

Agenda Questions/Responses
August 18, 2005

6. **Please show me the present value calculation used to determine the contract price with Dessau. How many years will it take for the city to pay it off? (Council Member Jennifer Kim)**

The acquisition price for the Dessau Utilities' wastewater system assets was arrived at by using the original cost of the assets less depreciation and then reduced for (1) the estimated amount of improvements that would be required by the City to meet minimum standards and (2) for the amount of capital recovery fees collected in advance by the current owner.

Based on both the existing number of service connections in the Dessau wastewater system and the committed number of new service connections over the next ten years, it is estimated that it will take approximately 11 years to recover the Utility's initial investment.

The Net Present Value (the conservative estimate) is a positive \$3.5 million.

The acquisition of Dessau Utilities is a "good deal" because:

1. Without it, the Austin Water Utility does not have an economical means to provide wastewater service in this area. Small tract landowners in the area have in the past delayed development due to the cost related to the City's provision wastewater service. Without the purchase of the plant and with the City wishing to provide wastewater service to this area (which by the way is included in our wastewater CCN), the City's CIP expenses would range in the neighborhood of \$6 million. The purchase price of the Dessau wastewater facilities is \$2.17 million.

2. The Net Present Value Analysis is conservative in its estimates of revenue. The analysis only considered existing Dessau wastewater customers and the landowners within Dessau's service area that have pre-purchased wastewater capacity. The analysis did not consider any future City wastewater customers outside the present boundaries of Dessau's CCN.

7. **The capacity building program guidelines are still being developed. When will the guidelines be finalized? Will that item come back to council for approval? (Council Member Jennifer Kim)**

The guidelines committee comprised of members of the Austin City Council, the Austin Arts Commission, the arts community and staff will develop recommendations in the Fall of 2005 that will be forwarded to the Austin Arts Commission for review and approval. It will not go back to Council as Austin Arts Commission is authorized to make necessary revisions.

- 10. What is the annual fee that the city is charging NextG for using city property and facilities in addition to the 5% of annual revenue? How was the amount determined? What is the estimated revenue to the city that will be generated? (Council Member Jennifer Kim)**

NextG will pay the COA \$100 for each (non-Austin Energy) light pole they use. It is estimated that from 4 to 6 poles per square mile will be needed. Although there is a provision that would allow them to attach to city buildings, no attachments of this nature are anticipated.

We used similar amount that Austin Energy charges for their attachments of this type (also the same as was recently used between NextG and City of Boston).

The estimated annual revenue for the first year from this ROW agreement will be approximately \$7,800 (\$7,200 in franchise fees and \$600 for street pole attachments (coverage for one square mile). Austin Energy will also collect pole attachment and infrastructure use fees from NextG through a separate attachment agreement. Since the franchise fee is based on NextG's gross income, the City's income will increase as NextG obtains additional customers. The above estimate is based on "2" wireless providers contracting with them-. The maximum potential providers are 4.

NextG will grant the city two strands of fiber optic cabling for use. How much capacity is that? What can the strands be used for? Are there any specific anticipated uses for them now? If there are, when would they be used? (Council Member Jennifer Kim)

The capacity two strands will afford is dependent upon what fiber optic equipment we elect to purchase/use. Basic use could easily afford greater than 5-gigabyte bandwidth.

Possibilities include links for future wireless initiatives or for non-critical point-to-point distribution fiber to buildings.

Because the fibers will be owned by NextG and be encased in their bundle, the COA will not utilize them for any current applications at this time as long as City owned fiber in the GAATN network was available. In the future, we may decide to use them to extend the City's wireless Wi-Fi nodes.

- 12. If we accept grant funds, will we have an obligation to continue funding these programs after the grant funding stops? (Council Member Jennifer Kim)**

The City is not under any obligation to continue a grant funded program if the grant funding ceases. However, the Austin Police Department will continue to apply for the grants necessary to fund associated programs currently in place. As a result, the future of these programs is contingent upon successful grant applications.

- 13. If we accept grant funds, will we have an obligation to continue funding these programs after the grant funding stops? (Council Member Jennifer Kim)**

The City is not under any obligation to continue a grant funded program if the grant funding ceases. However, the Austin Police Department will continue to apply for the grants necessary to fund associated programs currently in place. As a result, the future of these programs is contingent upon successful grant applications.

