



# Austin City Council MINUTES For

DECEMBER 2, 1981 -- 3:00 P.M.

Council Chambers, 301 West Second Street, Austin, Texas

## City Council

Carole Keeton McClellan  
Mayor

John Treviño, Jr.  
Mayor Pro Tem

Council Members  
Larry Deuser  
Roger Duncan  
Richard Goodman  
Ron Mullen  
Charles E. Urdy

Nicholas M. Meiszer  
City Manager

Grace Monroe  
City Clerk

## Memorandum To:

Mayor McClellan called to order the Meeting of the Council, scheduled for 3:00 p.m. at 3:02 p.m., noting that Councilmember Duncan would be absent for the day and that Mayor Pro Tem Trevino, Councilmember Deuser, Councilmember Urdy and Councilmember Mullen were not yet present in the Council Chamber. They arrived at 3:08, 3:08, 3:10 and 3:30 respectively.

## INVOCATION

The Invocation was given by Reverend L.M. Roberts, Greater Union Baptist Church.

## BOARD & COMMISSION ANNOUNCEMENT

Mayor McClellan announced the following appointments are due to be made to boards and commissions: Ethics Review Commission, 1; Austin Tomorrow On-Going Committee, 1 and 5 alternates; Plumbing Advisory Board, 1; Vending Commission, 2; Downtown Revitalization Task Force, 1; Manpower Advisory Planning Council, 1 City Manager Designee, 2 YETP, 1 Vocational Advisory Council Representative; Historic Landmark Commission, 1; Private Industry Council, 1; Affirmative Action Plan Advisory Committee, 5; Metropolitan Transit Authority Task Force, 10; Neighborhood Revitalization Commission, 1; Human Relations Commission, 1; Electrical Board, 1 Master electrician, 1 journeyman, 1 electrical engineer; Medical Assistance Program Advisory Board, 1 citizen, 3 consumers; Environmental Board, 1.

**CONSENT RESOLUTIONS**

The Council, on Mayor Pro Tem Trevino's motion, Councilmember Goodman's second, adopted the following resolutions in one consent motion: (5-0 Vote, Councilmember Duncan absent and Councilmember Mullen not yet in the Council Chamber.)

**Donation For Greenbelt Purchase**

Accepted a cash donation for the purchase of 17.3 acres of the Williamson Creek Greenbelt, by the City. CAPITAL IMPROVEMENTS PROGRAM No. 75/86-13

**Acquisition of Land**

Approved acquisition of the following tracts of land: Two tracts of land and a drainage easement for the Community Development District #8 project. CAPITAL IMPROVEMENTS PROGRAM No. 75/62-20; one containing .5986 acres, and the second containing 25 square feet of land a drainage easement containing 1005 square feet of land out of a certain 21.18 acre tract of land out of the J.C. Tannehill League. (Carey Legett Jr. & Georgia Legett)

**Elisabet Ney Renovations**

Approved commencement of planning for Phase II of renovations to Elisabet Ney Museum at a consultant fee of \$8,000. CAPITAL IMPROVEMENTS PROGRAM No. 86/73-42

**Construction Agreement**

Authorized execution of and entering into a Construction Agreement with Valero Transmission Company concerning the adjustment of a 12-inch pipeline across Tannehill Lane. CAPITAL IMPROVEMENTS PROGRAM No. 75/62-20

**Release of Easements**

Authorized release of the following easements:

- a. A portion of a 10' Public Utility Easement located on Lot 1 and Lots 3 through 12, Block V, Allendale Estates. (Requested by Mr. Robert C. Sneed)
- b. A portion of a Drainage and Public Utility Easement on Lot 29, Block N, Community of Fairview Section 2, 4911 South First Street. (Requested by Mr. Bob G. Black, M.D.)

License Agreement

Entered into a License Agreement for the encroachment of a building into a public right-of-way, 1005 Congress Avenue. (Requested by Mr. Mike Willatt, representing First Texas Savings Association)

Wastewater Approach Mains

Approved the following wastewater approach mains:

- a. DOYLE WILSON  
Ward Subdivision - To construct 1,900 feet of 8-inch gravity main. Estimated total Cost will be \$56,392.00 including 6% for engineering. No City cost participation.
- b. THERON BRADFORD  
27.75 Bradford Tract - To construct 1,925 feet of 8-inch wastewater main. Estimated total cost will be \$57,134.00 including 6% engineering. No City Cost participation.

Motion to Reconsider b.

During the Meeting of the Council on December 3, 1981, Mayor Pro Tem Trevino made a motion, seconded by Mayor McClellan to reconsider b. Motion was approved unanimously.

