

Closed Caption Log, Council Meeting, 03/10/05

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GOOD MORNING. I'M AUSTIN MAYOR WILL WYNN, IT'S MY PRIVILEGE TO WELCOME DR. STERLING LANDS, I, WHO IS SENIOR PASTOR AT THE GREATER CALVARY BAPTIST CHURCH WHO WILL LEAD US IN OUR INVOCATION. PLEASE RISE.

LET ME SAY THAT I'M SO PLEASED THAT THE CITY HAS SUPPORTED A PROGRAM THAT WE HAVE FOR YOUNG PEOPLE, IT'S CALLED [INDISCERNIBLE] DEVELOPMENT AND ABSTINENCE EDUCATION. ON MONDAY WE ARE TAKING 25 OF THOSE YOUNG PEOPLE TO AFRICA, TO GHANA, WEST AFRICA, TO HAVE A CULTURAL EXCURSION. IT IS AN EDUCATIONAL TRIP. WHILE MOST PEOPLE ON THEIR SPRING BREAK WILL BE ON THE BEACHES, WE WILL BE OVER IN AFRICA LEARNING SOMETHING ABOUT THEIR HERITAGE. I WANT TO THANK THE CITY FOR THAT INVESTMENT. IT BEEN A GOOD INVESTMENT, THANK YOU, THANK YOU CITY MANAGER AND ALL OF YOU THAT WERE INVOLVED. I CALL YOUR ATTENTION TO PSALMS 50. THE MIGHTY ONE, GOD THE LORD HAS SPOKEN AND CULLED THE EARTH FROM THE RISING OF THE EARTH. OUT OF ZION THE PERFECTION OF BEAUTY GOD WILL SHINE FORT. OUR GOD SHALL COME AND SHALL NOT KEEP SILENT. A FIRE SHALL DEVOUR BEFORE HIM AND IT SHALL BE VERY TEMPERATUROUS ALL AROUND HIM. HE SHALL CALL TO THE HEAVENS FROM ABOVE AND TO THE EARTH THAT HE MAY JUDGE HIS PEOPLE. GATHER MY SINS TOGETHER TO ME THOSE WHO HAVE MADE COVENANT WITH ME BY SACRIFICE. LET THE HEAVENS DECLARE HIS

RIGHTEOUSNESS FOR GOD HIMSELF IS JUDGE. HEAR OH, MY PEOPLE, I WILL SPEAK. OH, ISRAEL AND I WILL TESTIFY AGAINST YOU. I AM GOD, YOUR GOD. I WILL NOT REBUKE YOU FOR YOUR SACRIFICES OR YOUR BURNT OFFERINGS WITH WHICH ARE CONTINUALLY BEFORE ME. I WILL NOT TAKE A BULL FROM YOUR HOUSE, NOR GOATS OUT OF YOUR FOLDS. FOR EVERY PIECE OF THE FOREST IS MINE, ON THE [INDISCERNIBLE], I KNOW ALL OF THE BIRDS OF THE MOUNTAINS AND THE WILD BEASTS OF THE FIELD ARE MINE. IF I WERE HUNGRY, I WOULD TELL YOU. FOR THE WORLD IS MINE AND ALL ITS FULL LICENSE. WILL I EAT THE -- FULLNESS. WILL I EAT THE FLESH OF BULLS OR DRINK THE BLOOD OF GOATS? OFFER TO GOD THANKSGIVING AND PAY YOUR VOWS TO THE MOST HIGH. CALL UPON ME IN THE DAY OF TROUBLE AND I WILL DELIVER YOU. YOU SHALL GLORIFY ME. LET US BOW OUR HEADS. OH, GOD, OUR FATHER, IN THIS TIME OF GREAT CHALLENGE, ACROSS THE GLOBE, WE FIND FAMILIES ARE FAILING CHILDREN, WHICH RESULT IN CHILDREN FAILING FAMILIES. WE RECOGNIZE THAT YOU HAVE CALLED US TO MOVE TO ANOTHER LEVEL IN OUR BELIEVES THAT OUR BEHAVIORS MIGHT FOLLOW. IT IS WITH THIS IN MIND THAT WE PETITION YOU THIS MORNING. GIVE US WISDOM, KNOWLEDGE AND UNDERSTANDING THAT WE MIGHT CONTINUALLY SEEK TO DO THOSE THINGS WHICH ARE PLEASING IN YOUR SIGHT. STRENGTHEN US, MASTER, THAT WE MIGHT CHOOSE TO DO THE RIGHT THING, THE RIGHT WAY, FOR THE RIGHT REASON, EXPECTING THE RIGHT RESULTS. TO BENEFIT OTHERS AND GLORIFY YOUR NAME ACCORDING TO YOUR WILL. WE CLAIM THIS NOW IN YOUR DARLING SON'S NAPE. AMEN. ARLING SON'S NAME. AMEN.

THANK YOU, REVEREND LANDS. I SEE OUR TECHNICIANS WORKING. WE HEAR A DISTINCT BUZZING SOUND THAT'S GOING TO DRIVE US CRAZIER THAN USUAL. THERE BEING A QUORUM PRESENT, AT THIS TIME YOU WILL CALL TO ORDER THIS MEETING OF THE AUSTIN CITY COUNCIL. IT IS THURSDAY, MARCH 10th 10th, 2005. WE ARE IN THE CITY HALL COUNCIL CHAMBERS, 301 WEST 2nd STREET. APPROXIMATELY 17 MINUTES AFTER 10:00 IN THE MORNING. I WILL SAY THAT -- THAT HERE IN THIS NEW CITY HALL, LAST NIGHT AT THE ANNUAL AUSTIN BUSINESS JOURNAL COMMERCIAL REAL ESTATE AWARDS DINNER, IN FRONT OF

500 PEOPLE OR SO, THIS CITY HALL PROJECT RECEIVED THE LARGEST AWARD OF THE NIGHT, THE COMMUNITY IMPACT AWARD FOR NEW PIECE OF ARCHITECTURE. SO WE ARE VERY PROUD TO HAVE ACCEPTED THAT ON BEHALF OF THE CITIZENS LAST NIGHT. SO AT THIS TIME I WILL READ THE CHANGES AND CORRECTIONS TO THIS WEEK'S POSTED AGENDA. ITEM NO. 17, WILL BE POSTPONED TO MARCH 24th, 2005. ITEM NO. 27, LOOKS LIKE COUNCILMEMBER MCCracken WILL BE REMOVED AS A CO-SPONSOR AND I WILL BE INSERTED AS A CO-SPONSOR. ITEM NO. 30, I'M NOT SURE WHY, ITEM NO. 30, WE WILL NEED TO INSERT THE WORDS BOARD AND COMMISSION IN FRONT OF RESIDENCY REQUIREMENT, STRIKE THE WORD AND, AND THEN INSERT THE PHRASE AND THE NINE MEMBER LIMIT ON BOARD AND COMMISSION COMPOSITION. AND CORRECT THE REFERENCE OF CHAPTER 2.1. AND SO THIS -- THIS ITEM 30 SUMMARY WOULD READ, APPROVE AN ORDINANCE WAIVING THE BOARD AND COMMISSION RESIDENCY REQUIREMENTS THAT PROHIBITION AGAINST SERVING ON MULTIPLE BOARDS OR COMMISSIONS, AND THE NINE MEMBER LIMIT ON BOARD AND COMMISSION COMPOSITION UNDER CHAPTER 2.1 OF THE CITY CODE. I WILL ALSO SAY, HOWEVER, THIS ITEM NO. 30 WILL BE POSTPONED TO MARCH 24th, 2005. OUR TIME CERTAIN ITEMS TODAY, AT 12:00 NOON, WE BREAK FOR OUR GENERAL CITIZEN COMMUNICATIONS. AT 2:00 TODAY, WE WILL HAVE TWO BRIEFINGS, THE FIRST ITEM 46 RELATES TO OUR BOND PROCESS, THAT IS THE CAPACITY RATINGS, ET CETERA. ITEM 47 IS A -- IS A PUBLIC PRESENTATION OF A PROPOSAL FOR THE OPERATIONS OF THE CITY HALL CAFE. HERE ON SECOND STREET. AND THE 4:00 WE GO TO THE ZONING HEARINGS AND APPROVAL OF ORDINANCES AND RESTRICTIVE COVENANTS. AND THOSE SHOW UP TODAY AS ITEMS Z-1 THROUGH Z-7. AND WE WILL ANNOUNCE NOW THAT THE STAFF WILL BE REQUESTING A POSTPONEMENT OF ITEM Z-7, THE NEIGHBORS STOP 'N GO CASE, TO APRIL 7th, 2005. 5:30 WE BREAK FOR LIVE MUSIC AND PROCLAMATIONS. OUR MUSICIAN TODAY IS TONY HARRISON. AT 6:00 WE HAVE PUBLIC HEARINGS AND POSSIBLE ACTION. THERE ARE FOUR POSTED ANNEXATION PUBLIC HEARINGS THAT WE'LL TAKE UP AFTER 6:00 P.M. COUNCIL, CURRENTLY THE ITEMS PULLED OFF THE CONSENT AGENDA, ITEMS NUMBER 4 AND 28, BOTH RELATED TO THE CITY HALL CAFE,

NEED TO BE OFF THE CONSENT AGENDA AS WE WILL TAKE THOSE UP AFTER AN EXECUTIVE SESSION AND I AM PULLING ITEMS NUMBER 10 AND 29, BOTH RELATED TO THE TOLL PLAN CONSULTANT STUDY. ARE THERE ANY ADDITIONAL ITEMS TO BE PULLED? OR ESSENTIALLY ADDED BACK TO THE CONSENT AGENDA? HEARING NONE I WILL READ THE CONSENT AGENDA NUMERICALLY. STARTING WITH ITEMS 1, 2, 3, 5, 6, 7, 8, 9, 11, 12, 13, 14, 15, 16, 17, BE POSTPONED TO MARCH 24th, 2005, 18, 19, 20, 21, 22, 23, 24, 25, ITEM 26 IS THE BOARD BOARD ONOMICS APPOINTMENTS. TO OUR AUSTIN COMMUNITY EDUCATION CONSORTIUM, CONNIE SADOWSKY IS A CONSENSUS REAPPOINTMENT AND TO OUR CHILD CARE COUNCIL, THE FOLLOWING FOLKS ARE ALL CONSENSUS REAPPOINTMENTS: LUANN APPONTE, WALLACE BECK HAM, SUE CARPENTER, JOLENE GRIS SHACH, ALETHA HOUSTON, RHONDA PAVER AND KRISTELLA PEREZ. ITEM NO. 36 THE BOARDS AND COMMISSIONS APPOINTMENTS. ITEM 27 IS ALSO ON THE CONSENT AGENDA,, ITEM 30 PER CHANGES AND CORRECTIONS AND TO BE POSTPONED TO MARCH 24th, 2005, 31, AND 32. I'LL ENTERTAIN A MOTION. MOTION MADE BY COUNCILMEMBER ALVAREZ. SECONDED BY COUNCILMEMBER THOMAS TO APPROVE THE CONSENT AGENDA AS READ. FURTHER COMMENTS? HEARING NONE, ALL THOSE IN FAVOR PLEASE SAY AYE.

AYE.

Wynn: OPPOSED? MOTION PASSES ON A VOTE OF 6-0 WITH THE MAYOR PRO TEM TEMPORARILY OFF THE DAIS. THANK YOU ALL VERY MUCH. SO, COUNCIL, ESSENTIALLY OUR ONLY DISCUSSION ITEM THEN WOULD BE RELATED TO THE TOLL PLAN CONSULTANT STUDY. I PULLED IT, WHICH IS TECHNICALLY ITEM NO. 29, BUT I -- I NOTICED ITEM NO. 10 WAS THE -- THE TRANSFER FOR THE PAYMENT OF THAT STUDY. SO PERHAPS WE CAN JUST HAVE A BRIEF STAFF PRESENTATION AS TO WHERE WE ARE, FOR FOLKS WHO ARE WATCHING AND LISTENING LAST WEEK WE YOU KNOW HAD A BROADER DISCUSSION WITH THE IDEA OF SENDING THE CITY MANAGER BACK TO NEGOTIATE A MORE FIRM SCOPE OF SERVICES AND WITH THAT I'LL RECOGNIZE MR. JOHNS STEPHENS.

THANK YOU, MAYOR, JOHN STEPHENS, CHIEF FINANCIAL

OFFICER. SINCE LAST WEEK, WE HAVE -- WE HAVE THROUGH OUR FINANCIAL ADVISOR, HAVE CONTACTED A NUMBER OF FIRMS THAT COULD POTENTIALLY DO THIS WORK. I THINK THAT WE HAVE GOTTEN IN TOUCH WITH SIX OR SEVEN ALTOGETHER. INCLUDING TTI, AT A&M UNIVERSITY AND THE U.T. CENTER FOR TRANSPORTATION RESEARCH. WE DO NOT HAVE ANYONE ENGAGED TO PERFORM THE -- THE STUDY YET. THEY ARE STILL WORKING ON THAT. WE'VE GOTTEN SOME CONCERN FROM THE PROPOSERS ABOUT THE -- ABOUT THE AGGRESSIVE TIME FOR BRINGING THE STUDY TO A CONCLUSION. BUT WE HAVE ACTUALLY TRIED WORK WITH THEM, ALSO, IN TERMS OF -- IF THEY COULD NOT DO THE STUDY BY APRIL THE 30th, YOU KNOW, WHEN THEY COULD TURN THE STUDY AROUND. BUT AGAIN AT THIS POINT WE DO NOT HAVE ANYONE ENGAGED TO DO IT.

MR. STEVE FENCE, IF YOU COULD -- STEPHENS, OBVIOUSLY THE FUNDS HAVE TO COME FROM SOMEWHERE. BUT ITEM NO. 10 IF I READ IT CORRECTLY IS ESSENTIALLY A TRANSFER, IF YOU COULD HELP JUST EXPLAIN HOW THIS HAPPENS.

YES, SIR. ITEM NO. 10 IS TO AMEND THIS YEAR'S BUDGET BY TRANSFERRING \$100,000 FROM OUR CONTINGENCY RESERVE TO APPROPRIATE THAT MONEY FOR THE TOLL ROAD STUDY. AS YOU KNOW, WE HAVE A COUPLE OF RESERVES THAT WE APPROPRIATE AT THE BEGINNING OF THE YEAR AS RESERVES. OUR CONTINGENCY RESERVE AND OUR EMERGENCY RESERVE. OUR EMERGENCY RESERVE IS IN FACT SOMETHING THAT WE HAVE NEVER SPENT SINCE IT'S BEEN IN PLACE, SINCE THE EARLY 1990S. IT'S REALLY SORT OF AN UNTOUCHABLE RESERVE. THE CONTINGENCY RESERVE WHICH THIS YEAR IS IN THE AMOUNT OF 4.3 MILLION, WE HAVE TAPPED THAT RESERVE FROM TIME TO TIME TO FUND PROJECTS THAT COME UP LIKE THIS THAT WERE NOT APPROPRIATED AT THE BEGINNING OF THE YEAR. SO THIS WOULD -- ACTION NUMBER 10 WOULD TAKE THAT MONEY FROM THE CONTINGENCY RESERVE AND PUT IT IN THE DEPARTMENT'S BUDGET THAT WILL BE -- THAT WILL BE CONTRACTING FOR THE STUDY. THEN THAT AMOUNT WE WOULD NEED TO SHOW TO BE TRANSFERRED BACK INTO THE CONTINGENCY RESERVE NEXT YEAR. IN OTHER WORDS IT WILL HAVE TO BE -- THE FUND WILL HAVE TO BE

REPLENISHED BY THAT AMOUNT.

AND JUST TECHNICALLY THE FACT THAT IT'S -- THAT THE NEIGHBORHOOD PLANNING AND ZONING, SORT OF STRUCK ME AS --

THAT'S WHERE OUR TRANSPORTATION ANALYSTS ARE NOW. IN THAT -- IN THAT DEPARTMENT. SO WE SIMPLY PICKED THAT ONE INSTEAD OF ANY OF THE OTHER DEPARTMENTS WHERE IT COULD HAVE BEEN APPROPRIATED.

Mayor Wynn: OKAY. THEN I THINK LASTLY FROM ME, THE -- BASED ON SOME OF THE DISCUSSION LAST WEEK, MY -- MY HOPE FRANKLY WAS THAT BASED ON -- THE FACT THAT THE COUNCILMEMBER HAD A NUMBER OF, YOU KNOW, VERY SPECIFIC QUESTIONS AS PART OF THE -- AS PART OF THIS ITEM, MY HOPE WAS THAT ANY NUMBER OF THEM ACTUALLY ARE QUESTIONS THAT COULD BE ANSWERED, YOU KNOW, BY EITHER, YOU KNOW, TEXAS TRANSPORTATION COMMISSION, TXDOT OR JUST SOMEBODY ELSE. JUST SORT OF A FACTUAL UNION QUESTIONS. SO MY HOPE WAS THAT -- THAT WE COULD HAVE ANALYZED THE LIST OF QUESTIONS AND -- AND, YOU KNOW, FRANKLY REDUCE THE SCOPE AND THEN THEREFORE THE COST OF -- OF THIS STUDY. HAVE -- HAS THERE BEEN SOME CONTACT WITH -- WITH EITHER TXDOT, CAMPO, THE CTRMA, TTC, TO PERHAPS HELP US ITEMIZE WHICH OF THESE QUESTIONS REALLY -- THERE'S NO NEED TO HAVE A THIRD PARTY CONSULTANT ASK AND WE CAN SIMPLY MAKE THE SAME REQUEST FORMALLY WITH SOME OTHER BODY.

WE DO HAVE MIKE OLICK THE DIRECTOR OF CAMPO HERE THAT IS PREPARED TO ANSWER HAD SOME OF THE QUESTIONS THAT COUNCIL MAY HAVE ABOUT THAT. WE HAVE NOT GONE THROUGH A PROCESS OF ACTUALLY TRYING TO REDUCE THE SCOPE OF WORK FOR THE STUDY IN CONSULTATION WITH THEM.

Mayor Wynn: I GUESS ONE MORE THEN. BASED ON YOUR CONVERSATIONS WITH SOME OF THESE POTENTIAL CANDIDATE CONSULTANT FIRMS, AND WE ALL RECOGNIZE THAT THE TARGET DATE WAS AGGRESSIVE, WE JUST, YOU KNOW, WE KNOW THAT, DID WE GET SOME FEEDBACK A TO

WHEN THEY WERE -- AS TO WHEN THEY WERE SUGGESTING THAT THIS COULD BE ACCOMPLISHED?

THE FEEDBACK THAT I GOT THROUGH OUR FINANCIAL ADVISOR WAS THAT SOME OF THE PROPOSERS BELIEVED THAT IT COULD TAKE UP TO THREE MONTHS TO DO THE STUDY.

Mayor Wynn: OKAY. THANK YOU, MR. STEPHENS. FURTHER COMMENTS, QUESTIONS, COUNCIL? COUNCILMEMBER MCCracken?

McCracken: YEAH. I THINK THAT 90 DAYS OR THREE MONTHS TO GET THE STUDY DONE STILL CAN MAKE AN IMPORTANT DIFFERENCE BECAUSE THIS IS A TIME FRAME WHERE WE CAN ALWAYS AMEND THE 2030 PLAN IF WE HAVE AN ALTERNATIVE FOR THIS REGION. WE LEARNED YESTERDAY A WHOLE BUNCH OF NEW THINGS FROM THE COMPTROLLER'S REPORT, STUFF THAT'S REALLY PRETTY ALARMING ABOUT -- ABOUT THIS PLAN, WHICH WILL TRANSFER OUR LOCAL HIGHWAY SYSTEM OVER TO AN ORGANIZATION THAT APPARENTLY HAS OPERATED WITHOUT A BUDGET FOR TWO YEARS, AND JUST SPENT TENS OF MILLIONS OF DOLLARS WITH NO BUDGET. THAT HAD -- YOU KNOW, LOOSE MANAGEMENT STYLE, LOOSE SPENDING PRACTICES, THEY HAVE FOR THE -- THE ONLY ROAD THAT THEY ARE BUILDING, THEY HAVE 12 P.R. AGENCIES ON BUDGET BEING PAID 12 P.R. AGENCIES. IN TURNS OUT THE DIRECTOR, I'M SORRY, NOT THE DIRECTOR, THE CHAIRMAN OF THE BOARD OWNS MILLIONS OF DOLLARS OF LAND ALONG THAT ROAD. WE ARE NOT DISCLOSING THE APPLICATIONS, ALSO THAT HE WAS SPENDING THOUSANDS OF DOLLARS OF RMA MONEY TO HIS -- SENDING IT TO HIS COMPANY WITHOUT A CONTRACT, WHICH APPARENTLY IS A VIOLATION OF STATE LAW. THE RMA WAS CO-HOSTING A PARTY AT THE FOUR SEASONS, ANOTHER AT THE OMNI. WE HAVE LEARNED NUMEROUS PROBLEMS AND THE REAL PROBLEM IS WE'VE LEARNED THAT THE TOLERATES WILL BE A WHOLE LOT HIGHER THAN THEY TOLD US IT WOULD BE. UP TO 64 CENTS A MILE, SEVEN TIMES HIGHER THAN THE NATIONAL AVERAGE FOR TOLERATES. WE HAVE LEARNED THAT THE -- FOR TOLL RATES. WE HAVE LEARNED THAT THE GENERAL CONTRACTOR RUNNING THE RMA APPEARED TO BE

OVERBILLING FOR BOTH PROFIT AND OVERHEAD UP TO -- UP TO 98% OVERHEAD WHEN THE STANDARD WAS SUPPOSED TO BE 50%. AND THEN -- THEN THIS IS THE ORGANIZATION THAT IS -- THAT IS GOING TO BE OPERATING OUR HIGHWAY SYSTEM AND WE ARE TURNING OVER -- THEY ARE GOING TO BE SETTING THE TOLL RATES, DECIDING HOW THE MONEY IS SPENT. THIS ORGANIZATION WHICH IS BEING RUN OUT OF WILLIAMSON COUNTY IS GOING TO BE CONTROLLING TRANSPORTATION IN OUR AREA FOR THE REST OF OUR LIVES UNLESS SOMETHING IS DONE. THIS IS VERY, VERY IMPORTANT TO OUR COMMUNITY'S FUTURE. THAT'S WHY WE ARE OUT THERE AS A RESPONSIBLE GOVERNMENTAL BODY TRYING TO FIND OUT WHAT THE OPTIONS ARE FOR THE PUBLIC, AS OPPOSED TO TURNING OVER OUR COMMUNITY'S ENTIRE TRANSPORTATION SYSTEM BASICALLY TO AN ORGANIZATION BEING RUN BY HIGHWAY CONTRACTORS WITH VERY ALARMING SPENDING PRACTICES. AND THE HISTORY OF GIVING US MISINFORMATION. SO THREE MONTHS IS A GOOD AMOUNT OF TIME TO SPEND ON THIS AND I THINK THAT THE PUBLIC WILL DEFINITELY BENEFIT FROM THIS EFFORT.

