



**Austin City Council
MINUTES**

**BUDGET MEETING
MONDAY, SEPTEMBER 12, 2005**

The following represents the actions taken by the Austin City Council in the order they occurred during the meeting.

The City Council of Austin, Texas, convened in a special called meeting on Monday, September 12, 2005, in the Council Chambers of City Hall, 301 W. 2nd Street, Austin, Texas.

Mayor Wynn called the Council Meeting to order at 10:32 a.m.

Mayor Wynn recessed the special called Council meeting to go into Executive Session at 10:33 a.m.

EXECUTIVE SESSION

The City Council went into Executive Session, pursuant to Chapter 551 of the Texas Government Code, to receive advice from Legal Counsel, to discuss matters of land acquisition, litigation, and personnel matters as specifically listed on this agenda and to receive advice from Legal Counsel regarding any other item on this agenda.

Private Consultation with Attorney - Section 551.071

14. Discuss legal issues related to Collective Bargaining with the Austin Association of Professional Fire Fighters.

Executive Session ended and the Mayor called the Council Meeting back to order at 11:03 p.m.

The City Manager was directed to select a top five accounting firm to compare the latest proposal from the Firefighters' Union to the City's proposal to provide independent data and to determine the pay rate of Austin firefighters compared to other cities in Texas.

Budget-Fiscal Year 2005-2006

1. Approve an ordinance adopting the Operating Budget for Fiscal Year 2005-2006 beginning on October 1, 2005, and ending on September 30, 2006.
Ordinance No. 20050912-001 adopting the Operating Budget for Fiscal Year 2005-2006 beginning on October 1, 2005, and ending on September 30, 2006 and making appropriations for each department, project and account, including the errata shown below, was approved on Mayor Pro Tem Thomas' motion, Council Member Alvarez' second on a 7-0 vote.
The following amendments impact the General Fund:

The motion to amend the FY06 Proposed Budget by increasing the beginning FY 2006 fund balance to recognize a positive adjustment to the FY 2005 year end estimate in the amount of \$457,987 was approved on Council Member Dunkerley's motion, Mayor Pro Tem Thomas second on a 7-0 vote. This adjustment is due to the liquidation of encumbrances in the General Fund that are no longer required.

The motion to amend the Proposed Budget by appropriating one time critical capital funding in the amount of \$152,647 and transferring the same amount to the Deep Eddy Bathhouse CIP Project in the Parks and Recreation Department was approved on Council Member Leffingwell's motion, Mayor Wynn's second on a 7-0 vote.

The motion to amend the Proposed Budget by transferring \$305,340 to the Budget Stabilization Reserve Fund was approved on Council Member Kim's motion, Council Member Alvarez' second on a 7-0 vote.

The motion to amend the Proposed Budget by increasing property tax revenue by an amount of \$1,815,855 was approved on Council Member Dunkerley's motion, Council Member McCracken's second on a 7-0 vote. This increase represents the additional revenue from adopting a nominal tax rate of 44.30 cents per \$100 valuation.

The motion to amend the Proposed Budget by decreasing proposed appropriations and FTEs in the amount of \$1,350,755 and 5.0 FTEs in the following areas: Police Traffic Enforcement - \$555,000/5.0 FTEs; transfer to Solid Waste Services for Code Enforcement - \$331,992; Municipal Court for Code Enforcement - \$47,684; and transfer to Public Works CIP for Traffic Calming - \$416,079 was approved on Mayor Pro Tem Thomas' motion, Council Member Leffingwell's second on a 7-0 vote.

The motion to amend the Proposed Budget by appropriating \$883,222 to implement market pay adjustments for market studies initially intended to take place in FY 2007 was approved on Council Member Dunkerley's motion, Mayor Wynn's second on a 7-0 vote. All planned market reviews would now be scheduled to occur in FY 2006. This amount represents an anticipated implementation time of July 2006 and is for General Fund and Support Services Fund Departments.

