

## MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

December 11, 1958  
10:00 A.M.

Council Chamber, City Hall

The meeting was called to order with Mayor Miller presiding.

## Roll call:

Present: Councilmen Long, Palmer, Pearson, White, Mayor Miller

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, Assistant Chief of Police.

Invocation was delivered by REV. EDWIN SCHAEFER, Evangelical and Reformed Church, 5800 Cameron Road.

Mayor Miller introduced the following ordinance:

AN ORDINANCE RECEIVING AND ACCEPTING THE WORK OF IMPROVING CASWELL AVENUE AND SUNDRY OTHER STREETS IN THE CITY OF AUSTIN, TEXAS, WITHIN THE LIMITS HEREBELOW DEFINED, PERFORMED BY GIESEN & LATSON CONSTRUCTION COMPANY, AUTHORIZING AND DIRECTING THE ISSUANCE OF SPECIAL ASSESSMENT CERTIFICATES IN CONNECTION THEREWITH; DECLARING AN EMERGENCY, AND PROVIDING THAT THIS ORDINANCE SHALL BECOME EFFECTIVE IMMEDIATELY UPON ITS PASSAGE.

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

Ayes: Councilmen Long, Palmer, Pearson, White, Mayor Miller

Noes: None

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

Ayes: Councilmen Long, Palmer, Pearson, White, Mayor Miller

Noes: None

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

Ayes: Councilmen Long, Palmer, Pearson, White, Mayor Miller  
Noes: None

The Mayor announced that the ordinance had been finally passed.

The City Manager submitted the following:

"December 5, 1958

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

"Contract No. 60 - Bid Evaluation  
Boiler & Turbo-Generator Controls  
Holly Sreet Power Station-Unit #1

"Bids for Boiler and Turbo Generator Controls, Contract No. 60; were received and opened at 10:00 A.M. November 25, 1958, results are tabulated below:

ITEMS	BAILEY METER	HAGAN	REPUBLIC FLOW METER	WESTING- HOUSE	IT&T
1. Boiler Controls	\$84,658.50	\$81,763.00	\$83,513.00	No Bid	No Bid
2. Line Controls	No Bid	\$28,787.00	\$27,100.00	\$27,100.00	No Bid
3. Television	\$7,800.00	\$4,111.00	\$ 3,990.00	No Bid	\$3,750.00
Escalation	Firm	Firm	Firm		Indef
TOTAL BID PRICE		\$114,661.00	\$114,603.00		

Only two firms submitted bids for all three items. Inasmuch as the three items are correlated with each other in style, design, performance and finish it is highly desirable that the responsibility be fixed for the three bid items in one contractor, therefore, we concur with the recommendation of Mr. M. N. Higgins, Chief Power Engineer, Brown & Root, Inc., our Consulting Engineers, that the contract be awarded for all three items to the low bidder, Republic Flow Meter Company, for the lump sum of \$114,603.00.

"D.C. Kinney, Director Elec.Utility  
(Sgd) D.C.K.

"APPROVED:

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

Councilman White offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, bids were received by the City of Austin on November 25, 1958,

for the furnishing of boiler and turbo generator controls, Contract No. 60, for the Holly Street Power Station, Unit No. 1; and,

WHEREAS, the bid of Republic Flow Meter Company in the sum of \$114,603.00 was the lowest and best bid therefor, and the acceptance of such bid has been recommended by Brown & Root, Inc., Consulting Engineers, by the Director of Electric Utility 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 Republic Flow Meter Company in the total sum of \$114,603.00 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 Republic Flow Meter Company.

The motion, seconded by Councilman Pearson, carried by the following vote:  
Ayes: Councilmen Long, Palmer, Pearson, White, Mayor Miller  
Noes: None

Mayor Miller 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 1.38 ACRES OF LAND, SAME BEING OUT OF AND A PART OF THE JAMES P. WALLACE SURVEY NO. 57, 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 White moved that the ordinance be finally passed. The motion, seconded by Councilman Pearson, carried by the following vote:

Ayes: Councilmen Long, Palmer, Pearson, White, Mayor Miller  
Noes: None

The Mayor announced that the ordinance had been finally passed.