Mayor Wynn: FURTHER COMMENTS, QUESTIONS FOR THIS -- THIS IS A COMBINED ITEM, NUMBER 10 AND 29? I'LL JUST SAY MY -- OBVIOUSLY OFTENTIMES WHEN WE DIRECT THE CITY MANAGER TO ACCOMPLISH ANY OF THESE TASKS WE HAVE A NOT TO EXCEED FIGURE AND MY HOPE IS THAT AS LIKELY A -- A CONSULTANT SORT OF RISES TO THE TOP ON THIS, WITH FURTHER CONSULTATION WITH SO MANY DIFFERENT ENTITIES IN THEORY THAT HAVE A -- HAVE AN INFLUENCE ON THIS OR CAN CERTAINLY HELP US WITH SOME OF THE INFORMATION, THEN THE SCALE OF -- THE SCOPE OF THIS IS FRANKLY DRAMATICALLY REDUCED, BOTH TO INCREASE THE TURN AROUND TIME, TO REDUCE THE TURN AROUND TIME AS WELL AS SPEND LESS MONEY. I'LL ENTERTAIN A MOTION ON ITEMS 10 AND 29. OR FURTHER COMMENT, EXCUSE ME? COUNCILMEMBER SLUSHER?

Slusher: SO WE NEED A MOTION, WE TALKED ABOUT WE DO -- NEGOTIATE NEXT WEEK, ARE WE TALKING ABOUT A MOTION TO NEGOTIATE AND EXECUTE TODAY?

Mayor Wynn: MY UNDERSTANDING, LET'S SEE, IT IS POSTED

AS NEGOTIATE AND EXECUTE. ESSENTIALLY WHAT WE HAVE FOUND, WHICH -- WHICH THE CITY MANAGER WAS WARNING US ABOUT, OVER THIS WEEK THEY WEREN'T ABLE TO NEGOTIATE -- TO FIND A CONSULTANT AND NEGOTIATE ENOUGH OF A SCOPE TO GIVE US MORE -- MORE OF A DESIGN ON THIS.

Slusher: DO WE HAVE ANY -- DID WE HAVE ANY LUCK SPEAKING TO THE RMA ABOUT POTENTIAL FUNDING?

Futrell: I'M GOING TO LET JOHN SPEAK TO THIS.

COUNCILMEMBER, WE DID SPEAK TO THE RMA ABOUT THEIR PARTICIPATION IN FUNDING THE STUDY AS WELL AS SEVERAL OTHER ENTITIES. THEY DIDN'T GIVE US A DEFINITE NO. BUT THEY SAID THEY -- THE RMA'S BOARD MEETING WOULD NOT BE UNTIL THE END OF THIS MONTH, IN MARCH, IT WOULD HAVE TO BE SOMETHING THAT WOULD BE APPROVED BY THE BOARD. THEY CERTAINLY COMMITTED TO PROVIDE STAFF RESOURCES AND TIME TO ASSIST WITH THE STUDY. BUT NO DEFINITE COMMITMENT ON THE FUNDING.

COUNCILMEMBER, ONE THING I THOUGHT THAT WE COULD DO IS WE COULD SEND A FORMAL REQUEST TO THE OTHER ENTITIES IN WRITING FROM -- FROM THE CITY ASKING FOR THEIR PARTICIPATION AS A WAY TO TRY TO FORMALIZE THAT REQUEST.

Slusher: OKAY. WHEN YOU SAY THE OTHER ENTITIES, YOU MEAN THE RMA? I WAS GOING TO SPECIFY, ALSO, TODAY THAT MAKES SENSE TO ME THAT TRAVIS COUNTY IN PARTICULAR WOULD PARTICIPATE IN THIS. THIS IS SOMETHING THAT -- WHERE BOTH OF US, TRAVIS COUNTY AND THE CITY OF AUSTIN HAVE -- HAVE REPRESENTATION ON THE COMMITTEE, ON THE CAMPO THAT APPROVED THE PLAN, BUT I STILL THINK THAT SOMETHING THAT REALLY AFFECTS BOTH THE COUNTY HERE AND THE CITY A LOT AND IT MAKES A LOT OF SENSE FOR THEM TO SHARE IN IT, ESPECIALLY SINCE WE SHARE 80% OF THE SAME TAXPAYERS. SO I WOULD LIKE TO MAKE A FORMAL APPEAL TO THEM AS WELL. IF I HAVE TO, I CAN ADD THAT AS AN AMENDMENT TO -- SOMEBODY MAKES A MOTION, I WOULD

ADD THAT AS AN AMENDMENT.

OKAY.

Alvarez: MAYOR, I WOULD SUPPORT THAT BECAUSE I DO THINK THEY DO APPOINT THREE MEMBERS OF THE RMA AND [INDISCERNIBLE] IN LIEU OF THE FINDINGS RELEASED YESTERDAY -- [INDISCERNIBLE] MIGHT BE INTERESTED IN GETTING AN INDEPENDENT REVIEW OF THE WORK DONE BY THE AUTHORITY. BUT MY QUESTION WAS MORE SO, BECAUSE IT'S THE ITEM IS POSTED SIMILARLY TO THE WAY IT WAS POSTED LAST WEEK. BUT LAST WEEK'S RESOLUTION HAD A -- HAD A SPECIFIC DATE ON IT, YOU KNOW, IN TERMS OF THE -- OF THE SPECIFIC DIRECTION TO THE CITY MANAGER, SO -- SO I WAS JUST WONDERING HOW WE WERE GOING TO DEAL WITH THAT ISSUE, GIVEN THE FACT THAT THAT'S BEEN THE -- SORT OF THE LIMITING FACTOR IN TERMS OF OUR ABILITY TO IDENTIFY SOMEONE TO DO THE STUDY IS -- IS THE ABILITY TO TURN IT AROUND BASICALLY IN TWO MONTHS. SO -- SO IF WE APPROVE THIS ITEM, ARE WE APPROVING THE SAME EXACT LANGUAGE WE APPROVED LAST WEEK? AND IF SO, DOES THAT MEAN WE NEED TO MAYBE PUT SOME FLEXIBILITY IN TERMS OF DATE SO THAT -- THAT WE ARE CLEARER THAT IT'S NOT JUST, YOU KNOW, A TWO-MONTH TIME FRAME IN WORKING WITH --

Futrell: I THINK WE'RE LOOKING FOR THAT DIRECTION FROM YOU. YOU'VE HEARD FROM JOHN THAT ALTHOUGH IT'S NOT ABSOLUTE, WE ARE HAVING TROUBLE FINDING SOMEONE WHO CAN TURN THIS AROUND FOR US IN TWO MONTHS. SO WE NEED TO KNOW WHETHER THAT IS SOMETHING THAT IS AN ABSOLUTE FOR YOU OR WHETHER WE DO HAVE ENOUGH TIME, WHETHER WE HAVE SOME ADDITIONAL TIME IN THE [INDISCERNIBLE]

Alvarez: OKAY. AGAIN, I WOULD RATHER US MAYBE DECIDE, I MEAN, IS THAT GOING TO BE FOUR MONTHS, TWO MONTHS, ARE WE GOING TO LEAVE IT TO ASK THEM TO TELL US HOW LONG IT WOULD TAKE THEM TO DO THE STUDY? BE SPECIFIC ABOUT IT SO THAT WE JUST APPROVE WHAT WE APPROVED LAST YEAR, WE ARE GOING TO BE IN THE SAME BOAT WHERE NO ONE WANTS TO COMMIT TO A STUDY IN THE 60-DAYTIME FRAME. SO DO WE HAVE A SENSE OR A WAY TO

GAUGE HOW MUCH TIME WE DO NEED? WOULD FOUR MONTHS BE ENOUGH?

WE HAVE GOTTEN SOME FEEDBACK THAT 90 DAYS WOULD BE SUFFICIENT AS A MINIMUM, BUT THAT 60 DAYS WAS -- 60 DAYS WAS WHERE WE WERE STRUGGLING. WE WERE REALLY HAVING TROUBLE FINDING SOMEONE WHO THOUGHT THEY COULD TURN THIS AROUND IN 60 DAYS. JOHN, IF I HEARD YOU CORRECTLY, YOUR FEEDBACK WAS THAT WE WERE FINDING PEOPLE WHO THOUGHT IT WAS FEASIBLE WITHIN 90 DAYS.

CORRECT.

Alvarez: OKAY. I CERTAINLY WONDER IF WE HAD THE TIME ON THERE, 90 OR 120, GIVE US SOME WIGGLE ROOM HERE.

Mayor Wynn: COUNCILMEMBER MCCRACKEN?

McCracken: I AGREE WITH COUNCILMEMBER ALVAREZ. WE NEED TO MAKE SURE THAT WE HAVE THE TIME TO DO THIS RIGHT. WHEN WE GET THE REPORT BACK, WE COULD, FOR INSTANCE, IF -- IF THE VOTE, IF THE INFORMATION CAME BEFORE THE 2030 VOTE, WE COULD VOTE TO AMEND THE 2030 PLAN. AT A SUBSEQUENT MEETING. SO THE MOST IMPORTANT THING IS TO NOT REPEAT THE MISTAKE IT WAS -- THAT WAS MADE AT THE TOLL PLAN IN THE FIRST PLACE, WHICH WAS TO ACT WITHIN SUFFICIENT INFORMATION IN A RUSHED MANNER. LET'S GET THE GOOD INFORMATION AND TAKE THE TIME TO DO IT RIGHT. WE WILL GET A BETTER RESULT. SO COUNCILMEMBER ALVAREZ AS -- HAS A GREAT IDEA. I THINK THAT THAT NEEDS TO BE IN THERE. TAKE -- YOU KNOW, IF IT'S 90 DAYS OR EVEN A BIT MORE, THAT'S FINE.

Goodman: MAYOR?

Mayor Wynn: MAYOR PRO TEM.

Goodman: I'M SORRY IF YOU SAID THIS BEFORE AND I MISSED IT, DOES THAT KIND OF SCHEDULE FIT IN APPROPRIATELY WITH THE SCHEDULE OF THE TOLL ROADS IMPLEMENTATION

OR -- OR THE BOND SALES FOR -- FOR IMPLEMENTATION?

McCracken: MAYOR PRO TEM, THE OTHER ROADS, THE ROADS IN TRAVIS COUNTY ARE NOT SCHEDULED TO OPEN AS TOLL ROADS FOR A COUPLE OF YEARS. NOW, WE DO HAVE SOME CONCERN THAT THEY MAY TRY TO RUSH UP TOLL GATE ENTRIES ON THESE ROADS BEFOREHAND, BUT I THINK IN LIGHT OF THE ALARMING SPENDING PRACTICES WE SAW IN THE COMPTROLLER'S REPORT YESTERDAY, HOSTING PARTIES AT THE FOUR SEASONS, GETTING FIRST CLASS PLANE TICKETS, MEMBERSHIPS IN COMPANIES, THE CHAIR'S ADMINISTRATIVE EXPENSES TO HIS COMPANY, I THINK THAT RAISES QUESTIONS THAT WILL HAVE CAUTION TAKE OVER ON THIS. WE WILL KEEP AN EYE ON IT. IT'S NOT SUPPOSED TO BE FOR TWO YEARS.

Goodman: IS THIS AN ISSUE THAT YOU WOULD BRING FORWARD AT THE NEXT CAMPO MEETING AS AN ITEM ON THE AGENDA? OR SOMETHING RELATED SO THAT WE COULD BE SURE THAT CAMPO ALSO BUYS INTO THIS?
[INDISCERNIBLE]

McCracken: THE WAY IT WILL WORK, WE WILL HAVE A HEARING THIS COMING MONDAY ON THE 2030 PLAN, WE ARE SCHEDULED TO VOTE IN EITHER APRIL OR MAY, WE COULD POSSIBLY HAVE THE VOTE THE FIRST WEEK OF JUNE IF WE CHANGE THE MEETING DATE, THE JUNE MEETING. EITHER WAY, WE COULD AT THE JUNE OR JULY OR AUGUST MEETING ALSO VOTE TO AMEND THE 2030 PLAN, IF THERE'S -- IF WHAT IS PRODUCED BY THIS REPORT CAN GET MAJORITY SUPPORT. IN -- AND DURING THAT TIME PERIOD, NO TOLL ROADS WOULD BE AFFECTED BY IT, SPENDING 30 TO 60 EXTRA DAYS.

Goodman: OKAY.

Mayor Wynn: FURTHER COMMENTS? QUESTIONS?

McCracken: I WANTED TO ALWAYS CONGRATULATE COUNCILMEMBER SLUSHER ABOUT HIS SUGGESTION TRAVIS COUNTY, BECAUSE TRAVIS COUNTY SHARES THE OBLIGATION THAT THE CITY OF AUSTIN DOES TO LOOK OUT FOR THE TAXPAYERS OF TRAVIS COUNTY. AND WHEN WE

LOOK AT -- WHAT IS HAPPENING WITH THIS PROGRAM AND HOW THE BUSINESS PRACTICES ARE GOING AT THE TOLL AGENCY, WE REALLY HAVE AN OBLIGATION TO THE TAXPAYERS OF TRAVIS COUNTY AND OF AUSTIN TO MAKE SURE THAT -- THAT YOUR DOLLARS ARE NOT BEING WASTED. SO I JOIN THE COUNCILMEMBER IN ENCOURAGING TRAVIS COUNTY TO -- TO JOIN US IN THE STUDY TO PROTECT THE TAXPAYERS OF TRAVIS COUNTY.

Goodman: MAYOR?

Mayor Wynn: MAYOR PRO TEM?

Goodman: ON A TOTALLY DIFFERENT PART OF THIS EQUATION, NOT TO HAVE ANYTHING TO DO WITH THE MOTION, CAN I SUGGEST THAT -- THAT IN JULY A WOMAN COUNCILMEMBER BE APPOINTED TO CAMPO AND/OR CAPITAL METRO?

Mayor Wynn: YOU CAN CERTAINLY MAKE THAT SUGGESTION AND COUNCIL --

Goodman: IT'S BEEN --

Mayor Wynn: COUNCIL WILL TAKE THAT INTO CONSIDERATION. FURTHER COMMENTS? IF NOT I'LL ENTERTAIN A MOTION ON EITHER ITEM 10 AND/OR 29.

Alvarez: I MOVE APPROVAL OF BOTH ITEMS AND JUST AMENDING A PORTION OF THE RESOLUTION RELATING TO ITEM 29 THAT -- THAT SPECIFIES THAT -- THAT THE DATE BY WHICH THE STUDY WOULD BE COMPLETED AND JUST -- JUST SAY THAT THE -- THAT THE STUDY SHOULD BE COMPLETED BETWEEN 90 AND 120 DAYS.

Mayor Wynn: MOTION MADE BY COUNCILMEMBER ALVAREZ, SECONDED BY THE MAYOR PRO TEM TO APPROVE ITEM 10 AND TO APPROVE ITEM 29, AMENDING THE POSTED LANGUAGE WITH REGARDS TO THE DATE TO INCLUDE A NOTE THAT IT SHOULD BE COMPLETED BETWEEN -- WITHIN 90 TO 120 DAYS. COUNCILMEMBER SLUSHER?

Slusher: I WANTED TO ADD MY FRIENDLY AMENDMENT THAT

WE SEEK FUNDING FROM -- FUNDING ASSISTANCE OR PARTNERSHIP WITH TRAVIS COUNTY ON THIS. FOR THE ROPES THAT I STATED. FOR THE REASONS THAT I STATED.

Mayor Wynn: OKAY. A FRIENDLY AMENDMENT TO ALSO INSTRUCT PURSUIT OF -- OF ADDITIONAL FUNDING PARTNERS, INCLUDING TRAVIS COUNTY, FURTHER COMMENTS, QUESTIONS? COUNCILMEMBER THOMAS?

Thomas: I AGREE WITH THE MOTION BUT I HAVE TO SAY THIS. LET US LET THE EXPERTS, THE CONSULTANTS DO WHAT WE WANT TO DO ON THIS PART. I DO APPRECIATE THE -- THE COMPTROLLER'S REPORT. IT'S HELPFUL, BUT I THINK WE STILL NEED TO MAKE SURE THAT -- THAT WHAT WE ARE TRYING TO DO ON THIS SIDE, I DON'T THINK THERE'S NO MAYOR OR COUNCIL ON THIS SIDE THAT'S NOT WILLING TO PROTECT THE CITIZENS OF THIS GREAT CITY. BUT I THINK WE NEED TO WAIT UNTIL WE GET OUR REPORT ON OUR SIDE. WE ALREADY GOT A REPORT FROM THE COMPTROLLER'S OFFICE, SO LET'S JUST WAIT AND SEE WHAT WE ARE GOING TO GET BEFORE WE MAKE A LOT OF COMMENTS. I THINK THAT'S WHAT I SAID LAST WEEK. WHEN WE ARE DOING AN INVESTIGATION, TRYING TO GET INFORMATION, LET'S SEE WHAT WE WANT, WHAT WE GET FROM THE EXPERT THAT WE ARE HIRING AND THEN WE WILL GO FROM THERE. AS OPPOSED TO WHAT THE COMPTROLLER SAID. LET'S MAKE THIS -- NOT PERSONAL, BUT LET'S DEAL WITH IT ON -- THE PROFESSIONAL LEVEL AND LET'S LET THE POLITICS STAY OUT OF THIS. THANK YOU.

Mayor Wynn: THANK YOU, COUNCILMEMBER. AGREED. FURTHER COMMENTS, QUESTIONS? WE HAVE AN AMENDED MOTION, COMBINED MOTION, ITEM NO. 10 AND 29 ON THE TABLE. HEARING NONE, ALL THOSE IN FAVOR PLEASE SAY AYE.

AYE.

Wynn: OPPOSED? MOTION PASSES ON A VOTE OF 7-0. THANK YOU ALL VERY MUCH. COUNCIL, THAT'S ALL OF OUR DISCUSSION ITEMS PRIOR TO CITIZENS COMMUNICATIONS AND THEN 2:00 BRIEFING. TECHNICALLY THE NEXT PUBLIC ACTION WOULDN'T BE UNTIL THE 4:00 ZONING CASES. SO AT

THIS TIME WE WILL GO BACK -- WE WILL GO INTO CLOSED SESSION PURSUANT TO SECTION 551.071 OF THE OPEN MEETINGS ACT TO DISCUSS POTENTIALLY AGENDA ITEMS 33, RELATED TO NORTHWEST TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NUMBER 2, ITEM 34 RELATED TO PROPOSED LEGISLATION IN THE 79th LEGISLATIVE SESSION, 35 RELATED TO RYAN O. SKY STRAIGHTING EXCAVATING INC. VERSUS THE CITY OF AUSTIN, 37 PLAZA, 39 F.L. VIVIAN ET AL VERSUS THE CITY OF AUSTIN. WE ALSO MAY TAKE UP REAL ESTATE MATTERS UNDER 551.072 TO DISCUSS ITEM 39 RELATED TO BLOCK 21 AND THE DECOMMISSIONING OF SEAHOLM POWER PLANT, ITEM 40 RELATED TO A CITY HALL CAFE, ITEM 41 RELATED TO ACQUISITION OF REAL PROPERTY IN EAST AUSTIN, 42, AGAIN RELATED TO MUSEUM PARK PLAZA. AND WE MAY ALSO, PURSUANT TO SECTION 551.074 OF THE OPEN MEETINGS ACT TAKE UP PERSONNEL MATTERS RELATED TO ITEM NO. 43, THE EVALUATION OF OUR CITY AUDITOR. THE EVALUATION OF OUR CITY AUDITOR. BEFORE WE GO INTO CLOSED SESSION, I APOLOGIZE. EARLIER WE HAD A SPEAKER SIGNED UP FOR ITEM NO. 20. MR. PAT JOHNSON, WHO SIGNED UP IN OPPOSITION TO THIS ITEM. AND SO WE WILL HEAR MR. JOHNSON'S TESTIMONY AND THEN COUNCIL WE'LL SEE IF THERE'S A WILL TO RECONSIDER THAT VOTE. ITEM NO. 20. WELCOME, SIR, YOU WILL HAVE THREE MINUTES.