The motion to amend the Health and Human Services Department (HHSD) Proposed Budget by appropriating \$156,473 to provide sleeping capacity for 70 additional persons at the Austin Resource Center for the Homeless (ARCH) was approved on Council Member McCracken's motion, Mayor Wynn's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Health and Human Services Department by appropriating \$144,260 for extended weekend hours at the ARCH (6

a.m. until 6 p.m.) was approved on Council Member McCracken's motion, Mayor Wynn's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Public Safety and Emergency Management Department by appropriating an additional \$170,892 and adding 2.0 Park Police FTEs to provide additional security at the ARCH (24 hours per day, 7 days per week) was approved on Mayor Pro Tem Thomas' motion, Council Member Leffingwell's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Library Department by adding \$153,753 and 3.0 Librarian FTEs for the Dell Wired for Youth Program for Faulk, Cepeda and Windsor libraries was approved on Council Member Kim's motion, Council Member McCracken's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Health and Human Services Department by appropriating \$200,000 for Social Services contracts for the following: Council on At-Risk Youth (CARY) \$150,000 and Capital Idea \$50,000 was approved on Mayor Pro Tem Thomas' motion, Council Member McCracken's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Health and Human Services Department by appropriating \$250,000 for Social Services contracts for the following: Mendez Middle School - \$75,000; Future View - \$20,000; Art of Living - \$20,000; and River City Youth - \$135,000 was approved on Council Member Alvarez' motion, Mayor Pro Tem Thomas second on a 7-0 vote.

The motion to amend the Proposed Budget of the Parks and Recreation Department by increasing appropriations in the amount of \$110,000 for the Summer Playground Program was approved on Council Member McCracken's motion, Mayor Pro Tem Thomas' second on a 7-0 vote. This will allow for the addition of 10 sites.

The motion to amend the Proposed Budget by increasing transfers out to the Support Services Fund and appropriating \$50,000 in the Financial & Administrative Services Department (FASD) for the participation in the Wireless Incubator Program was approved on Council Member McCracken's motion, Council Member Kim's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Parks and Recreation Department by increasing appropriations in the amount of \$60,000 for Congress Avenue tree and landscaping maintenance was approved on Council Member Kim's motion, Council Member Dunkerley's second on a 7-0 vote.

The motion to amend the Proposed Budget of the Health and Human Services Department and the Sustainability Fund by increasing appropriations for existing Social Services contracts in the amount of \$438,010 was approved on Council

Member Leffingwell's motion, Council Member Alvarez' second on a 7-0 vote. This represents a 3% increase over the current proposed budget.

The motion to amend the Proposed Budget of the Municipal Court - Downtown Austin Community Court by increasing appropriations in the amount of \$423,000 and adding 1.0 Social Worker FTE for enhanced treatment of Class B misdemeanor public intoxication defendants was approved on Council Member McCracken's motion, Council Member Dunkerley's second on a 7-0 vote.

The motion to amend the Proposed Budget by appropriating an additional \$127,000 in anticipation of a collective bargaining contract with the Firefighter's Union was approved on Council Member Alvarez' motion, Council Member Kim's second on a 7-0 vote.

The following amendments to Other Funds were approved on Council Member Thomas' motion, Council Member Alvarez' second on a 7-0 vote:

Amend other fund expenditures, authorized positions and transfers to reflect amendments approved to the General Fund.

The Proposed Budget for Austin Energy includes \$1,000,000 for Clean Energy Economic Development. Of this amount, \$100,000 shall be programmed specifically for the Clean Energy Incubator Program.

Amend the Austin Energy Fund Operating Budget by reallocating funding to increase the Conservation Rebates and Incentives Funding by \$1,000,000 and by decreasing Operations and Maintenance, including Joint Projects, by the same amount in order to increase residential Solar Rebates Program funding from \$2,500,000 to \$3,500,000. There is no impact on the fund's ending balance.