Mayor Miller 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 9.57 ACRES OF LAND, SAME BEING OUT OF AND A PART OF THE ISAAC DECKER LEAGUE 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 White moved that the ordinance be finally passed. The motion, seconded by Councilman Pearson, carried by the following vote:

Ayes: Councilmen Long, Palmer, Pearson, White, Mayor Miller  
Noes: None

The Mayor announced that the ordinance had been finally passed.

The City Manager stated he had inquiries whether or not the lake was going to be lowered. The Mayor stated that the Council would decide on a time for lowering it on the following week, December 18th.

The City Manager reported on the contract for the concessions at the Auditorium, stated that MR. EDDIE JOSEPH had made some suggestions and that the contract was ready for the Council to look into at any time it could.

The City Manager had a report on the annexing of property along the southern part of the Interregional Highway. The Director of Public Works displayed a map showing the area, and gave the estimated costs of lighting the Highway from Oltorf to 1st Street, and from the proposed city limits to Oltorf. Mayor Miller suggested taking 150' on each side of the Highway. He suggested also talking to St. Edwards University to see how annexing it would affect the City. Councilman Long moved that the ordinance be prepared for next week, and go into the contract with the Highway Department to get the lighting started. The motion, seconded by Councilman Pearson, carried by the following vote:

Ayes: Councilmen Long, Palmer, Pearson, White, Mayor Miller  
Noes: None

Pursuant to published notice thereof the following zoning applications were publicly heard:

LESTER WILLIAMS                      1304 Koenig Lane  
By W.H. Bullard, Atty.

From "LR" Local Retail  
To "C-1" Commercial  
RECOMMENDED by the  
Planning Commission

The Mayor asked those who wished to grant the change to "C-1" Commercial to vote "aye"; those opposed to vote "no"; Roll call showed the following vote:

Ayes: Councilmen Long, Palmer, Pearson, White, Mayor Miller  
Noes: None

The Mayor announced that the change had been granted to "C-1" Commercial and the City Attorney was instructed to draw the necessary ordinance.

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VIVIAN L. NELSON,                      1006-1010 West 39½ Street  
MRS. ESSIE LAMBERT,                      3913-3919 Alice Ave.  
ALVIS & CARSSOW

From "A" Residence  
To "CR" Commercial  
NOT Recommended  
RECOMMENDED "LR" Local  
Retail by the Planning  
Commission

The Mayor asked those who wished to grant the change to "LR" Local Retail

to vote "aye"; those opposed to vote "no". Roll call showed the following vote:

Ayes: Councilmen Long, Palmer, Pearson, White, Mayor Miller  
Noes: None

The Mayor announced that the change had been granted to "IR" Local Retail and the City Attorney was instructed to draw the necessary ordinance.

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TEXAS TRUST COMPANY	7901-8015 No. Lamar Blvd.	From "A" Residence 1st
By Metcalf Engineering	600-730 Anderson Lane	& "C" Commercial 6th
Company		To "C" Commercial 1st
		Height and Area

Rear of 7939-8011 No. Lamar	From "A" Residence
624-648 Anderson Lane	To "C-1" Commercial

Rear of 8005 No. Lamar Blvd.	From "A" Residence
636 Anderson Lane	To "C-2" Commercial
	RECOMMENDED by the
	Planning Commission

MR. ROBT. SNEED represented the applicants, outlining what they proposed and stating that they had filed a letter (dated October 13, 1958, and signed by Fritz K. Krust, President, Texas Trust Company) pertaining to the right-of-way of Anderson Lane from Highway 81 east for approximately 1079'. The Director of Planning stated that the Planning Commission had recommended that 50' of the east strip of the property (part of Tract 1) be zoned "GR". The Mayor asked Mr. Sneed if this were satisfactory, and Mr. Sneed stated it was. Councilman Palmer moved that the zoning change be granted. The motion, seconded by Councilman Long, carried by the following vote: A

Ayes: Councilmen Long, Palmer, Pearson, White, Mayor Miller  
Noes: None

The Mayor announced that the change had been granted and the City Attorney was instructed to draw the necessary ordinance.

