



**Austin City Council  
MINUTES**

**BUDGET MEETING  
TUESDAY, SEPTEMBER 9, 2003**

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 regular meeting on Tuesday, September 9, 2003, in the One Texas Center, 505 Barton Springs Road, 3<sup>rd</sup> Floor Training Room, Austin, Texas.

Mayor Wynn called the Council Meeting to order at 11:00 a.m.

**Budget-Fiscal Year 2003-2004**

15. Authorize the issuance of \$4,450,000 City of Austin, Texas, Certificates of Obligation, Series 2003, and all related documents. (\$351,375 in the first year debt service requirement and \$600 estimated annual administration fee for the paying agent/registrar for the proposed Certificate of Obligation sale is included in the 2003-2004 Proposed Operating Budget of the General Obligation Debt Service Fund.) (On July 22, 2003 the Audit and Finance Committee approved the 2003 Certificates of Obligation Sale.)  
Ordinance No. 030909-15 in the amount of \$4,450,000 was approved on Council Member Dunkerley's motion, Council Member Thomas' second on a 6-0 vote. Mayor Pro Tem Goodman was off the dais.
16. Authorize the issuance of \$68,855,000 City of Austin, Texas, Public Improvement and Refunding Bonds, Series 2003, and all related documents. (\$3,570,613 in the first year debt service requirement and \$600 estimated annual administration fee for the paying agent/registrar for the proposed bond sale is included in the 2003-2004 Proposed Operating Budget of the General Obligation Debt Service Fund.)  
Ordinance No. 030909-16 was approved in the amount of \$68,859,327.25 on Council Member Dunkerley's motion, Council Member Thomas' second on a 6-0 vote. Mayor Pro Tem Goodman was off the dais.
17. Authorize the issuance of \$8,610,000 City of Austin, Texas, Public Property Finance Contractual Obligations, Series 2003, and all related documents. (\$719,907 in the first year debt service requirement and \$600 estimated annual administration fee for the paying agent/registrar for the proposed contractual obligation sale is included in the 2003-2004 Proposed Operating Budget of the General Obligation Debt Service Fund.)  
Ordinance No. 030909-17 was approved in the amount of \$8,612,453.25 on Council Member Dunkerley's motion, Council Member Thomas' second on a 6-0 vote. Mayor Pro Tem Goodman was off the dais.

18. Approve an ordinance authorizing the issuance of approximately \$2,530,000 City of Austin, Texas, Public Improvement Refunding Bonds, Taxable Series 2003A, including approval and authorization of all related documents pertaining thereto. (\$350,475 in the first year debt service requirement and \$600 estimated annual administrative fee for the paying agent/registrar for the proposed bond sale is included in the Fiscal Year 2003-2004 Proposed Operating Budget of the Obligation Debt Service Fund.)

**Ordinance No. 030909-18 was approved in the amount of \$2,541,911.60 on Council Member Dunkerley's motion, Council Member Thomas' second on a 6-0 vote. Mayor Pro Tem Goodman was off the dais.**

1. Approve an ordinance adopting the Operating Budget for Fiscal Year 2003-2004 beginning on October 1, 2003 and ending on September 30, 2004.

**Ordinance No. 030909-1, as amended on September 8, 2003 was approved on Council Member Dunkerley's motion, Council Member Alvarez' second on a 7-0 vote.**

**Item 2 was approved on September 8, 2003 (see below).**

3. Approve an ordinance fixing and levying Municipal Ad Valorem taxes for the City of Austin, Texas, for Fiscal Year 2003-2004.

**Ordinance No. 030909-3 was approved on Council Member Dunkerley's motion, Mayor Pro Tem Goodman's second on a 7-0 vote.**

**Item 4 was approved on September 8, 2003 (see below).**

5. Adopt an ordinance to establish classifications and positions in the classified service of the Austin Fire Department and repeal Ordinance No. 020910-05. The ordinance also establishes base salary and longevity by the attached pay scales. (Funding is included in the Fire Department Fiscal Year 2003-2004 Operating Budget.)

**Ordinance No. 030909-5, as amended on September 8, 2003 was approved on Council Member Thomas' motion, Council Member Alvarez' second on a 7-0 vote.**

6. Approve an ordinance to establish classifications and number of positions in the classified service of the Police Department and repealing Ordinance No. 030605-35. (Funding in the amount of \$630,844 is included in the Approved Fiscal Year 2003-2004 Operating Budget for the Police Department.)

**Ordinance No. 030909-6 as amended on September 8, 2003 was approved on Council Member Thomas' motion, Mayor Pro Tem Goodman's second on a 7-0 vote.**

**Items 7 through 14 were approved on September 8, 2003 (see below).**

**The following items were approved at the Budget Meeting on September 8, 2003.**

2. Approve an ordinance adopting the Capital Budget for Fiscal Year 2003-2004 beginning on October 1, 2003 and ending on September 30, 2004. (Approved by the Planning Commission on August 13, 2003. Approved by the Bond Oversight Committee on July 9, 2003.)

4. Approve an ordinance authorizing fees, fines, and other charges to be charged by City departments.

7. Approve a resolution for the 2003-2004 Contracts for Cultural Arts Services. (Funding in the amount of \$3,081,923.00 is available in the 2003-2004 proposed budget for the Cultural Arts

Fund for cultural arts contracts which also maintains the required 10% reserve of \$319,381.00.) (Austin Arts Commission made final recommendation on July 21, 2003, in the amount of \$3,081,923.00 leaving a balance of \$7,649.00. (See attachment A-AAC Worksheet).)

