

MINUTES OF THE CITY COUNCIL
CITY OF AUSTIN, TEXAS
Special Emergency Council Meeting

July 8, 1981
4:00 P.M.

Council Chambers
301 West Second Street

The meeting was called to order with Mayor McClellan presiding.

Roll Call:

Present: Mayor McClellan, Mayor Pro Tem Trevino, Councilmembers
Deuser, Duncan, Goodman, Urdy

Absent: Councilmember Mullen

Mayor McClellan announced the meeting had been called for the following purposes:

1. Status Report of the Conservation and Renewable Energy Resources Study for the Renewable Energy Resources Commission.
2. Alternative Proposal for Renewable Energy Resources Study
3. Public Hearing on Austin Redevelopment Authority Transition Plan
4. Monthly Financial Report

RENEWABLE ENERGY RESOURCES STUDY

Mr. R.L. Hancock reported on the status of the report of the Conservation and Renewable Energy Resources Study for the Renewable Energy Resources Commission. He referred to information Council had received and discussed the flow chart on the last page. The chart indicates the nature of the study showing the schedule and scope. The study, Mr. Hancock said, breaks down into three phases... "two very near term phases and one rather long term phase. The first phase will be composed of two volumes. Volume I, due on or before August 1 of this year; Volume II due on or before October 1, 1981. Volume I will be composed of a literature review of renewable resources, not all but those that seem to have a practical impact on the utility system and offer some immediate opportunity for system impact. It will also have a study of similar activity conducted in the Pacific Northwest and TBA system. The result of the study will be a tabulation of scenario's and special studies with respect to renewable resources and those that might impact on the utility system and any other special studies that might seem to be appropriate. Volume II, due on or before October 1981 will do an electric energy impact on the scenerios and studies tabulated in Volume I and will result in an action item list. Some of the items could be implemented immediately and some need to be placed in a hold and wait see mode. Others need detailed field verifications of some of the assumptions that are used. Phase II anticipates the activities associated with the items that need a field verification. Those should be completed on or before October 1, 1982 and some have already been initiated. Phase III will be a final report that would develop over a two month period after the completion of the test period and result in a final report."

ALTERNATE PROPOSAL FOR RENEWABLE ENERGY RESOURCE STUDY

Councilmember Duncan addressed Council as follows: "I would like to present today, actually not an alternative to this study, but rather an addition to the project for funding of renewable resources. I think the study is proceeding in an orderly manner but I suggest we take some of the elements in Phase III of the study and move them and consider funding some aspects of that in the current bond program and in addition consider funding some proposals that are proven technologies and no longer are considered experimental or esoteric in the renewable resources field. I have prepared a packet for the Council. I am going to suggest that we look at these type of proposals as the things that need to be included in the current bond package which we will put before the voters on August 29th. I have divided the proposal into suggested projects, suggested studies of alternative electric technologies, and a weatherization and solar hot weather program.....There is not argument that renewable resources provide the following benefit for the City of Austin and Austin electric consumers. First it delays the need for new generation facilities and renewable energy resource generation is cheaper than mass generation facilities at this time. Secondly, it keeps capital in the City rather than sending money to South Texas or Fayette or any other portion of the state to create jobs to build massive generating facilities which can

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create and provide jobs for Austinites in the area of renewable resources. Third, it would add security to our electrical system. In case of a major outage on the part of a power plant people who have solar hot water heating or photovoltaic cells or any other renewable resource on their structure can still have the basic necessities of energy. Fourth, it reduces our fuel costs. To whatever extent we can depend on the sun for fuel we will reduce our over all fuel costs to the city. Finally, there is a definite way to lower the electric bills of our consumers.

"Going to the specific projects I think the Council ought to consider for this bond package, the first project is an energy house. This is a concept supported by the Renewable Energy Commission and Renewable Energy Office. It is a structure..we could either purchase an existing structure and retrofit it or we can construct a new one. The point of the structure would be to demonstrate the effects of weatherization more than the average household because it would be complete with measurement instruments so that any Austin consumer could to to this facility and readily see what is done in terms of weatherization, and the effects and benefits it has. It could serve as a place for people to pick up applications for any program the city becomes involved in. It could also, partially at least, staff our residential conservation service program. We are required by the Federal Government to establish a residential conservation service program and this facility would provide an appropriate place for this program to interface with the public.There is in your packet a proposal for a Barton Springs solar project. The purpose of this project would be to provide the Barton Springs bath house complex with 10 showers delivering hot water for an average of five hours per day year round. A solar hot water heating system would have a paycheck time of nine years and over a period of 20 years there would be a savings of \$356,970 over a similar gas hot water heating device. ... This is the type of project which I think would gain high visibility and would be used by the public. It could be made into a revenue source simply by charging for shower facilities that we currently do not have and I think it is a project which should be considered by the Council.

"The third and fourth projects, the North Central District Public Center and the Austin Nature Center have been researched by the budget staff in the CIP bond projects to see what projects might be adapted to solar and there were two projects that we ought to take another look at. Both of these seem to be adaptable to solar allowances. The final project is the Longhorn Dam Hydropower project and it has been the subject of a feasibility study already in which the conclusion was that a low head hydropower project would be economically advantageous for that facility."

Mayor Pro Tem Trevino said he objects to Longhorn for two reasons. He does not know all the ramifications it would have in that community. The Holly Street Power Plant has created a lot of noise in east Austin and he objects to Longhorn because he does not know how it will impact the neighborhood. He said he does not believe the amount of money saved versus the amount it will cost will be of any significance.