Amend the Conservation Rebates and Incentives Fund by increasing the transfer in from Austin Energy by \$1,000,000 and increasing the residential Solar Rebates Program by \$1,000,000. There is no impact on the fund's ending balance.

Amend the Proposed Budget of the Austin Water Utility by increasing appropriations in the amount of \$46,000 for the Hill Country Foundation for volunteer training.

Amend the Proposed Budgets of all other enterprise and special revenue funds by appropriating \$1,297,264 to implement market pay for the market studies initially intended to take place in FY 2007 was approved. This amount represents an anticipated implementation time of July 2006 and includes \$100,000 for consultant services being utilized for the market study.

Allocate \$1,000,000 funding for the Holly Good Neighbor Program, included in the Austin Energy proposed budget in the following manner: \$300,000 to be transferred to the MACC/Terrazas Operating and Maintenance fund operations

and maintenance costs of the Mexican American Cultural Center and the Terrazas Branch Library; \$100,000 for the Beat Austin Police Department Walking Beat at East Cesar Chavez near Sanchez Elementary School and Austin Baptist chapel Soup Kitchen; \$30,000 for maintenance of the "reverse 9-1-1" system in East Austin; \$35,000 for the Holly Neighborhood Grants Assistance Program; \$350,000 for Neighborhood Rehabilitation Program for homes near Holly Power Plant; \$80,000 for AISD Metz Elementary HOSTS (Helping One Student to Succeed) program; and \$105,000 for capital projects on City facilities.

The following amendments impacting the Special Revenue Funds were approved on Council Member Alvarez' motion, Council Member Dunkerley's second on a 7-0 vote:

Amend the Proposed Budget of the Cultural Arts Fund by increasing appropriations in the amount of \$122,000 for a total of \$3,800,155 for the Austin Community Cultural Planning Project. This new funding, together with the allocation of existing unprogrammed appropriations of \$18,000, will provide \$100,000 for the Cultural Arts Master Plan and an additional \$40,000 for the Capacity Building Program for a total of \$140,000. The remaining fund balance of \$225,444 leaves a reserve of 6.5% of proposed revenue.

Amend the Proposed Budget by appropriating \$400,000 in Hurricane Katrina donations for social services organizations providing basic needs assistance.

Amend the Proposed Budget by appropriating \$30,000 in the Animal Shelter Fund for the spaying and neutering of animals through the Emancipet Project.

Amend the FY 2006 Proposed Budget of the Watershed Protection and Development Review Special Revenue Fund by increasing appropriations in the amount of \$25,000 and adding 1.0 FTE for an Oak Wilt Suppression grant awarded by the Texas Forest Services.

Amend the FY 2006 Proposed Budget of the Fleet Operations Special Revenue Fund by increasing appropriations in the amount of \$205,000 and accepting a grant awarded by the Texas Emission Reduction Plan to be used for infrastructure and the incremental cost of purchasing trucks with CNG fueled engines.

2. Approve an ordinance adopting the Capital Budget for Fiscal Year 2005-2006 beginning on October 1, 2005, and ending September 30, 2006.

Ordinance No. 20050912-002 adopting the Capital Budget for Fiscal Year 2005-2006 beginning on October 1, 2005, and ending September 30, 2006 and making appropriations for each department, project and account, including the errata was approved on Council Member Alvarez motion, Mayor Pro Tem Thomas' second on a 7-0 vote.

The following amendments were approved on Council Member Dunkerley's motion, Mayor Wynn's second on a 7-0 vote:

Amend the Proposed Capital Budget of the Public Works Department by eliminating appropriations in the amount of \$416,079 for a Traffic Calming Project.

Amend the FY 2006 Proposed Capital Budget of the Parks and Recreation Department by appropriating \$250,000 for the Deep Eddy Bathhouse Project. Funding in the amount of \$152,647 is provided by a transfer from the General Fund and \$97,353 from CIP interest earnings.

3. Approve an ordinance fixing and levying Municipal Ad Valorem taxes for the City of Austin, Texas, for Fiscal Year 2005-2006.

