



# Austin City Council MINUTES

WORKSESSION  
WEDNESDAY, DECEMBER 9, 1998

Mayor Watson called the meeting to order, Councilmembers Spelman, Griffith and Lewis temporarily absent.

1. Approval of Minutes for Regular Meetings of March 2 & 16, 1994 and November 6, 1998. Re-approval of minutes for meetings of February 1, May 11 and December 14, 1995; September 26 and November 20, 1996; April 10 and August 21, 1997; and August 12 and November 5, 1998.  
Pulled

## CITIZEN's COMMUNICATION: GENERAL

2. H. Navel Garcia, to discuss keeping Holly Power Plant open.  
Absent

## BRIEFINGS

3. DOWNTOWN SAFE AT ANY TIME PROGRAM  
Presentation given by Chief Stan Knee, Commander Brad Conners and Chief Bruce Mills.

## BOARD AND COMMISSION REPORTS

4. ELECTRIC UTILITY COMMISSION – Theresa Reel, Chair  
Presentation given by Teresa Reel.
5. RESOURCE MANAGEMENT COMMISSION – Peter Pfeiffer, Chair  
Presentation not given.

## CITY MANAGER REPORT

6. MONTHLY AUSTIN ENERGY MANAGEMENT REPORT

## READING OF CONSENT AGENDA

## READING OF DISCUSSION AGENDA

## CITIZEN's COMMUNICATION: CONSENT AGENDA

## ACTION ON CONSENT AGENDA

## PREVIEW OF ITEMS FOR NEXT COUNCIL MEETING

7. Review of Proposed Agenda Items from the City Manager for January 7, 1999.
8. Review of Proposed Agenda Items from Council for January 7, 1999.
9. Discuss and identify consent and discussion agenda items for the December 10, 1998 Council meeting agenda. (Agenda for December 10, 1998 is attached and incorporated by reference.)  
Items pulled for discussion: Item #'s 17, 27, 33, 34, 35, 36, 37, 38, 57, 58, 60, 68, 71 and 108.  
  
Items on consent: item #'s 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26, 28, 29, 30, 31, 32, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 59, 61, 62, 63, 64, 65, 66, 67, 69, 70, 72, 73, 106, 107, 109 and 110.
10. Set Time Certain, if necessary, for agenda items on the December 10, 1998 Agenda.

## ITEMS CONTINUED FROM PREVIOUS MEETINGS

11. Approve a resolution authorizing approval of the Articles of Incorporation and By-laws of the Austin-Bergstrom Landhost Enterprises Inc.; approving the purposes and activities of the Austin-Bergstrom Landhost Enterprises, Inc.; approving the appointment of the initial Board of Directors for the Austin-Bergstrom Landhost Enterprises, Inc.; approving the issuance of Airport Hotel Revenue Bonds and one or more series by the Austin-Bergstrom Landhost Enterprises, Inc., to finance the construction, renovation, and improvement of a hotel at Austin-Bergstrom International Airport; and agreeing to acquire the Austin-Bergstrom Landhost Enterprises, Inc.; interest in such airport hotel upon the retirement of all of such corporations obligations incurred in connection therewith; and approving certain amendments to the Facilities Lease. (This action creates a non-profit corporation, which will issue bonds to finance the construction of the hotel. The bonds will not be an obligation of the City.)  
Resolution No. 981209-11 approved on Councilmember Spelman's motion, Mayor Pro Tem Goodman's second, 7-0 vote.

