

MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

September 4, 1947

10:00 A. M.

Council Chamber, City Hall

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

Roll call

Present : Councilmen Bartholomew, Glass, Johnson, Mayor Miller, and
Councilman Thornberry - 5

Absent : None

Present also: Guiton Morgan, City Manager; Trueman E. O'Quinn, City Attorney; J. D. Huffman, Finance Director; and R. D. Thorp, Chief of Police.

Also present: A large number of representatives of bond firms throughout the Nation.

The reading of the Minutes was dispensed with.

In accordance with published notice thereof, promptly at 10:00 o'clock A. M., Mayor Miller announced that the time for submitting bids on the purchase of City of Austin General Obligation Bonds, Series 1947, in the amount of \$830,000.00, had expired; and the City Council would proceed with the opening of said bids.

The following bids were then opened and read, as follows:

<u>Name of Bidder</u>	<u>Nominal Rate</u>	<u>Principal</u>	<u>Interest Cost</u>	<u>Premium Offered</u>	<u>Net Interest Cost</u>	<u>Effective Interest Rate</u>
C. J. DEVINE & COMPANY, INC., N.Y.	1-1/2%	\$424,000.00	\$	\$	\$	
Commerce Union Bank of Nashville	1-3/4%	406,000.00				
Bear, Stearns & Company						
Ira Haupt & Company		830,000.00	196,938.75	1,286.17	195,652.58	1.6666
THE FIRST NATIONAL BANK OF CHICAGO						
Glore, Forgan & Company	1-1/2%	424,000.00				
Barret, Fitch, & Company, Inc.	1-3/4%	406,000.00				
		830,000.00	196,937.75	57.00	196,881.75	1.6765
PHILIPS, TENN & COMPANY, NEW YORK, N.Y.						
R. W. Pressprich & Co., New York, N.Y.	3 %	133,000.00				
Commerce Trust Co., Kansas City, Mo.	1-1/2%	393,000.00				
Rauscher, Pierce & Co., San Antonio, Texas	1-3/4%	304,000.00				
		830,000.00	199,383.75	664.00	198,719.75	1.6921
SMITH, BARNEY & COMPANY						
The Milwaukee Company	1-3/4%	261,000.00				
Milton R. Underwood & Co	1-1/2%	197,000.00				
James C. Tucker & Co., Inc.	1-3/4%	372,000.00				
		830,000.00	199,220.63	414.17	198,806.46	1.6929
Halsey, Stuart & Co., Inc., Chicago, Ill	1-1/2%	326,000.00				
	1-3/4%	504,000.00				
		830,000.00	200,187.50	249		
Mercantile Commerce Bank & Trust Co., St. Louis, Mo.						
	1-1/4%	294,000.00				
	1-3/4%	415,000.00				
	1-7/8%	121,000.00				
		830,000.00	200,332.82	290.50	200,042.32	1.7034

<u>Name of Bidder</u>	<u>Nominal Rate</u>	<u>Principal</u>	<u>Interest Cost</u>	<u>Premium Offered</u>	<u>Net Interest Rate</u>	<u>Effective Interest Rate</u>
Drexel & Company	1-1/2%	\$261,000.00	\$	\$	\$	
	1-3/4%	569,000.00				
		830,000.00	201,933.13	166.00	201,767.13	1.7181
The National City Bank of New York	2-3/4%	197,000.00				
	1-1/2%	363,000.00				
	1-3/4%	270,000.00	202,134.38		202,134.38	1.7212
Harriman Ripley & Company, Inc.	1-3/4%	830,000.00	205,511.25	2,656.00	202,855.25	1.7273
Lehman Brothers	1-3/4%	326,000.00				
	1-1/2%	65,000.00				
	1-3/4%	439,000.00	203,438.13	332.00	203,106.13	1.7295
The First Boston Corporation	1-3/4%	830,000.00	205,511.25	2,058.40	203,452.85	1.7324
Northern Trust Company	1-3/4%	830,000.00	205,511.25	1,162.00	204,349.25	1.7401
Goldman, Sachs & Co., New York		830,000.00	209,139.69		209,139.69	1.7808
Union Securities Corporation		830,000.00	209,531.88	141.10	209,390.78	1.7830

Each of the above and foregoing bids was accompanied by a cashier's check in the amount of \$16,600.00.

Whereupon the bids were referred to the Finance Director for tabulation and report.

