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## Austin City Council MINUTES

For FEBRUARY 25, 1988 - 1:00 P.M.

Council Chambers, 307 West Second Street, Austin, Texas

### Memorandum To:

Mayor Cooksey called to order the meeting of the Council, noting the presence of all Councilmembers.

#### CITIZEN COMMUNICATIONS

Mr. Mark Weaver discussed Adult Arcade Ordinance. Mr. Doug Edmondson did not appear. Ms. Barbara Dugelby, Ms. Jean Crawford, and Mr. William Bunch talked about endangered species in the Austin area. Mr. Mark R. Smith talked about landfill prices. John Ware, Acting City Manager, said staff is working on a report and it will be presented at the Tuesday, March 1, 1988 Council meeting. Mr. Ralph Portillo did not appear. Mr. David Frederick talked about zoning. Mr. Marcos DeLeon discussed hazardous materials in neighborhoods.

#### AUSTIN PLAN STEERING COMMITTEE

Brooks Kasson reported to Council on the progress of the Austin Plan Steering Committee.

#### ITEMS POSTPONED

Council had before them the following ordinances. The Council, on Councilmember Nofziger's motion, Councilmember Humphrey's second, referred the ordinances to the Planning Commission for new recommendations, and they will be included in the March 10, 1988 agenda. (4-3 Vote, Mayor Pro Tem Trevino, Councilmembers Carl-Mitchell and Urdy voted No.)

a. Consider second/ third readings of an ordinance amending Chapter 6-10 of the Code of the City of Austin, 1981, by establishing a Chapter 6-10A, adopting the Texas Department of Health's Construction Standards for Private Sewage Facilities, 1977, edition, with local amendments.

b. Consider second/third readings of an ordinance amending Chapter 6-10 of the Code of the City of Austin, 1981; relating to the regulation of private sewage facilities.

## OFF-SITE PARKING

The Council, on Councilmember Carl-Mitchell's motion, Mayor Cooksey's second, passed through third reading of an ordinance amending Chapter 13-2A (Zoning Ordinance) to modify requirements for off-site parking and off-site mixed use or shared parking, (C20-87-004), as amended. (7-0 Vote) (Copy of amendments is on file in the City Clerk's office.)

## ITEM POSTPONED

Postponed to March 1, 1988 and March 3, 1988 is consideration of approving a Wastewater Disposal Contract between Brushy Creek Water Control and Improvement District No. 1 of Williamson and Milam Counties, the City of Austin, the City of Round Rock and Williamson County Municipal Utility District No. 3 and Consideration of options for Wastewater Disposal in the Brushy Creek Watershed.

## ZONING CASE POSTPONED

Postponed to March 24, 1988 at 4:00 p.m. is the following zoning case:

-87	R.L. TINGLEY	7417, 7419 E.	From "I-SF-3"
183	By Richardson	Riverside Drive	To "GR" & "CS-1"
	Verdoorn		NOT RECOMMENDED
			RECOMMENDED "GR"

## ZONING CASE WITHDRAWN

The following zoning case was withdrawn:

-87	FRANCIS R.	3413 West Avenue	From "SF-3"
178	BALDESCHWILER		To "LO"
	By Tom Hatch		NOT RECOMMENDED
			WITHDRAWN

## DAVENPORT MUD AGREEMENT

Councilmember Carl-Mitchell introduced an item to Council concerning amendments to Davenport MUD agreement.

Several people spoke. Their cards are on file in the City Clerk's Office.

Motion

Councilmember Carl-Mitchell made a motion as follows: " I will move, the one point that I would like to clarify is the issue of the overpass and pro rata share and I am inclined to agree with the applicant, that was a point of contention, that their pro rata share