COUNCIL, I DON'T HAVE A PROBLEM WITH CENTRAL PARKING DOING WHAT THEY'RE DOING. BUT I THINK THAT YOU ALL NEED TO KNOW THE FACTS ABOUT THAT TOWING COMPANY THEY ARE USING. [INDISCERNIBLE] IF YOU CONSIDER -- I DON'T THINK -- I DON'T PERSONALLY, QUITE A FEW PEOPLE OUT THERE, DON'T THINK SO, THAT ASSURED TOWING SHOULD BE ALLOWED TO TOW OFF ANY CITY OWNED PARKING FACILITY OR -- [INDISCERNIBLE] THEY LIED TO US THAT THEY HAD WORKERS' COMP. BUT YOU KNOW I TALKED TO THE TEXAS DEPARTMENT OF INSURANCE AND THE LADY TOLD ME OVER THERE. SHE SAID, YOU KNOW, WORKERS' COMPENSATION INSURANCE IS FOR EMPLOYEES OF THE COMPANY. ASSURED DRIVERS ARE SUBCONTRACTORS, THEY ALL HAVE DBA'S. WE DON'T HAVE WORKERS' COMP ON ANY OF THOSE DRIVERS. YOU CONSIDER THE NUMBER OF COMPLAINTS FILED WITH TRAVIS COUNTY SHERIFF'S

DEPARTMENT FOR DAMAGE AND PERSONAL ITEMS MISSING FROM VEHICLES TOWED TO THEIR STORAGE FACILITY. AND YOU CONSIDER THE STATE COMPTROLLER DOCUMENTED THAT ASSURED OUTRIGHT LIED TO THEM AFTER THE COMMENTS THAT I MADE TO THIS COUNCIL, SEVERAL MONTHS AGO, ABOUT ASSURED NOT HAVING A SALES USE TAX PERMIT. THEY TOLD THEM THEY HAD BEEN IN BUSINESS SINCE JULY OF 2003. ACCORDING TO THE TXDOT RECORDS THEY HAVE BEEN IN BUSINESS SINCE 2000. YOU KNOW, CONSIDERING THEY OWE US, THE COUNTY, CAPITAL METRO AND THE STATE AN ESTIMATED \$40,000 IN SALES TAX, THAT THEY DID NOT REMIT TO THE STATE, WHY ARE WE -- DON'T WE HAVE ANY INTEGRITY IN OUR VENDORS? AND CONSIDERING ASSURED USES DRIVERS WHO FAIL TO REQUIRE WHAT THE WRECKER ORDINANCE THAT THIS COUNCIL PASSED SEVERAL YEARS AGO, THEY HAVE DRIVERS OUT THERE THAT DON'T EVEN HAVE WRECKER LICENSES. A.P.D. RECENTLY HAD BEEN PUTTING IN -- PUTTING MORE ASSURED DRIVERS IN JAIL FOR -- FOR OUTSTANDING WARRANTS, DRIVING WITHOUT A LICENSE SUSPENDED, AND -- AND WE'RE TALKING ABOUT INTEGRITY. YOU KNOW, THE CONTRACT THAT -- THAT WE HAVE AT CENTRAL PARKING ON ASSURED TOWING THOSE CARS, WE DON'T GENERATE NO MONEY OFF THAT CONTRACT. WE MAKE -- WE TAKE IN LESS THAN WHAT WE PAY ON THAT CENTRAL PARKING CONTRACT. AND I DON'T THINK IT'S FAIR THAT WE PROVIDE ASSURED TOWING THE REVENUE OPTION TO GO OUT THERE AND MAKE MONEY OFF OF OUR CITIZENS TOWING THOSE CARS OFF BENEATH THOSE BRIDGES, WHEN THE SOUTH SIDE TOWED THOSE CARS, WE WOULD GENERATE REVENUE OFF THE CONTRACT AND GET A PERCENTAGE OF THE MONEY. YEARS AGO, BEFORE CENTRAL -- ASSURED STARTING TOWING OFF THOSE, SOUTH SIDE WAS DOING THE TOWING UNDERNEATH THE BRIDGES. WE DESERVE, OUR CITIZENS DESERVE AND EXPECT THE TYPE OF INTEGRITY WITH THE TOWING COMPANY THAT TOWS OUR VEHICLES JUST AS MUCH AS THEY WOULD DO WITH OUR FINANCIAL DIRECTOR, MR. STEPHENS HANDLING OUR MONEY. [BUZZER SOUNDING] THIS IS PEOPLE'S PERSONAL EFFECTS. I ASK THAT THIS COUNCIL REQUIRE THAT THE CENTRAL TOWING FINDS ANOTHER TOWING COMPANY TO TOW OUR CITIZENS VEHICLES FROM

UNDERNEATH THOSE BRIDGES. WHEN YOU GET YOUR CAR TOWED, BY A TOWING COMPANY, YOU GO OUT THERE AND GET YOUR CAR, PICK YOUR CAR UP, AND A COUPLE OF DAYS LATER YOU NOTICE ITEMS, YOUR PERSONAL EFFECTS MISSING OUT OF YOUR VEHICLE, WHAT DO -- WHO DO YOU COMPLAIN TO? ASSURED SITS IN THE COUNTY. THEY DO NOT SIT IN THE CITY LIMITS. SO THEY ESCAPE ALL OF THE RULES OF A.P.D. I JUST THINK THAT IS HIGHLY, HIGHLY UNFAIR.

Mayor Wynn: PLEASE CONCLUDE, YOUR TIME IS UP.

ASSURED THEY GOT NUMEROUS JUDGMENTS AND WRIT OF EXECUTION SITTING IN THE VARIOUS J.P. COURTS AROUND OUR CITIES. THEY BURN PEOPLE'S TRANSMISSIONS UP IN THEIR- VEHICLES. THEY CHARGE EXORBITANT RATES TO OUR CITIZENS AND THEY TARGET OUR HISPANIC COMMUNITY. THAT IS A SAD, SAD REALITY. TOBY --

Mayor Wynn: PLEASE CONCLUDE, YOUR TIME IS UP.

I THINK A COUPLE OF MEETINGS AGO YOU WAS GOING TO RESPOND TO THE --

Mayor Wynn: OKAY, YOU HAVE HEARD MR. JOHNSON'S TESTIMONY. IS THERE A MOTION TO RECONSIDER ITEM NO. 20? HEARING NONE AS READ INTO THE RECORD EARLIER, WE ARE NOW IN CLOSED SESSION, THANK YOU VERY MUCH.

MAYOR, IF I COULD? I THINK IT'S ITEM NO. 12, I WILL ASK RUDY GARZA, ASSISTANT CITY MANAGER. THERE IS A NEED FOR THAT ITEM TO BE APPROVED ON EMERGENCY PASSAGE FOR IMMEDIATE EFFECT. I THINK IT WENT ON THE CONSENT AGENDA. OBVIOUSLY DEPENDING ON THE COUNCIL'S WILL, PERHAPS THERE'S A NEED TO RECONSIDER THAT AND PASS IT ON AN EMERGENCY EFFECT PASSAGE.

MR. GARZA, WELCOME.

RUDY GARZA, ASSISTANTS CITY MANAGER. THAT WAS AN AMENDMENT OF THE CLASSIFICATION ORDINANCE FOR THE POLICE DEPARTMENT. FOR A SERGEANT POSITION. WE HAVE CURRENTLY A SERGEANT ON EXTENDED LEAVE. THE PLAN WAS TO BE ABLE TO FILL THAT POSITION NOW BECAUSE THE

CURRENT PROMOTIONAL LIST EXPIRES NEXT THURSDAY. THE ORDINANCE CURRENTLY IS WRITTEN TO BE EFFECTIVE THE 21st, WHICH WOULD BE AFTER THE SCPOOIR EXPIRATION OF THE PROMOTIONAL LIST. SO WE WOULD NOT BE ABLE TO PROCEED AS WE NEEDED TO FILL THAT VACANCY.

Mayor Wynn: SO, COUNCIL, IF THERE'S THE WILL WE CAN RECONSIDER ITEM NO. 12 AT THE REQUEST OF STAFF.

Alvarez: SO MOVE, MAYOR.

Mayor Wynn: MOTION MADE BY COUNCILMEMBER ALVAREZ, I WILL SECOND TO RECONSIDER ITEM NO. 12. ALL IN FAVOR OF THE RECONSIDERATION PLEASE SAY AYE.

AYE.

Wynn: OPPOSED? MOTION PASSES ON A VOTE OF -- PASSES UNANIMOUSLY. I WILL NOW ENTERTAIN THE MOTION ON ITEM NO. 12 TO PASS THIS ORDINANCE UNDER AND DECLARE THIS AN EMERGENCY.

SO MOVE.

Mayor Wynn: MOTION MADE BY COUNCILMEMBER THOMAS. SECONDED BY COUNCILMEMBER ALVAREZ. TO APPROVE ITEM NO. 12 WITH THE EMERGENCY DESIGNATION. FURTHER COMMENTS? HEARING NONE, ALL THOSE IN FAVOR PLEASE SAY AYE.

AYE.

Wynn: OPPOSED? MOTION PASSES ON A VOTE OF 7-0. THANK YOU ALL VERY MUCH. NOW AS --

Goodman: MAYOR? RELATIVE TO THE TOWING ISSUE THAT MR. JOHNSON BRINGS UP, BACK A WHILE WHEN WE DID THE ORIGINAL TOWING ORDINANCE, I THOUGHT THAT THE FEES IN GENERAL ARE -- HIGHER SO THAT WE COULD PAY FOR THE IDLE TIME OF TOW TRUCKS THAT WERE GOING TO BE AVAILABLE FOR I-35 CLEANUP. QUICK ARRIVAL AND SO FORTH. NOW, I DON'T KNOW KNOW IF THAT IS -- IF THAT IS AN

ACCURATE MEMORY. SO MAYBE WE COULD HAVE A BRIEFING ON THE TOWING ORDINANCE AND THE DIFFERENT NUANCES THAT COME UP BECAUSE I'M NEVER SURE IF WE EVEN HAVE THE AUTHORITY OVER THE THINGS THAT MR. JOHNSON BRINGS UP. SO -- IF WE HAD A CLEAR UNDERSTANDING OF WHAT THE TOWING ORDINANCE DOES, WHAT WE'RE GETTING OUT OF IT AND WHAT WE CAN ASK TO GET OUT OF IT. THAT WOULD BE HELPFUL.

Mayor Wynn: THANK YOU, MAYOR PRO TEM. FURTHER COMMENTS? SO HEARING NONE, AGAIN AS READ EARLIER INTO THE RECORD, WE ARE NOW IN CLOSED SESSION TO TAKE UP A NUMBER OF ITEMS, WE WILL BE BACK AT NOON FOR GENERAL CITIZENS COMMUNICATION. THANK YOU.

Mayor Wynn: WE ARE OUT OF CLOSED SESSION, IN EXECUTIVE SESSION. AS ANNOUNCED EARLIER WE TOOK UP ITEM 38 AND 40, NO DECISIONS WERE MADE. WE NOW GO TO OUR NOON GENERAL CITIZEN COMMUNICATION, OUR FIRST SPEAKER IS MR. JIMMY CASTRO, WELCOME, YOU WILL HAVE THREE MINUTES.

MS. INSTITUTE TREL, I DO HAVE SLIDES TO SHOW YOU. I'M HERE TO SPEAK ON MY OWN BEHALF, ALSO SERVED AS A VOLUNTEER WITH THE GREATER AUSTIN CHAMBER OF COMMERCE. THIS FIRST SLIDE SHOWS I'M HERE TO INVITE EVERYONE TO THE 68th STAR OF TEXAS FAIR AND RODEO AT THE TRAVIS COUNTY EXPOSITION CENTER BETWEEN MARCH 12th THROUGH THE 26th. THE STAR OF TEXAS FAIR AND RODEO SCHOLARSHIP PROGRAM IS OPEN TO STUDENTS FROM 120 COUNTIES WITHIN TEXAS. THIS IS THE LARGEST YOUTH EDUCATION FUNDRAISER IN CENTRAL TEXAS. EVERYONE IS INVITED TO THE COWBOY BREAKFAST AT AUDITORIUM SHORES FROM 6:00 A.M. TO 9:00 A.M. ON FRIDAY, MARCH 11th. CAPITAL METRO WILL BE PROVIDING RIDES TO THE TRAVIS COUNTY EXPOSITION CENTER. SOME OF THE FEATURED RODEO EVENTS INCLUDE BARREL RACING, CALF SCRAMBLE, BULL RIDING AND MUTTON BUSING. THE CROWNING OF MS. RODEO AUSTIN WILL ALSO TAKE PLACE. THE 2005 AUSTIN RODEO GALA WAS A HUGE SUCCESS. IF YOU ARE LOOKING FOR THE BEST TEXAS BARBECUE, THE BARBECUE KICKOFF IS SET FOR MARCH 18th THROUGH THE 20th. KIDS WILL ENJOY KIDS TOWN AND THE

PETTING ZOO. NEARLY 10,000 TEXAS YOUTH WILL BRING LIVESTOCK PROJECTS THAT THEY HAVE SPENT COUNTLESS OF HOURS WORKING WITH. OVER THE LAST 20 YEARS, THE STAR OF TEXAS FAIR AND RODEO AWARDED \$18 MILLION TO 13,500 KIDS. THE PREPARATION FOR THE SHOW IS A YEAR ROUND ENDEAVOR. THIS IS THE CLIMAX OF A YEAR'S WORK BY THE 4 H CLUB MEMBERS. THESE SCHOLARSHIPS WILL HELP THOSE WHO MIGHT NOT OTHERWISE HAVE HAD THE GOLDEN OPPORTUNITY. THE YOUNG MEN AND WOMEN OF THE FUTURE FARMERS OF AMERICA WHO WEAR THOSE BLUE AND GOLD JACKETS WEAR THEM WITH PRIDE BECAUSE AGRIBUSINESS IN TEXAS IS GOOD BUSINESS. TODAY THE STAR OF TEXAS FAIR AND RODEO HAS MORE THAN 2,000 VOLUNTEERS WHO CONTRIBUTE THEIR TIME AND TALENTS. FINALLY, THANKS TO THE GENEROUS SUPPORT OF ESTABLISHED BUYERS GROUPS, AREA BUSINESSES AND THOUSANDS OF VISITORS, THIS HAS MADE THE STAR OF TEXAS FAIR AND RODEO THE SUCCESS IT IS TODAY. THANK YOU, MAYOR WYNN.

Mayor Wynn: THANK YOU, MR. CASTRO. LET'S SEE, RICHARD VIKTORIN. WELCOME, RICHARD, THREE MINUTES FOLLOWED BY MARY KRENEK.

GOOD MORNING, MARRY AND COUNCIL. MY NAME IS RICHARD VIKTORIN. I APPEAR BEFORE YOU TODAY WITH ONE PURPOSE, ONE QUESTION IN MIND, TO ASK YOU WHERE HAS ENVISION CENTRAL TEXAS BEEN IN THE TOLL ROAD DEBATE? BEFORE YOU IS A MAP OF THE 2030 PLAN THAT CAMPO WILL BE VOTING ON OR PRESENTING FOR PUBLIC COMMENT ON MONDAY. YOU MAY KNOW ENVISION CENTRAL TEXAS TO BE A COMMUNITY COMPREHENSIVE PLANNING ORGANIZATION. THEY BEGAN THEIR WORK IN 2002. AND PRODUCED A REPORT IN 2004 THAT WAS A RESULT OF SURVEYING THE CITIZENS OF CENTRAL TEXAS ABOUT WHAT THEY THOUGHT WE SHOULD BE. THE REPORT SAID THROUGH THESE VARIOUS PUBLIC FORUMS THAT WE THOUGHT WE SHOULD BE MORE DENSER AS A CITY, WE SHOULD CONTINUE TO HAVE OPEN SPACES AND THAT WE SHOULD HAVE EFFICIENT TRANSPORTATION SYSTEMS. SO IN -- IN BEING A PARTICIPANT IN THE TOLL ROAD DEBATE, I JUST WONDERED WHERE THEY HAD BEEN, WHY THEY HAVE NOT WEIGHED IN. SOME WEEKS AGO, I SOUGHT TO ANSWER

THOSE QUESTIONS AND BEGAN CONTACTING BOARD MEMBERS AND ECT STAFF. THE FIRST PERSON I TALKED TO WAS SALLY CAMPBELL. I WAS QUITE DISMAYED. SHE'S THEIR EXECUTIVE DIRECTOR. THE FIRST THING SHE SAID WAS WE CAN'T DO THAT, THAT WOULD BE CONTROVERSIAL TO EVEN ASK THAT QUESTION WOULD BE SEEN AS TAKING SIDES. THAT ENVISION CENTRAL TEXAS WOULD CHOOSE TO STICK ITS HEAD IN THE SAND IS RATHER ALARMING. I ALSO SPOKE WITH JOHN LANGMOR OF THE TRANSPORTATION AND LAPPED USE SUBCOMMITTEE. HE WAS ALSO THE TEXAS HOUSE OF REPRESENTATIVES COMMITTEE ON TRANSPORTATION POLICY DIRECTOR TWO YEARS. HE SAID AT THE CAPITOL WITH MIKE KRAUSE, RICK PERRY, RICK WILLIAMSON, PUTTING FORTH HOUSE BILL 38 THAT PRODUCED EVENTUALLY THIS HORRIBLE TOLL ROAD PLAN. THE SLIDE BEFORE YOU IS SOME OF THE MEMBERS OF ENVISION CENTRAL TEXAS. THE NEXT SLIDE BEFORE YOU IS ECT'S PROGRAM OF WORK. AND I BRING IT BEFORE YOU BECAUSE THE FIRST PROGRAM OF WORK FOR 2005 SAYS ECT WILL CONTINUE TO FULFILL ITS CRITICAL ROLE OF EDUCATING AND ENGAGING THE CITIZENS OF CENTRAL TEXAS IN AN ONGOING DIALOGUE ABOUT THE CHALLENGES OF GROWTH AND OPPORTUNITY THAT SHAPE OUR REGION'S FUTURE. NEXT BULLET IS, UNDER THAT HEADING, VON KEEN AND FACILITATE PUBLIC FORUMS, COULD BE ABOUT TOLL ROAD. THE THIRD ONE SAYS CONTINUE TO ACT AS AN HONEST BROKER ABOUT TOLL ROADS. THERE ARE CRIMES OF COMMISSION AND CRIMES OF OMISSION. I REALLY DO THINK THAT ENVISION CENTRAL TEXAS' FAILURE TO WEIGH IN ON THIS ISSUE IS NEGLECT. NEIL KOCUREK THE FOUNDER OF ENVISION CENTRAL TEXAS, PERHAPS HIS ABSENCE, UNTIMELY DEATH MAY HAVE SOMETHING TO DO WITH WHY THE BOARD HAS NOT WEIGHED IN. I KNOW THIS WAS HIS BABY. I DON'T THINK HE WOULD WANT HIS CHILD, ENVISION CENTRAL TEXAS, TO NOT WEIGH IN ON THIS VERY IMPORTANT ISSUE. THE LAST THING THAT I WANTED TO BRING UP, WHILE ENVISION CENTRAL TEXAS IS NOT WEIGHING IN ON TOLL ROAD, YESTERDAY OUR COMPTROLLER OF PUBLIC -- OUR COMPTROLLER OF PUBLIC ACCOUNTS DID. CAROL KEETON STRAYHORN PRODUCED A REALLY NICE REPORT. SHE OBSERVED THREE THINGS ABOUT THE TOLL ROAD PLAN [BUZZER SOUNDING] DOUBLE

TAXATION WITHOUT ACCOUNTABILITY, SHE COMMENTED ON LOOSE MANAGEMENT PRACTICES, SHE COMMENTED ON FAVORITISM AND SHELF ENRICHMENT AND SHE COMMENTED ON LAX EXPENDITURE CONTROLS. MY TIME IS UP, THANK YOU VERY MUCH.

Mayor Wynn: THANK YOU, SIR. MARY KRENEK. WELCOME, MARY, YOU WILL HAVE THREE MINUTES. YOU WILL BE FOLLOWED BY JENNIFER GALE.

HI, COUNCIL, IT'S GREAT TO BE HERE, I LOVE THIS NEW CITY HALL, IT'S GOOD TO BE PARTICIPATING IN THIS. I USED TO BE INVOLVED WITH S.O.S. STUFF, I HAVE NEVER SPOKE BEFORE. I WAS UP AT THE DUMP A LOT LATELY DOING DROPOFF AND STUFF AND MY CONCERN TODAY IS RECYCLING IN AUSTIN. ME AND MY FRIEND AT THE CAFE HAVE BEEN TALKING ABOUT RECYCLING PICKUP NOT REALLY HAPPENING WELL IN HYDE PARK AND SOME RUMOR GOING AROUND THAT THE GLASS IS BEING CRUSHED AND PUT IN THE LANDFILL. BUT BOTTOM LINE, I'M JUST CONCERNED THAT WE DON'T HAVE A PROGRAM GOING ON ON SIXTH STREET AND -- AND AT THE DUMPS I KNOW WE DON'T RUN THEM, BUT THE CARDBOARD, METAL, I MEAN ALL OF THIS KIND OF STUFF. I JUST THINK THERE'S A LOT OF ROOM FOR DEVELOPMENT AND EMPLOYMENT IN THESE TYPES OF ISSUES. SO I JUST WANTED TO KIND OF GIVE YOU ALL A PUSH IN THAT DIRECTION AND SAY HI AND DARYL WAS TELLING -- TALKING TO ME AT ONE OF THE TOLL ROAD MEETINGS, I HAD A FUNNY STORY, I USED TO WORK AT KERBY LANE CAFE BACK IN '88. I WAS A BUSER AND BUDDING ENVIRONMENTAL LIST, WE DIDN'T RECYCLE, SO AFTER MY SHIFTS ON FRIDAY AND SATURDAY NIGHT, I GO THROUGH THE TRASH CAN, PICK UP ALL OF THE BOTTLES, YOU THE THEM BACK IN THE CARDBOARD AND THE BARTENDER WOULD LOOK AT ME LIKE HE WAS CRAZY I FELT LIKE I HAD A LITTLE MISSION HERE, TAKE THEM TO THE EAST SIDE, GET \$10 OR SOMETHING. I FELT REALLY GOOD ABOUT THAT. DARYL THOUGHT IT WAS FUNNY, I THOUGHT IT WAS FUNNY, AS SOON AS I QUIT THERE, THEY HIRED SOMEONE TO DO THE RECYCLING. I DON'T KNOW WHERE THEY STAND OR ALL OF OUR INFRASTRUCTURE WITH ALL OF THIS, BUT I JUST WANT TO ENCOURAGE THE CITY ON THAT. I REALLY THINK THAT THERE'S ROOM FOR EMPLOYMENT, ALL KINDS OF

ISSUES ON DIFFERENT ENVIRONMENTAL AND SUSTAINING PROJECTS AND STUFF. SO Y'ALL HAVE A GREAT DAY. THANKS.

Mayor Wynn: THANK YOU.

Slusher: MAYOR, I WANT TO SAY I DO THINK MS. KRENEK HAS GOOD POINT. IT IS PRETTY DISAPPOINTING TO ME THAT WE HAVEN'T BEEN ABLE TO ESTABLISH MORE OF A RECYCLING PROGRAM WITH BUSINESSES. THAN WE DO. SO I -- I'LL PROBABLY MAKE ONE MORE RUN WITH MR. RHOADES ABOUT THIS.

Mayor Wynn: THANK YOU. JENNIFER GALE. JENNIFER GALE? TO BE FOLLOWED BY SUSANA ALMANZA. WELCOME, SUZANNA, YOU'LL HAVE THREE MINUTES, FOLLOWED BY PAUL AVINA.

