ever pass over the City sidewalk area and that all of said oils and water shall be concentrated into a combined grease and sand trap which shall be constructed in accordance with our standard plan 2 - H - 146.

"(5) That all filling station improvements, pump islands, driveways, ramps, gutters, sidewalks, and curbs shall be constructed of concrete at the expense of the applicant as set forth upon the plan, hereto attached, which plan bears the Department of Public Works file number 2 - H - 1906.

"(6) Expansion joints shall be constructed as shown upon the plan, hereto attached, marked 2 - H - 1906 and shall be of the premoulded type.

"(7) When the owner considers that he has complied with all the requirements of the City of Austin for filling stations, he shall apply for a final inspection, and upon approval, the Building Inspector shall issue a Certification of Operation before such filling station can be put into service.

"Respectfully submitted,
s/ S. Reuben Rountree, Jr.
Director of Public Works
s/ Dick T. Jordan
Building Official"

The motion, seconded by Councilman Shanks, carried by the following vote:
Ayes: Councilmen Shanks, White, Mayor Palmer
Noes: Councilmen Armstrong, Perry

Councilman Armstrong offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, there has been submitted to the Building Inspector, the application of W. R. Coleman and K. O. Bradley for a building permit together with a site plan dated 9-8-61, meeting the requirements of Section 10-B, 3 of the Zoning Ordinance of the City for certain building establishment at 1950 Interregional, more particularly described in said application; and,

WHEREAS, it has been found and determined by the City Council of the City of Austin that, based upon the use of the premises for the purpose of an office building, the maximum number of parking spaces which will probably be used by employees and customers of such establishment, taking into account the loading facilities on the site, the public parking areas and street space available for parking in the vicinity, public safety, and free circulation of traffic both on and off the site, is seven parking spaces; Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That seven (7) spaces is an adequate number of parking spaces for the establishment shown on the site plan of W. R. Coleman and K. O. Bradley dated 9-8-61, for use of the premises for the purpose of an office building.

The motion, seconded by Councilman Perry, carried by the following vote:
Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

MR. ELDRED PERRY appeared before the Council regarding brand inspections at the Abattoir stating the Southwestern Cattle Raisers Association had performed the branding inspections for the Abattoir for a number of years, and explained regulations of the U. S. Department of Agriculture. He reported, in the interest of saving money, he told Mr. Strickland, Inspector, that the Abattoir would take over the inspections. He estimated at the eight cents per head inspection fee, the Abattoir would receive around \$3,000 additional income per year to perform that service. Mr. Eldred Perry stated one of his employees, together with part time help from another, will do this inspection and recording work in line with their regular duties. The City Manager stated that Mr. Eldred Perry had been operating the Abattoir for a number of years, and had done a competent job; and if he says he can handle a job, there was no doubt about it. Councilman Shanks moved that the recommendation that the City do this work and obtain this extra revenue be approved. The motion, seconded by Councilman White, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

The City Manager submitted the following:

"September 13, 1961

"W. T. Williams, Jr., City Manager Sale of Old Terminal Building and Tower
Robert Mueller Municipal Airport"

"Following is a tabulation of the bids received at 10:00 A.M., Tuesday, September 12, 1961, for the sale of the Old Terminal Building and Tower at Robert Mueller Municipal Airport.

	<u>Terminal Building</u>	<u>Tower</u>
Kunz & Franks Wrecking Company	\$600.00	\$85.00
H. E. Stanley	\$522.00	\$29.00
Franks & Hobbs, Inc.	\$201.00	No Bid

"I have talked with Col. Vance Murphy, Director of Aviation, and find that he has no use for this building at the Airport.

"Also, I have talked with Mr. Bob Brown, Superintendent of Building and Grounds, who tells me that it is going to be rather expensive to move the building and, due to the condition of the building, he would recommend that the City accept any reasonable bid for it.

"In view of the above, I recommend that we accept the bid of Kunz and Franks Wrecking Company.

s/ S. Reuben Rountree, Jr.
Director of Public Works"

Councilman White offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, bids were received by the City of Austin on September 12, 1961, for the sale of the Old Terminal Building and Tower at Robert Mueller Municipal Airport; and,

WHEREAS, the bids of Kunz & Franks Wrecking Company, in the sum of \$600.00 for the Terminal Building, and in the sum of \$85.00 for the Tower, were the highest bids therefor; and the acceptance of such bids has been recommended by the Director of Public Works of the City of Austin; Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the bids of Kunz & Franks Wrecking Company, in the sum of \$600.00 for the Terminal Building, and in the sum of \$85.00 for the Tower, be and the same are hereby accepted, and W. T. Williams, Jr., City Manager of the City of Austin, be and he is hereby authorized to execute on behalf of the City, a Bill of Sale to Kunz & Franks Wrecking Company.