8. Approve the Austin Convention and Visitors Bureau (ACVB) Marketing Plan, the proposed budget in the amount of \$5,700,330 and set the contract payment from the City of Austin at \$4,539,359 for the Fiscal Year 2003-2004 and file the approved documents with the City Clerk's office as required by the Texas Tax Code. (Funding in the amount of \$4,539,359 is available in the Fiscal Year 2003-2004 proposed operating budget for the Tourism and Promotion Fund. The 2003-2004 Tourism and Promotion Fund is attached.)
9. Declare official intent to reimburse acquisition and construction costs in an aggregate maximum principal amount equal to approximately \$135,000,000 to be paid out of the following funds: Water CIP Funds; 3750, 3760, 3780, 3790, 3810, 3820, 3830, 3840, 3850, 3860, 3880, 3890, 3900, 3910, 3950, 3960, 3970, 3980, 4200, 4220. Wastewater CIP Funds; 4300, 4310, 4320, 4330, 4340, 4350, 4360, 4380, 4390, 4400, 4410, 4430, 4440, 4530, 4540, 4550, 4560, 4570.
10. Declare official intent to reimburse acquisition and construction costs in an aggregate maximum principal amount equal to approximately \$67,000,000 to be paid out of the following electric utility CIP funds: 3230, 3240, 3250, 3260.
11. Declare official intent to reimburse the following: \$28,309,000 in expenditures associated with the November 1998 General Obligation bond election (\$23,059,000 for 1998 Proposition One and \$5,250,000 for 1998 Proposition Two); \$15,000,000 in expenditures associated with the November 2000 General Obligation bond election (\$15,000,000 for 2000 Proposition One); \$2,000,000 in expenditures associated with Contractual Obligations (\$2,000,000 for Solid Waste Services Equipment) (\$43,309,000 in General Obligation Public Improvement Bonds to be issued in August 2004 or later; \$2,000,000 in non-tax-supported General Obligation Certificates of Obligation to be issued in August 2004 or later.)
12. Authorize negotiation and execution of a 12-month service agreement with AMIL INTERNATIONAL, Austin, TX for a Health Maintenance Organization health plan for City employees and retirees in an amount not to exceed \$37,193,000, with two 12-month extension options in an amount not to exceed \$43,516,000 for the first extension option and \$51,349,000 for the second extension option, for a total agreement amount not to exceed \$132,058,000. (Funding in the amount of \$27,894,750 is included in the 2003-2004 Proposed Operating Budget for the Employee Benefits Fund of the Human Resources Department. Funding for the remaining 3 months of the original contract period and extension options is contingent upon available funding in future budgets. This contract will be funded by City, employee and retiree contributions.) Low bid of three proposals received. This contract will be awarded in compliance with the 1996 MBE/WBE Ordinance, as amended. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation. (Related Items 13, 14)
13. Authorize negotiation and execution of two contracts with UNITED HEALTHCARE OF TEXAS, INC., PLANO, TX: as follows: a 12-month service agreement for network access and claims administration of a Self-Insured Preferred Provider Organization for City employees and retirees in an amount not to exceed \$3,332,000, with two 12-month extension options in an amount not to exceed \$3,598,000 for the first extension option and \$3,814,000 for the second extension option, for a total contract amount not to exceed \$10,744,000; and a 12-month contract for stop-loss insurance for the Self-Insured Preferred Provider Organization in an amount not to exceed \$430,000, with two 12-month extension options in an amount not to exceed \$690,000 for

the first extension option and \$1,033,000 for the second extension option, for a total contract amount not to exceed \$2,153,000. (Funding in the amount of \$2,821,500 is included in the 2003-2004 Proposed Operating Budget for the Employee Benefits Fund of the Human Resources Department. Funding for the remaining three months of the original contract periods and extension options is contingent upon available funding in future budgets. These contracts will be funded by City, employee and retiree contributions.) Best Proposal of seven proposals received. The contracts will be awarded in compliance with the 1996 MBE/WBE Ordinance, as amended. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation. (Related Items 12, 14)

14. Authorize negotiation and execution of a 12-month service agreement with ERISA ADMINISTRATIVE SERVICES, INC., (100% MBE-MA) Austin, TX for administration services for the City of Austin Dental Assistance Plan, Flexible Spending Accounts, and COBRA in an amount not to exceed \$705,000, with two 12-month extension options in an amount not to exceed \$705,000, for a total agreement amount not to exceed \$2,115,000. (Funding in the amount of \$528,750 is included in the 2003-2004 Proposed Operating Budget of the Employee Benefits Fund of the Human Resources Department. Funding for the remaining three months of the original contract period and extension options is contingent upon available funding in future budgets. This contract will be funded by City, employee and retiree contributions.) Best proposal of eight proposals received. This contract will be awarded in compliance with the 1996 MBE/WBE Ordinance, as amended. No subcontracting opportunities were identified; therefore, no goals were established for this solicitation. (Related Items 12, 13)

**BOARD OF DIRECTORS MEETING OF AUSTIN HOUSING FINANCE CORPORATION.**

Mayor Wynn recessed the Council Meeting at 3:03 p.m. to go into the Board of Director's Meeting of the Austin Housing Finance. See separate minutes.

The motion to adjourn the meeting at 11:30 a.m. was approved on Council Member Slusher's motion, Council Member Thomas' second on a 7-0 vote.

The minutes for the meeting of September 9, 2003 were approved on this the 25th day of September, 2003 on Mayor Pro Tem Goodman's motion, Mayor Wynn's second on a 7-0 vote.