Mr. Sam Lane came before the Council and asked that the City grant him ingress and egress to his property, consisting of four acres of land near the City Incinerator and a 10-foot strip out to Hargrave Street, in order that he might get a permit to build a house; the City having bought property between said strip and the Incinerator. The matter was referred to the City Manager, the City Attorney, and the Director of Public Works for investigation and recommendation.

The following report of the Board of Adjustment was received:

"ZONING BOARD OF ADJUSTMENT
AUSTIN, TEXAS
ZONING CHANGE RECOMMENDATION .

Applicant : Mrs. H. L. Marks, Agent for Owners.

I. Referred to the Board by the City Council on: August 21, 1947

II. Property affected:

Lots 4, 5, and 6, Block 148, Original City, being located south of West 13th Street between Lavaca and Colorado Streets.

III. To be changed

From : "B" Residence District and Second Height and Area District

To : "C" Commercial District and Second Height and Area District

IV. Considered by the Board on: September 2, 1947

V. Parties appearing:

For : Mrs. H. L. Marks

Against: None

VI. Action of the Board: Change recommended

For the following reasons:

1. This application is for a change in the zoning designation of three lots which are surrounded on the north and west by a commercial district, on the east by the State Capitol, and on the south by a church, being the north portion of a small block which is bounded on three sides by commercial property.
2. The use of the property in this neighborhood has so changed that the small remaining "B" Residence property is not suitable for residential development because of existing commercial enterprises and the nearness of the Capitol.

3. The Board deemed that under the conditions and circumstances this property should be zoned as "C" Commercial to correspond with the zoning and development in the neighborhood as an extension of the present commercial zone, and that it is not now suitable for residential uses.

(Sgd) H. F. Kuehne "

Councilman Bartholomew moved that a public hearing on the foregoing application for change in zoning be called for Thursday, September 25, 1947, at 11:00 A. M. The motion carried by the following vote:

Ayes : Councilmen Bartholomew, Glass, Johnson, Mayor Miller, and Councilman Thornberry

Noes : None

The following applications for private boat licenses, duly approved by the Navigation Board, were submitted:

<u>Owner</u>	<u>Description</u>
Cheavens, Frank, 1902 Stamford Land	Home-made, Outboard, 1-passenger
Moore, Joe, 3201 East 1st Street	Hydroplane, Outboard, 1946 Model, Sea King, 1-passenger

Councilman Thornberry moved that the licenses be granted. The motion carried by the following vote:

Ayes : Councilmen Bartholomew, Glass, Johnson, Mayor Miller, and Councilman Thornberry

Noes : None

Councilman Glass offered the following resolution and moved its adoption:

(RESOLUTION)

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

THAT the City Manager be and he is hereby authorized and directed to execute an agreement with the Lower Colorado River Authority granting to the Authority an easement for the construction and maintenance of an electric power and communications line and a radio tower on property belonging to the City of Austin and located in the Wilkinson Sparks Survey in Travis County. This property is on the west side of the Colorado River and adjacent to the west end of the Tom Miller Dam; said easement to be in accordance with the form and map attached and in conformity with the conditions set out in a letter from the Lower Colorado River Authority dated September 3, 1947.

(Letter attached)

"Austin, Texas
September 3, 1947

Honorable Guiton Morgan
City Manager
Municipal Building
Austin, Texas

Dear Guiton:

The Lower Colorado River Authority has been talking with representatives of the City (I believe most of the conversations have been with either Mr. Seaholm or Mr. Kinney) relative to the Authority obtaining from the City an easement to construct and maintain an electric power and communications line and a radio tower on property belonging to the City of Austin and located in the Wilkinson Sparks Survey in Travis County, Texas. The Authority will agree to re-locate the line or any part thereof, or the radio tower and control house, or to remove same if the City of Austin should desire to use said land or any part thereof in the future and requests the Authority to either re-locate or remove as set out above.

The need for the radio tower has been discussed with Mr. Seaholm and Mr. Kinney, and they are fully acquainted with the situation. The Authority will greatly appreciate your presenting this matter to the City Council at its next meeting. If the City of Austin will grant the above mentioned privileges and easements to the Authority, same will be of material benefit in aiding the Authority in maintaining service to various areas served by the Authority, and particularly rural areas. For your convenience, I am attaching hereto copy of a plat showing the location of the proposed line and the proposed tower and control house, and a form of easement describing the property rights desired. It may be that the form of easement should be modified, since it is a printed form which pertains primarily to electric transmission and distribution lines, but if the City Council will approve the granting of said rights to the Authority, I am sure that we will have no difficulty in reaching an agreement as to the form of the necessary instruments.