The motion, seconded by Councilman Shanks, carried by the following vote:
Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

The City Manager submitted the following:

"Sealed bids opened 10:00 A.M., August 11,
1961 Tabulated by H. C. Moore, Jr.
Purchasing Agent Brackenridge Hospital

"CITY OF AUSTIN, TEXAS BIDS FOR INTRAVENOUS SOLUTIONS AND SETS
TWO YEAR CONTRACT BEGINNING SEPTEMBER 1, 1961

AMERICAN STERILIZER COMPANY	WILSON X-RAY & SURGICAL COMPANY	AMERICAN HOSPITAL SUPPLY CO.	ABBOTT LABORATORIES	VENDOR SELECTED IN 1959 USING PRESENT QUANTITIES
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I.V. SOLUTIONS

AND SETS	\$39,019.68	\$43,504.56	*\$41,235.95 *	\$57,754.56
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NOTES: American Hospital Supply Co. did not offer a complete bid.
Abbott Laboratories failed to complete the bid form.

RECOMMENDATIONS: American Sterilizer Company as low bidder.

W. T. Williams, Jr., City Manager"

After a long, detailed discussion with representatives of CUTLER Solutions, AMERICAN STERILIZER COMPANY, with some doctors from Brackenridge Hospital, some nurses who use the intravenous solutions and sets, and with the administrator, and purchasing agent of Brackenridge, Councilman Perry offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, bids were received by the City of Austin on August 11, 1961, for the furnishing of intravenous solutions and sets for a period of two years, beginning September 1, 1961; such solutions and sets to be used at the Brackenridge Hospital; and,

WHEREAS, the bid of American Sterilizer Company, in the sum of \$39,019.68, was the lowest bid therefor, and the acceptance of such bid has been recommended by the Purchasing Agent for Brackenridge Hospital and by the City Manager; Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the bid of American Sterilizer Company, in the sum of \$39,019.68, be and the same is hereby accepted, and W. T. Williams, Jr., City Manager of the City of Austin, be and he is hereby authorized to execute a contract on behalf of the City with American Sterilizer Company.

The motion, seconded by Councilman Shanks, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, Mayor Palmer

Noes: Councilman White

(Detail statements of discussion on file under HOSPITALS)

Councilman White introduced the following ordinance and moved that it be published in accordance with Article 1, Section 6 of the Charter of the City of Austin:

AN ORDINANCE PROVIDING FOR THE EXTENSION OF CERTAIN BOUNDARY LIMITS OF THE CITY OF AUSTIN AND THE ANNEXATION OF CERTAIN ADDITIONAL TERRITORY CONSISTING OF 11.82 ACRES OF LAND, SAME BEING OUT OF AND A PART OF THE THEODORE BISSEL SURVEY NO. 18, IN TRAVIS COUNTY, TEXAS; WHICH SAID ADDITIONAL TERRITORY LIES ADJACENT TO AND ADJOINS THE PRESENT BOUNDARY LIMITS OF THE CITY OF AUSTIN, IN PARTICULARS STATED IN THE ORDINANCE.

The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer

Noes: None

The ordinance was read the first time and Councilman White moved that the ordinance be passed to its second reading. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer

Noes: None

The Council had before it for consideration the request of MR. SIDNEY PURSER for vacating BELLVUE STREET. The City Manager did not recommend abandoning the street. Councilman Armstrong noted two of the residents would not have an outlet. Councilman White moved that the request to vacate BELLVUE STREET be denied. The motion, seconded by Councilman Perry, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

Councilman Shanks moved that the public hearing set for September 28, 1961, on the following zoning application, be reset for October 12th:

LOUIS LAIBOVITZ	2829-2839 Rio Grande St.	From "C" Commercial
	605-619 West 29th Street	To "C-1" Commercial

The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

Mayor Palmer brought up the following ordinance for its third reading:

AN ORDINANCE PROVIDING FOR THE EXTENSION OF CERTAIN BOUNDARY LIMITS OF THE CITY OF AUSTIN AND THE ANNEXATION OF CERTAIN ADDITIONAL TERRITORY CONSISTING OF 3.7 ACRES OF LAND, MORE OR LESS, SAME BEING OUT OF AND A PART OF HIGHLAND HILLS SECTION 6, PHASE 1, A SUBDIVISION OF A PORTION OF THE T. J. CHAMBERS 8 LEAGUE GRANT IN TRAVIS COUNTY, TEXAS; WHICH SAID ADDITIONAL TERRITORY LIES ADJACENT TO AND ADJOINS THE PRESENT BOUNDARY LIMITS OF THE CITY OF AUSTIN, IN PARTICULARS STATED IN THE ORDINANCE.

The ordinance was read the third time and Councilman Armstrong moved that the ordinance be finally passed. The motion, seconded by Councilman Perry, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

The Mayor announced that the ordinance had been finally passed.

Mayor Palmer brought up the following ordinance for its third reading:

AN ORDINANCE PROVIDING FOR THE EXTENSION OF CERTAIN BOUNDARY LIMITS OF THE CITY OF AUSTIN AND THE ANNEXATION OF CERTAIN ADDITIONAL TERRITORY CONSISTING OF 19.8 ACRES OF LAND OUT OF AND A PART OF THE WILLIAM WILKS SURVEY IN TRAVIS COUNTY, TEXAS; WHICH SAID ADDITIONAL TERRITORY LIES ADJACENT TO AND ADJOINS THE PRESENT BOUNDARY LIMITS OF THE CITY OF AUSTIN, IN PARTICULARS STATED IN THE ORDINANCE.