be reduced to 54% and the other, of course they have agreed to the limited purpose annexation from 20 to 40 years. I am not willing to make any changes to our previous resolution on the issue of impervious cover and excluding impervious cover from roadway calculations. Let me speak particularly to the issue of the roadway. As our legal staff has pointed out we are in no way under obligation by this agreement to cost participate in the overpass if we don't have funds for it and neither is the State for that matter. I don't think the City of Austin has ever been able to tell the State of Texas, particularly the Highway Department, what to do. But also, I feel that that pro rata share is a fair estimate of what their share of what that facility should be. I think it does have an impact on the through traffic.....I think with the phasing agreement as the outline, which would have to be an acceptable document, that that protects the other folks using 360, if they cannot build beyond 40% of total traffic without the overpass, and if they come forward and want to develop more than 40% & the State or the City chooses not to cost participate, then in essence they have to build the overpass or find another funding source for it. So I do not see it as a real significant issue and I think the 54% is a fair calculation in any event." Mayor Pro Tem Trevino seconded the motion. Acting City Manager John Ware asked if the motion carries the assumption that they will pay the fees. Councilmember Carl-Mitchell said it does.

#### Friendly Amendment

Councilmember Humphrey offered a friendly amendment that the City will do an individual appraisal of the property. Councilmember Carl-Mitchell and Mayor Pro Tem Trevino accepted the friendly amendment.

#### Roll Call on Motion with Friendly Amendment

7-0 Vote

#### ZONING HEARINGS

Mayor Cooksey announced Council would hear the following zoning cases. Council heard, closed the public hearings, passed ordinances where applicable, and postponed if necessary. Disposition of cases follows each listing.

CENTURY NATIONAL 10421 North I.H.  
BANK 35  
By Mauro, Wendler,  
Sheets & Blume

From "SF-2"  
To "CS"  
FIRST READING

RECOMMENDED "CS-CO" subject to no access to Middle Fiskville Road and landscaping along Middle Fiskville Road, subject to review and approval by Landscape Review Section of D.E.P. at site plan stage.

2/25/88

-87 DAN & LANA 2203 & 2205 Lake From "LO"  
170 STEBLAY Austin Boulevard To "GR"

NO RECOMMENDATION  
WITHDRAWN

-87 MAX H. FAYKUS, Pinnacle Road &  
181 M.D Allen Road  
By City of Austin

From "I-SF-2"  
To "SF-2"  
RECOMMENDED  
ORDINANCE

-87 ROBERT OGDEN 2302 & 2304 Lake  
182 By Bread & Austin Boulevard  
Butter, Inc.

From "LR"  
To "GR"  
FIRST READING

RECOMMENDED "GR", "CO" limited to "LR" uses and site  
development standards and "General Restaurant" uses.

-87 STEBBINS FIVE 6909 Burnet Lane  
184 PARTNERSHIPS 2105 Cullen Avenue  
By Kendall, Randle,  
Finch & Osborn

From "GR" & "MF-3"  
To "GO"  
NO RECOMMENDATION  
POSTPONED TO 3/24/88  
AT 4:00 P.M.

-88 PATTON KAUFMAN 3103 Manor Road  
0001 By Glenn  
Weichert

From "GR"  
To "CS"  
RECOMMENDATION TO FOLLOW

EMERGENCY PASSAGE OF ORDINANCE

-85 RED BLUFF LAND 4701-A Red Bluff  
245 & CATTLE COMPANY  
(Travis Realty  
& Investment)

From "CS"  
To "P"  
RECOMMENDED DISMISSAL  
DISMISSED

-85 EMILE JAMAIL 3001-3111 Duval  
005 By Robert Road  
Kleeman

From "SF-3"  
To "GR"  
RECOMMENDED DISMISSAL  
DISMISSED

-85 MERCURY SAVINGS 11720-11816 Four  
205 ASSN. Iron Drive  
(Thomas Corp.)

From "I-RR"  
To "SF-6" & "SF-2"  
RECOMMENDED DISMISSAL  
DISMISSED

2/25/88

-84 JOHN S. TORIGAN 6009 Daffodil Drive From "I-SF-2"  
388 To "MF-2"  
ORDINANCE

r-84 FROST BANK NORTH 4907-4933 Spicewood From "I-SF-3"  
146 AUSTIN Springs Road To "LO"  
By Jack Holford  
THREE MONTH EXTENSION  
5/26/88 @ 4:00 P.M.