## Austin Energy

12. Amend Ordinance Nos. 980914-A and 980915-A the 1998-99 Amended Operating Budget as follows:
- a) Planning, Environmental and Conservation Services Fund:
    - decrease funding sources from the Austin Energy Fund by \$3,157,218 and Southern Union Gas by \$264,507;
    - decrease transfers in from the Performance Contracting Fund by \$108,433;
    - decrease funding sources and transfers in for the Green Building Program from the General Fund by \$65,817, Drainage Utility Fund by \$19,817 and Water and Wastewater Utility by \$31,708;
    - decrease operating requirements by \$3,211,676;
    - decrease other requirements by \$435,824;
    - decrease full-time equivalents by 36 to transfer the Energy Services operations from the Planning, Environmental and Conservation Services Fund to Austin Energy.
  - b) Austin Energy Fund:
    - appropriate \$264,507 in revenue from Southern Union Gas;
    - appropriate \$19,817 of transfers in from the Drainage Utility, \$31,708 from the Water and Wastewater Utility, and \$65,817 from the General Fund for the Green Building Program;
    - appropriate \$108,433 of transfers in for administrative expenses from the Performance Contracting Fund;
    - appropriate \$3,647,500 in departmental conservation expense;
    - decrease energy conservation (PECSD) expenditures by \$3,542,326;
    - appropriate \$5,802 in Worker's Compensation requirements;
    - appropriate \$366,213 in transfers out to Infrastructure Support Services;
    - appropriate \$13,093 in accrued payroll; and
    - increase full time equivalents by 36 to transfer the Energy Services operations from the Planning, Environmental and Conservation Services Fund to Austin Energy.
  - c) Performance Contracting Fund:
    - decrease transfers out to the Planning, Environmental and Conservation Services Fund by \$108,433;
    - appropriate \$108,433 of transfers out to Austin Energy to cover the cost of departmental overhead.
  - d) Infrastructure Support Services Fund:
    - decrease revenue from Planning, Environmental and Conservation Services Fund by \$366,213
    - appropriate \$366,213 in revenue from Austin Energy to cover the cost of administrative support services.
  - e) Other Funds
    - Transfer cost of Green Building Program from PECSD to Austin Energy by decreasing the transfer to PECSD and increasing the transfer to Austin Energy by \$31,708 in the Water and Wastewater Utility Fund, \$19,817 in the Drainage Utility Fund, and \$65,817 in the General Fund.

(Funding in the amount of \$3,647,500 is available in the Planning, Environmental and Conservation Services Fund.) [Recommended by Electric Utility Commission]

**Approved with friendly amendments to bring back to Council ordinance which clearly states policies; to not go into competition with local contracts; to review business plan and see if plan is realistic; and to have a public hearing in February after an ordinance has been drafted on Councilmember Garcia's motion, Mayor Watson's second, 5-2 vote, Mayor Pro Tem Goodman and Councilmember Griffith "ABSTAINING".**

13. Approve a resolution authorizing execution of one year extension of water supply agreement with Lower Colorado River Authority for Austin Energy's share of cooling water at the Fayette Power Project, in the estimated amount of \$1,000,000. (Funding is available in the operating and maintenance budget of Austin Energy.) [Recommended by Electric Utility Commission]  
**Resolution No. 981209-13 approved on Councilmember Spelman's motion, Mayor Pro Tem Garcia's second, 7-0 vote.**

14. Approve a resolution authorizing execution of a construction contract with SOUTHWEST CONSTRUCTORS, INC., Austin, Texas, for the renovation of the third floor of Town Lake Center, located at 721 Barton Springs Road, as the new location for the Austin Energy Call Center, in the amount of \$1,158,000. (Funding was included in the 1998-99 Capital budget of Austin Energy.) 9.35% MBE, 6.21% WBE Subcontractor participation. (Recommended by Electric Utility Commission)  
**Resolution No. 981209-14 approved on Councilmember Garcia's motion, Councilmember Spelman's second, 6-0 vote, Councilmember Griffith out of the room.**

15. Approve a resolution authorizing renewal of an Interlocal Agreement with the Lower Colorado River Authority Concerning Electric Generation, Transmission, Control and Substation Facilities for a term of one year ending December 31, 1999, and year to year thereafter, in an amount not to exceed \$2,000,000 per year. (Funding was included in the 1998-99 Operating budget for Austin Energy. Funding for future budgets is contingent upon available funding in future budgets.) (Recommended by Electric Utility Commission)  
**Resolution No. 981209-15 approved with condition that information be sent to Council on Councilmember Garcia's motion, Mayor Pro Tem Goodman's second, 6-0 vote, Councilmember Griffith out of the room.**

16. Approve a resolution authorizing execution of a contract with LONGHORN PUMP & EQUIPMENT, San Antonio, Texas, for the rebundling of the closed feedwater heater #13 on Unit #1 at Decker Creek Power Plant, in the amount of \$74,640. (Funding was included in the 1998-99 Operating Budget of Austin Energy.) Single bid for rebundling/Low bid of five for retubing. No M/WBE Subcontracting opportunities were identified. Recommended by Electric Utility Commission)  
**Resolution No. 981209-16 approved**