Yours very truly,

(Sgd) W. S. Gideon
General Counsel "

(Form of Agreement attached)

THE STATE OF TEXAS :

COUNTY OF TRAVIS : KNOW ALL MEN BY THESE PRESENTS:

That the City of Austin, a municipal corporation, situated in Travis County, Texas, for and in consideration of _____ Dollars (\$ _____) to me(us) in hand paid by LOWER COLORADO RIVER AUTHORITY, of Austin, Texas, (hereinafter called the "Authority"), have granted, sold and conveyed and by these presents do grant, sell and convey unto the said Authority, an easement and right-of-way for an electric transmission and/or distribution line, consisting of variable number of wires, and all necessary or desirable

appurtenances (including towers, H-Frames or poles made of wood, metal or other materials, telephone and telegraph wire, props and guys) at or near the location and along the general course now located and staked out by the said Authority, over, across and upon the following described lands located in Travis County, Texas, to-wit:

That portion of the Wilkinson Sparks Survey, now owned by the City of Austin.

This easement shall consist of the right to build and maintain a single-pole electric power and communication line along the following described center-line:

Beginning at the existing electric power pole belonging to the City of Austin located adjacent to the electrical manhole in the westerly abutment of Austin Dam;

Thence south $53^{\circ}50'$ west across grantor's property for a distance of approximately 3150 feet;

Thence south $58^{\circ}16'$ west approximately 145 feet to a terminus of said power and communication line at a point which bears north $30^{\circ}20'$ east 173.6 feet from a concrete monument in the property line between the Frank and Nellie McCartney tract and City of Austin tract in the Wilkinson Sparks survey, a distance of 962.65 feet east of the west property corner of said City of Austin tract.

This easement shall also include the right to build and maintain a radio tower with the necessary appurtenant guys and control house at or near the said terminus of the above described line.

It is understood that the Lower Colorado River Authority shall remove or relocate all or any part of said power and communication line, radio tower, and control house, if the City of Austin should require the use of said tract for other purposes.

Together with the right of ingress and egress over my(our) adjacent lands to or from said right-of-way for the purpose of constructing, reconstructing, inspecting, patrolling, hanging new wire on, maintaining and removing said lines and appurtenances; the right to relocate along the same general direction of said lines; the right to remove from said lands all trees and parts thereof, or other obstructions, which endanger or may interfere with the efficiency of said lines or their appurtenances.

TO HAVE AND TO HOLD the above described easement and rights unto the said Authority, its successors and assigns, until said line shall be abandoned.

Not more than _____ towers, _____ H-Frames, _____ poles and _____ guys shall be erected along the course of said lines unless the said Authority, its successors or assigns, shall pay to me (us), my (our) heirs and legal representatives, at the rate of _____ Dollars (\$ _____) for each tower, H-Frame, pole and guy erected in excess of said number, and upon such payment the said Authority, its successors or assigns, shall have

the right and the right is hereby granted, to erect towers, H-Frames, poles and guys along said course in excess of said number.

And I(we) do hereby bind myself (ourselves), my(our) heirs and legal representatives, to warrant and forever defend all and singular the above described easement and rights unto the said Authority, its successors and assigns, against every person whomsoever lawfully claiming or to claim the same or any part thereof.

WITNESS _____ hand this _____ day of _____, 19____.

Sealed and delivered in the presence of: _____

(See Original for Map attached)

Which motion, carrying with it the adoption of the resolution, carried by the following vote:

Ayes : Councilmen Bartholomew, Glass, Johnson, Mayor Miller, and
Councilman Thornberry

Noes : None

Councilman Thornberry introduced the following ordinance:

AN ORDINANCE AMENDING AN ORDINANCE ENTITLED, "AN ORDINANCE PRESCRIBING REGULATORY MEASURES PERTAINING TO ELECTRICAL WORK IN THE CITY OF AUSTIN; CREATING AN ELECTRICAL BOARD AND PROVIDING FOR APPOINTMENT OF ITS MEMBERS, AND FIXING THE DUTIES AND POWERS OF SAID BOARD; PROVIDING FOR APPEAL FROM THE DECISIONS OF SAID BOARD; PROVIDING FOR THE ISSUANCE OF LICENSES TO MASTER ELECTRICIANS, BUILDING OWNERS, SIGN MANUFACTURERS, MOTION PICTURE OPERATORS, REPAID SERVICES, EQUIPMENT MANUFACTURERS, SPECIALIZED SERVICES AND MAINTENANCE ELECTRICIANS, AND FOR THE REGISTRATION OF JOURNEYMAN ELECTRICIANS; PROVIDING FOR FEES, BONDS AND THE KEEPING OF RECORDS, AND FOR THE REVOCATION OF LICENSES AND CERTIFICATES; PROVIDING FOR ELECTRICAL INSPECTORS AND PRESCRIBING THE DUTIES AND POWERS OF SAID OFFICERS; PROVIDING FOR THE ISSUANCE OF PERMITS FOR ELECTRICAL WORK AND THE INSPECTION THEREOF, AND FIXING THE FEES FOR SUCH INSPECTION; PROMULGATING RULES AND REGULATIONS TO GOVERN ALL ELECTRICAL WIRING, CONSTRUCTION, INSTALLATION, ALTERATIONS, REPAIRS, OPERATION AND MAINTENANCE OF ELECTRICAL WIRING APPARATUS AND FIXTURES; REGULATING THE OPERATION OF MOTION PICTURE PROJECTORS AND MAINTENANCE OF MOTION PICTURE PROJECTION BOOTHS; PROVIDING PENALTIES FOR THE VIOLATION OF THE PROVISIONS OF THIS ORDINANCE; PROVIDING A SAVING CLAUSE;

REPEALING CONFLICTING ORDINANCES; AND DECLARING AN EMERGENCY," WHICH WAS PASSED BY THE CITY COUNCIL MARCH 1, 1939, AND IS RECORDED IN BOOK "K", AT PAGES 460-486 OF THE ORDINANCE RECORDS OF THE CITY OF AUSTIN BY AMENDING SUB-SECTIONS (a) AND (b) OF SECTION 32 OF SAID ORDINANCE SO AS TO AMEND SUB-SECTION (a) BY ADDING TO THE MOTION PICTURE BOARD ONE LICENSED MOTION PICTURE OPERATOR, AND BY AMENDING SUB-SECTION (b) SO AS TO PROVIDE FOR CALLED MEETINGS OF THE MOTION PICTURE BOARD IN ADDITION TO STATED MEETINGS; AND DECLARING AN EMERGENCY.

The ordinance was read the first time and Councilman Thornberry moved that the ordinance be passed to its second reading and laid over. The motion carried by the following vote:

Ayes : Councilmen Bartholomew, Glass, Johnson, Mayor Miller, and Councilman Thornberry

Noes : None

The ordinance was then laid over for its second reading.

The written request of the Exchange Club of Austin, by S.M.Apperson, President, that the City designate a location for the operation of the Amateur Miniature Automobile Building Club, which has for its purpose the building and running of motor-driven miniature automobile models, the plan of operation being similar to the model airplane program sponsored by the City Recreation Department and the Exchange Club, was received. Mr. Julian Baldwin appeared on behalf of the request, stating that this project would provide work for young men. The matter was referred to the City Manager and the Recreation Department for investigation.

The application of FERMON LEE BISHOP, 1714 South 5th Street, for a license to operate as a taxicab a 4-door Dodge Sedan, 1941 Model, Motor No. D19-17453, State Highway License No. JB-4584, approved by the City Manager, was submitted. Councilman Bartholomew moved that the license be granted. The motion carried by the following vote:

Ayes : Councilmen Bartholomew, Glass, Johnson, Mayor Miller, and Councilman Thornberry

Noes : None

The application of SUMMERS TAXI, 410 West 19th Street, by O.A.Summers, for a taxicab terminal operator's license, approved by the City Manager, was submitted. Councilman Glass moved that the license be granted. The motion carried by the following vote:

Ayes : Councilmen Bartholomew, Glass, Johnson, Mayor Miller, and Councilman Thornberry

Noes : None

The appeal of Sabert Thomas Smith, 1610 Newton Street, on his application for a taxicab driver's permit, recommended for denial, was heard. After considering the facts in the case, Councilman Thornberry moved that the said Sabert Thomas Smith be granted a 90-days probationary taxicab driver's permit. The motion carried by the following vote:

Ayes : Councilmen Bartholomew, Glass, Johnson, Mayor Miller, Councilmen Thornberry

Noes : None

The application of G. J. MUSGROVE, 306 Congress Avenue, for a wine and beer license, approved by the City Manager, was submitted. Councilman Glass moved that the license be granted. The motion carried by the following vote:

Ayes : Councilmen Bartholomew, Glass, Johnson, Mayor Miller, and
Councilman Thornberry

Noes : None

The Finance Director submitted his report on the tabulation of bids on the sale of \$830,000.00 General Obligation Bonds received at the opening of the session and referred to him for tabulation.

Councilman Bartholomew offered the following resolution and moved its adoption:

(RESOLUTION)

WHEREAS, C. J. Devine & Co., Inc., Commerce Union Bank of Nashville, Bear, Stearns & Company, and Ira Haupt & Company, acting by and through their duly authorized agent and representative, F. T. Kennedy, Vice President of C. J. Devine & Co., Inc., have this day submitted to the City Council the following proposal:

" September 4, 1947

To the City Council
City of Austin, Texas

Gentlemen:

For your \$830,000.00 of General Obligation Bonds as per your Notice of Sale and your Prospectus dated August 10, 1947, we will pay you par and accrued interest from October 1, 1947, to date of delivery plus a cash premium of \$1,286.17.

Bonds maturing from January 1, 1949, to January 1, 1962, inclusive, shall bear interest at the rate of 1.50% per annum.

Bonds maturing from January 1, 1963, to January 1, 1973, inclusive, shall bear interest at the rate of 1.75% per annum.

Total interest cost from October 1, 1947, to final maturity under this bid less the cash premium bid is \$195,652.58.

This bid is based upon the information as to date of issue, principal maturities, delivery, place of payment, etc., as contained in your official Notice of Sale and in the "Supplementary Information" dated August 10, 1947, issued by you. Specific reference is made to your statement that the bonds will be ready for delivery on or before October 6, 1947.

Attached hereto is a Cashier's Check in the amount of \$16,600 which is to be retained by you if we are awarded the bonds on this

bid. You are to apply the check on the purchase price of the Bonds when final delivery is made. In the event we fail or refuse to pay for the bonds, you are to cash the check as full and complete liquidated damages. In the event the Bonds are not awarded to us, the check is to be returned to us immediately.

Respectfully submitted:

C. J. Devine & Co., Ind.
Commerce Union Bank of Nashville
Bear, Stearns & Company
Ira Haupt & Company

By C. J. Devine & Co.,
/s/ F. T. Kennedy V. P.
Authorized Representative
of above firm or Syndicate "

and

WHEREAS, the said bid and proposal of C. J. Devine & Co., Inc., Commerce Union Bank of Nashville, Bear, Stearns & Company, and Ira Haupt & Company was the most advantageous bid submitted to the City Council for the purchase of the aforesaid bonds; NOW, THEREFORE,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That said proposal of C. J. Devine & Co., Inc., Commerce Union Bank of Nashville, Bear, Stearns & Company, and Ira Haupt & Company to purchase \$830,000.00 City of Austin General Obligation Bonds as per the City's Notice of Sale and Prospectus dated August 10, 1947, at the price and upon the terms of said proposal be and the same is hereby accepted and C. J. Devine & Co., Inc., Commerce Union Bank of Nashville, Bear, Stearns & Company, and Ira Haupt & Company be awarded the sale of said bonds; and

BE IT FURTHER RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

That the City Manager be and he is hereby authorized and directed to sell to C. J. Devine & Co., Inc., Commerce Union Bank of Nashville, Bear, Stearns & Company, and Ira Haupt & Company the \$830,000.00 of General Obligation Bonds of the City of Austin as per the City's Notice of Sale and Prospectus dated August 10, 1947, at par and accrued interest from October 1, 1947, to date of delivery plus a cash premium of \$1,286.17, according to the terms of said bid hereinbefore set out.

Which motion, carrying with it the adoption of the resolution, carried by the following vote:

Ayes : Councilmen Bartholomew, Glass, Johnson, Mayor Miller, and Councilman Thornberry

Noes : None

The Council then recessed, subject to call of the Mayor.

Attest:
Allen M. Miller City Clerk

Approved: *Tom Miller* Mayor