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F. O. CULLEN	2821-2825 Manchaca Road	From "A" Residence
		To "C" Commercial
		RECOMMENDED by the
		Planning Commission

Mrs. W. Newman objected to the change, as the buildings would be next to her property. MRS. WEBER, Travis Association for the Blind, stated the building would front on Manchaca Road and not Del Curto Road. The Council deferred action.

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STUART WATT &  
R. W. PETTWAY

5003 Airport Blvd.

From "C-1" Commercial  
To "C-2" Commercial  
RECOMMENDED by the  
Planning Commission

Opposition was expressed by George W. Campbell, as a package store would draw a different crowd than the grocery store would, and it was too close to a school. The Council deferred action.

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FRANK HERNANDEZ

1510-12 Holly Street  
60 Comal Street

From "C" Commercial  
To "C-1" Commercial  
NOT Recommended by the  
Planning Commission

Mr. Cisneros represented Mr. Hernandez, stating it was desired to sell beer to go at this grocery store. Objections were expressed by MR. LOUIS M. WAYNANDT, property owner at 68A Comal. The Council deferred action.

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BUAAS BROS.  
By R. A. Fuentes

2001-03 East 1st St.  
99-99½ Lynn Street

From "C" Commercial  
To "C-1" Commercial  
RECOMMENDED by the  
Planning Commission

Mr. Buaas represented himself, stating the only way the lessee could make a go of the place was to sell beer. Objections were made by MRS. HIGHTOWER, as there were no parking spaces. The Council deferred action.

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W. A. STAFFORD

1123½ Gunter Street

From "A" Residence  
To "C" Commercial  
~~NOT Recommended~~ by the  
Planning Commission  
RECOMMENDED "LR" Local  
Retail

Mr. Stafford represented himself, and agreed to "LR" Local Retail zoning. He wanted to use his property for a trailer park. Opposition was expressed by MR. H. C. CULP and MRS. MAX L. KINGSLEY. The Council deferred action.

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ALBERT L. & ROSA  
NELL REITHER

915-17 W. Live Oak St.  
2105-07 So. 5th St.

From "A" Residence  
To "LR" Local Retail  
NOT Recommended by the  
Planning Commission

The Council deferred action.

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JOE SALAS

2600-02 East 7th Street

From "D" Industrial  
To "C-1" Commercial  
RECOMMENDED by the  
Planning Commission

No one appeared. The Council deferred action.

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NETTIE MAE HIGGINS

1701 Salina Street  
1800 East 17th Street

From "A" Residence  
To "O" Office  
NOT Recommended by the  
Planning Commission

The Council postponed action as no one appeared to be heard.

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MR. REESE appeared making inquiry about the concessions at Barton Springs. He was referred to Mr. Sheffield.

MISS DOLLY MAUDE BRYANT inquired about action on her tax appeals, and asked that no action be taken until she goes over the matter with her attorney, as there had been an oversight in her appraisals.

The Mayor announced that the tax appeals would be decided on next week.

The Assistant City Manager submitted a request from the Secretary of the Chamber of Commerce, Mr. Vic Mathias, for the views of the Council about the down-town business men's proposition of parking on the Butler Tract and working out something with the Transit Company for shuttlebus service. The Mayor stated the ideal arrangement would be for the merchants to rent some land somewhere and get the shuttle bus service; but at this time, with all that is on the Butler Tract, it could not be worked out. He suggested that any time the Chamber of Commerce wanted to meet with the Council with a proposition, the Council would be glad to hear them. Councilman Pearson suggested giving some serious consideration for parking down there for a while. The Mayor stated he would call Mr. Mathias and tell him that when they bring up a proposition, the Council would hear them.

The City Attorney submitted two requests to buy the property at West 29th and Lamar Boulevard. The City Manager stated he would not recommend the sale. The Mayor asked that all city property be marked with the shield of the City of Austin or some identification that such property is city property; also he asked that a list of all city property be gotten up. The Council informally agreed to have the City Manager tell these people inquiring about the property that the City is not now interested in selling it.

The Mayor asked that the recording machines be taken down, as they were not satisfactory.

The Council recessed at 12:30 P.M.

## RECESSED MEETING

2:30 P.M.

The Mayor announced that this meeting was called as a result of the Telephone Company's request for a rate adjustment. MR. ED CLARK introduced the officials from the Southwestern Bell Telephone Company. MR. ED GOSSETT introduced the five witnesses who were to testify, and who were given the oath by the City Attorney.