The ordinance was read the third time and Councilman Armstrong moved that the ordinance be finally passed. The motion, seconded by Councilman Perry, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

The Mayor announced that the ordinance had been finally passed.

Mayor Palmer brought up the following ordinance for its third reading:

AN ORDINANCE PROVIDING FOR THE EXTENSION OF CERTAIN BOUNDARY LIMITS OF THE CITY OF AUSTIN AND THE ANNEXATION OF CERTAIN ADDITIONAL TERRITORY CONSISTING OF TWO (2) TRACTS OF LAND, CONTAINING 25.38 ACRES OF LAND OUT OF THE J.A.G. BROOKE SURVEY, IN TRAVIS COUNTY, TEXAS; WHICH SAID ADDITIONAL TERRITORY LIES ADJACENT TO AND ADJOINS THE PRESENT BOUNDARY LIMITS OF THE CITY OF AUSTIN, IN PARTICULARS STATED IN THE ORDINANCE.

The ordinance was read the third time and Councilman Armstrong moved that the ordinance be finally passed. The motion, seconded by Councilman Perry, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

The Mayor announced that the ordinance had been finally passed.

The City Manager called attention to the Street Paving Summary filed with the Council; also the Progress Report of the Electric Distribution System.

The City Manager said he had an inquiry from some people who would like to build a motel in the lower part of town on the east side of the Interregional, and they were interested in the purchase of the piece of land on which the city took bids and awarded the bid to Magnolia Oil Company, but that company has never paid the City. Their price was \$50,250, and they maintain the property lines were not as they understood them to be at the time of the bidding. The City Manager reviewed the matter, stating the City still held the earnest money; that Magnolia representatives were furnished maps showing the true facts. Now there is this inquiry that if these people can buy the adjoining property, they would like to add this property on Clermont and Interregional, and offered \$30,000. The City Manager stated the property was worth more than \$50,000. Mayor Palmer inquired about the statute of limitations. The City Attorney stated he would check. The City Manager said he wanted to report that the offer had been made, and to recommend that it not be accepted.

The City Manager read a letter from MR. BRADLEY DAVIS, dated September 12th, stating when he returned to his home at 10:00 P.M. Monday night, during the hurricane Carla, he had no electric power, and he found service wires broken from the side of his home and in contact with the chain link fence. It took 15

minutes to get the matter reported; but when he finally reached the Department, a courteous man answered, referred his call to another courteous man who took time to get all details. Mr. Davis stated he would have felt lucky to have had it repaired in the next two or three days; but the electricity was back on at 1:30. He stated not only were the dangerous wires installed, but the branches cut down had been taken away. Also, the crew was so quiet, he was not aware of their presence until his air conditioner came back on. He asked for the names of this service crew who handled this in the speedy courteous manner, to commend them each in person; as it is people like these who keep this the "friendly city". The City Manager stated this Service Department received 3500 calls; and although there may be a lot of citizens who feel that the city was too long in getting to them, these men were working all around the clock. He stated these men bore the brunt of the storm. Councilman Perry stated these men should be publicly commended; and that all departments are to be commended, but this Department, which felt the full impact of the emergency, answered more calls and performed the most service and did a remarkable job. Mayor Palmer stated the Auditorium Manager and his crew were to be commended also, as they were working all night getting the Auditorium and Coliseum ready for the evacuees.

The City Manager stated he now had a report regarding the bid rigging of the electrical companies in the last few years, as follows:

"August 10, 1961

"MEMORANDUM: Status of Investigation of Bid Rigging by Electrical Companies.

"After years of intensive nation-wide investigation the United States Justice Department succeeded in late 1960 in obtaining evidence of a nation-wide price-fixing conspiracy by major electrical equipment manufacturers. The evidence was so conclusive that many of the conspirators entered pleas of guilty or nolo contendere in the criminal cases filed against them in an effort to minimize their penalties.

"Although there had been considerable identical bidding on some of the smaller purchases, the bids on the large and very expensive turbo-generators in Austin were not identical and appeared to have been highly competitive bids. However, the conspirators had very carefully worked out schemes for bidding which would appear competitive even though it was not. Without assimilating information and data on a nation-wide basis by the highly trained investigators for the federal government it would have been most difficult to have discovered the conspiracy.

"After conferring in Washington, D. C. with other municipal law officers and members of the United States Department of Justice in February, we joined in polling the information concerning Austin's purchases of electrical equipment and have now received the report of these efforts from the task force of municipal attorneys assigned to this work.

"A new combination has now been formed between four of the large electrical companies under which they have agreed upon liability-sharing of damages, and under which they are pooling their resources in influencing those who have causes of action against the companies not to seek recovery. Among the devices employed by the conspirators are the following:

"(1) Numerous inquiries are being made about the "friendliness of the local climate" for locating new electrical manufacturing industries in

cities which have been the victims of rigged bidding. In some instances the information has been "leaked" to landowners who, being naturally eager to provide sites for new industry, actively sought commitments from local authorities that they would not sue the conspirators.

"(2) Numerous memoranda have been furnished the task force members and officials of many cities telling them:

- (a) That they should not sue.
- (b) That the City Council has the power and discretion to and should prevent suits from being brought.
- (c) That representatives of the companies will come around and make everything right with the city.
- (d) That even if suits are filed in the "guilty" plea cases the city can't win.
- (e) That the city has in fact suffered no damage.