Motion

The Council, on Mayor Pro Tem Trevino's motion, Mayor McClellan's second, adopted a resolution approving the Bradford wastewater approach main: (6-0 Vote, Councilmember Goodman abstained because he said this would be a conflict of interest.)

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Approved the following wastewater approach main contract:

- JOHN NIEMAN  
Town and Country Village Addition - To construct 1,120 feet of 6-inch force main, Lift Station, and 300 feet of site improvements. Estimated total cost will be \$120,042.88 including 6% engineering. No City cost participation.

Contracts Approved

Approved the following contracts:

- a. JOHNSTON PUMP COMPANY  
8305 Monroe  
Houston Texas  
- Emergency Repair of Holly Unit #22, Condensate Pump, for Holly Power Plant, Electric Utility Department - \$12,807.00
- b. R. L. POLK  
7618 Envoy Court  
Dallas, Texas  
- City of Austin Directories, Various City Departments  
Item 1 - \$7,490.00
- c. THE WHALE  
1906 Guadalupe Street  
Austin, Texas  
- Uniform Shirts, Purchases and Stores Department  
Twelve (12) Month Supply Agreement  
Item 1-4 - \$38,123.50
- d. TECHLINE, INC.  
8750 Shoal Creek Boulevard  
Austin, Texas  
- Traffic Signal Poles with Arm Masts, Anchor Bolts and Rods, Urban Transportation and Electric Utility Department  
Items 1 thru 7 - \$43,395.80

Eagle II

Entered into a Letter of Agreement between the Austin Community Foundation and the City of Austin for acceptance of the David Deming sculpture entitled "Eagle II".

Appreciation to Jet Industries

Adopted a resolution extending appreciation to Jet Industries for the donation of the services of five employees.

Agenda Item Postponed

During the consent resolution the Council postponed until December 9, 1981 consideration of authorization to implement physical improvements in the South First Street Corridor and extend assistance under the Commercial Rehabilitation Loan Program to corridor businesses.

Mayor Pro Tem Trevino stated, "This particular project has been in the mill for two years and I know there is a certain element in south Austin that has some questions with it. I certainly have no problem with the delay but I urge that we ask that the citizens in south Austin along the southwest corridor get together with their neighborhood groups who have been working with this project and try to solve those problems and I would further ask Council to earmark the \$164,900 available for this particular project." Councilmember Goodman said the total sum is a little under

## AGENDA ITEM - (Continued)

\$330,000 for the South First Street Corridor Project. Carlos Herrera, Director of Human Services said they are working with the neighborhood groups and the only reason it was put back on the agenda was because it had been pulled prior to a discussion on this and the citizen who had asked it to be pulled had requested for it to be put back on.

Public Hearings Set

Set public hearings on the following:

- a. Review of progress and performance of Community Development Block Grant on December 17, 1981 at 7:00 p.m.
- b. An appeal from Mr. Len D. Jordan of the Planning Commission decision, Case No. C14p-81-043 on January 7, 1981 at 6:00 p.m.

Ecology Action's White Office Paper Recycling Program

Authorized a letter of recommendation for Ecology Action's White Office Paper Recycling Program.

## CONSENT ORDINANCES

The Council, on Mayor Pro Tem Trevino's motion, Mayor McClellan's second, waived the requirement for three readings and finally passed the following ordinances in one consent motion: (6-0 Vote, Councilmember Duncan absent; unless otherwise indicated.)

Operating Budget Amendment

Amended the 1981-82 Operating Budget by:

- a. Accepting proposed contract #2/5010/0022 in the amount of \$43,725.00 from the Equal Employment Opportunity Commission (EEOC) to resolve 106 charges of employment discrimination at \$412.50 per charge.
- b. Accepting an award of \$600.00 from the Institute of Museum Services, Department of Education, Washington, D.C., covering a \$350.00 membership in the American Association of Museums for the grant cycle October 1, 1981 thru September 30, 1982.
- c. Accepting an award of \$33,433 from the Department of Health and Human Services for operation of the Community Action Program from October 1, 1981 to November 20, 1981.

Chapter 21 Amendment

Amended Chapter 21 of the Austin City Code as follows:

- a. New definition of a "commercial" vehicle.
- b. Authorizing traffic engineer to determine the location of Customer Service Zones, Commercial Service Zones and Passenger Zones.
- c. Providing for a Customer Service Zone by adding a new Section 21-46.2
- d. Providing for a Commercial Service Zone by amending Section 21-47

Zoning Ordinance

Amended Chapter 45 of the 1967 Austin City Code (Zoning Ordinance) to cover the following changes: (5-1-0 Vote, Councilmember Deuser voted No, Councilmember Duncan absent.)