17. Approve a resolution authorizing execution of a 36 month supply agreement with CENTEX MATERIALS, INC., Austin, Texas, for the purchase of ready-mix concrete for various construction and maintenance projects which includes, but is not limited to, encasement of electrical conduits, construction of pull boxes and transformer pads, sidewalk and driveway repair, in an amount not to

exceed \$159,950. (Funding in the amount of \$39,987 was included in the 1998-99 Operating Budget for Austin Energy; funding for the final 27 months of the contract will be contingent upon available funding in future budgets.) Low bid of two. No M/WBE Subcontracting opportunities were identified. (Recommended by Electric Utility Commission)

**Resolution No. 981209-17 approved**

18. Approve a resolution authorizing execution of a twelve month service agreement with CAPITOL ELEVATOR, Austin, Texas, for elevator repair and preventative maintenance of elevators at the Holly and Decker Power Plants, and the Kramer Lane and St. Elmo service center, in an amount not to exceed \$84,035, with four twelve month extension options in an amount not to exceed \$52,380 per extension, for a total amount not to exceed \$293,555. (Funding in the amount of \$70,940 was included in the 1998-99 Operating Budget for Austin Energy; funding for the final three months of the original contract and extension options will be contingent upon available funding in future budgets.) Low bid of two. No M/WBE Subcontracting opportunities were identified. (Recommended by Electric Utility Commission)

**Resolution No. 981209-18 approved**

19. Approve a resolution authorizing execution of a contract with POWER SUPPLY, INC., Austin, Texas, for the purchase of transformer bushings for the repair of substation transformers, in the amount of \$42,936. (Funding was included in the 1998-99 Operating Budget for Austin Energy.) Sole Source. No M/WBE Subcontracting opportunities were identified. (Recommended by Electric Utility Commission)

**Resolution No. 981209-19 approved**

**Items 16 through 19 approved on Councilmember Spelman's motion, Mayor Pro Tem Goodman's second, 7-0 vote.**

20. Approve a resolution concurring with the City Manager's effort to recruit a General Manager for Austin Energy through the use of an executive search firm. (Funding is available in the 1998-99 Operating Budget for Austin Energy.)

**Resolution No. 981209-20 approved with an amount not to exceed \$40,000 on Councilmember Lewis' motion, Mayor Pro Tem Goodman's second, 7-0 vote.**

### **Water and Wastewater**

21. Approve an ordinance authorizing the issuance by North Austin Municipal Utility District No. 1 of Unlimited Tax and Revenue Bond Series 1999, in an amount not to exceed \$3,350,000; approving the terms, conditions and covenants of the Bond Resolution, Notice of Sale, Bid Instructions, Form of Bid, and the Preliminary Official Statement. (No fiscal impact. The City is not obligated for payment on District bonds unless District is annexed and dissolved.) [Recommended by Water and Wastewater Commission]

**Ordinance No. 981209-A approved**

22. Approve execution of a construction contract with KEY ENTERPRISES, INC., Austin, Texas, for construction and installation of odor control units at four sites along the Govalle Tunnel for the

Govalle Tunnel Odor/Corrosion Control Improvement Project, in the amount of \$568,499. (Funding is available in the 1998-99 Amended Capital Budget of the Water and Wastewater Utility.) Low bid of five. 23.8% MBE, 8.4% WBE Subcontractor participation. (Water and Wastewater Commission)  
**Resolution No. 981209-22 approved**

23. Approve execution of Change Order #3 to the construction contract with EDWARD R. COLEMAN CONSTRUCTION, Austin, Texas, for additional concrete, waterline replacement, and other adjustments as apart of the Fort Branch of Boggy Creek Phase 2 Channel Improvements Project, in the amount of \$101,187.31, for a total contract amount not to exceed \$1,826,822.46. (Funding in the amount of \$84,100 is included in the 1992-93 Amended Capital Budget of Watershed Protection; \$17,087.31 is included in the 1995-96 Amended Capital budget of the Water and Wastewater Utility.) 82.87% MBE, 0% WBE Subcontractor participation. (Recommended by Water and Wastewater Commission)  
**Resolution No. 981209-23 approved**