(On Mayor Pro Tem Trevino's motion, Councilmember Carl-Mitchell's second, 6-0 Vote, Councilmember Humphrey out of the room)

#### ZONING ORDINANCES

The Council, on Councilmember Carl-Mitchell's motion, Mayor Pro Tem Trevino's second, passed through second/third readings of ordinances amending Chapter 13-2A of the Austin City Code (Zoning Ordinance) to cover the following changes: (6-0 Vote, Councilmember Humphrey out of the room)

HASKEL & JEAN 8200-8240 Hwy. From "I-RR"  
HUDSON 290 West To "LO"  
C14-85-288.85A

First reading on April 16, 1986 (5-0). Mayor Pro Tem Trevino and Councilmember Humphrey absent. Conditions have been met as follows: Restrictive Covenant incorporating conditions imposed by Council has been executed.

SOUTHWEST BAPTIST 7415 Manchaca From "DR"  
CHURCH Road To "SF-3"  
C14-87-171

First reading on January 28, 1988, (7-0). No conditions to be met.

#### CONSENT ORDINANCES

The Council, on Mayor Pro Tem Trevino's motion, Mayor Cooksey's second, waived the requirement for three readings and finally passed the following ordinances all in one consent motion: (6-0 Vote, Councilmember Humphrey out of the room)

#### Operating Budget Amendment Passed & Then Postponed

Council first approved amending the 1987-88 Annual Operating Budget by appropriating \$12,000.00 from the Tennis Fund Ending Balance to resurface six tennis courts at the Pharr Tennis Center. Later, on Councilmember Humphrey's request, Council postponed the item until March 3, 1988.

Operating Budget Amendments

Amended the 1987-88 Annual Operating Budget by:

Accepting and appropriating a grant award of \$40,000.00 from the Federal Emergency Management Agency (FEMA) for emergency food and shelter programs.

Accepting and appropriating a grant award of \$80,000 from the U.S. Department of Housing and Urban Development (HUD) for emergency shelter programs.

Appropriating \$15,713.00 to the Health Department to add one occupational Therapist position.

Bethany Christian Church Variance

Approved a request from Donna D. Carter in behalf of Bethany Christian Church for a variance from the terms of the Right-of-Way Ordinance regarding the dedication of right-of-way on East 12th Street.

CONSENT RESOLUTIONS

The Council, on Councilmember Carl-Mitchell's motion, Mayor Pro Tem Trevino's second, adopted the following resolutions all in one consent motion: (6-0 Vote, Councilmember Humphrey out of the room)

Capital Improvements Program

Approved a Supplemental Amendment No. 2 to the Professional Services Agreement with Austin Associates, Inc. for easement survey services and implementation of trench safety system items into construction documents for Lower Little Walnut Creek Relief Interceptor for the Water and Wastewater Utility. C.I.P. No. 83/23-12.

Contracts Approved

Approved the following contracts:

- |  |  |
|--|--|
| a. AUSTIN ENGINEERING COMPANY<br>P. O. Box 161990<br>Austin, Texas | - CAPITAL IMPROVEMENTS PROGRAM -<br>TSM Improvements, Airport<br>Boulevard Corridor at Springdale<br>Road, Transportation and Public<br>Services Department<br>Total \$88,482.50 C.I.P. No.<br>85/62-56 & 87/22-39 |
| b. Bid award:  | - CAPITAL IMPROVEMENTS PROGRAM -<br>Network Transformers and<br>Protectors, Electric Utility<br>Department<br>Total \$592,544.12 C.I.P. No.<br>87/15-02  |