MR. TOM BROWN, Division Manager, discussed the telephone development in Austin listing a 73% increase in number of individual lines since 1953, showing \$6,853,000 net additions since 1952 for five years and an anticipated \$3,588,000 by 1959, and discussed the telephone business in general. His discussion covered taxes and payrolls. Councilman Long asked that the Company consider classifying the employees in the Austin office as Class 2. Mr. Brown replied that in January the bargaining would begin, and he felt sure this reclassification for Austin would be brought up. The City Attorney made inquiries about the separation of long distance and local telephones, about separation of duties of employees, and on taxes. Councilman Long asked if the 1953 forecast had been fairly accurate, and asked that the company submit that forecast, as she would like to see how it came out.

MR. FRANK JENULL explained and went into detail of the accounting procedures. A copy of the separations manuel was filed with the City Attorney. He stated that for 1957, 21% of the property in Austin was charged to long distance, and 35% of the expense was charged to long distance. Discussion was held on rates charged in the Austin Area, but outside of the corporate limits. Mr. Gossett was to submit information and maps on this.

MR. BEN BLANTON, Inventory and Cost Engineer, in arriving at his figure of "fair value" of \$19,730,000, submitted charts and explanations of "Original Cost of Property, Austin Exchange, December 31, 1957", "Trend in Costs", "Comparative Costs", "Current Cost New of Property, Austin Exchange, December 31, 1957", "Current Cost New of Property, Less Deterioration and Obsolescence, Austin Exchange, December 31, 1957", "Local Exchange Portion, Austin Exchange, December 31, 1957", "Elements of Value for Telephone Property Devoted to Local Telephone Operations", "Net Investment Expressed in Terms of Purchasing Power of To-day's Dollars", and "Fair Value".

MR. HENRY PERRY, Chief Supervising Accountant, went over the operating results for the year, 1957, filing charts on revenues, maintenance expenses, depreciation expenses, traffic, commercial, general office and other operating expenses, and on taxes, and other charts to substantiate a fair value of property devoted to Local telephone service of \$19,730,000, with an effective net income from local telephone service of \$636,086, and 3.22% return. Charts showing Net income of December 31, 1959, and Percent Return of December 31, 1959, were filed also.

Filed also was a Report on Special Examination of Accounts of Austin, Texas Exchange for the Year 1957, by Lybrand, Ross Bros. & Montgomery, Certified Public Accounts.

DR. RICHARD B. JOHNSON, Head of the Economics Department of Southern Methodist University spoke on fair rate of return, and cost of money, giving technical testimony.



MR. DAVID HALPENNY made inquiry if the Council would employ an independent expert to advise with it on the rates, and recommended that an expert be engaged. He compared long distance rates in Texas with those out of Texas, stating it cost more to call inside the state than out.

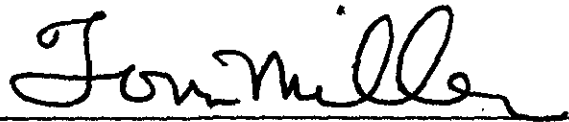
MR. C. T. JOHNSON stated the company was presenting only a portion of its financial statement, and that the company was not presenting a true picture to the people of Austin. He stated the advertising in the book was not included in their local revenue; that a portion of long distance was charged as expense, but no amount of income is given for long distance.

MR. LESLIE A. GINN spoke on statistics showing net income and amount of dividends paid. MR. BILL GAYNOR spoke on the classification of the telephone employees and the salary survey to arrive at certain payroll figures, and did not believe the survey included governmental employees for comparison. He asked that a study be made, as he did not feel that a proper evaluation had been made to bring the telephone employees' salaries in line.

Councilman Long asked that a report on Southwestern Bell Telephone Company, similar to the one Dr. Johnson submitted showing all the earnings of various companies doing business in Texas, be filed. Mayor Miller asked that the Company furnish a list of the different towns in which the 10¢ public telephones were installed, and a statement of the revenue derived.

There being no further business, the Council adjourned at 6:30 P.M., subject to the call of the Mayor.

APPROVED

  
Mayor

ATTEST:

  
City Clerk