GOOD EVENING, MAYOR AND CITY COUNCIL MEMBERS. I'M SUSANA ALMANZA WITH PODER, PEOPLE ORGANIZED IN DEFENSE OF EARTH AND HER RESOURCES. I'M HERE TO TALK CONCERNING THE T.O.D. AND THE AFFORDABLE HOUSING THAT'S COMING WITH THE TRANSIT ORIENTED DEVELOPMENT ORDINANCE THAT WILL BE COMING BACK ON MARCH THE 24th. ONE OF THE CONCERNS THAT I HAVE WAS THAT IN THE NEW STAFF RECOMMENDATIONS, THEY WERE REQUESTING THAT 25% OF THE HOUSING BE AT 80% OF THE MEDIAN FAMILY INCOMES. WITH OWNERSHIP LASTING 10 YEARS. AND THAT 60% OF THE MEDIAN INCOME BE FOR RENTALS AND LASTING FOR 10 YEARS. AND NOW IF I CAN SHOW THAT MEDIAN FAMILY INCOME SLIDE SCALE SO THAT PEOPLE AT HOME COULD ALSO SEE IT. THE NEW RECOMMENDATION BY BOARD AND COMMISSIONS SAID THAT THE HOUSING OWNERSHIP, THAT 25% SHOULD BE AFFORDABLE FROM 50 TO 80% MEDIAN INCOME. IF YOU LOOK ON THIS PARTICULAR CHART, LOOK AT 50% MEDIAN INCOME AND LET'S GO TO A FAMILY OF FOUR. YOU WOULD SEE THAT A FAMILY OF FOUR WOULD HAVE TO EARN \$35,550, THAT'S AT THE LOW SCALE YOU HAVE. BUT AT THE 80% MEDIAN INCOME, A FAMILY WOULD BE HAVING TO EARN \$56,900 AT THE 80% MEDIAN INCOME TO QUALIFY. ON THE SECOND STAFF RECOMMENDATION, THERE IS NO TERM LIMITS OR RECOMMENDATION WHERE THE HOUSING

OWNERSHIP STAYS FOR 10 YEARS OR THE -- OR THE OTHER RECOMMENDATION FOR RENTAL IS THAT IT STAYS FOR 30 YEARS. ONE OF THE THINGS THAT WE WOULD LIKE TO SEE IS AFFORDABILITY FOR PERPETUAL. IT NEVER ENDS. THAT ONCE YOU HAVE AFFORDABILITY, THAT IT STAYS THERE AND STOPS DOING TERM LIMITS BECAUSE WE SEE NOW HOW ALL OF THE DIFFERENT PROGRAMS ARE FLIPPING. WE ALSO SEE THAT I THINK COUNCILMEMBER RECOMMENDED THAT WE LOOK AT WHAT IS A MEDIAN FAMILY INCOME FOR THAT PARTICULAR AREA? LAST TIME THAT I WAS HERE, I -- THAT'S WHAT COUNCILMAN ALVAREZ SUGGESTED. BECAUSE IF YOU LOOK ON NUMBER, FOR A FAMILY OF FOUR UNDER 30% MEDIAN FAMILY INCOME, YOU WOULD SEE THAT THAT INCOME IS 21,350. IF THE MAJORITY OF OUR PEOPLE, ESPECIALLY IN THE T.O.D. IN THE SALTILLO PLAZA AREA OR 30% OR LOWER, THEN YOU WOULD SEE ANYTHING THAT IS BEING SUGGESTED WHETHER IT'S 50 TO 80, WE WOULDN'T BE LIVING IN THOSE COMMUNITIES. RIGHT NOW THE BIG ISSUE IS GENTRIFICATION DISPLACEMENT. SO IF YOU CONTINUE TO SET THE LIMITS AT 80% FOR OWNERSHIP OR EVEN 65 TO 50, STILL THAT WOULD ADD TO THE GENTRIFICATION PROCESS BECAUSE WE WOULD NOT BE ABLE TO LIVE THERE AND OUR FAMILY MEMBERS WHO ARE -- A LOT OF PEOPLE ARE TEACHING UP IN -- TEAMING UP IN FAMILIES WOULD NOT BE ABLE TO MOVE INTO THOSE PARTICULAR PLACES [BUZZER SOUNDING] EVEN IF YOU LOOK AT MEDIAN FAMILY INCOME FOR RENTAL, YOU WILL FIND THE SAME THING. WRAPPING UP. 60% FOR RENTAL FOR A FAMILY OF FOUR IS 42,650 AND IF YOU LOOK AT 30% MEDIAN INCOME IS 21,350. I URGE YOU TO REALLY LOOK AND STUDY THOSE ISSUES. WHAT IS REALLY AFFORDABLE AND WHAT IS REALLY LOW INCOME AND LOOKING AT THE THE PARTICULAR AREAS ON THE T.O.D. REAL QUICKLY WE ARE RECOMMENDING A PUBLIC HOUSING, IF YOU WANT TO HIGH DENSIFY, PUT PUBLIC HOUSING SO IT WON'T DISPLACE THE PEOPLE WHO ARE THERE IN THE CURRENT AREA. THANK YOU.

Mayor Wynn: THANK YOU. PAUL AVINA? SORRY IF I'M MISPRONOUNCING THAT. WELCOME, SIR, YOU WILL HAVE THREE MINUTES.

THANK YOU, MY NAME IS PAUL AVINA, GOOD DAY MR.

MAYOR, COUNCILMEMBERS. I ASKED FOR HELP DURING YOUR JANUARY CITIZENS COMMUNICATION MEETING ON A SPECIFIC ISSUES REGARDING YOUR POLICIES ON THE IMPLEMENTATION BY THE AUSTIN POLICE IN EAST AUSTIN. THE RESPONSE FROM MS. TOBY FUTRELL'S OFFICE WAS AS [INDISCERNIBLE] AS THE PREVIOUS ONES, ALSO INCLUDED FUZZY MATH AND WAS VERY PROTECTIVE OF HER FELLOW PUBLIC SERVANTS. IF SHE CARES TO KNOW, SOME PROSECUTORS NOW OFFER THEIR SERVICES WHILE THE STUDENTS BOARD THEIR SCHOOL BUSES IN THE MORNINGS. THEY CAN BE SEEN AT [INDISCERNIBLE] POND SPRINGS, WEBBERVILLE, AIRPORT [INDISCERNIBLE] YOUR POLICE ARE COSTING AUSTIN RESIDENTS \$4 MILLION EVERY DAY IN LOST WAGES ALONE. FOR YOUR STUBBORN PREFERENCE ON PEOPLE FROM OTHER CITIES TO DO THE JOBS THAT THE CITY OF AUSTIN GENERATES. THE DOLLAR FIGURES FOR THE COMPANIES THAT YOU -- [INDISCERNIBLE] TO THE BUSINESS HERE ARE INCREDIBLE. I SUGGEST TO KEEP A YELLOW PAGES HANDY FOR YOU ALL TO LOOK UP ESTABLISHED AUSTIN COMPANIES WITH A RESPECTFUL TRADITION OF WORK FOR LOCAL PROJECTS. AND RETAINING EXAMPLE OF AN ECONOMIC DRAIN IS CAPITAL METRO WHICH HAS NEVER BEEN PROFITABLE, YET HAS BEEN A DISTANT DESTINATION FOR OUTSIDERS SINCE THIS INCEPTION. YOU JUST HIRED A CONSULTANT FROM HOUSTON AND AN ENGINEERING FIRM WITH ROOTS IN NEW YORK CITY. I WANT YOU TO REVIEW MY PREVIOUS REQUEST FOR HELP AND SEEK MR. [INDISCERNIBLE] COOPERATION TO REVOKE PREDATORY LAWS, LIKE FOR MR. NEARLY AND MR. WATSON, THE DISTRICT ATTORNEY'S OFFICE. ALSO, SOME CASES OF ANTI-SEMITISM HAVE BEEN DETECTED IN OUR SCHOOLS. IN ADDITION TO WHAT'S ALREADY THERE. IT HAS TO DEAL WITH MR. FORGIONE'S POLICIES. I DON'T THINK YOU WANT TO IGNORE ME THIS TIME. THANK YOU.

THANK YOU, MR. AVINA. COUNCIL THAT'S ALL OF THE CITIZENS THAT SIGNED UP -- WELCOME, MS. GALE. THREE MINUTES.

THANK YOU, MAYOR WYNN. CITY COUNCIL. HI, AUSTIN, IT'S A BEAUTIFUL WEEKEND TO FLY A KITE AT THIS WEEKEND'S ZILKER PARK KITE FLYING FESTIVAL ON SUNDAY. I'VE HEARD EVEN THE GOVERNOR IS RECOGNIZING APRIL AS KITE

FLYING MONTH. AND THIS IS IT IS THE WEEK TO WELCOME AND SAY HI TO THE MUSICIANS THAT ARE COMING IN FROM ALL OVER THE UNITED STATES AND THE WORLD. AND HERE IN TEXAS, TO ENTERTAIN US AT FREE VENUES. TAKE WHAT'S -- SHOW THEM A VERY HAPPY, HEARTY WELCOME. OF COURSE IT'S SPRING BREAK. MAYOR WYNN, CITY MANAGER TOBY FUTRELL, COUNCILMEMBERS, DARYL SLUSHER, RAUL ALVAREZ, MAYOR PRO TEM GOODMAN, MY OPPONENT COUNCILMEMBER DUNKERLY AND COUNCILMEMBER DANNY THOMAS, HARD WORKING CITY STAFF AND CITY EMPLOYEES, I HOPE YOU ENJOY THE NEXT WEEK AS WELL. I'M HERE TO TALK ABOUT GENTRIFICATION AND TAX ABATEMENT. WE DON'T -- WE SHOULD SPONSOR AN ORDINANCE FOR THAT SO THAT PEOPLE AREN'T LOSING THEIR HOMES. AS YOU'VE HEARD TODAY FROM PEOPLE LIKE SUSAN ALMANZA. I WOULD ALSO LIKE TO ADDRESS THE FACT THAT THE AUSTIN AMERICAN-STATESMAN AND NONE OF THE NEWS OUTLETS COVERED THE -- THE UPCOMING ELECTION FOR THE MAY -- FOR MAY 7th AND HAVEN'T DONE SO SINCE IT STARTED IN NOVEMBER. I'M ASKING THE -- THE CITY OF AUSTIN TO RECOGNIZE THE FACT THAT THE PEOPLE AREN'T GOING TO RECEIVE ANY INFORMATION ON THE CANDIDATES. THE PEOPLE ARE GOING TO GO BLIND NOT KNOWING ANYTHING ABOUT THE CANDIDATES. AND THAT'S NOT FAIR. EVERYWHERE I GO, I SEE MY OPPONENTS KEEP EDDIE SIGNS, PLASTIC KEEP EDDIE SIGNS. SO IT MAKES IT VERY HARD TO RUN IN THE CITY OF AUSTIN SINCE IT'S 700,000 PEOPLE, WE HAVE NO DISTRICTS HERE. KEEP BETTY SIGNS. AND THE -- AND THE IDEA BEHIND GENTRIFICATION TAX ABATEMENT IS SO THAT IN AN AREA OF GENTRIFICATION, WHERE WE KNOW THE PRICES ARE GOING UP, TO FREEZE THE TAX AT THE LOWER RATE SO THAT PEOPLE AREN'T LEAVING. STEVE ADAMS, A CANDIDATE, SPOKE HOW HIS FRIEND IS LEAVING AUSTIN BECAUSE HIS TAXES TRIPLED OVER THE LAST FEW YEARS. I ALSO WANT TO CREATE AN ANNUITY FOR THE SPECULATION THAT THE PERSON IS GOING TO EARN ON THAT HOME OR DOES EARN AND WOULD BE GIVEN IN A LUMP SUM PAYMENT TO THAT PERSON OR THE CITY OF AUSTIN CAN BUY THEIR HOME, FIX IT UP, AND GIVE THAT MONEY TO THE PERSON -- THE THREE-QUARTERS OF THAT MONEY TO THE PERSON WHERE THE CITY EARNS

25%. LET ME HAVE 10 MORE SECONDS, MAYOR.

Mayor Wynn: FAIR ENOUGH. [BUZZER SOUNDING]

> SO THE CITY OF AUSTIN WOULD EARN 25%, THE PERSON MIGHT EARN AS MANY AS 6 OR \$700,000. ON A \$100,000 HOME. SO I THINK IF THE CITY SPONSORED THAT ORDINANCE, IT WOULD BE GOOD FOR THE HEALTH AND WELFARE OF OUR MIDDLE AND LOWER INCOME. PLEASE, I'M ASKING EVERYONE TO LOOK OUT FOR OUR LITTLE ONES. OUR CHILDREN ON SPRING BREAK. LET'S DRIVE CAREFULLY. THANK YOU.

Mayor Wynn: THANK YOU, MS. GALE. SO, COUNCIL, THAT'S ALL OF THE CITIZENS WHO HAVE SIGNED UP TO SPEAK -- TO ADDRESS US. SO WITH THAT, WE WILL GO BACK INTO CLOSED SESSION AS WE DON'T HAVE ANY PUBLIC ITEMS UNTIL THE 2:00 BRIEFINGS. WE MAY TAKE UP IN CLOSED SESSION PURSUANT TO SECTION 551.071 OF THE OPEN MEETINGS ACT ITEMS 34, 35, 37 OR 33 AND ALSO REAL ESTATE MATTERS POTENTIALLY 39, 41, 42, AND WE MAY ALSO TAKE UP THE EVALUATION OF OUR CITY AUDITOR ITEM NO. 43. WE ARE NOW IN CLOSED SESSION.

Mayor Wynn: WE ARE OUT OF CLOSED SESSION IN EXECUTIVE SESSION WE RECEIVED PRIVATE CONSULTATION FROM OUR ATTORNEY. WE TOOK UP ITEMS 33, 34, AND 35. NO DECISIONS WERE MADE. EARLIER WE HAD TAKEN UP ITEMS 38 AND 40 IN CLOSED SESSION. WE ALSO TOOK UP ITEM 41, NO DECISIONS WERE MADE. COUNCIL, BASED ON OUR PRIVATE DISCUSSION, ITEM NO. 33 RELATED TO THE -- TO THE NORTHWEST TRAVIS COUNTY MUNICIPAL UTILITY DISTRICT NUMBER 2, WE HAVE A POSTED ACTION ITEM, ITEM NO. 44, WHICH IS TO APPROVE EXECUTION OF A SETTLEMENT AGREEMENT. AND I'LL WELCOME A BRIEF PRESENTATION FROM STAFF.

[INDISCERNIBLE] I'M CITY ATTORNEY MARCH THESE TERRY. -- MARTHA TERRY, VERY PLEASED TO BRING TO COUNCIL A PROPOSED SETTLEMENT ARISING OUT OF THE 1997 ANNEXATIONS OF THAT -- OF THE M.U.D. THAT IS LISTED IN THE POSTING. THERE WERE SOME COMPLICATED ARRANGEMENTS AND AGREEMENTS MADE BETWEEN THE

M.U.D. AND THE BALCONES COUNTRY CLUB AND AS A RESULT OF OUR ANNEXATION, THE ASSUMPTION OF THE OBLIGATIONS AND THE -- AND THE RESPONSIBILITIES OF THE M.U.D., THERE WAS A NEED FOR US TO RELOOK AT OUR ARRANGEMENTS WITH THE COUNTRY CLUB AND WE HAVE SUCCESSFULLY NEGOTIATED A NEW ARRANGEMENT WITH THE COUNTRY CLUB AND ALTHOUGH YOU ARE ACTUALLY POSTED FOR NEGOTIATION AND EXECUTION, WHAT I AM VERY PLEASED TO TELL YOU IS THAT WE ARE NOW ASKING YOU TO APPROVE EXECUTION. WE HAVE FINISHED THE NEGOTIATIONS. I HAVE LAPPED YOU A RESOLUTION, TO THAT IS -- I HAVE LANDED TO A RESOLUTION, ATTACHED TO THAT IS THE AGREEMENT THAT THE PARTY HAVE REACHED. STAFF REQUESTS THAT YOU ADOPT THE AGREEMENT AND THE RESOLUTION AND WE ARE REQUESTING YOUR APPROVAL.

Mayor Wynn: THANK YOU, MS. TERRY, QUESTIONS, COMMENTS, COUNCIL? I WILL SAY THIS HAS BEEN A LONG ROAD TO HOE, WE HAVE FINALLY GOTTEN THERE, WE APPRECIATE THE PATIENCE AND FLEXIBILITY SHOWN BY EVERYBODY INVOLVED AND A LOT OF STAFF TIME, WE APPRECIATE THE EFFORTS ON BEHALF OF US TO -- TO GET THIS CONSUMMATED. HEARING NO QUESTIONS OR COMMENTS, I'LL ENTERTAIN A MOTION ON ITEM 44.

McCracken: MOVE APPROVAL.

Mayor Wynn: MOTION MADE BY COUNCILMEMBER MCCRACKEN, SECONDED BY COUNCILMEMBER ALVAREZ TO APPROVE EXECUTION OF THIS SETTLEMENT AGREEMENT AS OUTLINED AND PRESENTED BY STAFF, ITEM NO. 44. FURTHER COMMENTS? HEARING NONE, ALL THOSE IN FAVOR PLEASE SAY AYE.

AYE.

Wynn: OPPOSED? MOTION PASSES ON A VOTE OF 6-0 WITH THE MAYOR PRO TEM TEMPORARILY OFF THE DAIS.

THANK YOU, MAYOR AND COUNCIL.

THANK YOU ALL. COUNCIL, THAT TAKES US TO OUR 2:00

BRIEFINGS. WE HAVE TWO OF THEM POSTED TODAY. THE FIRST ONE IS REGARDING THE CITY'S BOND ISSUES. SECOND ONE WILL BE RELATED TO THE CITY HALL CAFE AND LOOKS LIKE MR. STEPHENS IS PREPARED TO TAKE US THROUGH A BOND EXERCISE. WELCOME.

I AM, MAYOR. THANK YOU, I'M JOHN STEPHENS, CHIEF FINANCIAL OFFICER, MAYOR, MAYOR PRO TEM, COUNCILMEMBERS. ON A -- I WANT TO START BY SHOWING YOU AN OUTLINE OF THE PRESENTATION THAT WE'LL MAKE TODAY. WE WILL FIRST PROVIDE YOU WITH AN OVERVIEW OF THE TYPES OF DEBT AND THE CIRCUMSTANCES UNDER WHICH EACH TYPE OF DEBT IS USED THAT THE CITY HAS DONE IN THE PAST. WE WILL NEXT SHOW YOU A HISTORY OF THE CITY'S BOND ELECTIONS FOR THE LAST 25 YEARS, FOCUSING SPASHLY ON THE '98 AND -- ESPECIALLY ON THE '98 AND 2,000 ELECTIONS. ONE OF THE FACTORS TO CONSIDER FOR A BOND ELECTION IS THE EFFECT THAT THE ELECTION WILL HAVE ON YOUR BOND RATING. SO WE'LL TALK ABOUT THE BOND RATING PROCESS AND TALK ABOUT WHY AUSTIN ENJOYS THE FAVORABLE RATING THAT WE HAVE TODAY. THEN WE'LL DEAL SPECIFICALLY WITH THE ISSUE OF BONDING CAPACITY. WE WILL LOOK AT FOUR SCENARIOS OF DIFFERENT BONDING CAPACITY AND ESTIMATE THE EFFECT OF EACH OF THOSE SCENARIOS ON THE TAX RATE AND ON OUR BOND RATING FACTORS. THE MOST BASIC QUESTION RELATED ISSUING DEBT IS -- IS REALLY WHETHER THE PROPOSED EXPENDITURE CAN BE FINANCED. AND OTHER THAN WITH THE CASE OF A ONE-YEAR VERY SHORT-TERM OBLIGATION, SUCH AS A TAX ANTICIPATION NOTE, YOU CANNOT FINANCE OPERATING EXPENDITURES WITH DEBT. HOWEVER YOU CAN CERTAINLY USE DEBT TO FINANCE CAPITAL ASSETS, SUCH AS LAND, BUILDINGS, OR CERTAIN TYPES OF EQUIPMENT. THEN ASSUMING THAT YOU ARE FINANCING A CAPITAL ASSET, THE QUESTION THEN BECOMES HOW YOU WILL REPAY THE DEBT AND WHAT THE LIFE OF THE ASSET IS. THE CITY HAS A NUMBER OF FINANCIAL POLICIES THAT PROVIDE GUIDELINES ON HOW AND WHEN TO ISSUE DEBT. AND ONE -- ONE POLICY STATES THAT THE POLICY THAT YOU SEE HERE STATES THAT WE WILL GENERALLY NOT ISSUE DEBT THAT WILL TAKE LONGER TO REPAY THAN THE LIFE OF THE ASSET THAT

DEBT IS FINANCING. LOOKING AT AN OVERVIEW OF DEBT, THERE ARE BASICALLY TWO MAJOR TYPES, BOTH OF WHICH YOU ARE FAMILIAR WITH. GENERAL OBLIGATION DEBT AND REVENUE DEBT. GENERAL OBLIGATION DEBT OR GO DEBT IS -- IS REPAID FROM THE FULL FAITH AND CREDIT OF THE CITY'S CAPACITY TO TAX. IN OTHER WORDS, FROM OUR DEBT SERVICE TAX RATE. GO DEBT COMES IN THREE DIFFERENT VARIETIES. FIRST, WHAT ARE USUALLY CALLED PUBLIC IMPROVEMENT BONDS AND WHICH ARE USUALLY PASSED OR ISSUED PURSUANT TO A BOND ELECTION. SECOND, CERTIFICATES OF OBLIGATION OR CO'S, WHICH ARE VERY SIMILAR TO PUBLIC IMPROVEMENT BONDS, THEY CAN BE USED TO FINANCE REAL PROPERTY SUCH AS LAND OR BUILDINGS AND THEY CAN ALSO BE ISSUED WITHOUT AN ELECTION. THE CITY HAS IN FACT ISSUED CO'S BEFORE THROUGH A COUNCIL ACTION. THE COUNCIL ACTION CAN BE SUBJECT TO AN ELECTION IF COUNCIL RECEIVES A PETITION FROM AT LEAST FIVE PERCENT OF THE REGISTERED -- 5% OF THE REGISTERED VOTERS PRIOR TO VOTING TO AUTHORIZE THE ISSUANCE. THE THIRD VARIETY OF GO DEBT IS CONTRACTUAL OBLIGATIONS OR KO'S, USED TO FINANCE CAPITAL ASSETS SUCH AS HEAVY EQUIPMENT OR COMPUTER SYSTEMS WITH A SHORTER LIFE, FOR EXAMPLE A TERM OF SEVEN YEARS MUCH THEN REVENUE DEBT IS THE SECOND MAJOR TYPE OF DEBT, THE KIND THAT OUR UTILITIES ISSUE, FOR EXAMPLE. REVENUE BONDS MAY ALSO BE PUT ON A BOND ELECTION. AS YOU'LL SEE SHORTLY THE CITY HAS DONE THAT IN THE PAST, BUT ELECTIONS ARE NOT REQUIRED BY STATE LAW FOR REVENUE DEBT. ANOTHER NOTE ON REVENUE BONDS, THEY ARE NOT BACKED BY THE CITY'S CAPACITY TO TAX AND THE BOND HOLDERS HAVE NO RECOURSE TO CITY ASSETS OTHER THAN THE ENTERPRISE REVENUE STREAMS. AND SO REVENUE BONDS DO NOT FIGURE INTO THE CALCULATION OF OUR GO DEBT RATIOS. MOVING FROM AN OVERVIEW OF TYPES OF DEBT, I WANT TO TALK ABOUT THE HISTORY OF CITY BOND ELECTIONS OVER THE LAST 25 YEARS. OVER THAT TIME, THE CITY HAS HAD 13 BOND ELECTIONS DATING BACK TO 1982. THIS SLIDE THAT WE HAVE UP NOW SHOWS YOU THE DOLLAR AMOUNTS THAT WERE PUT BEFORE THE VOTERS AND THE AMOUNTS THAT THEY APPROVED IN FOUR CATEGORIES. GENERAL OBLIGATION DEBT, WATER AND