- (1) WESTINGHOUSE ELECTRIC CORP. - Items 1,5 & 7 - \$482,038.00  
201 N. St. Mary's, Ste. #512  
San Antonio, Texas
- (2) GENERAL ELECTRIC COMPANY - Item 6 - \$110,506.12  
Electric Utility Sales  
1550 NE Loop 410, Ste. #206  
San Antonio, Texas
- c. MONTGOMERY MUNICIPAL SUPPLY INC. - Two (2) Sewer Line Cleaners,  
7202 Spurlock Drive Water and Wastewater Utility  
Austin, Texas Department  
Total \$57,130.00 88-0095-OM
- d. Bid award: - Ready-mix Concrete, Transportation  
and Public Services, Water and  
Wastewater, Electric Utility, and  
Parks and Recreation Departments  
Twelve (12) Month Supply Agreement  
Total \$1,003,000.00 87-0433-DC
- (1) CUSTOM CRETE, INC. - Items 1.1-1.3, 3.1-3.3, 4.1-4.3,  
4433 Terry-O-Lane 6.1-6.3, 7.1-7.3 - \$583,500.00  
Austin, Texas
- (2) LAUREN CONCRETE - Items 1.4, 2, 3.4, 4.4, 5, 6.4,  
4501 Shaw Lane 7.4, 8 - \$265,500.00  
Austin, Texas
- (3) TEXAS INDUSTRIES, INC. - Items 2, 3.4, 4.4 - \$154,000.00  
825 Ed Bluestein Boulevard  
Austin, Texas
- e. OCE' INDUSTRIES, INC. - Engineering Copy Machine, Office  
13740 Research Boulevard, of Land Development Services  
Suite Q-1 Twelve (12) Month Rental Agreement  
Austin, Texas Est. \$41,548.00 87-S415-KM
- f. AUSTIN DIAGNOSTIC CLINIC ASSN. - Renal Dialysis Services,  
801 West 34th Street Brackenridge Hospital  
Austin, Texas Fifteen (15) Month Professional  
Services Agreement  
Total \$465,000.00 BC8-150

Water Supply Agreement

Authorized a water supply agreement with Hill Country Utilities.

Grant Application

Approved a grant application to the Texas State Library and

Archives Commission for \$768,996.00 for the Central Texas Library System operation for State fiscal year 1988-89.

Resource Management Department Conservation Fund

Approve programmatic allocations of the \$6.576 million in Brown & Root proceeds previously appropriated to the Resource Management Department Conservation Fund.

Electric Transmission Main

Approved clarification of Council's action of September 24, 1987 on Circuit 3125 Electric Transmission Main.

Public Hearing Set

Set a public hearing on the following:

- a. General Topic areas for the 1988/89 Community Development Block Grant (CDBG) Program: March 17, 1988 at 5:00 p.m.

APPEAL SET

The Council, on Councilmember Carl-Mitchell's motion, Councilmember Nofziger's second, set a public hearing for March 17, 1988 at 4:30 p.m. on the request of Mr. T.J. "Jack" Morton on an appeal of the decision of the Sign Review Board to deny variance requests. (C16-88-006; C16-88-008; C16-88-009) (6-0 Vote, Councilmember Humphrey out of the room)

BEN WHITE BOULEVARD IMPROVEMENTS

The Council, on Councilmember Shipman's motion, Councilmember Carl-Mitchell's second, adopted a resolution approving of an agreement to place interim improvements within the future right-of-way of Ben White Boulevard (State Highway 71), as allowed by Section 13-14-114 of the Right-of-Way Dedication and Reservation Ordinance, with modifications. (7-0 Vote)

AUSTIN ARTS PLAN COMMITTEE

Council passed the following resolution endorsing the Austin Arts Plan Committee: (6-0 Vote, Councilmember Humphrey out of the room)

Motion -

The Council, on Councilmember Nofziger's motion, Mayor Cooksey's second, adopted the following resolution:

WHEREAS the arts are vital to the quality of life in Austin and contribute to the uniqueness of our community; and



WHEREAS the development of a long-range plan for the arts will nurture and promote the cultural development of our community;

NOW THEREFORE BE IT RESOLVED that

The Austin City Council acknowledges and applauds the formation of the Austin Arts Plan Committee; and be it further RESOLVED that

The City Council thank the excellent group of citizens making up this committee for their generosity in undertaking such complex public service; and be it further RESOLVED that

The City Council looks forward to the well-considered recommendations of the Austin Arts Plan Committee so that a policy and plan may be adopted that effectively structures the City's resources committed to the support of the arts.

#### EMPLOYEES ASSOCIATION DUES

The Council, on Councilmember Carl-Mitchell's motion, Mayor Pro Tem Trevino's second, adopted a resolution regarding City Employees Association Dues Check-Off. (7-0 Vote)

#### CITY MANAGER REPORTS

City Manager reports on Town Lake Master Plan and Transportation and Public Services Report were presented on February 23, 1988. Report on Needs Assessment Efforts was withdrawn. Council did hear reports on Shipe Park Bond Funds and Recommendation on hiring a Child Care Coordinator and a Clerical Staff Person.