GULF OIL CORPORATION	3324 Northland Drive	From "LR" 1st H&A
By K.L. Vaughan		to "GR" & "LR" 1st H&A
C14r-81-155		

PASSED AS AN EMERGENCY

Zoning Ordinance Postponed

Council postponed until December 4, 1981 consideration of ordinance amendment for C14-80-055.

Approval of Contract

Approved the following five year contract:

BILL MILBURN, INC.	- To pay developer the City's share of cost for the 12-inch water approach main to serve Maple Run, Section One. City cost participation is \$15,887.00
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CIP SCHEDULE FOR DEVELOPMENT

A resolution to consider the approval of a schedule for development of a Capital Improvements bond program was pulled from the agenda to be heard on December 4, 1981.

Mr. Gilbert Martinez, Planning Commission, read the following into the record: "The Planning Commission has reviewed the two options for the coming bond election in relation to our schedule on the new revised Zoning Ordinance so if the April date is selected for the bond issue then the Commission will be finished with the CIP hearing by the time we take up our revised Zoning Ordinance schedule. If you select the August date then the CIP will directly impact our zoning schedule for May and June. We request that if you select the August date the Commission's CIP

## CIP - (Continued)

responsibility be minimized in May and June. In addition to this we will be requesting that the May and June regular public hearing on zoning applications be cancelled during these months. This will allow us to give more emphasis to public participation in the hearings for the new zoning ordinance."

## LOWERING OF LAKE AUSTIN

Mr. Leonard Ehrler, Director of Parks and Recreation, reported on the proposed lowering of Lake Austin from January 4, 1982 to February 1, 1982. He said this has been discussed with LCRA and residents of the area will be notified by letter and news articles concerning the lowering.

## PRIVATE WATER SUPPLY CORPORATIONS

Mr. Bill Bulloch, Director of Water and Wastewater, reported on the Private Water Supply Corporations. "As you know, for the past six months there have been several parties entering into contract with LCRA to develop property to the west of Austin. Also, as we have known, some of these properties are now formulating private water supply corporations. We felt it was very important today to bring the policy issues that should be considered, discussed, reviewed, and potentially adopted in January and February to you and also apprise you of the contract that we have been working on with the Uplands Company and Saratoga Land Company for the 4,000 acres of land in the Barton Creek Watershed that this particular project is now ready to proceed. There are several very important issues that the Council needs to consider along with the Planning Commission and the Water and Wastewater Commission to set appropriate standards for design of internal water lines, water treatment plants and to set a relationship that the City can feel comfortable with in the future should the City choose to annex these areas and take over the operation of private systems. This is the thrust of the report that is before you today as well as the details on the contractual relationship with the Saratoga Land Company and Uplands Water Supply Corporation."

Larry Schechter, Water and Wastewater Department Assistant Director, told Council that since "LCRA began making its decision in the past six months to provide well water contracts within the ETJ of the City of Austin the Department has been very concerned about the ability of this City to manage growth in that area, protect the interests of the City of Austin, the economic base of this City, the environmental concerns and the long range fiscal integrity of this utility. In the past six months, 15 contracts have been approved providing service to over 22,000 acres in Growth Management Area V west of the City of Austin. This represents over 30% of the current City limits of the City of Austin. In addition these contracts will provide for 9,000,000,000 gallons of water to serve these areas.... 1/3 of the peak yearly consumption of the City of Austin in 1980. These well water contracts may be consummated by three organizational structures. One, through City service; two, through a WCID or a MUD; and three, through an investor owned water supply corporation. The process for establishing water and wastewater corporations is well established in the State of Texas. The law recognizes the right of individuals to provide water and/or wastewater service to their property and the process is

## WATER - (Continued)

established for such provision. For investment owned systems, the process goes to the Public Utility Commission. The City has two solid options. Number one would be to permit formation of such systems after close review of the six service areas of the proposed corporation, looking at any overlap of intended service areas by the City of Austin. Secondly, the City of Austin can serve those properties. Third, there is a provision which we have not yet been able to get an answer from you on, which requires the PUC to address the issues of community values and environmental integrity. The case law is referring to one case which did not refer to the fact of absolutely refusing an area water and/or wastewater service. The Law Department will be providing further interpretation of that legal issue.