WASTEWATER REVENUE DEBT, ELECTRIC REVENUE DEBT AND OTHER REVENUE DEBT, WHICH I'LL DESCRIBE IN A MOMENT. OF THE 13 ELECTIONS, SIX WERE HELD IN THE 1980'S, SIX IN THE '90S AND THE LAST ONE IN THE YEAR 2000 THE DATE OF OUR LAST BOND ELECTION. LOOK FIRST, IF YOU WILL, AT THE GENERAL OBLIGATION BAR IN THE CHART HERE. THERE WERE GO BONDS, IN 10 -- THERE WERE GO BONDS PROPOSED IN TEN OF THE 13 ELECTIONS. WITH A TOTAL OF ONE,-- 1,232 MILLION PROPOSED TO THE VOTERS FOR A PERIOD OF PROJECTS. OF THAT THE VOTERS APPROVED ALL BUT 58 MILLION. VOTERS REJECTED A PROPOSITION OF 47 MILLION FOR AN EAST-WEST THOROUGHFARE IN 1985. THIS WOULD HAVE BEEN ALONG FIRST AND THIRD STREETS DOWNTOWN. IN 1992 THEY REJECTED TWO PROPOSITIONS. ONE WAS FOR 10.5 MILLION FOR A COMBINED MACK MEXICAN AMERICAN CULTURAL CENTER, ONE FOR THE REIMBURSEMENT OF 650,000 FOR THE PURCHASE OF A MUNICIPAL BUILDING SITE. THE SITE THAT THE CITY HAS ALREADY PURCHASED THE BLOCK 22 SITE HERE CURRENTLY UNDER LEASE TO AMLI. AUSTIN VOTERS HAVE, OF COURSE, SINCE APPROVED SEPARATE PROPOSITIONS FOR BOTH THE MAC AND THE CARVER CENTER. WHICH PASSED IN THE '98 ELECTION. LOOKING AT THE WATER AND WASTEWATER DEBT, THE VOTERS WERE ALL OF THE BOND PROPOSITIONS OF WATER AND WASTEWATER DEBT THAT WERE PUT BEFORE THEM IN SEVEN OF THE 13 ELECTIONS HELD THERE IN THE LAST 25 YEARS. THERE WERE IN FACT SOME N SOME PRIOR ELECTIONS, 1980 AND '81 FOR EXAMPLE WHEN WATER AND WASTEWATER BONDS WERE NOT APPROVED, BUT GOING BACK 25 YEARS, THEY ALL WERE. MOST OF THIS DEBT WAS FOR IMPROVEMENTS TO THE SYSTEM, BUT VOTERS ALSO APPROVED \$65 MILLION IN MAY OF 1998 FOR LAND PURCHASES OVER THE EDWARD'S AQUIFER. THE ELECTRIC UTILITY HAS HAD BOND PROPOSITIONS IN FIVE OF THE 13 ELECTIONS, ALL BUT ONE OF THOSE WERE IN THE 1990S. I'M SORRY, IN THE 1980S. IN THE 1983 ELECTION, VOTERS REJECTED THREE ELECTRIC PROPOSITIONS THAT TOTALED \$710 MILLION. TWO OF THE PROPOSITIONS WERE FOR A TOTAL OF \$583 MILLION FOR A THIRD UNIT AT THE FAYETTE POWER PLANT. IN THAT SAME ELECTION VOTERS ALSO REJECTED \$127 MILLION PROPOSITION TO FUND A WASTE TO

ENERGY PLANT. FINALLY, VOTERS HAVE APPROVED OTHER REVENUE BACKED PROPOSITIONS IN FOUR OF THE 13 ELECTIONS. THESE INCLUDE TWO PROPOSITIONS ON THE CONVENIENCE CENTER AND THE WALL -- CONVENTION CENTER AND THE WALLER CREEK TUNNEL, TWO PROPOSITIONS RELATED TO THE AIRPORT WHICH TOTALED 1,128 MILLION. THE FIRST AIRPORT PROPOSITION IN 1987 WAS FOR A SITE THAT WAS NOT PURCHASED SO ONLY 30 MILLION OF THAT 723 MILLION THAT THE VOTERS APPROVED WAS SPENT AND THAT AMOUNT WAS SPENT ON RENOVATIONS TO MUELLER AIRPORT PRIOR TO OUR CLOSING IT AND MOVING TO ABIA. LOOKING MORE CLOSELY AT RECENT BOND ELECTIONS, THE NOVEMBER 2000 ELECTION WAS A LIMITED ELECTION THAT DEALT MOSTLY WITH TRANSPORTATION ISSUES. IT ALSO HAD A PROPOSITION, PROP 2 FOR 13.4 MILLION IN OPEN SPACE BONDS, BUT MOST OF THE MONEY, ALL OF WHICH WAS APPROVED WAS FOR TRANSPORTATION. PROPOSITION ONE WAS FOR THE TRANSPORTATION OPPONENTS WE SEE HERE. 90 MILLION FOR MATCHING FUNDS ON MAJOR HIGHWAY PROJECTS, 40 MILLION FOR CAPACITY IMPROVEMENTS AND 20 MILLION FOR PEDESTRIAN BIKEWAY AND SIDEWALK PROJECTS. IN CALLING FOR THIS ELECTION, THE CITY COUNCIL LOOKED PAST THE GUIDE LINES FOR BOND ELECTIONS. HOW FREQUENTLY THEY SHOULD BE HELD AND SO ON, WHICH WE'LL DISCUSS IN MORE DETAIL SHORTLY. THEY PRIMARILY FOCUSED INSTEAD ON THE LIGHT RAIL INITIATIVE THAT CAPITAL METRO HAD ON THE SAME ELECTION IN ORDER TO PROVIDE VOTERS WITH A VARIETY OF TRANSPORTATION SOLUTIONS IN 2000. THE 1998 BOND ELECTION IN CONTRAST WAS A MULTI-PURPOSE ELECTION WITH A VARIETY OF PROPOSITIONS, RANGING FROM TRANSPORTATION TO PARKS AND LIBRARIES TO PUBLIC SAFETY AND TO FLOOD AND EROSION CONTROL AND WATER QUALITY WITH THE PROPOSITIONS THAT YOU SEE HERE. IN INFORMING THE PUBLIC ON THESE PROPOSITIONS IN THE '98 ELECTION, THE CITY CONSISTENTLY DISCUSSED THE NEED FOR A ONE CENT TAX INCREASE EACH YEAR OF THE PROPOSED SIX-YEAR IMPLEMENTATION PERIOD FOR THE PROJECTS. VOTERS APPROVED THE ENTIRE SET OF PROPOSITIONS FOR A TOTAL OF 339.7 MILLION IN GENERAL OBLIGATION BONDS. THANKS TO PARTICIPATION FROM OUR

BOND OVERSIGHT COMMITTEE AND OTHER STAKEHOLDERS, AND TO COUNCIL'S APPROVING OF MANAGEMENT'S PLANS FOR BRINGING THESE PROJECTS ON LINE, THE CITY HAS DONE A PRETTY GOOD JOB OF IMPLEMENTING THE ISSUES OF THE -- THE WISHES OF THE VOTERS FOR THE '98 ELECTION. YOU SEE HERE, BY THE END OF THIS YEAR, BY THE END OF THE CURRENT FISCAL YEAR, WE WILL HAVE SPENT 85% OF THE FUNDING WE RECEIVE FOR TRANSPORTATION ISSUES, 69% OF THE FUNDING FOR PARKS, 100% OF THE PUBLIC SAFETY FUNDING, 68% OF THE FUNDS BEING FOR LIBRARIES AND CULTURAL CENTERS AND 100% OF THE FLOOD EROSION AND WATER QUALITY FUNDING. THE REMAINING APPROPRIATION IN SPENDING FOR THE PROJECTS YOU SEE HERE WILL BE BLISHED OVER THE NEXT -- WILL BE ACCOMPLISHED OVER THE NEXT TWO YEARS. THE DELAYS THAT WE HAD IN PARKS AND LIBRARY SPENDING WERE REALLY MOSTLY SELF-IMPOSED. THE SCHEDULES FOR SOME OF THESE FACILITIES WERE PURPOSEFULLY EXTENDED DUE TO SHORTFALLS IN OM FUNDING. ONE OF THE THINGS THAT WE DID TO LEVERAGE THE 1998 ELECTION WAS TO SUPPLEMENT SOME OF THE SPENDING WITH GENERAL FUND CASH. KEEP IN MIND THAT THIS WAS DURING THE GOOD TIMES WHEN OUR SALES TAX WAS EXCEEDING EVEN THE MOST AGGRESSIVE ASSUMPTIONS WE MADE FOR ITS GROWTH. SO DURING THOSE GOOD TIMES, WE USED SOME OF OUR EXTRA FUNDING THAT WE HAD TO SUPPLEMENT OUR BOND FUNDING. THIS SLIDE SHOWS WHERE WE SUPPLEMENTED THE BONDS, WHICH WAS REALLY PRETTY MUCH ACROSS THE BOARD. AS THE ECONOMY BEGAN TO TURN, HOWEVER, WE WERE NOT ABLE TO PROVIDE ALL OF THE CASH FUNDING WE HAD ORIGINALLY PLANNED ON BUT WE FUNDED ALMOST 90 PERCENT OF OUR INITIAL CASH SPENDING PLANS. AS I MENTIONED EARLIER, THE CITY HAS FINANCIAL POLICIES FOR BOND ELECTIONS THAT PROVIDE GUIDELINES AS TO WHEN WE SHOULD HAVE ELECTIONS. TWO POLICIES, THE FIRST ONE PROVIDES THAT WE SHOULD NOT PROPOSE TO THE VOTERS MORE THAN WE CAN REASONABLY ISSUE WITHIN A SIX-YEAR PERIOD. THIS POLICY WAS PUT IN PLACE TO AVOID PROBLEMS WE HAD IN THE PAST WHEN VOTERS APPROVED BONDS FOR PROJECTS THAT WE DID NOT ISSUE FOR A NUMBER OF YEARS AND THEN BY THE TIME WE DID

GET TO THE PROJECTS, THE COST ESTIMATES FOR THOSE WERE OUTDATED. CERTAINLY WITH THE 1998 ELECTION, THE POLICY HAS HELPED US KEEP TRACK OF BOTH BOND ISSUANCE AND RELATED PROJECT SPENDING. SO THIS POLICY PROVIDES THAT WE SHOULD NOT ASK THE VOTERS TO APPROVE MORE THAN WE CAN REASONABLY ISSUE WITHIN A SIX-YEAR IMPLEMENTATION PERIOD. ONE OTHER POINT, IMPORTANT POINT TO MAKE ABOUT THIS TIME PERIOD IS THAT IT MEANS THAT THE DEBT THAT THE VOTERS APPROVE WILL NOT ALL BE ISSUED AT ONCE. WHEN THE VOTERS APPROVED THE CITY ISSUING THE BOND, THOSE WERE NOT ALL ISSUED THE FIRST YEAR, BUT RATHER WERE ISSUED MORE OR LESS EVENLY OVER THE PROPOSED SIX YEAR IMPLEMENTATION PERIOD. THAT SCHEDULE ALLOWED US TO AVOID PAYING INTEREST ON MONEY THAT WE HAVE NOT YET SPENT AND ALSO ALLOWED GROWTH IN OUR ASSESSED VALUE AND IN POPULATION TO AVOID SPIKES IN SOME OF OUR DEBT RATIOS, AS WE'LL DISCUSS IN A FEW MINUTES. WE HAVE BEEN GENERALLY IN COMPLIANCE WITH THIS POLICY WITH THE 1998 BOND ELECTION. AGAIN, FOR THE 2000 ELECTION, WE LOOKED PAST THE POLICY IN DEALING WITH THE SPECIAL ISSUE OF TRANSPORTATION BONDS AND WE SET A TIME FRAME FOR ISSUING SHOULD DEBT, THE 150 MILLION IN TRANSPORTATION BONDS. WE SET A TIME FRAME FOR ISSUING THAT OF 10 YEARS. WHICH ALLOWED US TO ISSUE -- WILL ALLOW US TO ISSUE THAT DEBT WITHOUT AN INCREASE TO THE EFFECTIVE TAX RATE. THE SECOND POLICY THAT WE HAVE SAYS WE WILL NOT BRING FORWARD ANOTHER ELECTION UNTIL WE HAVE SPENT DOWN ALL BUT TWO YEARS OF BONDS FROM THE PREVIOUS ELECTION THE AGAIN EXCEPT FOR THE 2000 ELECTION WE ARE IN COMPLIANCE WITH THIS POLICY. AS OF OUR PROPOSED BOND SALE IN AUGUST OF THIS YEAR, WE WILL HAVE ISSUED 95% OF THE BONDS FROM THE 1998 ELECTION. I WANT TO TURN NOW TO BOND RATINGS AND TALK FIRST ABOUT THE CRITERIA OR THE FACTORS THAT OUR THREE RATING AGENCIES, FITCH, MOODY, STAND AND POORS USE IN RATING A CITY'S DEBT. THIS IS OF COURSE IMPORTANT BECAUSE THE HIGHER YOUR BOND RATING, THE LOWER YOUR INTEREST COSTS. WE WILL SEE HOW AUSTIN STACKS UP ON THESE FACTORS UP HERE SHORTLY. BUT FIRST LET

ME JUST DISCUSS THEM GENERALLY. THERE IS NO STANDARD TEMPLATE AND EACH RATING AGENCY MAY FOCUS MORE ON ONE FACTOR THAN ON ANOTHER. BUT IN GENERAL, THEY EXAMINE THE FACTORS THAT YOU SEE HERE, ECONOMY, DEBT BURDEN, DEBT STRUCTURE AND MANAGEMENT. PROBABLY THE MOST IMPORTANT FACTOR THE RATING AGENCIES CONSIDER IS ONE THAT IS EXTRINSIC TO THE CITY'S ORGANIZATION, OUTSIDE THE MUNICIPALITIES CONTROL, THE LOCAL ECONOMY. DEMOGRAPHIC CHARACTERISTICS FACTOR HEAVILY INTO THE ECONOMIC ANALYSIS. THE CITY'S POPULATION IS PROFILED IN TERMS OF AGE, EDUCATION, LABOR SKILLS, COMPETITIVENESS AND WEALTH AND INCOME LEVELS AND HOW THESE FACTORS ARE CHANGING OVER TIME. THE AGENCIES BELIEVE THAT CITIES LIKE AUSTIN THAT HAVE HIGHER INCOME LEVELS AND DIVERSE ECONOMIC BASIS HAVE SUPERIOR DEBT REPAYMENT CAPABILITIES AND ARE BETTER PROTECTED FROM ECONOMIC CHANGES OR UNEXPECTED VOLATILITY. .NET BURR DEPEND, THE AMOUNT OF DEBT ALREADY OUTSTANDING OR UNDER CONSIDERATION IS AN IMPORTANT FACTOR. IT CAN BE MEASURED SEVERAL WAYS, PERHAPS THE MOST IMPORTANT BEING THE RATIO OF DIRECT OR INDIRECT, SOMETIMES CALLED OVERLAPPING DEBT, TO TOTAL ASSESSED VALUE. IN OTHER WORDS, WHAT PERCENTAGE DOES DEBT COMPRISE OF THE CITY'S TOTAL ASSESSED VALUE. IN DIRECT OR OVERLAPPING DEBT ADDS THE DEBT OF THE SCHOOL DISTRICT AND THE COUNTY INTO THE PICTURE. AND WE'LL SEE HOW AUSTIN COMPARES SHORTLY. MAY ALSO BE ANALYZED AT LOOKING AT DEBT PER CAPITA, BY DIVIDING THE TOTAL DEBT TO BE REPAYED FROM THE TAX RATE, NOT FROM ENTERPRISE REVENUE HIS, AGAIN, BUT TO BE REPAYED FROM THE TAX RATE BY THE POPULATION OF THE CITY. DEBT BURDEN CAN ALSO BE ANALYZED BY ADDING TOTAL DEBT SERVICE TO TOTAL OPERATING EXPENDITURES AND THEN CALCULATING WHAT PERCENT OF THAT TOTAL DEBT SERVICE COMPRISES. AND THEN NEXT IS THE CATEGORY OF DEBT STRUCTURE. WITH DEBT STRUCTURE THE AGENCIES ARE LOOKING TO SEE ESSENTIALLY WHETHER YOUR DEBT IS BACK LOADED. PUSHED ON TO FUTURE TAXPAYERS. MOST DEBT IS ISSUED FOR 20 YEARS, THE MAXIMUM PERIOD THAT THE DEBT CAN

BE OUTSTANDING. SO THE AGENCIES ANALYZE THE TOTAL DEBT TO SEE HOW MUCH OF THAT IS PAID OFF IN THE FIRST FIVE YEARS OR THE FIRST 10 YEARS. AND THEN LASTLY, THE RATING AGENCIES LOOK AT THE QUALITY OF MANAGEMENT AND OVERSIGHT, IN PARTICULAR WHETHER A CITY HAS FINANCIAL POLICIES, HOW THE CITY ADHERES TO THOSE POLICIES, AND HOW THEY PERFORM IN RELATION TO THEIR FINANCIAL PLANS. AS WE DISCUSSED EARLIER IN A TYPICAL BOND SELECTION SCENARIO, WE WOULD BE ISSUING APPROXIMATELY ONE SIXTH OF THE TOTAL DEBT APPROVED OF THE VOTERS EACH YEAR. 1/6th EACH YEAR. THIS NORMALLY TAKES PLACE IN AUGUST. WE WOULD THEN GO THROUGH THE RATING PROCESS EACH YEAR FOR THE ADDITIONAL DEBT THAT WE ARE GOING TO ISSUE. THIS PROCESS STARTS AROUND JULY WITH THE PREPARATION OF AN OFFICIAL STATEMENT, WHICH PROVIDES DETAILED CURRENT INFORMATION ABOUT THE CITY'S ECONOMY, THE GENERAL FUND BUDGET, CURRENT YEAR ESTIMATES AND SO FORTH. IN THE OFFICIAL CHANGES ANY CHANGES FROM THE PREVIOUS YEAR, WHAT WE PROJECT FOR THE UPCOMING YEAR, WE WOULD PROVIDE THE RATING AGENCIES WITH AN UPDATE ON HOW OUR IMPLEMENTATION OF THE BOND PROGRAM WAS FARING. THEY WOULD THEN ANALYZE OUR PROPOSAL FOR THE DEBT TO BE ISSUED IN THAT YEAR TO SEE HOW IT COMPARES TO WHAT WE MAY HAVE PRESENTED THEM IN PREVIOUS YEARS, FOR EXAMPLE, AND THEN ANALYZE THE FACTORS WE DISCUSSED A FEW MOMENTS AGO, DEBT BURDEN, INSTRUCTTURE, SO ON. THEN TYPICALLY A FACE-TO-FACE MEETING OR A LENGTHY PHONE CONVERSATION WITH THE AGENCIES IN WHICH WE WOULD ANSWER ANY QUESTIONS THEY HAVE ABOUT OUR CURRENT YEAR FINANCES, AND IN WHICH WE WOULD PROVIDE THEM WITH ADDITIONAL INFORMATION. FOR EXAMPLE, STATISTICS LIKE BUILDING PERMITS, PASSENGER TRAFFIC AT THE AIRPORT, AND OTHER INDICATORS OF -- OF RECENT ECONOMIC ACTIVITY. THE RESULT OF THAT PROCESS WILL BE A RATING THAT'S ISSUED FOR THE DEBT PROPOSED TO BE SOLD. AGAIN, TYPICALLY IN AUGUST. CERTAINLY IN THE LAST SEVERAL YEARS THE AGENCIES HAVE CONSISTENTLY CONFIRMED THE CITY'S DOUBLE A PLUS GO BOND RATING. AS YOU KNOW, THE CITY RECENTLY DID A REFUNDING OF 145