"The last mentioned device is the one which has been employed in Austin. A representative of the companies came to Austin and personally delivered an expensive and elaborate brochure entitled: "Prices and Values In the Electrical Industry". This brochure alludes to the "fruitful partnership" between the electric utilities and electrical manufacturers. Its thesis never approaches the ethical and legal obligations of "partners" to NOT enter into secret conspiracies through which the conspiring partner will be enriched at the expense of the innocent partner. Instead, by beautiful and elaborate graphs and arguments it is contended that no matter what you paid for electrical equipment, the economic returns from having bought modern equipment were so much greater than the returns would have been if the electrical companies had sold you primitive equipment that you are very fortunate. The author of the brochure leaves the inference that since the use of electricity has increased 400% in the past 20 years the electrical equipment manufacturers are to be praised for having raised construction costs only 180%. Of course the brochure is absolutely devoid of any evidence of what the "prices" would have been in an unriggered market. The one basic concept of all civilized societies which the brochure violates is this: That one is entitled to enjoy the benefits of any "value" which he has lawfully obtained. If the city lawfully obtained the value of equipment it bought, the city is entitled to the fruits of that value. If the companies had lawfully obtained the money the city paid them they would have been entitled to keep it. But if the theory of the conspirators in "Prices and Values in the Electrical Industry" were carried forward to its logical conclusion, then the city would still owe the conspirators a large amount of money for the "value" of the equipment we bought where the bids were rigged against the city.

"Ethical lawyers would not engage in the use of such misleading misrepresentations aimed at "brain-washing" an adverse party concerning the truth of his rights in a matter. This may explain why attorneys for the conspirators have not engaged in making the actual ~~contacts~~ in the brain-washing campaign. Incidentally, the ~~contacts~~ have been made habitually without the prior knowledge of the municipal attorney involved.

"The experts which have been employed by the task force of municipal attorneys have now compiled sufficient evidence to conclude that the unlawful increases in prices resulting from the conspiracy amount to from 20% to 40% above normal prices.

"We have now been informed by the Chairman of the task force of municipal attorneys that \$13,618,625.00 of purchases by the City of Austin come within the guilty or nolo contendere pleas in the cases of convictions in Federal Court in Philadelphia or the conspiracies uncovered in those cases. If this is true then the city has been damaged between \$2,723,725 and \$5,447,450.00, and under the Clayton act would be entitled to recover between \$8,172,175 and \$16,342,350, plus costs of suit and attorney's fees.

"Of course the task of perfecting the city's claim under this nation-wide conspiracy would be most difficult without the combined efforts of the victims of the conspiracy, and without highly specialized and expert engineers and economists comparable to those who have been for years employed by the conspirators. In order to meet this cost of gathering and preparing evidence in connection with the cases the task force has suggested a formula for advancing costs which combines (1) amounts of purchases and (2) population of the city. Some small cities made large purchases while some large cities made relatively small purchases. The formula is very beneficial to Austin at this time, but the task force suggests that if additional funds are needed an adjustment would be recommended for those with more than \$7,000,000 of purchases within the conspiracy regardless of the size of the city. This seems altogether fair. At present, the formula is as follows:

"(a) Total purchases within the conspiracy:

Under \$500,000	--	\$1,000
\$500,000 to 1,000,000	--	2,000
1,000,000 to 2,000,000	--	3,000
Over \$2,000,000	--	4,000 plus

"(b) 10 mills per person resident of each city (1960) census

"Upon the basis of this formula, the amount of costs which Austin would advance would be \$5865.45. Detailed and accurate records of all work performed and all expenses incurred must be maintained so that these costs as well as our local costs can be proved up in court. Any part of the funds advanced which are not required to be used will be returned to the participating cities pro rata upon the basis of the same formula.

"The costs of employing legal counsel will also be recoverable from the conspirators. The proper handling of this case, alone, will require the full-time services of a staff of several lawyers over a period of several years. Our regular legal staff could not possibly do the work which it is already obligated to do and also handle this case. This is a highly complex field of law, and although additional attorneys added to our regular staff could probably handle the case, there are several reasons why it would be preferable to employ experienced outside legal counsel to do so.

"In any event it is my recommendation that we proceed with all deliberate speed to perfect the city's claim. Our failure to proceed without delay will be exactly like not protecting the city's rights because limitations may expire from day to day on purchases which were within the conspiracy. Other serious impairments of the city's rights will also be likely to result from delays in perfecting our claim.

"Recommendations:

"1. That the sum of \$5,865.45 be advanced to the National Institute of Municipal Law Officers Task Force for the purposes and upon the conditions enumerated above.

"2. That the City Manager be requested to submit for the City Council's approval the name or names of legal counsel recommended by him to assist the City Attorney in perfecting the city's claim against the conspirators.

"s/ Doren R. Eskew
Doren R. Eskew
City Attorney"

CITY TASK FORCE ON BID-RIGGING DAMAGES
Room 400, Hill Building
Washington 6, D.C.

