

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Special Meeting

January 29, 1946

8:00 P.M.

Council Chamber, City Hall

The meeting was called to order, with Mayor Tom Miller presiding.

Roll Call

Present: Councilman Bartholomew, Mayor Miller, Councilman Wolf
Absent: Councilmen Alford and Gillis

Present also: Guiton Morgan, City Manager; W. T. Williams, City Attorney; Dr. Ben Primer, Director of Public Health; E. D. Wiginton, Water and Light Department.

Mayor Miller outlined the events taking place in the milk situation from September, when the Schools stated their inability to secure Grade-A Pasteurized Milk for the lunch rooms, to the present meeting. He listed five public meetings which had been held all in favor of increasing the price of milk to the producer from \$3.75 to \$4.00 CWT, 1/2¢ per quart to be allowed at retail. The Mayor detailed the many steps taken in negotiating with the OPA both at Dallas and in Washington, and the efforts on the part of the producers as well as the distributors to obtain this grant from the OPA. Since the tax rolls had already been made up, and since it was too late to call an election and the crisis was right here, and since it was not advisable to take the money from the funds for street and road work, recreation, public health, etc., the Mayor explained the next best procedure would be to subsidize this payment by increasing the water and light bills 3 1/2% until such time as the O.P.A. made this grant. This increase would apply to bills beginning at \$1.00.

Mayor Miller called up for the second reading the following ordinance:

AN ORDINANCE AMENDING AN ORDINANCE REGULATING THE SALE OF MILK AND MILK PRODUCTS IN THE CITY OF AUSTIN PASSED ON THE 1st DAY OF JULY, 1937, AND RECORDED IN ORDINANCE BOOK "K", PAGES 201-215, AND AN AMENDMENT THERETO RECORDED IN ORDINANCE BOOK "L", PAGES 288-290, BY ADDING THERETO A SECTION TO BE NUMBERED SECTION 21-a, PROVIDING FOR THE PROCUREMENT AND DISTRIBUTION OF MILK AND MILK PRODUCTS WITHIN THE CITY OF AUSTIN; PROVIDING FOR THE EMPLOYMENT OF LABOR AND

EQUIPMENT NECESSARY FOR THE PROCUREMENT AND DISTRIBUTION OF MILK AND MILK PRODUCTS AS A PROTECTION TO THE PUBLIC HEALTH AND GENERAL WELFARE OF THE PEOPLE; REPEALING ALL ORDINANCES AND PARTS OF ORDINANCES IN CONFLICT WITH THIS AMENDMENT, AND DECLARING AN EMERGENCY.

The ordinance was read the second time and laid on the table.

Mr. Eugene Sanders appeared before the Council in protest of using the water and lights to pay for this increase; and suggested petitioning the O.P.A., and the Texas Senators and all of the Texas Congressmen to get the O.P.A., to grant this increase.

Mr. Bob Eckhardt spoke before the Council favoring immediate action in the matter, but not favoring over a long period of time taking public money to pay private organizations. He also wanted full information from the distributors on the amount of profit they made; and felt if they would not furnish all information and facts, a plan should be worked out to get the milk from the producer to the consumer without the distributors.

Ex-senator Joe Hill, Mr. Rhomberg, and Mr. Jim Sparks, appeared before the Council in protest of using water and light funds to pay this subsidy, stating the Council would establish a very dangerous precedent.

Mr. Rach inquired about the conditions existing in other large towns, and Mayor Miller stated that those cities were using recombined milk to supplement their supply, and that the health officers here would not recommend recombined milk for Austin. Mr. Rach suggested levying a sales tax; but the Mayor explained that in Denver, Colorado, this sales tax had been attacked by O.P.A., in the Courts; and that if it were levied, the producers would lose the milk subsidy paid from the Federal Government.

Mr. Holcomb spoke in sympathy with the milk producer. He recommended that the proposal submitted by the City Council be adopted.

Mr. Ed Clark spoke in favor of the principle of subsidy, but did not think the subsidy should be paid from the water and light funds, because it would set a precedent. He stated the distributors were making profits at the hands of the producers, and consumers, and the producers and consumers should get together and work out something.

Mayor Miller offered to underwrite one-fifth of the cost for the time to call an election.

Mr. Joe Carrington presented the side of the producers, outlining their difficulty in getting action from the O.P.A., and explaining the situations in different parts of Texas, in towns using homogenized milk, which sold at 18¢ per quart. He explained the reason for the milk shortage stating there was not suitable land around Austin, to raise feed; that feed had to be bought at high prices above the ceiling; labor conditions, and that the milk producers were actually losing money, and had to do something.

Mr. Lewis appeared before the Council, stating he did not want to see the Council take public money to pay to the producers, when the men in his line of business were having a hard time.

Mr. Julius Schutze inquired if this 25¢ increase would be sufficient to cover the losses and assure better milk being brought in. He stated it would be better to put on the right kind of a tax to take care of the situation.

The Mayor asked the cooperation of the group, stating that when the O.P.A., granted the increase, the 3½ percent would immediately come off the water&light bills.

Mr. Murray Ramsey inquired if the rest of the Council agreed with the Mayor, Mayor Miller stated they had agreed to pass to the second reading this milk ordinance, and that Mr. Gillis, who was sick, had been contacted and he was in favor of it. Mr. Wolf stated there was an emergency, and he was in favor of this as being the only way out.

There being no further business, upon motion seconded and carried, the meeting was recessed at 11:30 P.M.

Approved: Tom Miller
Mayor

ATTEST:

Helen M. Keenan

City Clerk