"On September 16 of this year the Public Utility Commission certified the creation of the Uplands of Barton Creek Water Supply Corporation. To our knowledge, no notice of this was received by the City of Austin. Requirements of the law specify that the City and neighboring facilities within five miles be provided such notice. We were unable to provide you the information and the analysis necessary to address this issue in any fashion. The proposed water supply corporation, which now legally exists, the Uplands, between 2244 and 71 represents 4,011 acres and will provide service to the Uplands subdivision called the Uplands of Barton Creek which provided a conceptual plan to the City several months ago. The City still has the option to discuss with the individuals the provisions of water service to this tract of land. This would require an approach main from the Ulrich Water Treatment Plant just on the other side of the river on the peninsula, stretching several miles to provide service to that water supply corporation and would include amendments to the service area boundaries of the City of Austin and the extension of service several miles from the current City limits out into Growth Management Area V and to the west. The Department does not recommend that option. There is, as you well know, no capacity in the system at this time, based on our current report available for the extension of any new service. In fact the Council has enacted a moratorium on service outside the City limits. We would be unable, at this time, to consider such an option without a change in Council policy. I think that the development issue as far as the pace of this at this time is south of the river. Development companies in this area have proceeded at a much more rapid pace along 2244, 71 and 290 and I think these are the areas we're going to be looking at and addressing in the immediate future. There are three water treatment plants planned for this area. The Davenport Plant which was approved by City Council 1½ years ago, will provide service and is sized to serve basically the bulk of the peninsula. The Water Districts 19, 20 and 21 and other proposals which will be received by this City in the very near future will serve thousands of acres of land located at the confluence 21 and 20 and will flow on downward in what would be Southwest B portions of the old Southwest C hydraulic grade line. The third treatment plant, proposed by Uplands Corporation will be at the corner of 2244 and 71 and will provide substantial service to that portion of the region. These plans are far along in the process and decision making. It is our concern that unless this City addresses those issues in a timely fashion the ability of the City to direct those decisions will be greatly diminished.

"Included in your packet on this issue is a proposed new subdivision ordinance dealing with private water supply corporations. At the heart is a requirement that these systems enter into a depreciation agreement with us permitting us to purchase these systems upon a depreciation schedule of 12 years, 8 1/3 straight line depreciation



## WATER - (Continued)

and at the end of this 12 year period of time as determined by the formula we would be able to purchase the systems for \$1.00. .... At the same time as we are releasing this proposed new subdivision ordinance we have entered into serious and long discussions with the Uplands Corporation and Saratoga Land Development and have attached to this proposal a master acquisition agreement with the Uplands Water Supply Corporation. In this contract the City is permitted the right to purchase this system on the 12 year depreciation schedule based on the commencement timing date for \$1.00 on that 12 year schedule. In addition, in this agreement, the City must purchase said system upon the simultaneous occurrence of three events. Number one, that the City has annexed 2/3 of that service area. Number two that the purchase price is less than 50% of the established values pursuant to the definitions we have written into the contract, and three, that at least 12 years have passed since the effective date of the master acquisition agreement. In addition the proposed contract includes provisions for the allocation of capital costs, the timing of the effective dates of established values and the depreciation commencement schedule and also several other fiscal arrangements. In addition the contract provides for the Uplands the right to use city streets and right of way after annexation in an orderly fashion so they may develop their property without conflicting relationship with the City of Austin. ...."

Mr. Bulloch told Council, "We would like the Council to ask the Planning Commission and Water and Wastewater Commission to focus on the proposed ordinance amendments. We think the concept will work. As far as the contract there are several legal questions that must be answered and I am sure they will work and not give us problems later on. Legal will be working with us on the next month to make sure the concept is a viable one on the acquisition agreements. .... Hopefully the Water and Wastewater Commission will bring this back in January after review so we can proceed with appropriate ordinance amendments, so we have the mechanisms in place so when these subdivisions start coming in to make sure that we have appropriate arrangements for depreciation schedules because we are very concerned about the financial impact to the utility when these areas should be taken over by the City and the utility be given responsibility to operate. It could be a very strong fiscal impact. That's one focus which we hope you will keep. The other issues, which are very broad and encompassing should probably be a part of the Water and Wastewater Master Plan, that is beginning to proceed and will be addressed in that Master planning process. The third thing we would recommend is that you consider entering into the contract with the Saratoga Land Company and Uplands Water Supply Corporation. Mr. Armbrust has worked with good faith with the City and we think has worked in the City's best interests. We would like to bring that back to you at your next meeting or the meeting after that if you so desire."

## ADJOURNMENT

Council adjourned its meeting at 3:55 p.m.