"July 13, 1961

"Mr. Doren R. Eskew
City Attorney
City Hall
Austin, Texas

"Dear Doren:

"The experts hired by the Task Force, Van Scoyoc & Wiskup, have gone over the data sent in by you and have determined that \$13,618,625 comes within either the guilty or nolo contendere pleas in Philadelphia, or the conspiracies uncovered in these cases some of which originated as far back as 1951.

"The new project's staff will assist by: (1) furnishing a suggested form of complaint to each participating city and working with local counsel in filling in local facts and figures so that proper allegations will be made, (2) recommending where the complaint should be filed, and (3) developing proof useable in the cases of all participants through the taking of depositions, etc., on the nature, extent and time period of the conspiracy, and the elements and extent of the damages inflicted. They will employ and work with economic, price and other experts to uncover and make useable in support of the claims sufficient expert testimony to support a maximum recovery. The national staff will brief and argue test issues and try test cases in cooperation with local counsel.

"The aim generally will be to give all participants the full advantage of everything created or developed in any individual case by concentrated attention to every development, and to disseminate promptly information regarding actions taken by defendants and by courts in pending cases. Recommendations will be made from time to time for such case consolidation and emphasis upon test issues and cases as seems desirable. No exact delineations of or limitations upon the function of the national staff will be made at this time as the aim is to be of maximum assistance to each participating city. As further matters of interest develop you will be kept informed.

"We would like to move forward as quickly as possible and would, therefore, appreciate word from you on whether your City wishes to participate in this Task Force project.

"Sincerely,
s/ John
John C. Melaniphy
Chairman"

The City Manager reviewed the investigations made nation-wide, and the conference held by the National Institute of Law Officers, the purpose of which conference being how to determine how the cities should go about the matter of presenting claims for any damages resulting in conspiracy on bidding if it could be proven. It was determined by this conference that the best way for the cities to proceed was by the establishment of a National Institute of Municipal Law Officers Task Force to develop the evidence needed to determine the amount of damage and whether or not conspiracy took place. A preliminary investigation was made and it was determined some of the purchases made by the City were subject to the conspiracy; and as a result the city did get prices that were affected by the conspiracy. He stated the effect of the damages will still have to be worked out. It was thought there were purchases totalling \$13,000,000 that were affected by this conspiracy bidding. In order to go on with this, each of the cities who is interested in further investigation of the matter, will pay to this task force a sum of money which will be used in development of the evidence in all the Cities who participate. A plan of determining the amount each city should pay has been decided by a formula involving population and the amounts of bids involved. Austin would pay \$4,000 plus 10 mills per person, which would be \$5,865.45. He stated the City Attorney who attended the conference in Washington last year, recommends that Austin join the group. He listed the attorneys on the Task Force. Councilman Armstrong stated this should be the No. 1 pursuit. Councilman Armstrong moved that this be made the No. 1 pursuit, and that the contribution be made to this particular fund. The motion, seconded by Councilman Perry, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, White, Mayor Palmer

Noes: None

Not in Council Room when roll was called: Councilman Shanks

The City Manager stated he had an emergency purchase, explaining bids on four net-work transformers had been taken, and listing the amounts of the four bidders, and recommending that the bids be rejected; but pointing out one of these transformers was needed right away. He explained the urgent need for the one transformer. Councilman Perry moved that these bids be rejected and bids be taken again, and that the City Manager be authorized to purchase one transformer on the open market from WALTER TIPS. The motion, seconded by Councilman White, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, White, Mayor Palmer

Noes: None

Not in Council Room when roll was called: Councilman Shanks

The City Manager made inquiry of the Council as to the pay of the Board of Equalization. Councilman Perry moved that the payment of \$3.00 per hour for the Board of Equalization members be authorized. The motion, seconded by Councilman White, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer

Noes: None

The Director of Public Works announced there was 90.3% collection on the voluntary resurfacing program. He made inquiry about three checks received on this program. It was decided that these checks be accepted.

The Council went over the list of Election Judges and Clerks for the September 16th Election noting changes which occurred since the Council agreed on the officials the week before.

Mayor Palmer introduced the following ordinance:

AN ORDINANCE APPOINTING ELECTION JUDGES AND CLERKS TO SERVE AT THE VARIOUS POLLING PLACES IN THE VARIOUS ELECTIONS TO BE HELD IN THE CITY OF AUSTIN DURING THE TERM OF TWO YEARS; REPEALING ALL ORDINANCES OR PARTS OF ORDINANCES IN CONFLICT HEREWITH; AND DECLARING AN EMERGENCY.

The ordinance was read the first time and Councilman Perry moved that the rule be suspended and the ordinance passed to its second reading. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

The ordinance was read the second time and Councilman Perry moved that the rule be suspended and the ordinance passed to its third reading. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

The ordinance was read the third time and Councilman Perry moved that the ordinance be finally passed. The motion, seconded by Councilman Armstrong, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

The Mayor announced that the ordinance had been finally passed.

The City Manager stated there was some work that had to be done in connection with the Berkman Tract before it is advertised for sale. He read the recommendation from the Planning Commission listing items the City should do and those the developer should do, as follows:

"Sept. 9, 1961

"To: Mr. W. T. Williams, Jr., City Manager Subject: An Analysis of Arrangements and City Participation in the Development of the Berkman Tract

"If and when the Berkman Tract is subdivided and developed, the City will be involved in the development of boundary streets, two bridges, and possibly other items beyond the usual subdivision participation. The following is a listing of

these unique problems and estimates of costs.