24. Approve a resolution authorizing negotiation and execution of a purchase agreement for wastewater system assets from Technology Hydraulics, Inc., for a total amount not to exceed \$2,875,000 to be paid in one lump sum. (Funding is available in the Water and Wastewater Utility's 1998-99 Amended Capital Budget.) [Recommended by Water and Wastewater Commission]  
**Resolution No. 981209-24 approved**

25. Approve a resolution authorizing execution of Change Order #1 to the contract with BRAUN & BUTLER CONSTRUCTION, INC., Austin, Texas, for changes to the Water and Wastewater Utility's additions to and renovation of the South Service Center, in the amount of \$92,948, for a total contract amount of \$2,971,948. (Funding in the amount of \$53,909 was included in the 1998-99 Capital Budget of the Public Works Department; \$39,039 is included in the 1998-99 Amended Capital Budget of the Water and Wastewater Utility.) 53.88% MBE, 4.78% WBE Subcontractor participation. (Recommended by Water and Wastewater Commission)  
**Resolution No. 981209-25 approved**

26. Approve a resolution authorizing execution of a twelve month supply agreement with AUSTIN WHITE LIME COMPANY, for the purchase of approximately 22,000 tons of quicklime (calcium oxide) for the Water and Wastewater Utility, in an amount not to exceed \$1,480,820, with two twelve month extension options in an amount not to exceed \$1,480,820 per extension, for a total contract amount not to exceed \$4,442,460. (Funding in the amount of \$1,110,614 was included in the 1998-99 Operating Budget of the Water and Wastewater Utility; funding for the remaining three months of the original contract period and extension options is contingent upon available funding in future budgets.) Low bid of two. No M/WBE Subcontracting opportunities were identified. (Recommended by Water and Wastewater Commission)  
**Resolution No. 981209-26 approved**

27. Approve a resolution authorizing fee simple acquisition of Lot 16, Block A, River Valley Estates, locally known as 13303 Three Island Road, Del Valle, Texas, from Jaime and Teresa Tames, for the

expansion of the South Austin Regional Wastewater Treatment Plant, in the amount of \$260,000 plus \$28,700 in relocation benefits, for a total amount of \$288,700. (Funding is included in the 1998-99 Amended Capital Budget of Water and Wastewater Utility.)

**Resolution No. 981209-27 approved**

### **Aviation**

28. Approve a resolution authorizing execution of a supply agreement with KENT-DATACOMM, Austin, Texas, for the purchase of Cisco network components for the data and telecommunication network at Austin-Bergstrom International Airport, in an amount not to exceed \$250,000, with one twelve month extension option in an amount not to exceed \$250,000, for a total contract amount of \$500,000. (Funding was included in the 1998-99 Capital Budget for Aviation. Funding for the extension option will be contingent on funding in future budgets.) Low bid of 19. No M/WBE Subcontracting opportunities were identified. (Recommended by Airport Advisory Board)

**Resolution No. 981209-28 approved**

**Items 21 through 28 approved on Councilmember Spelman's motion, Mayor Pro Tem Goodman's second, 7-0 vote.**

29. Approve a resolution authorizing execution of a five year revenue contract with Southwestern Bell Telephone, Austin, Texas, for the pay telephone concession at Austin-Bergstrom International Airport, in an estimated amount of \$2,681,360, with two twelve month extension options in an estimated amount not to exceed \$643,033 per extension, for a total estimated contract amount of \$3,967,426. (Estimated revenue for fiscal year 1998-99 is \$164,700. Revenue over the life of the original contract is estimated at \$2,681,360 to the Department of Aviation. \$94,000 was included in the 1998-99 Operating Budget of the Department of Aviation.) Highest bid of two. DBE Participation: 20% (20% MBE, 0% WBE). [Recommended by Airport Advisory Board]

**Resolution No. 981209-29 approved**

30. Approve a resolution authorizing negotiation and execution of a five year contract with TIME WARNER TELECOM, Austin, Texas, for local exchange services including dial tone, high speed data lines and long distance service for Austin-Bergstrom International Airport, in an amount not to exceed \$1,250,000, with two twelve month extension options in an amount not to exceed \$250,000 per extension, for a total contract amount of \$1,750,000. (Funding in the amount of \$187,500 was included in the 1998-99 Operating Budget of the Aviation Department; funding for the remaining 51 months and extension options will be contingent on funding in future budgets. Best proposal of three. No M/WBE Subcontracting opportunities were identified. (Recommended by Airport Advisory Board)

