



Austin City Council MINUTES

For JANUARY 19, 1988 - 1:00 P.M.

Special

Council Chambers, 307 West Second Street, Austin, Texas

Memorandum To:

Mayor Cooksey called to order the meeting of the Council, noting the absence of Mayor Pro Tem Trevino and Councilmember Carl-Mitchell.

GILBANE UPDATE

Council held a worksession on Gilbane Update and received a report that everything is on schedule as outlined before the City Council on an earlier date.

CITY MANAGER REPORT - FIRE DEPARTMENT TECHNICAL SERVICES

Chief Roberts reported to Council concerning Fire Department Technical Services. He said they are changing the way they will do business and need the change to be approved by Council. There will be a time line and notice will be sent to all engineers.

Mayor Cooksey said there should be a public hearing before Council concurs. He said there have been complaints from the private sector concerning the building process with many complaints centered on the Fire Department. Mayor Cooksey said Council would like to know the engineer's views.

Council unanimously set a public hearing for January 28, 1988 at 5:00 p.m.

EXECUTIVE SESSION

Mayor Cooksey announced Council would enter 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

d. City of Austin/LCRA v. Decker Coal Company

RECESS

Council recessed for executive session from 3:41 P.M. to 4:40 P.M.

CITY OF AUSTIN/LCRA v. DECKER COAL COMPANY

Council had discussed the City of Austin/LCRA v. Decker Coal Company in executive session. When they resumed the regular meeting Mayor Cooksey asked Acting Assistant City Manager Barney Knight to outline the settlement that has been recommended and the litigation Austin is currently involved in with the Decker Coal Company. "Give us your recommendation as to whether we should accept that settlement offer."

Barney Knight stated: "I bring you a recommendation to settle the litigation and all claims and issues with Decker Coal Company, Nerco, Western Minerals and all associated companies involved in that litigation. This recommendation for settlement includes what we refer to as Decker 1, which is a dispute initiated in 1979 involving mining operations and methods and includes a dispute over the Decker Contract and issues referred to arbitration in the Decker Coal contract. I recommend to you as part of this settlement of entire package and all issues with Decker Coal et al, that the City of Austin agree that the Decker 1 issue appeal by the City of Austin be dismissed, which would in effect, leave the arbitration decision in place. That arbitration decision awarded \$18.5 million to Decker Coal and \$17.5 million to the City of Austin/LCRA. I recommend to you that the Decker 2 coal contract settlement be settled and the contract be terminated and we be released from any and all obligations involving that contract upon payment of a settlement of \$55 million dollars, which of course, half would be paid by our friends at LCRA and half by the City of Austin. I would suggest to you that this is an excellent proposition for this community and preserves and saves for the citizens of Austin, between now and the year 2003, projected savings in the amount of approximately \$1.3 billion dollars net.

"I wish to, in making this recommendation, indicate you my extreme satisfaction with working with our friends from LCRA during the intense process of the last two weeks. I think we truly performed as a team and I think the relationship between the City of Austin and LCRA has grown a lot stronger because of our mutual reliance on each other in the last two weeks. I do recommend this to you."

After some discussion, and a press conference, the following motion was made:

Motion

The Council, on Councilmember Shipman's motion, Councilmember Urdy's second, approved terms of settlement, City of Austin/LCRA v. Decker Coal Company. (5-0 Vote, Mayor Pro Tem Trevino and Councilmember Carl-Mitchell absent)

At this point, Councilmember Humphrey left the Council Chamber.

PUBLIC HEARING - CHARTER AMENDMENTS - SINGLE MEMEBER DISTRICTS

Mayor Cooksey opened the public hearing set for 4:00 P.M. on Charter Amendments - Single Member Districts. People who spoke have a card on file in the City Clerk's office.)

Motion

The Council, on Councilmember Shipman's motion, Councilmember Urdy's second, voted to continue the public hearing to February 9, 1988 at 4:00 P.M. (4-0 Vote, Mayor Pro Tem Trevino, Councilmembers Carl-Mitchell and Humphrey absent)

SHELTER FOR HOMELESS

The Council, on Councilmember Shipman's motion, Councilmember Nofziger's second, directed the Acting City Manager to re-open the old warehouse for a shelter for the homeless. (4-0 Vote, Mayor Pro Tem Trevino, Councilmembers Carl-Mitchell and Humphrey absent)

ADJOURNMENT

Council adjourned its meeting at 6:00 p.m. No other items on the agenda were discussed.