"1. DEVELOPMENT OF DEDICATED STREET RUNNING APPROXIMATELY 125 FEET WEST FROM WATERBROOK STREET INTO TRACT.

Solution: City require developer of property to develop this section of street. This was left undeveloped in adjacent subdivision because decision on use of Berkman Tract had not been made.
Estimated cost: \$1,000

Alternative: City assess two abutting property owners on corner lot basis and participate in normal assessment program.

"2. DRAINAGE DITCH FROM ROGGE LANE TO WESTMINSTER DRIVE

Solution: City require developer to straighten and rechannel creek without City participation. Estimated cost: \$2,400

"3. CULVERT ACROSS DRAINAGE DITCH

Solution: City require developer to build culvert without City participation. Estimated cost: \$6,000

Alternative: The City has participated in some instances on culverts on collector streets. This would be a limited collector street serving the subdivision, the park, and the school. If this policy were followed, the City would probably bear about 25% of the cost (\$1,500).

"4. DEVELOPMENT OF STREET A BETWEEN PARK AND PRIVATE DEVELOPMENT (40' paving)

(With lots backing to Street A)

Solution: Developer assume $\frac{1}{2}$ the cost of development of 30 foot street and City pay for additional ($\frac{1}{2}$ cost of 30 foot street plus 10 feet to make 40 foot street) (City: \$3,900) (Developer: \$2,600)

Alternative: City pay entire cost of development of 40 foot street. This is justified on the basis that the street is principally for the park. Cost: \$6,500

(With lots siding on Street A)

Solution: Developer pay $\frac{1}{2}$ cost of development of 40 foot street. (City: \$3,250) (Developer: \$3,250)

Alternative: Developer pay $\frac{1}{2}$ cost of development of 30 foot street and City pay for $\frac{1}{2}$ cost of 30 foot street plus additional 10 feet. (City: \$3,000) (Developer: \$2,000)

"5. DEVELOPMENT OF STREET B BETWEEN PARK AND PRIVATE DEVELOPMENT (30' paving)

Solution: Developer pay $\frac{1}{2}$ cost and City $\frac{1}{2}$ cost.

Alternative: City pay entire street development cost.

"6. DEVELOPMENT OF BRIDGE ON STREET B ACROSS TANNEHILL BRANCH

Solution: City pay $\frac{1}{2}$ cost of development of low water structure plus additional cost of developing bridge. Estimated total cost: \$10,000 (City: \$7,500) (Developer: \$2,500)

Alternative: City pay entire cost.

"7. DEVELOPMENT OF NEW EAST 51st STREET (44' thoroughfare street)

Solution: City pay entire cost of street development. Estimated cost for portion abutting subdivision: \$3,300

Alternative: If subdivider faces or sides lots on East 51st St., should pay $\frac{1}{2}$ the cost of a 30 foot street with City paying remainder. (City: \$2,100) (Developer: \$1,200)

"8. NEW EAST 51st STREET BRIDGE

Solution: City pay entire cost of bridge development (\$70,000). The bridge should be built when the southeast section of the tract is developed and if further development east of the creek occurs - probably by 1963.

"9. DEVELOPMENT OF NEW SEWER LINE THROUGH NORTH PORTION OF TRACT

There is an existing sewer line running from Rogge Lane to Westminster. This line will have to be abandoned in order to have proper lotting.

Solution: Developer pay entire cost of development of new sewer line without refund. Estimated cost: \$5,200.

Alternative: Developer be allowed normal refund on line.

"10. SALE OF 3 ACRE TRACT TO PUBLIC SCHOOLS

Solution: City should sell directly to schools at a negotiated price. This is a premium site in that streets are developed, it is across the street from good residential development, and is relatively high ground.

"11. ESTABLISHMENT OF PROPERTY LINE BETWEEN PARK AND TRACT

It is suggested that the division line between the park and the tract follow along the north side of the park road (Street A) off Berkman Drive until the road turns northeast, then it should follow the centerline of the street around the park."

The Mayor stated in order to give an intelligent vote on this, the Council should go over the recommendations, and he asked that this be put on the agenda for the next week.

MAYOR PALMER stated the Council was ready to appoint some members on the Town Lake Study Committee, and get the committee started. Councilman White moved that the following be appointed:

Chamber of Commerce:

MR. ED St. JOHN
MR. THOMAS PERKINS

Recreation Board:

MRS. FAGAN DICKSON
DR. D. K. BRACE

The motion, seconded by Councilman Perry, carried by the following vote:
Ayes: Councilman Armstrong, Perry, Shanks, White, Mayor Palmer
Noes: None

MAYOR PALMER stated Mr. Ed Bluestein, Texas Highway Department, had answered an inquiry from him regarding the benefits that might accrue to the City and/or to the Texas Highway Department if an Origin and Destination Survey were conducted in the Austin area, and attaching a letter from the Planning Survey Engineer listing the main benefits of the program. Mr. Bluestein stated the Highway Department did not initiate these studies nor solicit the work, and estimated the cost would be on a 50-50 pattern. He stated when the City became interested, all that would be necessary would be for the City Manager to be instructed to request the study, and participate in the cost, and that the request would then be forwarded to the Central Office for further processing and possible Highway Commission action. Mayor Palmer asked that this matter be deferred for further study.