**Resolution No. 981209-30 approved**

**Items 29 and 30 approved on Mayor Pro Tem Goodman's motion, Mayor Watson's second, 5-0 vote, Councilmembers Griffith and Garcia out of the room.**

31. Approve a resolution authorizing negotiation and execution of a contract with THE TOWNSCAPE INSTITUTE, Cambridge, Massachusetts, or alternatively with PUBLIC ART PLANNING AND MANAGEMENT SERVICES, Brooklyn, New York, for preparation of the Nature and Character Program Master Plan for Austin-Bergstrom International Airport, in an amount not to exceed \$97,175. (Funding is included in FY 1998-99 Capital Budget of the Aviation Department.) Best proposal of four.) 20.1% MBE, 7.3% WBE Subcontractor participation. (Recommended by Airport Advisory Board)

**Motion to approve on Councilmember Garcia's motion, Mayor Pro Tem Goodman's second, 3-4 vote, Councilmembers Griffith, Lewis, Slusher and Spelman voting "NO".**

**Motion fails.**

32. Approve a resolution authorizing a Change Order for the construction contract with MW BUILDERS, INC., Temple, Texas, for the Parking Structure Construction for Austin-Bergstrom International Airport (ABIA), in the amount of \$500,000, for a total amount not to exceed \$28,181,500. (Funding is included in the 1998-99 approved Capital Budget of Aviation.) 38.02% DBE participation: 37.97% MBE, 0.05% WBE Subcontractor participation. [Recommended by Airport Advisory Board]  
**Resolution No. 981209-32 approved**

33. Approve a resolution authorizing execution of a contract with RGM CONSTRUCTORS, LP, Pflugerville, Texas, for The Golf Course Road Area Paving/Landscape/Fencing and New Airport Drive Paving project at Austin-Bergstrom International Airport, in the amount of \$1,469,632.25 plus a contingency fund of \$146,963.75, for a total amount not to exceed \$1,616,596. (Funding is included in the 1998-99 approved Capital budget of the Aviation Department.) Low bid of three. 10.50% DBE participation: 2.31% MBE, 8.19% WBE Subcontractor participation. [Recommended by Airport Advisory Board]  
**Resolution No. 981209-33 approved**

34. Approve a resolution authorizing the execution of a contract with MALDONADO NURSERY & LANDSCAPING, INC., (DBE/MH), for The Rental Car Buffer and Terminal Access Road Landscape project at Austin-Bergstrom International Airport, in the amount of \$2,088,124.58 plus a contingency fund of \$208,812.42, for a total amount not to exceed \$2,296,937.00. (Funding is included in the 1998-99 Capital Budget for Aviation.) Low bid of five. Prime Participation: 100%. 0% M/WBE Subcontracting opportunities. (Recommended by Airport Advisory Board)  
**Resolution No. 981209-34 approved**

35. Approve a resolution authorizing execution of a contract with MORGANTI GROUP, INC., Houston, Texas, for construction of Terminal tenant revisions at Austin-Bergstrom international Airport, in the amount of \$3,035,700, plus a contingency fund in the amount of \$303,570, for a total contract amount not to exceed \$3,339,270. (Funding was included in the 1998-99 Capital Budget of Aviation.) Low bid of two. DBE participation: 12.32% MBE, 0.43% WBE Subcontractor participation. (Recommended by Airport Advisory Board)  
**Resolution No. 981209-35 approved**



Items 32 through 35 approved on Councilmember Spelman's motion, Mayor Pro Tem Goodman's second, 7-0 vote.

36. Approve a resolution authorizing execution of a contract A & R DEMOLITION, Austin, Texas, for remediation and demolition of Area 7 at Austin-Bergstrom International Airport, in the amount of \$276,981, plus a contingency fund of \$27,698, for a total contract amount not to exceed \$304,679. (Funding was included in the 1998-99 Capital Budget for Aviation.) Low bid of eight. DBE Participation; 0% MBE, 18.7% MBE subcontractor participation. (Recommended by Airport Advisory Board)

Motion made to rebid contract on Councilmember Lewis,

Motion fails for lack of second.