MILLION OF ITS GO DEBT, WHICH COUNCIL APPROVED ON JANUARY THE 27th. THE RATING AGENCIES RATED THAT REFUNDING ISSUE, AGAIN CONFIRMING OUR DOUBLE A PLUS RATING AND THE NEXT SEVERAL SLIDES THAT I WANT TO SHOW YOU WILL GIVE AN IDEA OF HOW THEY DISCUSSED AUSTIN USING THE RATING FACTORS THAT WE TALKED ABOUT EARLIER. IN LOOKING AT THE ECONOMY, STANDARD AND POOR'S CITED OUR STRONG ECONOMIC BASE, APPEARING CORED BY STATE GOVERNMENT AND HIGHER EDUCATION BUT A SIGNIFICANT HIGH TECH MANUFACTURING INDUSTRY AND AN EXPANDING SERVICE SECTOR. MOODY'S CITED THE CITY'S UNEMPLOYMENT RATE TRENDS BELOW BOTH STATE AND NATIONAL AND FURTHER CITED OUR SOCIO-ECONOMIC PROFILE IS STRONG. EVEN WITH OUR LARGE STUDENT POPULATION, WHICH PROVIDES US WITH AN ONGOING SOURCE OF TALENT EVEN WITH THAT LARGE STUDENT POPULATION, OUR PER CAPITA INCOME EXCEEDS BOTH STATE AND NATIONAL LEVELS. IN ANALYZING OUR DEBT BURDEN, LET ME FIRST CITE WHAT THE CITY'S FINANCIAL POLICY IS. OUR CREDITORS WANT TO KNOW THAT OUR FINANCES ARE GUIDED BY COUNCIL AND MANAGEMENT POLICIES AND RELATIVE TO DEBT BURDEN WE HAVE A POLICY THAT WE WILL NOT ISSUE DEBT TO A POINT THAT WOULD TAKE US BEYOND A DIRECT DEBT TO AV RATIO TO ASSESSED VALUE RATIO OF 2%. IN OTHER WORDS, OUR TOTAL DEBT WILL NOT EXCEED 2% OF OUR TOTAL ASSESSED VALUE. TOTAL GO DEBT. THE RATIO AS YOU SEE HERE ARE WHERE WE ESTIMATE WE WILL END THE CURRENT FISCAL YEAR IN TERMS OF DIRECT DEBT TO ASSESSED VALUE, OF 1.53, WE WILL BE WELL BELOW THE 2% POLICY. OVERLAPPING DEBT TO AV WE ESTIMATE WILL BE 3.32% AND A GOOD GUIDELINE FOR THIS RATIO IS 4%. THEN FINALLY, DEBT PER CAPITA WE ESTIMATE WILL BE \$1,112 HIGH IN COMPARISON TO OTHER MAJOR TEXAS CITIES BUT MODERATE WHEN COMPARED NATIONALLY TO MAJOR CITIES. CITING MOODY'S JANUARY THEY SAY OUR DEBT LEVELS REMAIN HEALTHY, MANAGEABLE, IMPORTANTLY THEY DISCUSS OUR CAPACITY TO ISSUE FUTURE DEBT. MOODY'S UNDERSTANDS THE CITY WILL NEED TO CONTINUE TO FUND CRITICAL INFRASTRUCTURE AND OTHER NEEDS AND THEY BELIEVE WE HAVE THE CAPACITY TO DO SO. THEN YOU ALWAYS SEE STANDARD AND POOR'S DISCUSSION OF

OUR MODERATE OVERLAPPING DEBT. LOOKING AT DEBT STRUCTURE, MOODY'S CONSIDERS A CITY SHOULD BE PAYING OFF AT LEAST HALF OF ITS PRINCIPAL IN 10 YEARS, AGAIN BECAUSE BONDS ARE ASSUMED TO HAVE A MAXIMUM 20 YEAR LIFE. AUSTIN DOES ZIG SIGNIFICANTLY BETTER THAN THAT. WE PAY OFF A THIRD IN FIVE YEARS, ABOUT TWO THIRD IN THE FIRST 10 YEARS. AS YOU SEE IN THE REFUNDING RATING, MOODY'S CITED US FAVORABLY FOR THE 10 YEAR PAYOFF RATIO AND AGAIN DISCUSSED OUR ABILITY TO ISSUE DEBT IN THE FUTURE. LOOKING AT DEBT TO OPERATIONS THE CITY DOES HAVE A FINANCIAL POLICY THAT OUR DEBT SERVICE SHOULD NOT BE MORE THAN 20% OF THE SUM OF OUR DEBT SERVICE AND OUR OPERATING EXPENDITURES, THEN CITING MOODIES AGAIN, THEY POINT TO OUR CONSISTENCY IN KEEPING THIS RATIO WELL BELOW 20% OVER RECENT YEARS. IT'S CURRENTLY AT 16.6%. LOOKING AT MANAGEMENT FACTORS, BOTH STANDARD AND POOR'S AND MOODY'S CITE FAVORABLY THE IF HE'S FCIAL MANAGEMENT DURING THE RECENT DOWN TOURNAMENT. MOODY'S IN PARTICULAR SPEAKS TO OUR FINANCIAL STABILITY AND TO BOTH THE CITY COUNCIL AND CITY MANAGEMENT CONTROLLING SPENDING WITHOUT CRIPPLING OUR PROVISION OF SERVICES. AS YOU HAVE SEEN FROM THE INFORMATION THAT WE JUST PRESENTED TO YOU, AUSTIN IS VIEWED AS A VERY GOOD CREDIT BY THE RATING AGENCIES. LET ME SHOW YOU NOW HOW WE COMPARE TO OTHER MAJOR TEXAS CITIES, AT LEAST WITH REGARD TO THE RATIOS THAT WE HAVE DISCUSSED. THIS INFORMATION WAS SLIGHTLY DATED FROM FISCAL YEAR 2003, BUT THAT WAS THE LAST COMPLETED FISCAL YEAR THAT EVERYONE HAS REPORTED ON THROUGH THE ISSUANCE OF THEIR COMPREHENSIVE ANNUAL FINANCIAL REPORTS, THE SOURCE OF THIS INFORMATION. LOOKING FIRST AT DEBT PER CAPITA, YOU SEE THAT AUSTIN'S DEBT PER CAPITA RATIO OF 1,168 IN 2003 WAS THE HIGHEST OF THE MAJOR CITIES WITH DALLAS COMING IN NEXT TO HIGHEST. HOWEVER, LOOKING AT DEBT TO ASSESSED VALUE, DIRECT DEBT TO ASSESSED VALUE, WE WERE TIED WITH FORT WORTH FOR THIRD LOWEST. THREE OF THE SEVEN MAJOR CITIES EXCEEDED OUR RATIO WITH ARLINGTON ALSO EXCEEDING OUR 2% FINANCIAL POLICY. IN TERMS OF OVERLAPPING DEBT PER CAPITA, AUSTIN WAS

THE SECOND FROM THE HIGHEST EXCEEDED ONLY BY HOUSTON, ALTHOUGH WE WERE VERY CLOSE TO ARLINGTON AND SAN ANTONIO. THEN LOOKING AT THE RATIO OF OVERLAPPING DEBT, TO AV, AGAIN INCLUDED SCHOOL DISTRICTS AND COUNTIES, AUSTIN WAS THE THIRD LOWEST. WE WERE BESTED BY CORPUS CHRISTI IN DALLAS, BUT WE ARE WELL BELOW THE OTHER FOUR CITIES. KEEP IN MIND THAT THERE REALLY ARE A NUMBER OF FACTORS TAKEN INTO CONSIDERATION IN A BOND RATING. PROBABLY THE MOST IMPORTANT OF WHICH IS THE ECONOMY, WHICH IS NOT DIRECTLY REFLECTED IN ANY OF THESE MEASURES. NOTICE, ALSO, IN THE SLIDE HERE THAT THE BEST MAJOR CITY IN TEXAS, RATIO-WISE, ALSO HAS THE WORST BOND RATING AT LEAST AT THAT TIME. THIS IS LIKE BY BECAUSE OF ANOTHER FACTOR ALTOGETHER. CORPUS CHRISTI IMPOSED A 68-CENT TAX LIMIT ON ITSELF FOR ANY BONDS ISSUED PRIOR TO 1993. WHICH WE BELIEVE THE RATING AGENCY'S VIEW WOULD DISFAVOR, THEY REALLY DON'T LIKE TO SEE A COLLAR PLACED AROUND A CITY'S FINANCES. AND JUST FYI, THIS ISSUE, THE 68% CAP FOR BONDS ISSUED PRIOR TO 1993, THAT'S UP FOR APPEAL ON THE APRIL 2nd BALLOT IN CORPUS. I'LL SHOW YOU ANOTHER SET OF COMPARATIVE MEASURES SHORTLY. THAT IS HOW THE CITY COMPARES TO A NATIONAL GROUP OF CITIES LARGER THAN \$500,000. BUT LET ME FIRST GO THROUGH OUR BOND CAPACITY SCENARIOS SO WE CAN PUT THAT NATIONAL COMPARISON INTO THE CONTEXT OF THE PROPOSED BOND ELECTION. IN PROJECTING THE CITY'S CAPACITY TO ISSUE FUTURE DEBT, I THINK TWO OF THE MOST IMPORTANT CONSIDERATIONS ARE FIRST WHAT EFFECT THAT DEBT WILL HAVE ON THE DEBT SERVICE TAX RATE. REMEMBER THAT IN 1998, WE TOLD THE VOTERS APPROVING THE BOND PROPOSITIONS WOULD REQUIRE A ONE CENT INCREASE TO THE EFFECTIVE TAX RATE IN EACH YEAR OF THE SIX YEAR IMPLEMENTATION PERIOD. BUT ANOTHER IMPORTANT CONSIDERATION IS HOW IT WILL AFFECT OUR RATIOS AS ESTIMATED THROUGH THE CHANGES IN OUR RATING INDICATORS THAT WE HAVE DISCUSSED. SO WE MODELED FOUR SCENARIOS IN MAKING OUR PROJECTIONS. THE FIRST SCENARIO INVOLVED STAYING AT THE EFFECTIVE TAX RATE AND IN OTHER WORDS ISSUING ONLY THE AMOUNT OF DEBT THAT CAN BE HANDLED WITH OUR EFFECTIVE TAX RATE. THE

SECOND SCENARIO, INCREASES THE EFFECTIVE TAX RATE BY ONE CENT IN TOTAL. THE PROJECTIONS THAT WE RAN ADDED THAT ONE CENT IN FISCAL YEAR 2007 IN THAT YEAR ONLY. AND IN DOING -- BY DOING THAT, ADDING IT IN 2007, THAT IS INCREASING THE TAX RATE EARLIER RATHER THAN LATER, THAT GIVES YOU THE BIGGEST BOOST TO YOUR BONDING CAPACITY SINCE THE ONE CENT IS LEVIED THROUGHOUT THE SIX YEAR IMPLEMENTATION PERIOD. THE THIRD SCENARIO INCREASES THE EFFECTIVE TAX RATE BY ONE CENT AND THEN INCREASES THE RATE AGAIN BY ONE CENT FOR A TOTAL INCREASE DURING THE PERIOD OF TWO CENTS. AGAIN THE BIGGEST BOOST FOR CAPACITY COMES IF THIS IS DONE IN TWO SUCCESSIVE YEARS UP FRONT. FOR EXAMPLE, A ONE CENT INCREASE IN FISCAL YEAR 2007 AND A ONE CENT INCREASE IN FISCAL YEAR 08, ALSO. THEN THE LAST SCENARIO INCREASES THE TAX RATE BY A TOTAL OF THREE CENTS, DOING SO WITH A ONE CENT INCREASE IN EACH OF THE FIRST THREE YEARS, 07-08, 09, IN ORDER TO MAXIMIZE THE CAPACITY. TO RECAP FOUR SCENARIOS, FIRST AT THE EFFECTIVE RATE, SECOND WITH A TOTAL INCREASE OF ONE CENT TO THE TAX RATE, THIRD WITH A TOTAL INCREASE TO THE TAX RATE OF TWO CENTS, BUT DOING SO OVER TWO YEARS, THAT IS ONE CENT EACH YEAR, AND FINALLY, A TOTAL INCREASE TO THE TAX RATE OF THREE CENTS, PHASED IN ONE CENT OVER EACH OF A THREE-YEAR PERIOD. THE -- THE INCREASES DISCUSSED HERE COULD BE DONE IN DIFFERENT INCREMENTS. FOR EXAMPLE ONE-HALF CENT EACH YEAR FOR SIX YEARS IN A ROW AND THIS WOULD NOT AFFECT OUR CAPACITY TO ISSUE ADDITIONAL DEBT DRASTICALLY, BUT IT WOULD HAVE SOME EFFECT ON IT. AGAIN THE BIGGEST BANG IS ADDING THE -- ADDING THE ONE CENT OR MORE TO THE TAX RATE UP FRONT. USING THESE FOUR SCENARIOS AND MAKING PROJECTIONS AS TO HOW MUCH OUR ASSESSED VALUE WOULD GROW EACH YEAR, LIKEWISE MAKING PROJECTIONS FOR POPULATION INCREASES, WE THEN LOOKED AT THREE THINGS, BONDING CAPACITY GENERATED IN EACH SCENARIO AND THE EFFECT OF THAT ADDITIONAL DEBT ON TWO OF OUR RATIOS, DEBT PER CAPITA AND DIRECT DEBT TO ASSESSED VALUE. [ONE MOMENT PLEASE FOR CHANGE IN CAPTIONERS]

OR ABOUT 46.5 MILLION IN EACH OF THE SIX YEARS. WE WOULD NOT NECESSARILY BE LIMITED TO THAT AMOUNT EACH YEAR, THE AMOUNT YEAR BY YEAR COULD VARY SOMEWHAT, BUT WE WOULD BE LIMITED TO APPROXIMATELY THE TOTAL AMOUNT OF 275 MILLION -- 279 MILLION OVER THE ENTIRE PERIOD, GIVEN AGAIN YOUR PROJECTIONS FOR GROWTH AND ASSESSED VALUE IN AN ASSUMPTION OF REMAINING AT THE EFFECTIVE TAX RATE. UNDER THE SECOND MAYORIO, THE RED BAR THERE, A TOTAL INCREASE OF ONE CENT TO THE EFFECTIVE TAX RATE, OUR ABILITY TO ISSUE DEBT OVER THE SIX YEARS INCREASES TO A TOTAL OF 360 MILLION OR AN ANNUAL AMOUNT OF APPROXIMATELY 60 MILLION A YEAR. WE WOULD NOT BE LIMITED TO THAT AMOUNT IN YEAR, BUT OVER THE TOTAL PERIOD WOULD BE LIMITED TO ABOUT 360 MILLION WITH A ONE CENT INCREASE IN THE EFFECTIVE TAX RATE IN FISCAL YEAR 2007 AS WE MODELED IT. UNDER THE THIRD SCENARIO, THE GREEN BAR THERE, OUR TOTAL DEBT CAPACITY OVER THE PERIOD GOES TO 449 MILLION OR ABOUT 83 MILLION EACH YEAR. WE HAVE AGAIN RAISED THE EFFECTIVE TAX RATE BY A TOTAL OF TWO CENTS AS WE MODELED THE INCREASES OCCURRED ONE CENT IN FISCAL YEAR '07 AND ANOTHER IN 2008. AND UNDER THE FOURTH 9410 WE'RE ADDING FOUR CENTS TO THE EFFECTIVE TAX RATE AND THIS GIVES US A TOTAL CAPACITY OF ABOUT 600 MILLION. THIS WOULD BE AN ISSUANCE OF ABOUT \$100 MILLION PER YEAR IN EACH OF THE SIX YEARS. BEFORE I SHOW YOU THE RESULTS OF OUR PROJECTIONS, LET ME TALK BRIEFLY ABOUT TWO IMPORTANT ASSUMPTIONS WE HAVE IN OUR PROJECTION MODEL. THE ESTIMATED INCREASES TO OUR ASSESSED VALUE AND OUR ESTIMATED POPULATION INCREASES AND TELL YOU WHY WE THINK OUR PROJECTIONS ARE CONSERVATIVE AS THEY SHOULD BE. OF THESE THE MOST IMPORTANT FACTOR AND THE RESULTING ASSUMPTION IS THE PROJECTED INCREASE IN TOTAL ASSESSED VALUE. INCREASES IN ASSESSED VALUE ARE IMPORTANT BECAUSE THEY PROVIDE MORE REVENUE AT THE SAME TAX RATE. SOME OF THE INCREASES AS VALUED COMES SIMPLY FROM INFLATION. AN EXISTING PROPERTY TENDS TO INCREASE IN VALUE OVER TIME. AND IN THESE CASES, STAYING AT THE EFFECTIVE TAX RATE WILL MITIGATE THIS INCREASE, ALTHOUGH NOT ON A TOTAL AV

BASIS. IN OTHER WORDS, INDIVIDUAL PROPERTY OWNERS MAY SEE A SHIFT UP OR DOWN IN THEIR TAXES, BUT OVERALL STAYING AT THE EFFECTIVE RATE HANDLES INCREASES THAT ARE -- INCREASES IN VALUE DUE TO INFLATION. HOWEVER, IN LOOKING BACK OVER THE LAST 10 YEARS, DURING WHICH TIME OUR TOTAL ASSESSED VALUE INCREASES SIGNIFICANTLY, MORE THAN TWO-THIRDS OF THAT INCREASE PRODUCED NEW REVENUE. EITHER FROM NEW CONSTRUCTION OR FROM ANNEXATION. MORE THAN TWO-THIRDS OF THE INCREASED TO OUR ASSESSED VALUE PRODUCED MUCH NEEDED NEW REVENUE FOR US. OUR PROJECTIONS FOR ASSESSED VALUE FOR THE PROPOSED BOND ELECTION ASSUMED INCREASES OF 4-POINT 4.3% IN 2007. 3.8% IN 2009 AND TWO PERCENT PER YEAR THEREAFTER. THE TOTAL INCREASE TO ASSESSED VALUE THEN LOOKING OUT OVER THE NEXT 10 YEARS WAS 24%. THESE PROJECTIONS WERE MADE BASED ON DISCUSSIONS WITH THE TRAVIS CENTRAL APPRAISAL DISTRICT THAT WE HAD AS RECENTLY AS YESTERDAY. BY COMPARISON, LOOKING BACK AT THE 10-YEAR PERIOD FROM 1996 TO 2005, OUR ASSESSED VALUE HAS INCREASED BY 114%. OUR PROJECTIONS FOR POPULATION GROWTH TRACK THOSE OF THE CITY'S DEMOGRAPHER, RYAN ROBINSON, AND ARE A PROJECTED INCREASE -- AND/OR A PROJECTED INCREASE IN POPULATION FROM 18% FROM FISCAL YEAR 2007 TO FISCAL YEAR 2016. AND AGAIN BY COMPARISON, THE ACTUAL INCREASE IN POPULATION FROM '96 TO '05 HAS BEEN 29%. SO ALTHOUGH WE CANNOT PREDICT WITH CERTAINTY HOW MUCH OUR POPULATION OR OUR ASSESSED VALUE WILL HAVE GROWN IN 2016, WE THINK OUR PROJECTIONS FOR THAT PERIOD ARE CONSERVATIVE AT LEAST GIVEN PAST HISTORY. LET'S LOOK NOW AT THE EFFECT EACH OF THESE SCENARIOS WOULD HAVE ON OUR DEBT PER CAPITA RATIO. IN DOING SO, KEEP IN MIND THAT ALTHOUGH WE ARE ISSUING ADDITIONAL DEBT OVER THE PERIOD, WE'RE ALSO PAYING OFF EXISTING DEBT. REMEMBER THAT WE WILL PAY OFF ABOUT ONE-THIRD OF THE DEBT WE OWE RIGHT NOW WITHIN FIVE YEARS, THAT IS, BEFORE WE GET TO THE END OF THE PROPOSED SIX-YEAR PERIOD. IN DOING THESE PROJECTIONS AND ANALYZING THE TOTAL DEBT WE MIGHT ISSUE, WE DETERMINED THAT NONE OF THESE SCENARIOS WOULD LOWER THE PERCENT OF DEBT WE PAY OFF IN THE

FIRST 10 YEARS BELOW THE 50 PERCENT MARK, THE MOODY'S GUIDELINE THAT I CITED EARLIER. IN FACT, THE LOWEST THAT IT GOES IS 57%. SO MAINTAINING OUR AGGRESSIVE PAYOFF POLICY HELPS TO MITIGATE THE EFFECTS ON OUR DEBT PER CAPITA AND THE AV RATIOS. AND JUST AS A REMINDER, WE BELIEVE WE WILL END THIS FISCAL YEAR WITH A DEBT PER CAPITA OF 1,112. OUR EFFECTIVE TAX RATE SCENARIO IN WHICH WE ISSUE A TOTAL OF 279 MILLION OVER SIX YEARS, ACTUALLY REDUCES OUR DEBT PER CAPITA FROM THE NUMBER ESTIMATED FOR THE END OF THIS FISCAL YEAR, AGAIN, 1,112. IN EFFECTIVE SCENARIO OUR DEBT PER CAPITA DURING THE SIX-YEAR PERIOD FROM F Y '07 TO 2012 PEAKS AT 1,059 IN FISCAL YEAR '08 AFTER HAVING FALLEN IN THE INTERIM. THE SCENARIO OF RAISING THE EFFECTIVE RATE BY ONE CENT IN TOTAL, ALSO LOWERS OUR DEBT PER CAPITA RATIO FROM WHERE IT WILL BE AT THE END OF THIS YEAR. IN THIS SCENARIO IT PEAKS AT \$1,100 IN FISCAL YEAR 2011. THE SCENARIO OF RAISING THE EFFECTIVE TAX RATE BY TWO CENTS TOTAL INCREASES OUR DEBT PER CAPITA RATIO TO A HIGH OF 1,260 IN FISCAL YEAR 2012. AND THE SCENARIO THREE IN WHICH WE RAISE THE EFFECTIVE TAX RATE BY THREE CENTS RAISES OUR DEBT PER CAPITA RATIO TO A HIGH OF \$1,384, ALSO IN FISCAL YEAR 2012. ANALYZING NOW WHAT THE FOUR SCENARIOS DO TO OUR DEBT TO ASSESSED VALUE RATIO, LOOK AT THIS SLIDE, IF YOU WILL, AND REMEMBER THAT THE RATIO REPRESENTS THE TOTAL DEBT THE CITY WOULD HAVE OUTSTANDING AS A PURSUIT OF ASSESSED VALUE. AND THAT THE CITY'S FINANCIAL POLICY SAYS IT WILL NOT EXCEED TWO PERCENT. UNDER THE SCENARIO ON WHICH WE STAY AT THE EFFECTIVE TAX RATE, THE CITY'S DEBT TO ASSESSED VALUE RATIO WOULD FALL FROM THE 1.53% PROJECTED FOR THE END OF THIS FISCAL YEAR TO 1.36 PERCENT IN FISCAL YEAR '07 AND CONTINUE FALLING FROM THERE. UNDER THE SCENARIO IN WHICH WE RAISED THE EFFECTIVE TAX RATE BY ONE CENT TOTAL, THIS RATIO WOULD LIKEWISE DECREASE FROM WHERE IT IS NOW AND WOULD BE AT A PEAK OF 1.4 PERCENT DURING THE SIX-YEAR PERIOD FOLLOWING THEREAFTER. UNDER THE SCENARIO IN WHICH WE RAISED BY TWO CENTS TOTAL, THIS RATIO WOULD PEAK AT 1.57% IN FISCAL YEAR YEAR 2012, AND