MAYOR PALMER read an invitation to the ribbon-cutting for the new State Farm Insurance Office Building, Wednesday, September 20th, at 11:00 A. M.

MAYOR PALMER read a letter from MAJOR GENERAL HARLEY B. WEST, Headquarters 49th Armored Division, asking for assistance in notifying the men with military experience in the Austin community that the 49th Armored Division would like to discuss their qualifications; and if they are accepted, they would train with their friends and remain a part of their home town unit, and receive a full days pay for every scheduled drill they attend.

A letter was read stating personnel would be furnished from each district throughout the country to teach others in the district on conducting shelter surveys for Civil Defense. It was stated in the letter that the first step would be to select an architectural firm. The support of the community and cooperation of the Civil Defense Organization was requested. Mayor Palmer stated the Council would lend every assistance it could. The City Manager stated he was notified a few weeks ago to call off the shelter survey that was being made because there would be a reorganization of the whole thing, and this letter is a follow-up on that reorganization. He said all that was necessary was to write that the survey had already been begun, and see if they wanted to continue with the architect selected, or if they want to start all over.

The Council accepted the withdrawal of the following zoning application:

MRS. ALICE B. HOLMES

Leon & West 24th Street
(2307-09) (1021-1025)

From "O" Office
To "LR" Local Retail
NOT Recommended by the
Planning Commission

The Council appointed MRS. WALTER BREMOND, 1202 Belmont Parkway, to the Civil Defense Committee.

The Council had before it bids for 12 months contract for gasoline, oils, greases, diesel fuel, naptha and kerosene, as follows:

"Sealed Bids opened 2:00 P.M. Sept. 12, 1961
Tabulated by O. G. Brush, Purchasing Agent

"City of Austin Bids on Gasolene - Oils - Greases - Diesel Oil - etc.

	Continental Oil Co.	Mobil Oil Co.	Humble Oil & Ref. Co.	Sinclair Ref.Co.	Market Price date of Bid	Low Bids Sept.19, 1960
GASOLENE						
Regular						
transport	.1175	.1045	.1069	NoBid	.1075	.1084
Tankwagon	.1475	.1325	.1390	.1340	.1740	.14
Premium						
transport	.1775	.1260	.1294	No Bid	.1225	.1343
Less cash discount	1% transpt	1% transpt	1% transpt	net		1% transpt
Net total Gasolene	\$139,256.62 escalation	<u>118,834.27</u> escalation	121,726.63 Prices Firm	- escula- tion		123,900.00 Mobil escalation
LUBE OILS						
SAE 10	.56	.42	.39	.40		.38
20	.56	.42	.39	.40		.38
30	.56	.42	.39	.40		.38
40	.56	.42	.39	.40		.38
50	.56	.42	.39	.40		.38
Type A Auto Trans.Oil	1.19 $\frac{1}{2}$	.80	.85	.92		.95
Mineral Oil base 2 cy. engines	.49	.38	.295	.36		.295
Multipurpose Oil						
135# drum	.16	.125	.13	.135		.13
100# drum	.14 $\frac{1}{2}$	.11	.11	.12		.11
400# drum	.13	.10	.10	.09		.10
MISC'L GREASES						
35# pail	.20 $\frac{1}{2}$	.145	.18	.155		.18
100# drum	.19	.135	.16	.14		.16
400# drum	.17 $\frac{1}{2}$	.12	.15	.125		.15

CUP GREASE						
35# pail	.15 1/4	.12	.11	.12		.11
100# drum	.13 3/4	.11	.09	.10		.09
Less Cash discount 1% 1% 1% 1% 1%						
Net total Oil & Greases	\$10,704.85	7,975.34	<u>7,701.56</u>	7,782.09	Net	7,707.60
					Total is low bid	
DIESEL FUEL	.1225	.1064	.1075	<u>.1030</u>	5,768.00	.1030
	net	net	net	net	Sinclair	
NAPHTHA						
55 gal drums.	.3479	<u>.1625</u>	.185	.185	812.50	.1647
	net	net	net	net	Mobil	
KEROSENE	.13	.12512	<u>.1175</u>	.118	5,640.00	.114
	net	net	net	net	Humble	
			Humble			
			Prices			
			Firm "			

"September 14, 1961

"TO: Honorable Mayor and City Council

"REFERENCE: Bids for 12 months contract for Gasolene, Oils, Greases, Diesel Fuel, Naptha and Kerosene.

"Subject bids were advertised in the local paper for two consecutive weeks prior to opening date. Bids were sent to the following:

Mobil Oil Company
 Texaco Company
 Gulf Oil Company
 Continental Oil Company
 Humble Oil Company
 Sinclair Refining Company

"Bids were received from all except Gulf Oil Company and Texaco.

"These companies did not bid due to their main office for this area being in Houston, and the personnel were not available to give bid prices to the local offices.