Councilmember Duncan continued, "The second portion of my bond proposal has to do with studies of our current electric technology. This section would speed up our alternative energy potential study." He then discussed photovoltaics, co-generation and solar thermal. (REPORT ON FILE IN CITY CLERK'S OFFICE.)

Ned Ferguson, Conservation Unlimited, showed slides.

Charles Calvin, vice president of Energy House, Inc. discussed a solar hot water program, discussed a financing program and showed slides.

Leon Barish, Renewable Energy Resource Commission, said they will present a plan by July 30th which can transform the way Austinites use energy.

Councilmember Duncan said money should be found in this CIP to get renewable energy resource off the ground. Councilmember Goodman said he endorses the program suggestion, as well as Councilmembers Deuser and Urdy.

PUBLIC HEARING - ARA TRANSITION PLAN

Mayor McClellan opened the public hearing scheduled for 5:00 p.m. on the Austin Redevelopment Authority Transition Plan.

Ed Badgett, Assistant City Manager, stated the new organization will have new programmatic direction for housing in Austin with neighborhood revitalization. He said a quarter million dollars can be saved in the new program.

Paula Manning reviewed highlights of specific actions planned to be taken. She said the transition will require a new office and an architect will be hired to give control needed for rehabilitation. There will also be an attorney. Recommendations for a standard rehabilitation program are:

- 1) There are a large number of persons people deal with for home rehabilitation. It is recommended that coordination by a construction team follow each house through the project.
- 2) A warranty longer than one year is needed. An 11th month walk through is recommended.
- 3) It is recommended that work for houses be contracted in blocks rather than one by one.
- 4) Change orders should be limited to 10% for any project and this should result in lower bids.
- 5) Sub-contractors should be licensed.

Ms. Manning went on to say the Historic Revolving loan fund should develop an outreach program for low & moderate income projects. The primary target will be completion of the Blackshear program. She said the commission should be composed of 11 members with a sub group of five appointed by the Mayor with the consent of Council. The other six members will be made through Council appointments and the people appointed should be people with expertise.

Anthony Spears, realtor, spoke against the proposal and said things should be left as they are.

Velma Roberts, Black Citizens Task Force, is opposed to the City taking over ARA.

Pat Pound, Austin Resource Center for Individual Living, says she hopes whatever the outcome, the disabled will find accessible and affordable housing.

Bonnie Bullard, representing ACORN, asked for a housing repair program that will work. They do not want ARA under another name and they want a citizen board which will oversee the work of the program.

Bill Atwood said the city should not assume responsibility for work now being done by ARA.

O.B. Connelly spoke for Blackshear and Robertson Hill, said ARA is close to them and they trust ARA and want them to stay.

Glenn Scott, Texas Tenants Union, asked Council to consider this proposal longer before it votes. He opposes the proposal until there is clearer and stronger language.

Jay Naumann owns units under renovation process and thinks ARA has been cooperative and should remain.

Frank Horsfall favors the Council taking over and feels more can be accomplished under City control.

Ray Dell Galloway supports Council having more power over ARA.

Carmen Dias said changes are needed but more participation by neighborhoods should be encouraged.

Marcia Garcia, Guadalupe Neighborhood Association, is against the City taking over ARA because ARA is just now beginning to do what they are supposed to do.

John Henniberger said the ARA should be citizen controlled at the neighborhood level.

Paul Hernandez said he thought the proposal is another way to make money from poor neighborhoods. He does not want more government control, but wants more government assistance. He also wants safeguards to protect neighborhoods. He asked Council to come up with a different plan which citizens can approve.

Maria Hernanna, Guadalupe Neighborhood Association, wants the neighborhood to have self determination rather than the city telling them what to do.

Manuel Arenas said the people are against the proposal.

Alicia Garcia said in trying to do something better, this would make it worse.

Bernice Kingent, ACORN, wondered if the City Council would be any better than ARA who did not do their work properly.

Councilmember Deuser suggested an oversight committee to review what is being done.

Motion

Mayor Pro Tem Trevino moved that the Council close the public hearing; action to be taken August 5th or 6th. The motion, seconded by Councilmember Goodman, carried by the following vote:

Ayes: Councilmembers Duncan, Goodman, Urdy, Mayor McClellan,
Mayor Pro Tem Trevino, Councilmember Deuser
Noes: None
Absent: Councilmember Mullen

MONTHLY FINANCIAL REPORT

Mr. Phil Scheps, Director of Finance, presented the Monthly Financial report as of May 31, 1981. He said an ending balance of \$4.8 million is expected with the flood damage taken into account. He said the General Fund cash has a poor showing because transfers have not been made. The Enterprise fund is in good shape and all utilities are cash rich and the City will end the year with a surplus in the electric utility fund. Proposal 7 is being introduced into the system. The Hospital System will be in the black. VES has an interface problem because they bill other departments. The bond sale is tentatively set for October 8, 1981 if the bond election is successful. Mr. Schep then handed out a letter concerning the deficit in the fine category of the Police Department budget. CITY CLERK DID NOT RECEIVE A COPY. Councilmember Mullen requested a report on why we are coming under budget on fines.

ADJOURNMENT

Council adjourned its meeting at 6:50 p.m.

APPROVED Carole Kerton McClellan
Msyor

ATTEST:

Grae Monroe
City Clerk