Ordinance No. 20050912-003, increasing the property taxes by the adoption of a tax rate of 44.30 cents per \$100 valuation was approved on Council Member Alvarez' motion, Council Member Dunkerley's second on a 7-0 vote as follows: Ayes: Mayor Wynn, Mayor Pro Tem Thomas, and Council Members Alvarez, Dunkerley, Kim, Leffingwell, and McCracken.

4. Approve an ordinance authorizing fees, fines, and other charges to be charged by City departments for Fiscal Year 2005-2006, beginning on October 1, 2005, and ending September 30, 2006.

Ordinance No. 20050912-004 authorizing fees, fines, and other charges from various City departments for Fiscal Year 2005-2006, beginning on October 1, 2005, and ending September 30, 2006 and amending the City Code was approved on Mayor Pro Tem Thomas' motion, Mayor Wynn's second on a 7-0 vote.

5. Adopt an ordinance to establish classifications and positions in the classified service of the Austin Fire Department and repeal Ordinance No. 050303-6. (Funding is included in the Fire Department Fiscal Year 2005-2006 Operating Budget.)

Ordinance No. 20050912-005 to establish classifications and positions in the classified service of the Austin Fire Department and repeal Ordinance No. 050303-6 was approved on Mayor Pro Tem Thomas' motion, Council Member Kim's second on a 7-0 vote.

6. Approve an ordinance to establish classifications and number of positions in the classified service of the Austin Police Department and repealing Ordinance No. 050310-12. (Funding is included in the Proposed Fiscal Year 2005-2006 Operating Budget for the Police Department.)

Ordinance No. 20050912-006 to establish classifications and number of positions in the classified service of the Austin Police Department and repealing Ordinance No. 050310-12 was approved on Council Member McCracken's motion, Council Member Kim's second on a 7-0 vote.

7. Adopt a resolution amending the Personnel Policies to provide for alcohol and drug testing required by Federal Aviation Administration regulations for certain Emergency Medical Services Employees assigned to STAR Flight; and to allow for enhanced service incentive pay.

Resolution No. 20050912-007 amending the Personnel Policies to provide for alcohol and drug testing required by Federal Aviation Administration regulations for certain Emergency Medical Services Employees assigned to STAR Flight; and to allow for enhanced service incentive pay was approved on Council Member Dunkerley's motion, Mayor Pro Tem Thomas' second on a 7-0 vote.