UNDER THE SCENARIO WHERE WE RAISE BY THREE CENTS TOTAL, OUR RATIO WOULD BE AT 1.72%, ALSO IN FISCAL YEAR 2012. I'M GOING TO SHOW YOU NOW WHERE AUSTIN WOULD BE IN COMPARISON TO OTHER CITIES NATIONALLY. THE FIRST LINE IN THIS TABLE SHOWS THE MEDIAN RATIOS FOR ALL CITIES WITH POPULATIONS GREATER THAN 500,000. FIRST YOU SEE THAT THE MEDIAN DEBT PER CAPITA NOW IS \$1,194. THIS IS A CURRENT NUMBER. IT COULD IN FACT CHANGE IN THE FUTURE. AND UNDER OUR PROJECTIONS YOU SEE WHERE WE WOULD PEAK FOR EACH SCENARIO. THEN LOOK AT THE DEBT TO AV RATIOS, THE CURRENT MEDIAN FOR DEBT TO AV IS 2.1%. AND AUSTIN'S PROJECTED RATIOS FOR EACH SCENARIO ARE AS YOU SEE HERE AND AS WE DISCUSSED A MOMENT AGO. THIS NEXT SLIDE MAY BE SOMEWHAT OF A DIE DIGRESSION, BUT I WANTED TO SHOW THE RESULTS OF AN ANALYSIS THAT WE DID RECENTLY ON A COMPOSITION OF OUR ASSESSED VALUE. THIS CHART SHOWS THE RELATIVE MAKEUP OF THE FIVE COMPONENTS OF OUR ASSESSED VALUE OVER A 16-YEAR PERIOD FROM 1987 TO TODAY. THERE HAVE OBVIOUSLY BEEN A NUMBER OF CHANGES IN THE COMPOSITION OVER TIME, BUT THE MOST DRAMATIC IS IN THE LAST FOUR OR FIVE YEARS, SINCE OUR ECONOMIC DOWNTURN. OVER THAT SAME TIME PERIOD, PERSONAL PROPERTY HAS DECLINED SLIGHTLY, WITH THE OTHER TWO CATEGORIES, MULTI-FAMILY AND LAND, BASICALLY STAYING FLAT AS A PERCENT OF THE TOTAL. THOSE ARE THE ONES DOWN AT THE BOTTOM OF THE GRAPH. AND YOU KNOW, OVER THE LAST SEVERAL YEARS WE'VE DISCUSSED HOW OUR COMMERCIAL PROPERTY VALUES HAVE GONE DOWN SINCE 2007, BUT THIS O. -- SINCE 2000, BUT THIS GRAPH IS A FAIRLY STARK INDICATION OF HOW SINGLE-FAMILY VALUES HAVE ALSO BEEN AFFECTED BY THE RELATIVE CHANGE IN VALUE BY THE DECLINE OF COMMERCIAL PROPERTY. IN 2000, COMMERCIAL PROPERTY, WHICH IS THE SECOND LINE FROM THE TOP IN THE GRAPH -- IN 2000, COMMERCIAL PROPERTY WAS ABOUT 30% OF OUR TOTAL ASSESSED VALUE AND SINGLE-FAMILY WAS ABOUT 40%. THE MIX THIS YEAR IS ABOUT 23% FOR COMMERCIAL PROPERTY TO ALMOST 50% FOR SINGLE-FAMILY. IN PROVIDING YOU THIS PRESENTATION, WE'RE NOT REALLY ADVOCATING FOR ONE SCENARIO OVER THE OTHER, THAT IS, OUR BOND ELECTION

SCENARIOS, BUT WE'RE TRYING TO SHOW THAT THE PROPERTY TAX BURDEN CAN RISE OR FALL DEPENDING UPON CHANGES OVER TIME AND ASSESSED VALUE AND THE COMPOSITION OF OUR ASSESSED VALUE. I THINK THAT OUR ANALYSES SHOW THAT FROM A RATING AGENCY PERSPECTIVE, THE CITY CAN ISSUE ADDITIONAL DEBT AND WE CAN MAINTAIN OUR CURRENT DOUBLE A BOND RATING UNDER ANY OF THE SCENARIOS, ANY OF THE PROJECTIONS THAT WE'VE SHOWN YOU. BUT ANOTHER CONSIDERATION IS, OF COURSE, THE TAX RATE AND ITS EFFECT ON ALL TAXPAYERS, ON HOMEOWNERS INCLUDED. CERTAINLY ANOTHER CONSIDERATION FOR THE BOND ELECTION HAS TO DO WITH WHAT SORT OF PROJECTS THE BONDS WOULD FUND. SPENDING BOND FUNDS ON RECONSTRUCTION OF EXISTING STREETS OR OTHER INFRASTRUCTURE PROJECTS WILL HAVE A MUCH LOWER FEK ON OUR OWN END COSTS THAN WILL BUILDING NEW FACILITY THAT WILL BE STAFFED AND MAINTAINED. THE 1998 BOND ELECTION FOR EXAMPLE HAD SOME FACILITIES IN IT AND THE IMPLEMENTATION OF THE PROJECTS HAS ADDED ABOUT 16 AND A HALF MILLION DOLLARS TO OUR OWN END COSTS WITH 170 NEW F.T.E.'S. THIS IS AN ONGOING OR A STRUCTURAL INCREASE TO OUR OWN END COST WHICH EQUITS TO FOUR CENTS ON THE TAX RATE ALONE. LET ME MOVE TO NEXT STEPS THEN. IN TWO WEEKS WE WILL DO A PRELIMINARY ASSESSMENT OF WHAT WE THINK OUR DEPARTMENTAL NEEDS ARE. WE'RE SCHEDULED TO MAKE A PRESENTATION TO YOU ON THE 24TH OF OUR ANALYSIS OF THOSE NEEDS AND THE CRITERIA THAT WE USE TO ANALYZE THE NEEDS. AND THEN ON APRIL 14TH WE ARE SCHEDULED TO PRESENT OUR FIVE-YEAR FORECAST TO YOU. AND WE BELIEVE THIS FORECAST WILL PROVIDE YOU WITH SOME VALUABLE INFORMATION THAT AS WE LOOK TO SEE WHAT WE CAN AFFORD AS MUCH ON THE OPERATIONS AND MAINTENANCE SIDE AS ON THE DEBT SIDE. AND THEN BEYOND THAT, COUNCIL, WE'RE PREPARED TO WORK WITH YOU AND THE COMMITTEE MEMBERS THAT YOU'LL APPOINT IN A COUPLE OF WEEKS IN PUTTING TOGETHER A SUCCESSFUL BOND PACKAGE FOR AN '06 ELECTION.

Mayor Wynn: THANK YOU, MR. STE FENZ. I THINK THIS -- STEPHENS, I THINK THIS INFORMATION IS GOING TO BE VERY

HELP FOR US AS WE'RE WORKING TO CHOOSE OUR INDIVIDUAL APPOINTEES AND OTHER MEMBERS OF THE CITIZEN BOND COMMITTEE, I THINK IT'S IMPORTANT TO HAVE THIS ANALYSIS AND TO HAVE IT IN PERSPECTIVE BEFORE WE ASK THAT CHARGE OF THEM. AND I APOLOGIZE, I HAVE TO BE OFF THE DAIS FOR A COUPLE OF MINUTES. MAYOR PRO TEM IS GOING TO LEAD THE DISCUSSION, BUT THANK YOU FOR THIS ANALYSIS AND WE RECOGNIZE HOW IMPORTANT THESE REINVESTMENTS AND NEW INVESTMENTS ARE FOR THE LONG-TERM HEALTH OF THIS COMMUNITY. AND WE ARE TAKING THAT VERY SERIOUSLY AS WE GET READY FOR A CITIZEN BOND COMMITTEE THAT WILL LEAD US INTO LIKELY AN ELECTION NECK YEAR. THANK YOU. MAYOR PRO TEM?

Goodman: OKAY. I'D LIKE TO POINT OUT ALTHOUGH WE'RE NOT APPOINTING TODAY THAT ONE OF MY CHOICES FOR APPOINTMENT CAME TO LISTEN TO THE PRESENTATION, THAT'S JENNIFER MCPHAIL. SO WHEN WE DO GET AROUND TO IT, JENNIFER IS ABOUT TO TURN OVER HER ENTIRE LIFE TO BOND ISSUES. THANK YOU FOR DOING THAT. OKAY. NEXT IS THE PROPOSAL FOR OPERATION OF THE CITY HALL CAFE. COUNCILMEMBER ALVAREZ.

Alvarez: RELATED TO THE PRESENTATION, ON PAGE 9 THERE WAS A TABLE THAT LISTED THE CASH LIST OR CASH CIP PROJECTS AND SOME OF WHICH DIDN'T HAPPEN BECAUSE OF THE BUDGET DOWNTURN, THE ECONOMIC DOWNTURN. AND SINCE THESE WERE FUNDED WITH CASH, WE HAD TO USE ALL THAT TO HELP WITH OUR DEFICIT REDUCTION. AND I NOTICE THAT HAD IT LOOKS LIKE IT WAS THERE WAS ABOUT FOUR MILLION IN PARKS IMPROVEMENTS AND ABOUT ANOTHER FOUR MILLION IN PUBLIC SAFETY THAT DIDN'T OCCUR. EVERYTHING ELSE SEEMS TO HAVE GONE FORWARD. SO IF WE CAN HAVE MORE DETAIL ON WHAT THOSE PROJECTS WERE, AND THEN WHEN THE CITY MANAGER PRESENTS THE DEPARTMENTAL NEEDS, IT MAYBE TALKS ABOUT IF ANY OF THOSE ARE INCLUDED IN THAT OR IF THESE ARE JUST OUTSTANDING COMMITMENTS THAT WE WEREN'T ABLE TO FULFILL BECAUSE THEY WEREN'T PREVIOUSLY FUNDED THROUGH BONDS, BUT THAT WE AT LEAST PUT THAT INFORMATION -- PRESENTED TO THE BOND COMMITTEE SO THAT THEY KNOW THAT THESE WERE OTHER PROJECTS THAT DIDN'T HAPPEN BECAUSE OF AN ECONOMIC

SITUATION OVER THE LAST SEVERAL YEARS. IF YOU CAN JUST PRESENT THAT INFORMATION TO US AND CERTAINLY TO THE BOND COMMITTEE, ADVISORY COMMITTEE, ONCE THEY ARE APPOINTED.

FUTRELL: I THINK WE HAVE IT FOR YOU NOW. JOHN, DO YOU HAVE YOUR NOTES, OR GREG? THERE WERE JUST A HANDFUL, COUNCILMEMBER.

COUNCILMEMBER, CREATURE YOU'RE CORRECT, THE PARKS CASH LIST AND THE PUBLIC CASH LIST, THERE WERE SEVERAL PROJECTS THAT HAVE BEEN MOVED FORWARD IN THE YEAR THAT DID NOT GET FUNDED. ONCE THEY GOT INTO THAT, IT WAS 750,000-DOLLAR CASH ITEM, AND AS WE MOVED FORWARD ON SOME OF THE OTHER TRAIL PROJECTS, THAT ONE WAS PUT TO THE SIDE FOR THE TIME BEING. IT WAS ONE CREEK TRAIL. THE OTHER ONES WERE -- TWO INVOLVED RECREATION CENTERS. ONE WAS THE DITTMAR PLACE IN CLOSING THAT GYM THERE. THE FUNDING PUT ASIDE FOR THAT AS THEY GOT FURTHER ALONG INTO THE FEASIBILITY STUDY THEY REALIZED IT WOULDN'T BE ENOUGH FUNDING, SO IT WAS STOPPED AT THAT POINT AND DEFERRED TO THE TIME WE'RE AT NOW LOOKING TO THE OTHER BOND ELECTION. AND THE OTHER WAS A GAME ROOM AT THE PARK ZARAGOZA. THE THREE MILLION DOLLARS WAS NOT NEEDED FOR THAT PROJECT.

ALVAREZ: FOR WHICH PROJECT?

THE (INDISCERNIBLE) SHELTER. BUT WE'LL GET YOU THE COMPLETE LIST OF THAT SHOWING YOU THE COMPARISON SORT OF PROJECT BY PROJECT WHAT WAS ON THE LIST AND THEN WHAT WE ENDED UP FUNDING SIX YEARS ON.

Futrell: WE ACTUALLY DID THAT BETTER THAN I THOUGHT WE DID WHEN WE LOOKED AT THE CASH PROJECTS. WE GOT FURTHER ALONG AND MANAGED TO GET ALMOST EVERYTHING DONE, BUT NOT EVERYTHING.

Alvarez: THANK YOU.

Goodman: IS THERE OTHER INFORMATION FROM COUNCILMEMBERS OR OTHER QUESTIONS? OKAY. I HAD

JUMPED THE GUN EARLIER, BUT I THINK WE ARE NOW READY FOR THE CAFE.

GOOD AFTERNOON, MAYOR PRO TEM, MEMBERS OF THE COUNCIL. PLEASED TO BE HERE, I'M JAN STEPHENS WITH THE REDEVELOPMENT SERVICES OFFICE. I'M HERE TO TALK TO YOU ABOUT OUR SELECTION OF THE PROPOSED CAFE TENANTS, HOW WE WENT ABOUT THE PROCESS. AND YOU WILL HEAR FROM OUR PROSPECTIVE TENANT, AUSTIN JAVA COMPANY. THEY WILL FOLLOW RIGHT AFTER ME. OUR PROPOSED TIME LINE FOR APPROVAL OF THE TENANT AS WELL AS WHEN WE HOPE THAT THE CAFE WILL BE OPERATING, TODAY PRESENTING TO YOU THE OPERATOR, WE ALSO HAVE AN ACTION ITEM ON YOUR AGENDA TO APPROVE THE KEY TERMS OF THE LEASE AND TO AUTHORIZE US TO COMPLETE THAT LEASE AND GET IT EXECUTED. WE'VE BEEN WORKING ON THE LEASE, SO WE BELIEVE WE CAN GET THAT DONE BY THE END OF APRIL. THE MOST AGGRESSIVE AND THE BEST CASE FOR OPERATING WOULD BE THE END OF AUGUST, EARLY SEPTEMBER. WE'LL KNOW MORE ABOUT THAT AS WE GET INTO THE DESIGN AND MAKING SURE THAT WE'RE MEETING THE REQUIREMENTS OF WHAT WE WANT TO SEE IN THE CAFE. THE CAFE SPACE CONSISTS OF A LITTLE OVER 2200 SQUARE FEET. WE WILL ALSO BE PROVIDING THE CAFE OPERATOR A LITTLE OVER 1100 SQUARE FEET RIGHT IMMEDIATELY OUTSIDE THE CAFE SPACE ON SECOND -- ALONG SECOND STREET AND LAVACA STREET FOR OUTDOOR SEATING. THAT AREA IS WELL INTENTIONED FOR THIS OUTDOOR SEATING AREA. IT HAS A PROTECTIVE COVER JUST BECAUSE OF THE WAY THE BUILDING HAS BEEN DESIGNED. AND SO IT WILL BE A VERY ENJOYABLE SPACE, WE BELIEVE, THROUGHOUT THE YEAR. OUR RETAIL AGREEMENT WITH AMLI, WHO IS OUR SECOND STREET RETAIL DISTRICT PARTNER, REQUIRED THAT THEIR RETAIL DEVELOPMENT CONSULTANT, WHO IS URBAN PARTNERS, HELP US WITH THE SELECTION OF THE CAFE TENANT, BOTH IN DEFINING OUR REQUIREMENTS, CONTACTING POTENTIAL RESTAURANTS IN THE AUSTIN AREA, PROPOSING AND HELPING US NEGOTIATE LEASE TERMS AS THEY'RE MORE FAMILIAR WITH THE KINDS OF TERMS THAT YOU SEE IN RETAIL RESTAURANT LEASES. AND THEN AS WELL THAT AGREEMENT, THEY PROVIDED US

FUNDING OF THE REIMBURSEMENT WE HAD INSTALLED GREASE TRAPS AND SEWER LINES ON BLOCKS 2 AND 4 FOR THE PROJECT. THEY REIMBURSED US FOR THAT COST AND WE WILL BE USING 112,000 OF THAT FOR THE FINISHOUT ALLOWANCE THAT WE WANT TO PROVIDE THE CAFE TENANT. HERE ARE THE REQUIREMENTS THAT WE SET OUT IN LOOKING FOR A CAFE TENANT. WE CERTAINLY WANTED THEM LOCALLY OWNED. WE WANTED THEM TO BE SUCCESSFUL AND ALREADY OPERATING A RESTAURANT. WE DID NOT SEE CITY HALL AS THAT FIRST TIME VENTURE. WE WANTED SOMEONE TO HAVE EXPERIENCE IN THE RESTAURANT BUSINESS. THAT THEY WOULD ALSO HAVE EXPERIENCE IN DELIVERING HIGH QUALITY FOOD, USING FRESH INGREDIENTS AND BEING PREPARED QUICKLY. THAT THEY HAVE THE FINANCIAL CAPACITY TO BE SUCCESSFUL. WE DID REVIEW AND LOOK AT THE FINANCIAL CAPACITY OF OUR PROPOSERS AND WE FEEL COMFORTABLE WITH THEIR ABILITY. WE ALSO WANTED THE OPERATION TO SUPPORT CITY HALL BOTH FROM THE EMPLOYEE STANDPOINT, FROM OUR VISITORS, THOSE ATTENDING MEETINGS, AND IN THAT WAY OFFERING BOTH BREAKFAST AND LUNCH AND THEN DINNER SO THAT WE WOULD HAVE THE FULL RANGE OF FOOD DURING THE DAY. WE WANTED TO ALSO SEE A VARIED MENU SELECTION, A MORE COMPLETE AND COMPREHENSIVE MENU WITH VEGETARIAN SELECTIONS AND PRICES THAT WE EXPECT TO BE REASONABLE WITH THE DOWNTOWN CAFE SETTING. AND FINALLY, WE WANTED IT TO BE A GOOD FIT FOR THE DISTRICT BECAUSE OUR CAFE SPACE IS A PART OF THE SECOND STREET DISTRICT. AND WE DO BELIEVE THAT OUR PROPOSED TENANT IS A GOOD FIT. OVER 25 LOCAL RESTAURANTS WERE CONTACTED, AND WE HAD PROPOSALS COME FORWARD FROM THREE. SOME OF THE REASONS THAT OTHER RESTAURANTS WERE NOT INTERESTED, THEY EITHER DID NOT AT THIS TIME HAVE EXPANSION PLANS, DIDN'T WANT TO TALK ABOUT EXPANSION, OR THEY HAD EXPANSION PLANS AND IT WAS SOMEWHERE ELSE. AND SO THEY ALREADY HAD SOMETHING IN THE WORKS AND COULD NOT CONSIDER US AT THIS TIME. AND OTHERS FELT LIKE IT WASN'T A GOOD FIT FOR THEM OR THEY WEREN'T PREPARED TO DO ALL THREE MEALS. THE TWO RESTAURANTS THAT DID MEET OUR REQUIREMENTS, APPLE ANNIE'S AND AUSTIN JAVA COMPANY, EARLIER THIS

WEEK WE HEARD FROM APPLE ANNIE'S THAT THEY REDID THEIR PROPOSAL. THEY WENT INTO THIS WITH A LOT OF PASSION AND EXCITEMENT AND WENT BACK AND WORKED THROUGH THE NUMBERS AND FOUND OUT THEY COULDN'T BELIEVE WHAT THEY HAD PROPOSED. SO WE'RE PLEASED, THOUGH, THAT AUSTIN JAVA IS HERE, THAT THEY HAVE PUT FORTH A STRONG PROPOSAL AND YOU WILL BE HEARING ABOUT THAT. LET ME QUICKLY GO THROUGH, AND I STRESS QUICKLY, THE KEY TERMS THAT WE'RE PROPOSING ON OUR CAFE LEASE. IT WOULD BE A 10-YEAR TERM, IT WOULD ALLOW TWO FIVE-YEAR EXPANSION OPTIONS. WE WOULD ALLOW THE RENT TERMS DURING AND WHEN THAT OPTION WAS REQUESTED. DURING THE FIRST 10 YEARS WE WOULD RAMP UP OUR GUARANTEED RENT. PART OF THIS TO RECOGNIZE THE EVOLUTION OF THE SECOND STREET DISTRICT. WE WILL HAVE CONSTRUCTION GOING ON BLOCKS 21 AND 22. SO WE FELT WE WANTED TO BE FAIR TO OUR TENANT THAT THEY WILL SEE A GROWTH OF CUSTOMERS OVER THE FIRST FOUR YEARS. SO WE GO FROM \$16 PER SQUARE FOOT AND THEN WE GET TO 24 IN YEAR FOUR, AND IT STAYS THERE DURING THE REMAINDER OF THE 10 YEARS. WE ALSO IN YEAR 4 WANT TO BE ABLE TO -- WE THINK AT THAT TIME THE RESTAURANT WILL BE ON ITS FEET AND CAPTURE SOME OF THE GROSS REVENUES IN WHAT IS KNOWN AS THE RETAIL RESTAURANT BUSINESS AS THE PERCENTAGE RENT. SO ONCE THEY ACHIEVE ABOUT 900,000 IN GROSS REVENUES FROM THE CAFE OPERATION, WE WOULD BE ENTITLED TO RECEIVE 6% OF REVENUES ABOVE THAT. THEY WILL ALSO PAY THEY'RE PRO RATA SHARE OF OPERATING EXPENSES. I MENTIONED PROVIDING THE FINISHOUT ALLOWANCE THAT EQUATES TO \$50 PER SQUARE FOOT. WE ALSO WANT THE FINISHOUT TO MEET THE SILVER LEAD RATING, WHICH OF COURSE WE'RE ACHIEVING HERE WITH THE CITY HALL. WE HAVE A CONSULTANT ON BOARD WHO HAS BEEN WORKING WITH US ON WHAT THOSE KIND OF FINISHOUT REQUIREMENTS WOULD BE, SO WE'LL BE ABLE TO WORK WITH THEM IMMEDIATELY. AND WE PLEDGE TO PROVIDE THAT CONSULTANT AND HAVE THAT CONSULTANT HELP TURN IN THE PAPERWORK. THERE'S A LOT OF WORK INVOLVED IN OBTAINING THE LEAD RATING. WE ALSO ARE RECOGNIZING THAT THE TENANT WOULD LIKE TO USE THEIR GENERAL CONTRACTOR, BUT THEY CERTAINLY SUPPORT

EMPLOYING AN OPEN AND NON-DISCRIMINATORY PROCESS TO SELECT THEIR SUBCONTRACTORS AND SUPPLIERS. AND WE WILL WORK WITH THEM BECAUSE THIS PROCESS, WE WANT IT TO BE CONSISTENT WITH THE INTENT AND SPIRIT OF THE MINORITY OWNED AND WOMEN OWNED BUSINESS ENTERPRISE PROCUREMENT PROGRAM. SO WE WILL WORK HAND IN HAND WITH THEM SO THAT THAT IS ACHIEVED. I MENTIONED THE MEALS THEY WERE REQUIRED. THE OPERATING HOURS. WE DO WANT THIS TO NOT CLOSE AFTER LUNCH AND BE QUIET DURING THE NIGHT AS SECOND STREET IS STARTING TO EVOLVE, SO WE HAVE ASKED THAT WE WANT THEM TO BE OPEN UNTIL 10. WE WILL MAINTAIN -- WE WILL ALLOW SOME FLEXIBILITY IN THESE FIRST YEARS OF OPERATION AND WILL WORK WITH THEM ON THAT; HOWEVER, WE DO WANT THEM TO BE OPEN ON THURSDAY NIGHTS AND TUESDAY NIGHTS WHEN WE HAVE SIGNIFICANT MEETINGS HERE IN THE COUNCIL, THE CITY HALL, COUNCIL CHAMBERS. THEY WILL BE PERMITTED TO HAVE BEER AND WINE. THAT WAS IMPORTANT TO SORT OF -- THEIR NEED TO HAVE THE KIND OF REVENUE THEY ARE EXPECTING FROM THE CAFE OPERATION. WE WILL ALSO ALLOW THEM TO HAVE LIVE MUSIC IN THE OUTDOOR SEATING AREA OUT FRONT. IT WILL BEGIN AFTER FIVE. AND THEN THEY COULD HAVE OTHER TIMES DURING THE WEEKEND. BUT DURING THE WEEK WE WOULD NOT WANT THAT TO BEGIN UNTIL AFTER FIVE. WE ALSO WILL OFFER CAFE PAY TONS TWO HOURS OF PARKING IN THE GARAGE. THAT WOULD BE IN THE FIRST FIVE YEARS OF THE LEASE. THE NEXT FIVE YEARS WE WILL BE VALIDATING THAT PROGRAM AND SEE IF IT'S SOMETHING WE STILL WANT TO OFFER. AND FINALLY AUSTIN JAVA HAS AGREED TO PROVIDE CITY EMPLOYEES A 10% DISCOUNT ON FOOD ITEMS. THISTHAT ENDS MY PRESENTATION. I'D LIKE TO BRING OUT AUSTIN JAVA ALSO YOU HAVE QUESTIONS OF ME. ALL RIGHT. LET ME PRESENT MR. INGALLS.