- 14. How much has the total cost for central booking and related jail services increased? How much has the city's share increased? What is the cause of the increase? (Council Member Jennifer Kim)**

A summary and table is attached and has been sent via email to Council Offices.

- 15. How many properties total will have to be bought in the Onion creek area? What is the estimated cost and the timeframe?
Who chose this one property to buy and why? (Council Member Jennifer Kim)**

There are over 700 houses in the 100-year floodplain of Onion Creek. However, it is not feasible at this time to address all affected areas. Therefore, the City is currently working with the US Army Corps of Engineers to develop a recommended home buyout plan for the 419 houses in the 25-year floodplain. Current cost scenarios range from \$60M to \$120M, WPDRD is aggressively pursuing matching Federal dollars.

WPDRD prioritizes the sequence of properties to be purchased based on inundation depths in a flood event.

- 17a. Did this project follow the process for large CIP projects?**
Yes, the process was followed for this phase of the project. The large CIP process applies to projects over \$ 2 million estimated construction cost.

Please provide a list of contracts awarded to the recommended firm in the last five years.

Were these projects delivered on-time and on-budget?

Were there any disputes with the recommended firm regarding financial issues or technical specifications on the projects they have managed for the City? (Council Member Raul Alvarez)

Answer forthcoming.

- 17b. Why are the MBE/WBE subcontractor amounts so low compared to the stated goal? (Council Member Jennifer Kim)**

The project required tunnel construction. Due to the nature of the project, with specified requirements for tunneling experience. The project limited subcontracting opportunities. Cash Construction solicited all the MBEs/WBEs on the availability list to participate on the project. They utilized the MBEs and WBEs who responded with competitive bids. The Good Faith Effort

documentation submitted by Cash Construction was reviewed and verified as compliant with the City's MBE/WBE ordinance.

- 18. Why are the MBE/WBE subcontractor amounts so low compared to the stated goal? (Council Member Jennifer Kim)**

The project consists of installation of water main. Cash Construction solicited all the MBEs/WBEs on the availability list to participate on the project. They followed up with all interested bidders. Cash Construction utilized the MBEs/WBEs who responded with competitive bids. The Good Faith Effort documentation submitted by Cash Construction was reviewed and verified as compliant with the City's MBE/WBE ordinance.

- 21. Did this project follow the process for large CIP projects? Please provide a list of contracts awarded to the recommended firm in the last five years. Were these projects delivered on-time and on-budget? Were there any disputes with the recommended firm regarding financial issues or technical specifications on the projects they have managed for the City? (Council Member Raul Alvarez)**

This item is postponed to August 25, 2005.

- 37. Please provide an outline of the when this ordinance has come before Council for consideration. Please also list the questions asked by all council members when this ordinance was first posted for a public hearing and the times it was posted for action this year, as well as the responses. Regarding the new proposal, how many billboards could potentially be relocated? How many billboards are currently located along roadways to which billboards could be relocated? Please provide the total number of billboards for each individual roadway. (Council Member Raul Alvarez)**

Reports are attached and have been sent to Council Offices via email.

- 38. Why are these agreements being negotiated prior to approval of the FY 06 budget by council? Can they be negotiated after approval from council? (Council Member Jennifer Kim)**

USGS requires a commitment from the City on or before the start of their fiscal year on October 1st to insure continuous operation of the stream gauging network. In addition, the Austin field office of USGS uses the commitment from the City to lock in their matching funds of approximately \$227,000 before the start of their fiscal year.

- 39. Why is this agreement being negotiated prior to approval of the FY 06 budget by council? Can it be negotiated after council passes the budget? (Council Member Jennifer Kim)**

This particular grant funded position runs with the Federal cycle - October 1 to September 30. WPDRD would like the opportunity to benefit from the full year of funding. In order to accomplish this WPDRD would need to post and fill the position by October 1, 2005. The item

can be negotiated after the approval of the Fiscal Year 2005-06 budget however the City would lose funding until the position is filled.

- 66. Have there been any complaints about management of the pharmacy contract? If so, please summarize. (Council Member Raul Alvarez)**

The response has been attached as a separate document, and also forwarded to Council offices via email.

- 41. Is the scope available for the Emerging Tech and Telecom Subcommittee and the Land Use Transportation Subcommittee? (Council Member Jennifer Kim)**

A draft resolution is being distributed to Council as late back-up.

- Z-5. What is the proposed use? How close is this to the nearest residential property? (Council Member Raul Alvarez)**

A use has not yet been proposed for the property.