8. Approve a resolution approving contracts for Cultural Arts Services for the Fiscal Year 2005-2006. (Funding in the amount of \$3,663,155 is available in the Fiscal Year 2005-2006 Proposed Budget for the Cultural Arts Fund for cultural arts contracts; \$28,500 is available in the Fiscal Year 2005-2006 Texas Commission on the Arts Subgranting Program grant for a total of \$3,691,655.) (Recommended and adopted by the Austin Arts Commission.)
Resolution No. 20050912-008, approving contracts for Cultural Arts Services for the Fiscal Year 2005-06 in the amount of \$3,691,655 and increasing funding by \$122,000 for a total of \$3,813,655 was approved on Council Member Alvarez' motion, Council Member Dunkerley's second on a 6-0 vote. Council Member Leffingwell was off the dais.
9. Approve the Austin Convention and Visitors Bureau (ACVB) 2005-2006 Marketing Plan, and proposed budget in the amount of \$5,829,890, and set the contract payment from the City of Austin to ACVB at \$5,106,690 for the Fiscal Year 2005-2006 and direct the City Manager to file the approved documents with the City Clerk's office as required by the Texas Tax Code. (Funding in the amount of \$5,106,690 is available in the Fiscal Year 2005-2006 proposed operating budget for the Tourism and Promotion Fund. The 2005-2006 Tourism and Promotion Fund is attached.)
The motion approving the Austin Convention and Visitors Bureau 2005-2006 Marketing Plan and proposed budget in the amount of \$5,829,890 and setting the contract payment from the City of Austin to ACVB at \$5,106,690 for the Fiscal Year 2005-06 and directing the City Manager to file the approved documents with the City Clerks' office was approved on Council Member Kim's motion, Mayor Wynn's second on a 7-0.
10. Approve a resolution declaring the City of Austin's official intent to reimburse itself from the proceeds of tax-exempt obligations in an aggregate maximum principle amount of \$180,000,000 for expenditures related to the acquisition and construction of water and wastewater system capital improvements.
Resolution No. 20050912-010 declaring the City of Austin's official intent to reimburse itself from the proceeds of tax-exempt obligations in an aggregate maximum principle amount of \$180,000,000 for expenditures related to the acquisition and construction of water and wastewater system capital improvements was approved on Council Member McCracken's motion, Council Member Dunkerley's second on a 7-0 vote.
11. Approve a resolution declaring the City of Austin's official intent to reimburse itself from the proceeds of November 2000 Proposition 1 General Obligation bonds to be issued for expenditures in the amount of \$6,090,000 related to street improvements; to reimburse itself from the proceeds of November 1998 Proposition 2 General Obligation bonds to be issued for expenditures in the amount of \$4,170,000 related to recreation center improvements; to reimburse itself from the proceeds of November 1998 Proposition 4 General Obligation bonds to be issued from expenditures in the amount of \$3,940,000 related to library improvements; and to reimburse itself from the proceeds of Certificates of Obligation in the amount of \$2,000,000 for expenditures related to the fire station construction. (This resolution is required Pursuant to Section 103 of the Internal Revenue Code, which protects the tax-exempt status of the referenced expenditures.) (\$14,200,000 in General Obligation Public Improvement Bonds to be issued in August 2006 or later; \$2,000,000 in tax-supported General Obligation Contractual Obligations to be issued in August 2006 or later.)
Resolution No. 20050912-011 declaring official intent to reimburse \$14,200,000 in General Obligation Bonds and \$2,000,000 in contractual obligations was approved on Council Member Dunkerley's motion, Mayor Wynn's second on a 7-0 vote.
12. Approve a resolution declaring the City of Austin's official intent to reimburse itself from the proceeds of tax-exempt obligations in an aggregate maximum principle amount of \$42,519,340

for expenditures related to the acquisition and construction of electric utility capital improvement projects.

Resolution No. 20050912-012 declaring the City of Austin's official intent to reimburse itself from the proceeds of tax-exempt obligations in an aggregate maximum principle amount of \$42,519,340 for expenditures related to the acquisition and construction of electric utility capital improvement projects was approved on Council Member Dunkerley's motion, Mayor Wynn's second on a 7-0 vote.

13. Authorize negotiation and execution of a Renewal and Second Amendment to the Interlocal Agreement with the Travis County Hospital District ("Hospital District") for the continued operation by the City of the community health clinic system, and continued management by the City of the Hospital District's medical assistance programs, charity care programs and certain health care contracts, and related matters. (Payment from City of Austin Interlocal Agreement with Travis County Hospital District.)

The motion authorizing the negotiation and execution of a Renewal, Extension, and Second Amendment to the Interlocal Agreement with the Travis County Hospital District ("Hospital District") for the continued operation by the City of the community health center clinic system, and continued management by the City of the Hospital District's medical assistance programs, charity care programs and certain health care contracts, and related matters was approved on Council Member Leffingwell's motion, Council Member McCracken's second on a 7-0 vote.

BOARD OF DIRECTORS MEETING OF AUSTIN HOUSING FINANCE CORPORATION

The Mayor announced this item was postponed to September 29, 2005 without objection.

Mayor Wynn adjourned the meeting at 1:30 p.m. without objection.

The minutes for the Budget Meeting of September 12, 2005 were approved on this the 29th day of September, 2005 on Council Member Leffingwell's motion, Council Member McCracken's second on a 6-0 vote. Council Member Alvarez was off the dais.