#### EXECUTIVE SESSION

Mayor Cooksey announced Council would go into executive session pursuant to Article 6252-17, Texas Revised Civil Statutes Annotated, to discuss matters of land acquisition, litigation, and for personnel matters. No final action, decision or vote by the City Council will be taken on any subject or matter unless specifically listed on the agenda for this meeting.

1. Pending Litigation - Section 2, Paragraph e

- (a) City of Austin v. Houston Lighting and Power
- (b) Vescovo v. City of Austin

2. Personnel Matters - Section 2, Paragraph g

- (a) City Manager Search
- (b) Appointment of Relief Judges

RECESS - Council recessed its meeting from 5:45 p.m. to 6:45 p.m. for Executive Session.

## PUBLIC HEARING - CITY OF AUSTIN INVESTMENT POLICY

Mayor Cooksey opened the public hearing set for 6:00 p.m. on City of Austin Investment Policy. Cards for speakers are on file in the City Clerk's office.

Council closed the public hearing and this item will be on the March 1, 1988 and March 3, 1988 agendas for decision.

## RECESS

Council recessed its meeting from 6:50 to 7:00 p.m.

## PUBLIC HEARING

Mayor Cooksey opened the public hearing set for 7:00 p.m. on Electric Billing Issues, at 7:00 p.m. Cards for speakers are on file in the City Clerk's office.

Councilmember Shipman had a motion to make before the speakers were heard. She prefaced the motion by saying: "Before I make my motion, I would like to make it clear that I will be attaching to the typewritten copy of the motion that will be given to the City Clerk and City Manager, the recommendations of the Utility Audit Sub Group so that they may be incorporated into the formal body of the Request for Proposal. In the interest of time I will not read those into the record because they have already been submitted."

Motion

Councilmember Shipman made a motion, seconded by Councilmember Carl-Mitchell, as follows:

"I move that the City Council direct the City Manager to issue a request for proposal for an independent audit of the Electric Utility to be conducted in two stages. The first stage would include an initial diagnostic review of all utility billing and metering procedures. The second phase will evaluate management and operation procedures and recommend actions the Utility and the City Council can take to improve effectiveness.

The work programs shall involve meetings with the Citizen's Task Force and Electric Utility Commission. Briefly outlined the objectives of the audit are to:

1. Evaluate the adequacy, efficiency and effectiveness of management and operational procedures.
2. Identify and quantify to the extent possible opportunities for cost reductions in the present and cost savings in the future.
3. Provide an implementation plan that will assist the

Utility in implementing the recommendations and assist the Council in monitoring the utility's implementation.

4. The entire audit shall provide concise, -objective, logical written information the City and the ratepayers can understand.

PHASE 1

1. Shall be an independent audit of utility billing procedures.
2. Evaluate utility customer service capability.
3. Evaluate the cost of electric customer billing complaints.
4. Produce comparison of consumption levels and rates.

The first phase of the RFP is to be completed and a report given to the City Council orally and in writing 30 days after the award of the contract.

PHASE 2

The second phase will evaluate management and operational procedures and recommend actions the utility and the City Council can take to improve effectiveness. The second phase shall be reported in the same manner, written and oral, 60 days after the report of Phase 1.

(Included in the motion is the following information for the RFP)

(See pages 12-14)

EUC Citizens Task Force  
Utility Audit Subgroup  
2/25/88

The Electric Utility Department logged 2,248 complaint calls for the month of January 1988. This represents a 148% increase in the number of complaints for the same period in 1987.

We the members of the EUC Citizens Task Force are voluntarily working with the EUC and members of the Electric Utility Department to help identify the cause of the problems and make recommendations to solve them. We agree with the several thousand rate payers that have voiced their concern over the high electric bills over the past several months.

We heard testimony from several hundred rate payers at the public EUC meetings as well as the Electric Department's explanation for the high winter bills. We do not believe that a satisfactory explanation was given to account for the extreme increases we saw in some customers' bills. This task force has heard case after case where the consumption increases described by the rate payers were impossible to believe, especially in cases where the customers had left home for extended periods of time or in some other way tried to conserve electric use. We also heard testimony of extreme variations in the billing amounts for identical vacant apartment units in the same complex. There was testimony presented that residential fuel rates (EO3) have increased over 200% over a three year period. These cases all indicate that there is something wrong in our Public Utility's billing system beyond the explanations the Electric Department has given us or the 17% rate increase that went into effect November 1, 1987.