"We were not notified until just prior to the opening by Gulf and not until Sept. 14th by Texaco the reasons for not submitting bids. This was too late to get out an addendum extending the date. It was the opinion of the City Attorney that the bids should be opened as advertised.

"Sinclair Refining Company failed to include in their bid the prices for Regular Gasolene in transport deliveries and for Premium Gasolene, but air mailed these prices later which were received after the bids were opened and read, and therefore not opened by the City, as they could not be acceptable. Informally in conversation with the Sinclair representative, it was determined that Sinclair

would not have been low.

"Gasolene prices this year are lower. Mobil Oil Company is low bid with escalated prices based on posted market prices on date of sale less the same discount as noted on bid for the present market price. These are:

Regular Gasolene transport delivery this bid	\$.1045 gal. less 1% 10 days
1960 low bid	\$.1084 gal. less 1% 10 days
Regular gasolene, tank wagon delivery this bid	\$.1325 gal. net
In 1960 low bid	\$.1343 gal. net
Premium gasolene, transport delivery this bid	\$.1260 gal. less 1% 10 days
Low bid 1960	\$.1343 gal. less 1%

The Humble Company this year bid firm prices for all gasolene for the twelve months period at prices lower than low escalated prices bid last year - these are

Regular Gasolene - transport	\$.1069 gal. 1%
Tank Wagon	\$.1390 gal. Net.
Premium gasolene - transport	\$.1294 gal. less 1% 10 days.

The net difference in the total bids for all gasolene between the low bid of Mobil Oil based on escalation and the firm price of Humble is \$2,892.00. If the price of Mobil was increased by one cent, then Humble would be \$8,089.00 under the bid of Mobil Oil. If the market price be increased by 1/2 cent the firm bid of Humble would be \$2,598.00 under that of Mobil Oil. This could be very probable since gasolene in the fall is at a low point due to manufacture of Fuel oil, thus giving a surplus of gasolene and also due to the slackening of tourist travel. Then too if mobilization plans cause a shortage of gasolene, the prices might tend to rise.

"It is recommended that the City accept the firm bid of Humble Oil Company as the best bid for all gasolene.

"For the other products on this bid it is recommended that low bidders be awarded contracts as follows:

Diesel Fuel - - - - - Sinclair Ref. Co.	Naptha (Bulk Solvent) - - Mobil Oil Co.
Kerosene - - - - - Humble Oil Co.	Oils & Greases - - - - Humble Oil Co.

W. T. Williams, Jr. City Manager"

Discussion was held on the escalation clause in Mobile's bid and the firm bid of Humble Oil Company. After discussion, Councilman Armstrong offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, bids were received by the City of Austin on September 12, 1961, for the furnishing of gasoline, oils, greases, diesel fuel, naptha (bulk solvent) and kerosene, for a period of twelve months beginning October 1, 1961, and ending September 30, 1962; and,

WHEREAS, the bids of Humble Oil and Refining Company for the furnishing of gasoline, oils and greases, and kerosene, for said period, were the lowest and best bids therefor; and,

WHEREAS, the bid of Sinclair Refining Company for the furnishing of diesel fuel, for said period, was the lowest and best bid therefor; and,

WHEREAS, the bid of Mobil Oil Company for the furnishing of naptha (bulk solvent), for said period, was the lowest and best bid therefore;

WHEREAS, the acceptance of such bids has been recommended by the Purchasing Agent of the City of Austin, and by the City Manager; Now, Therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the bids of Humble Oil and Refining Company for the furnishing of gasoline, oils and greases, and kerosene, and the bid of Sinclair Refining Company for the furnishing of diesel fuel, and the bid of Mobil Oil Company for the furnishing of maptha (bulk solvent), for a period of twelve months, beginning October 1, 1961 and ending September 30, 1962, be and the same are hereby accepted and W. T. Williams, Jr., City Manager of the City of Austin, be and he is hereby authorized to execute contracts, on behalf of the City, with said companies.

The motion, seconded by Councilman Perry, carried by the following vote:

Ayes: Councilmen Armstrong, Perry, Shanks, White, Mayor Palmer

Noes: None

There being no further business, the Council adjourned at 6:40 P.M., subject to the call of the Mayor.

APPROVED

Lawton E. Palmer
Mayor

ATTEST:

Elvis Mosley
City Clerk

NOTICE OF SPECIAL MEETING

TO THE MEMBERS OF THE CITY COUNCIL OF THE CITY OF AUSTIN:

Notice is hereby given that a Special Meeting of the City Council of the City of Austin will be held on the 18th day of September at the Municipal Building, Eighth and Colorado, in Austin, Texas, at 10:00 A.M. for the purpose of canvassing the returns of the Special Election held on September 16, 1961.

s/ Elsie Woosley
City Clerk

s/ Lester E. Palmer
Mayor
City of Austin, Texas

ATTEST:

s/ Elsie Woosley
City Clerk

CONSENT TO MEETING

We, the undersigned members of the City Council, hereby accept service of the foregoing notice, waiving any and all irregularities in such service and such notice, and consent and agree that said City Council shall meet at the time and place therein named, and for the purpose therein stated.

s/ Edgar Perry

s/ Louis Shanks

s/ Ben White