Resolution No. 981209-36 approved on Councilmember Spelman's motion, Mayor Pro Tem Goodman's second, 6-1 vote, Councilmember Lewis voting "NO".

37. Approve a resolution authorizing execution of a contract with HIGHWAY SAFETY SERVICES CO., INC., (DBE/FR), Austin, Texas, for Indefinite Delivery of pavement painting and marking at Austin-Bergstrom International Airport, in the amount of \$77,900 plus a contingency fund of \$7,790, with the option to extend for an additional 12 month period in an amount not to exceed \$82,330, for a total contract amount of \$168,020. (Funding was included in the 1998-99 Capital Budget for Aviation.) Single bid. DBE Prime participation: 100%. 0% M/WBE Subcontractor participation. (Recommended by Airport Advisory Board)

Resolution No. 981209-37 approved

38. Approve a resolution authorizing execution of a contract with HIGHWAY SAFETY SERVICE CO. INC., (DBE/FR), Austin, Texas, for Indefinite delivery of signage at Austin-Bergstrom International Airport, in an amount not to exceed \$61,900, plus a contingency fund of \$6,190, with the option to extend for an additional twelve month period in an amount not to exceed \$64,830, for a total contract amount of \$68,090. (Funding was included in the 1998-99 Capital Budget for Aviation.) Single bid. DBE Participation: 100%. 0% M/WBE Subcontractor participation. (Recommended by Airport Advisory Board)

Resolution No. 981209-38 approved

39. Approve a resolution authorizing execution of a contract with HIGHWAY SAFETY SERVICE CO., INC., (DBE/FR), Austin, Texas, for Indefinite delivery of traffic controls at Austin-Bergstrom International Airport, in the amount of \$111,150, plus a contingency fund of \$11,115, with the option to extend for an additional twelve month period in an amount not to exceed \$124,200, for a total contract amount not to exceed \$246,465. (Funding was included in the 1998-99 Capital Budget for Aviation.) Single bid. DBE Participation; 100%. 0% M/WBE Subcontractor participation. (Recommended by Airport Advisory Board)

Resolution No. 981209-39 approved

Items 37 through 39 approved on Councilmember Slusher's motion, Mayor Watson's second, 6-0 vote, Councilmember Griffith out of the room.

## ITEMS FROM COUNCIL

40. A briefing by the Seaholm Reuse Planning Committee. (Councilmember Beverly Griffith) [Time certain – 2:30 p.m.]

Presentation given by Leslie Poole and Sinclair Black.

## 3:00 P.M. – PUBLIC HEARING

41. Public hearing and action to amend Ordinance 970306-P (as amended by Ordinance No. 970925-O) to revise certain tariffs and provide for a new tariff for Austin Energy. (Revenues are anticipated to decrease by \$100,000 for 1998-99.) [Recommended by Electric Utility Commission]  
Closed public hearing on Councilmember Garcia's motion, Mayor Pro Tem Goodman's second, 7-0 vote.

Ordinance No. 981209-B approved with friendly amendment by Councilmember Slusher to remove #2 in backup on Councilmember Garcia's motion, Mayor Pro Tem Goodman's second, 6-1 vote, Mayor Watson voting "NO".

## EXECUTIVE SESSION (No Public Discussion on These Items)

The City Council will announce it will go into Executive Session, if necessary, pursuant to Chapter 551 of the Texas Government Code, to receive advice from Legal Counsel, to discuss matters of land acquisition, litigation and personnel matter specifically listed on this agenda. The City Council may also announce it will go into Executive Session, if necessary, to receive advice from Legal Counsel regarding any other item on this agenda.

### Staff Briefing - Section 551.075

42. Staff briefing on Customer Retention in a Deregulated Electric Utility Market

ADJOURNED at 6:00 p.m. on Councilmember Griffith's motion, Councilmember Garcia's second, 6-0 vote, Councilmember Slusher out of the room.

Approved on this the 7<sup>th</sup> day of January, 1999 on Councilmember Griffith's motion, Councilmember Lewis' second, 5-0 vote, Councilmembers Garcia and Spelman off the dais.