For the first time in our Public Utility's history, the rate payers of Austin have come forward in record numbers to complain about electric bills. The extreme increases we have experienced over the last several months are creating financial hardship and health and safety concerns for a great number of our rate payers. The rate payers of Austin, whom we represent, will not allow further rate increases without a full investigation into the issues that have been raised. There is a growing amount of public distrust in our Public Utility and the integrity of its operations.

The EUC Citizens Task Force believes that an independent audit of Austin's Public Utility is called for. The audit should include the Electric Utility Department as well as those portions of the Financial Services Department and the Information Services Department that are involved in the function of the billing system. The objective of the audit is to evaluate the integrity of the Public Utility's billing systems and identify cost saving measures in the process. The Citizens Task Force should be responsible for the selection of the audit firm or firms. The auditors should report directly to the Citizens Task Force to assure the public that the audit firm will be answering to a non

political group whose only interest in the outcome is to ensure the rate payers of Austin that the evaluation was thorough and fairly presented. The Task Force also recommends that volunteers be used for as much of the audit as possible to reduce the costs of the audit.

We recommend that the following areas be included in the scope of the audit. The audit however, does not have to be limited to these areas.:

- 1) Evaluation of the entire billing system from meter reading through bill generation.
- 2) Evaluation of the Utility Services Customer Office or USCO.
- 3) Evaluation of the generation and distribution systems including voltage levels.
- 4) Evaluation of the costs in the Public Utility from production through administrative.
- 5) Evaluation of operating expenses and utility revenue requirements.
- 6) Evaluation and comparison of the rate increases for all rate classes for at least a period of four years ( '84-87).
- 7) Evaluation of the effectiveness of the centralized structure with respect to the working relationship of the Electric Utility , Financial Services (USCO) and Information Systems Departments in the billing function.
- 8) Evaluation and comparison of the inverted rate class system with the rate class systems for other utilities in Texas.
- 9) Evaluation for balancing production levels with billing period usage levels and the related unaccounted and loss energy levels.

The audit should be conducted in stages so that issues that are the most critical are evaluated first. We recommend that the first three items in our list above be designated as stage one. These areas are directly related to the concerns of the higher winter bills. The other stages may be coordinated by the audit team and the Citizens Task Force as they see fit.

An independent audit is a necessary expense and the first step in reaching our goal of reducing our electric costs. We also emphasize that the public trust in our Electric Utility's billing system must be restored. This utility is a public utility and all the rate payers in Austin have a stake in its operation.

The Electric Utility Department has filed proposed rate changes to go in effect October 1st, 1988 which include rate increases of 23% for residential customers and 24% for small businesses. These rate increases should not be considered until we the rate payers are given a satisfactory resolution to the problems in the Utility's operation now.

Friendly Amendments

Councilmember Urdy offered the following friendly amendments:

"There are two things I would like made clear in the Audit Sub-committee recommendation. In 6 where the recommendation is evaluation and comparison of rate increases for all the rate classes, I think that is probably covered under year number 4, I think year 4 would compare the rates and increases over that period. I just want to emphasize that.

Then in number 8, evaluation and comparison of the inverted rate class system with the rate class system of the other utilities in Texas, and because I am not sure what all those other rate class systems are I think we ought to make sure we compare the inverted rate with either a flat rate or some other one of those other kinds of categories so we get a comparison of where we are with that in that particular part of the rate structure.

Councilmember Shipman accepted the friendly amendment and said it would be submitted in the material for the RFP.

Roll Call on Motion with Friendly Amendments

7-0 Vote

Many people spoke at the public hearing, and then the motion was made to close the public hearing.

Motion

The Council, on Councilmember Carl-Mitchell's motion, Councilmember Nofziger's second, closed the public hearing. (6-0 Vote, Mayor Pro Tem Trevino out of the room)

ADJOURNMENT

Council adjourned its meeting at 11:34 p.m.