The nearest residentially zoned property is located 1,430 feet away. The nearest existing residence is located 2,064 feet away.

According to figures provided by Travis County, total operating costs and increases for the Central Booking facility are found below:

| | Total Operating Cost | % Increase from Previous Year | \$ Increase from Previous Year |
|-----------------------|-------------------------------------|----------------------------------------------|-----------------------------------------------|
| FY2001 Actual | \$4,968,339 | - | - |
| FY2002 Actual | \$6,012,246 | 21.0% | \$1,043,907 |
| FY2003 Actual | \$6,564,315 | 9.2% | \$552,069 |
| FY2004 Actual | \$7,559,564 | 15.2% | \$995,249 |
| FY2005 Adopted | \$8,238,206 | 9.0% | \$678,642 |

The current Interlocal Agreement between the City of Austin and Travis County was effective October 1, 2000 for a two-year initial term, allowing for 3 renewal years through September 30, 2005. The agreement required the City of Austin to submit payments to the County totaling \$3,408,688 each year. The proposed amendment to the agreement increases our payment to the County to \$4,410,131. This equates to an increase of \$1,001,443 or 29.4%.

Most of the increased cost to the City is because of personnel costs for the Travis County Sheriff's Office. The Sheriff's Office added personnel because of the requirements set out by the Texas Commission on Jail Standards. In addition, the increase amount was determined through a change in how the City contribution is calculated. The City accounts for 73.49% of bookings at the Central Booking facility. The City directly contributes toward Central Booking facility operations within our own budget through the Magistration (Municipal Court) and Identification (Austin Police Department) activities, which total \$1,294,027. The current contract that began in 2000, as stated above, did not take into account all county costs for operating the booking facility. The current contract began with a negotiated fixed fee to be paid by the City with an annual inflator. Also, if the number of prisoners booked by the City in any year exceeded a specified cap, the City would have to pay additional costs per prisoner booked. That cap was never exceeded. The current City payment to the County in FY2005 is \$3,408,688.

A breakdown of how final costing was completed to determine the new City payment to the County is found below:

H
cont'd

| | | County FTEs |
|-------------------------------------------------------------|---------------|----------------|
| Total Central Booking Facility (CBF) Cost | \$8,238,206 | 129.00 |
| County Release Staff Cost | - \$943,184 | 19.00 |
| Subtotal (CBF Cost minus Release Staff Cost) | \$7,295,022 | 110.00 |
| CBF Cost minus Release Staff Cost | \$7,295,022 | |
| COA Direct Magistration & Identification Costs ¹ | - \$1,294,027 | |
| Subtotal (CBF Cost minus Release Staff and COA Direct) | \$6,000,995 | |
| CBF Cost minus Release Staff and COA Direct | \$6,000,995 | |
| COA Percentage of Bookings ² | x 73.49% | |
| Subtotal (COA Share of CBF Costs) | \$4,410,131 | |
| COA Share of CBF Costs | \$4,410,131 | |
| COA Current Payment to County for CBF | - \$3,408,688 | |
| Subtotal (Incremental Payment Increase to County) | \$1,001,443 | |
| Percentage Increase of Payment to County | 29.38% | |

¹ COA Direct Costs Breakdown

| | |
|----------------|-------------|
| Magistration | \$719,891 |
| Identification | \$574,136 |
| Total | \$1,294,027 |

² Bookings Breakdown

| | |
|--------------------------------|--------|
| COA CBF Bookings | 40,288 |
| Total CBF Bookings | 54,824 |
| COA Percentage of CBF Bookings | 73.49% |

QUESTIONS FROM COUNCIL ON BILLBOARD AMENDMENT

Request: Please provide an outline of when this ordinance has come before Council for consideration:

Response: The following is a timeline of Council action on this item.

- February 12, 2004 – Council passes a resolution to amend Chapter 25-10 to establish regulations regarding relocation of certain signs in the Desired Development Zone.
- February 26, 2004 – Council sets a public hearing date to consider an amendment to Chapter 25-10 to allow the relocation of billboards. Hearing is set for March 11, 2004.
- March 11, 2004 – A public hearing to consider this amendment is postponed until April 1, 2004.
- April 1, 2004 – A public hearing to consider this amendment is postponed until April 22, 2004.
- April 22, 2004 – A public hearing to consider this amendment is withdrawn from the agenda on Council Member Dunkerley's motion and postponed indefinitely.
- January 13, 2005 – A public hearing was conducted on this date to consider an amendment to Chapter 25-10 to allow the relocation of billboards. A summary of what that amendment included is in the staff report. Council passes the amendment on first reading.
- February 17, 2005 – This item is postponed to March 3, 2005.
- March 3, 2005 – This is postponed until April 7, 2005.
- April 7, 2005 – This item is withdrawn by Council Member Dunkerley before this scheduled council meeting.
- August 18, 2005 – This amendment is on the agenda for second/third readings.

Request: Please list the questions asked by all council members when this ordinance was first posted for a public hearing.

Dunkerley - asked that staff conduct some sort of an economic analysis that captures what the length limit would have to be to be considered an incentive, and at the next meeting, re-review all of the different sign districts.

Staff response: Staff made attempts to gather the data required for such an analysis from various billboard companies. One response was received from Reagan National Advertising and Lamar

Advertising Company. A memo from Joseph Pantalion, Director, Watershed Protection and Development Review was forwarded to Council on March 2, 2005 explaining the requirements for conducting such an analysis. A copy of both is included in the late back-up material.

Mayor - asked for a more focused plan, that includes the eligibility requirement/ target areas for removal, corresponding targeted areas where they can be relocated, and an analysis of the time element - a contractual end of life for the relocated billboards.

Staff response: A specific boundary area has been drafted from which billboards could be removed and where they could be relocated and will be presented for Council's consideration.

McCracken - requested updated maps that include the new roadways that are being constructed, such as SH130, SH45 and proposed toll roads.

Staff response: A map showing SH 130 and SH 45 will be provided. A determination cannot be made at this time if a billboard can be relocated to any areas bordering these roads because there is no zoning on the abutting lots and, in some cases, the lots have not been platted.

Slusher - requested that the these revised maps also include Residential areas to help him put it all in perspective.

Staff response: A map showing all residential zoning cannot be mapped on a single map and be legible.

Request: How many billboards could potentially be relocated?

Response: 334 billboards could potentially be moved.
254 billboards are within the subject area boundary
7 billboards are within the historic sign district
73 billboards are within scenic roadway districts

Request: How many billboards are currently located along roadways to which billboards could be relocated.

Response: 238 billboards are located on roads which could potentially have more billboards added.

Request: Please provide the total number of billboards on individual roadways.

Response:

| | |
|--------------------|----|
| Airport Blvd. | 35 |
| Anchor Lane | 1 |
| Anderson Lane W. | 4 |
| Riverside | 1 |
| Barton Springs Rd. | 3 |
| Bastrop Hwy. | 4 |
| Ben White E. | 14 |
| Ben White W. | 3 |
| Burleson Rd. | 1 |
| Burnet Rd. | 17 |
| Cameron Rd. | 3 |
| Clarkson | 1 |

| | |
|-------------------------|----|
| Clermont Ave. | 1 |
| Cole St. | 1 |
| Congress Ave N. | 1 |
| Congress Ave S. | 12 |
| Denson Dr. | 1 |
| Duval St. | 1 |
| Ed Bluestein | 1 |
| 8 th St. E. | 1 |
| 18 th St. W. | 1 |
| 11 th St. E. | 2 |
| 5 th St. W. | 3 |
| 53 rd St. E. | 3 |
| 1 st St. E. | 8 |
| 1 st St. S | 7 |
| Flores St. | 1 |
| F.M. 2222 | 5 |
| F.M. 620 N | 12 |
| 41 st St. E | 2 |
| Gaston Pl. | 1 |
| Guadalupe St. | 13 |
| Hwy. 290 E. | 3 |
| Hwy. 290 W. | 2 |
| Hwy. 71 E. | 21 |
| I.H. 35 SR N. | 19 |
| I.H. 35 SR S. | 4 |
| Koenig Lane | 2 |
| Lamar Blvd. N. | 19 |
| Lamar Blvd. S. | 5 |
| Manchaca Rd. | 1 |
| Manor Rd. | 8 |
| MLK Blvd. E. | 10 |
| MLK Blvd. W. | 2 |
| Montopolis | 3 |
| Mo-Pac N. | 3 |
| 9 th St. | 2 |
| FM 2244 | 2 |
| Oltorf E. | 2 |
| Oltorf W. | 2 |
| Red River | 5 |
| Research Blvd. | 3 |
| Riverside E. | 7 |
| Rosewood | 2 |
| San Antonio | 1 |
| San Jacinto | 1 |
| 2 nd St. E. | 1 |
| 7 th St. E. | 14 |

| | |
|-------------------------|----|
| 6 th St. E. | 1 |
| 6 th St. W. | 2 |
| Springdale Rd. | 4 |
| 38 ½ St. E. | 2 |
| 12 th St. E. | 1 |
| US 183 S. | 12 |
| Webberville Rd. | 1 |
| Hwy. 71 E. | 3 |

**STAFF REPORT
BILLBOARD RELOCATION ORDINANCE AMENDMENT
FOR SECOND AND THIRD READINGS
August 18, 2005**

On January 13, 2005, Council reviewed an ordinance amendment that would allow the relocation of existing nonconforming off-premise signs, commonly referred to as billboards. Council passed this amendment on first reading.

The following is a summary of the proposed ordinance as presented on January 13, 2005:

The proposed amendment would amend Chapter 25-10 of the Land Development Code to allow a billboard to be relocated to a tract that meets the following requirements.

- It is located in an expressway corridor sign district or commercial sign district
- It is not in an urban renewal or redevelopment area as designated by council
- It is not located in a Scenic Roadway sign district
- It is not within 500 feet of a historic sign district
- It is not abutting property zoned residential, and
- It is zoned as a commercial or industrial base district.

The proposed amendment also would require that the sign height and face size of the relocated sign may not be increased, and the application to remove and relocate must be submitted at least 90 days before removing the sign.

Additionally, the applicant would be required to provide a statement from the owner of the tract from which the sign is to be removed agreeing to the permanent removal of the sign or provide a form indemnifying the city for any costs or claims arising from the sign relocation. Finally, the applicant would be required to relocate the sign not later than 3 years after the application is approved.

The proposed ordinance recommended a new fee of \$120 for removal and relocation permits.

The Planning Commission conducted a public hearing on the proposed amendment on March 9, 2004. They voted for no change to the current code.

During discussion by Council of this item on January 13, a request for an economic analysis was made. The attached memo from Joseph Pantaloni, Director of Watershed Protection and Development Review Department, dated March 2, 2005 is in response to that request.

This item is the August 18, 2005 Council agenda for second and third readings. Council Member Dunkerley may propose changes at this meeting.

Also attached, is a summary of how sign districts are determined.

Since the inception of the contract, there have been complaints, for a variety of reasons, some of which were customer service related (Walgreen's), and others related to internal process (Departmental). The following table provides issues and resolutions:

| Problem | Resolution |
|-------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Customer Service issues | (1) Pharmacy staff provided additional customer service training. (2) Pharmacy staff terminated who were not able to provide appropriate customer services to our patients. (3) Walgreen's is providing Spanish classes to their English speaking staff and additional bilingual staff have been hired. (4) Walgreen's is providing in-service training on customer service to patients with mental health conditions. (5) Locations – see paragraphs that follow table |
| Turn-around-time for refills. | (1) Community Health Center staff established a separate printer for the receipt of refill requests. (2) Community Health Center Clinical Pharmacy staff are performing refill clinics under the direction of the providers, so that Walgreen's can receive these refill requests back in a timelier manner. |

Walgreen's has and continues to demonstrate a very strong commitment to address these issues; for example, the entire pharmacy staff at the Walgreen's Airport location was replaced to improve customer services for our bi-lingual customers.

In the first year of this contract, Walgreen's and Community Care Services Department (CCDS) staff has had discussions related to increasing the number of Walgreen's pharmacies that patients can go to. We are currently in the process of completing a request to the Office of Pharmacy Affairs for an "Alternate Demonstration Project" (a proposal which outlines the need to increase pharmacy locations) to "Improve Access to Care". The Office of Pharmacy Affairs has a regulation that requires each clinic to have an assigned pharmacy.

The CCDS met with key staff at Office of Pharmacy Affairs and the National Association of Community Health Centers in Washington D.C. with each agency indicating that they are in support of our submission of the aforementioned "Alternate Demonstration Project". The Office of Pharmacy Affairs has indicated that it will take approximately 60-90 days to process upon our submission of the application for the demonstration project.

The outsourcing of the pharmacies to Walgreen's has effectively ensured that the Department and the Travis County Hospital District can continue to provide medications to patients of Travis County as a benefit and we will continue to work closely with Walgreen's to address issues as they arise.