HOW YOU DOING? MY NAME IS RICK INGALLS. I APPRECIATE THE TIME THIS AFTERNOON. I JUST HAVE A VERY BRIEF PREPARATION THAT I'D LIKE TO GO OVER, AND CERTAINLY IF YOU HAVE ANY QUESTIONS AFTER THAT I'D BE HAPPY TO ADDRESS ANY OF THOSE YOU MAY HAVE. AUSTIN JAVA HAS BEEN AROUND FOR 10 YEARS. MAY WILL BE OUR 10th ANNIVERSARY. WE WERE FOUNDED IN 1995 AS A

TRADITIONAL COFFEE HOUSE, WHICH HAS REALLY EVOLVED INTO A FULL-SERVICE RESTAURANT. OUR ORIGINAL LOCATION IS STILL RIGHT THERE AT THE LOCATION OF 12TH AND LAMAR AND BASICALLY WE SPENT A LOT OF TIMES OVER THE YEARS MAINTAINING THE AUSTIN OWNED AND OPERATED INTEGRITY AND BEING ORIGINAL TO AUSTIN. AND THAT'S REALLY WHAT'S HELPED US KIND OF EVOLVE OUR CONCEPTS OVER THE YEARS. WE SERVE EVERYTHING FROM ALL ORGANIC COFFEES. WE DO HAVE A SELECTION OF BEER AND WINE. WE BAKE FRESH ALL OF OUR BAKED GOODS, DESERTS AND WE SERVE A FULL BREAKFAST, LUNCH AND DINNER MENU AT BOTH OUR LOCATIONS. OUR MENU, WE BELIEVE, IS VERY REASONABLY PRICED. MOST OF OUR ITEMS ARE UNDER \$10. WE HAVE A BROAD SELECTION OF VERY HELL CONSCIOUS, QUALITY INGREDIENTS THAT ARE AESTHETICALLY PRESENTED IN VERY SATISFYING PORTIONS, ALTHOUGH I DO NOTICE THAT MOST OF THE PORTIONS ARE EATEN UP AT THE END OF THE MEAL. A FEW OF OUR FAVORITES THAT AUSTIN HAS REALLY DEEMED KIND OF OUR OWN SIGNATURE ITEMS, WE HAVE -- YOU MAY HAVE HEARD OF OF THEM OR HAD THEM YOURSELF, OUR SPICY PEANUT SOUP. OUR PENNE PASTA WHICH MANY OF YOU MAY HAVE HAD FOR LUNCH TODAY. AND FOR BRUNCH A VERY POPULAR ITEM, OUR GREEN KHILL. TOMATO EGGS BENEDICT. WE DO HAVE SEVERAL SIGNATURE COFFEE DRINKS AS WELL. WE TAKE A LOT OF PRIDE IN PREPARING THE DRINKS. MOST ARE LAYERED AND THEY TAKE A LOT OF TIME TO PREPARE FOR THESE PARTICULAR DRINKS. OUR JUNIOR MINT, OUR CARMEL KNOWLEDGE, OUR JAVACHINO. AND WE ALSO HAVE A BOBAJI CHAI LATTE. WE ARE OVER IN THE CLARKSVILLE AREA AND THE ZILKER AREA, A VERY NEIGHBORHOOD FEEL. WE HAVE A RUSTIC AUSTIN CHARM. WE DO HAVE ECLECTIC MUSIC THAT WE PLAY THROUGHOUT THE DAY AND INTO THE EVENINGS. A VERY WARM AND COZY AMBIANCE. IT'S INTERESTING. IF YOU TAKE A LOOK AT SOME OF THE FINISHES, A LOT OF THE COLOR SCHEMES THAT WE'VE CHOSEN HAPPEN TO FIT VERY NICELY WITH THE CITY HALL. SOME OF THE SAME COPPERS AND WARM EARTH TONE COLORS. WE FEEL LIKE THAT MAY FIT NICELY WELL WITH THE BUILDING HERE. IT'S A VERY CASUAL DINING ATMOSPHERE, VERY CUSTOMER SERVICE CENTERED. OUR MAIN FOCUS FOR THE OPERATION. AND WE DO OFFER FREE

WIRELESS INTERNET SERVICE, WHICH I KNOW IS A BIG DEAL IN A WIRELESS COMMUNITY LIKE AUSTIN. WE DO SEND OUT A WEEKLY NEWSLETTER. AND IF YOU'RE NOT ON IT, YOU CERTAINLY MAY JOIN OUR WIB SITE, BUT WE SEND OUT A WEEKLY BUZZ AND THAT TALKS ABOUT THE DIFFERENT THINGS THAT ARE GOING ON AT AUSTIN JAVA DURING THE WEEK. WE DO OFFER (INDISCERNIBLE) AT BOTH OUR LOCATIONS. WE HAPPEN TO SNOW FRIDAY NIGHT -- SHOW FRIDAY NIGHT MOVIES ON THE PATIO AND WE HAVE ARTWORK THAT WE CHOOSE FROM ALL AUSTIN LOCAL ARTISTS AND WE ROTATE THAT OUT WHICH WE WOULD DO AT THIS LOCATION AND PROMOTE LOCAL ARTISTS. ON SUNDAY WE DO A JAZZ BRUNCH WITH WE HAVE A LOT OF JAZZ BAND DURING THE BRUNCH HOURS. WE CATER TO BUSINESS PROFESSIONALS, FAMILIES AND STUDENTS, AND REALLY WE CONSIDER OUR NEIGHBORHOOD AN AREA WHERE ALL OF THE SURROUNDING PEOPLE COME, AND WHETHER THEY WANT TO WALK OR DRIVE TO BE A DESTINATION ORIENTED CUSTOMER, WE DEFINITELY CATER TO EVERYBODY. AND YOU WILL SEE A VERY VAST, DIVERSE GROUP THAT COMES THROUGH AUSTIN GENTLEMAN HAVE FROM MORNING, NOON AND NIGHT. WHY CITY HALL? SEVERAL MONTHS AGO IN TALKING TO FRANK SEALY AND LEARNING MORE ABOUT THE AMLI DEVELOPMENT AND THE SECOND STREET DISTRICT, WE THOUGHT THAT -- WHETHER IT WAS IN THE SECOND STREET DISTRICT ITSELF OR AS PART OF CITY HALL WE WOULD BE A REALLY GOOD FIT FOR THAT AREA. EVEN THOUGH WE HAVE TWO LOCATIONS THAT ARE ON THE PERIMETER. THE EXISTING BUSINESS COMMUNITY AND THE DOWNTOWN RESIDENTIAL GROWTH IS POPPING UP ALL OVER AND IT MAKES IT VERY ATTRACTIVE FOR A LOCATION RIGHT HERE IN THE MIDDLE OF THINGS. LOCAL BRAND, OBVIOUSLY AUSTIN JAVA HAS REALLY DONE A LOT TO TRY AND PROMOTE OTHER LOCAL BUSINESSES ALSO AND WE'RE EXCITED THAT THE CITY HALL WAS LOOKING FOR A LOCALLY OWNED BUSINESS. SO WE REALLY DO THINK THAT WE ARE A VERY GOOD FIT. OUR TEAM, I THINK EXPERIENCE IS EXTREMELY IMPORTANT. I COME FROM A LONG LINE OF RESTAURANTS THAT I'VE OWNED AND OPERATED BETWEEN MYSELF AND OUR DIRECTOR OF OPERATIONS, WHO IS HERE WITH ME TODAY, PHILLIP, WHO HAS GOT OVER 25 YEARS OF COMBINED INDUSTRY

EXPERIENCE AND MANAGEMENT TRAINING. I AM INVOLVED AND WE HAVE BEEN INVOLVED WITH OTHER PROJECTS IN AND AROUND AUSTIN, LITTLE WOOD DROAZ UP ON SIXTH STREET, CUSS CAN ANY MARKET VINEYARD -- TUSCANY MARKET VINEYARD. SO A STRONG MANAGEMENT EXPERIENCE THERE. AND BETWEEN US WE'VE HAD SEVERAL SUCCESSFUL START-UPS AND HAVE DEVELOPED CONCEPTS. OUR ORIGINAL LOCATION IS RIGHT THERE AT THE CORNER OF 12TH AND LAMAR ON PARKWAY. YOU CAN SEE BREWSTER THERE ALMOST EVERYDAY. OUR NEWEST EDITION IS OVER ON BARTON SPRINGS ROAD. WE TOOK OVER THE LOCATION NEXT TO SHADY GROVE ALMOST THREE MONTHS AGO NOW. AND IF YOU HAVEN'T BEEN THERE, I URGE YOU TO GO BY AND CHECK IT OUT. IT'S REALLY KIND OF OUR FLAGSHIP LOCATION. WE'RE VERY PROUD OF IT. AND THE NEIGHBORHOOD HAS REALLY ACCEPTED IT VERY WELL. SO THANK YOU VERY MUCH FOR YOUR TIME. AND IF THERE'S ANY QUESTIONS, I WOULD BE HAPPY TO ANSWER ANY OF THOSE NOW.

Goodman: THANK YOU. ARE THERE QUESTIONS? BREWSTER, DO YOU WANT TO TELL US HOW THE FOOD IS?

McCracken: SINCE I'VE ALREADY HAD TWO MEALS THERE TODAY, I THINK IT'S PRETTY GOOD. [LAUGHTER] MY ONLY QUESTION IS THIS, CAN WE ALSO GET YOU TO BRING TUSCANY MARKET DOWNTOWN? THAT'S AN OUTSTANDING PLACE. I'M THRILLED THAT AUSTIN JAVA WILL BE IN CITY HALL. IT'S A GREAT FIT FOR BOTH OF US. AND I'M GOING TO BUG YOU ABOUT BRINGING TUSCANY MARKET DOWNTOWN ALSO.

Goodman: COUNCILMEMBERS? COUNCILMEMBER ALVAREZ.

Alvarez: I'M ALSO HAPPY THAT YOU ARE INTERESTED AND CERTAINLY YOU'RE WELCOME HERE. I'M A BIG FAN, SO I'M GLAD YOU'RE GOING TO BE RIGHT DOWN THE HALLWAY. AND NOT 10, 12 BLOCKS AWAY. BUT I REALLY DO THINK IT'S A GOOD FIT AND I REALLY APPRECIATE ALL THAT YOU'VE DONE WITH AUSTIN JAVA AND ALL THESE OTHER ENDEAVORS. WELCOME. I THINK THERE'S A LOT OF REALLY ANXIOUS FOLKS IN CITY HALL AND THE SURROUNDING AREA

HERE.

YOUR TEAM HAS BEEN WORKING REALLY HARD TO TRY TO PUT THIS FORTH AND I THINK THE OTHER PEOPLE BEING CONSIDERED WERE ALSO VERY VIABLE OPTIONS, BUT I THINK FOR WHAT AUSTIN REALLY WANTS FOR ITS LOCAL BUSINESSES AND FOR WHAT CITY HALL NEEDS, I THINK THAT IT'S A REALLY GOOD -- SOME REAL GOOD SYNERGY.

Goodman: WELL, I THINK THESE MONTHS OF BEING IN CITY HALL WITH NOTHING AROUND BUT VENDING MACHINES HAS ENTHUSIASTIC POART NOW FOR SOMETHING ELSE -- SUPPORT NOW FOR SOMETHING ELSE. RED CARPET WOULD BE OKAY WITH ME. AND YOU DO HAVE SOMETHING THAT I THINK A LOT OF PEOPLE LIKE, WHICH IS A LATE BREAKFAST SCHEDULE, SO A BREAKFAST MENU THAT GOES UNTIL 2:00. SO FROM MY POINT OF VIEW, IT IS A VERY AUSTIN BUSINESS, AND THAT'S PART OF WHAT THIS BUILDING IS ALL ABOUT.

THANK YOU.

Goodman: GLAD TO HAVE YOU. COMMENTS? OKAY. WE'LL GO TO ITEM 4? IS THAT CORRECT?

Thomas: MAYOR PRO TEM?

Goodman: COUNCILMEMBER.

Thomas: WE ALSO COMMEND YOU ON SOME OF THE THINGS THAT WE ARE REQUIRING OF YOU TO DO AND THAT YOU'RE COMMITTED TO DOING THAT, AND WE'RE LOOKING FORWARD TO THAT AND COMING TO THE CITY HALL. WE WELCOME YOU ABOARD AND WISH YOU SUCCESS ON BOTH ENDS.

THANK YOU VERY MUCH.

Goodman: WELL, I DON'T THINK THE MAYOR THOUGHT THERE WOULD BE ANY PROBLEM, SO WE COULD HAVE A MOTION. UNLESS DARRYL WANTS TO VOTE TOO. WHERE IS HE? OKAY. SO IF THERE'S A MOTION, WE CAN DO NUMBER 4, WHICH IS A RESOLUTION AUTHORIZING NEGOTIATION AND EXECUTION OF A RETAIL LEASE WITH THE SELECTED OPERATOR, AND

WE HAVE AUSTIN JAVA FOR OPERATION OF THE CITY HALL CAFE, 112,400 IS AVAILABLE IN FISCAL YEAR '04-'05 OPERATING BUDGET FOR ECONOMIC GROWTH AND REDEVELOPMENT SERVICES, CITY HALL RETAIL TENANT IMPROVEMENTS. AND THERE'S SPECIAL REVENUE FUND FOR TENANT FINISHOUT IMPROVEMENTS.

MOVE APPROVAL.

Thomas: SECOND.

Goodman: THERE'S A MOTION ON THE FLOOR BY COUNCILMEMBER MCCracken, SECONDED BY COUNCILMEMBER THOMAS. FURTHER COMMENTS? ALL IN FAVOR PLEASE SAY AYE?

AYE.

Goodman: OPPOSED? WITH COUNCILMEMBER SLUSHER AND MAYOR WYNN TEMPORARILY OFF THE DAIS. OKAY. HAVING NO OTHER ITEMS AT THIS TIME, WE WILL HAVE ZONING AT 4:00, BUT WE STILL HAVE EXECUTIVE SESSION ITEMS, WHICH ARE NUMBER 42 RELATED TO THE MASTER DEVELOPMENT AGREEMENT WITH GABLES REALTY LIMITED PARTNERSHIP FOR THE PROPOSED MUSEUM PARK PLAZA. AND NUMBER 43 RELATING TO THE COMPENSATION AND BENEFITS FOR THE CITY AUDITOR. AND AS THE MAYOR READ EARLIER -- OKAY. GIVE THE INTRO. SO WE'LL GO INTO CLOSED SESSION AND RETURN WITHOUT HAVING MADE ANY DECISIONS IN THAT CLOSED SESSION. WE'RE RECESSED.

Mayor Wynn: WE ARE OUT OF CLOSED SESSION. IN EXECUTIVE SESSION WE TOOK UP ITEM NUMBER 42. NO DECISIONS WERE MADE. WE DID NOT AND WILL NOT TAKE UP ITEM NUMBER 37. THAT TAKES US TO OUR 4:00 O'CLOCK ZONING HEARINGS AND APPROVAL OF ORDINANCES AND RESTRICTIVE COVENANTS, AND WE'LL WELCOME MS. ALICE GLAT CO-. -- GLASGO.

GOOD AFTERNOON, MAYOR AND COUNCILMEMBERS, ALICE GLASGO, DIRECTOR OF THE NEIGHBORHOOD PLANNING AND ZONING DEPARTMENT. AND OUR ZONING CASES FOR TODAY ARE AS FOLLOWS: WE DO NOT HAVE SECOND AND THIRD

READINGS CASES, SO WE JUST HAVE PUBLIC HEARING ITEMS. ITEM NUMBER Z-1, CASE C-14-04-59. THIS PROPERTY IS LOCATED AT 9800 TO 9920 BLOCK OF SOUTH IH-35 SOUTHBOUND SOUTHBOUND I-35 SERVICE ROAD. THE EXISTING ZONING IS INTERIM RURAL RESIDENTIAL. THE APPLICANT IS REQUESTING CS-CO, WHICH STANDS FOR COMMERCIAL SERVICES A CONDITIONAL OVERLAY. THE ZONING AND PLATTING COMMISSION RECOMMENDATION IS TO GRANT CS-CO AND THIS CASE IS READY FOR ALL THREE READINGS. ITEM NUMBER Z-TWO, C-14-04-179, THIS CASE IS LOCATED AT 8602 CULLEN LANE. THIS IS SINGLE-FAMILY 2 DEVELOPMENT RESERVE. THE APPLICANT IS REQUESTING GENERAL COMMERCIAL SERVICES. THE ZONING AND PLATTING COMMISSION IS TO GRANT GENERAL SERVICES CONDITIONAL OVERLAY, AND THIS CASE IS READY FOR ALL THREE READINGS. ITEM NUMBER Z-3, CASE C-14-04-002, AT 9420 CULLEN LANE. THE EXISTING ZONING IS RURAL RESIDENCE. THE APPLICANT IS REQUESTING COMMUNITY COMMERCIAL ZONING. THE ZONING AND PLATTING COMMISSION RECOMMENDATION IS TO GRANT GR-CO. AND THIS CASE IS READY FOR ALL THREE READINGS. ITEM NUMBER Z-4, CASE C-14-05-00067, LOCATED AT THE INTERSECTION OF LAKELINE MALL DRIVE AT HIGHWAY 183 NORTH. THE EXISTING ZONING IS COMMUNITY COMMERCIAL. THE APPLICANT IS REQUESTING CS-1, WHICH STANDS FOR COMMERCIAL LIQUOR SALES. THE ZONING AND PLATTING COMMISSION RECOMMENDS CS-1-CO AND THIS CASE IS READY FOR ALL THREE READINGS. ITEM NUMBER Z-5, CASE C-14-05-0007. THIS CASE IS LOCATED AT 15200 FM 1825 AND THE APPLICANT IS REQUESTING A CHANGE FROM SINGLE-FAMILY 2 TO CS. THE ZONING AND PLATTING COMMISSION RECOMMENDS CS-CO. AND THIS CASE IS READY FOR ALL THREE READINGS. ITEM NUMBER Z-6, CASE C-14-05-0008, THIS CASE IS LOCATED AT 15601 NORTH INTERSTATE HIGHWAY 35 NORTH SERVICE ROAD NORTHBOUND. THE EXISTING ZONING IS SINGLE-FAMILY 2. THE APPLICANT'S REQUESTING CS-CO. AND THE ZONING AND PLATTING COMMISSION HAS RECOMMENDED THE ZONING CHANGE AND IT'S READY FOR ALL THREE READINGS. HOWEVER, STAFF HAS DETERMINED THAT RIGHT-OF-WAY RESERVATION IS NO LONGER NEEDED AND THEREFORE WE'RE NOT GOING TO REQUIRE THE APPLICANT TO SUBMIT A RESTRICTIVE

COVENANT FOR THAT; HOWEVER, THE CASE IS STILL READY FOR ALL THREE READINGS DESPITE THE OTHER CONDITIONS. SO WE'LL BE DELETING THE RIGHT-OF-WAY RESERVATION REQUIREMENT. WE'VE DETERMINED IT'S NO LONGER NEEDED. ITEM NUMBER Z-7, C-14-04-150, LOCATED AT 6008, MANCHACA ROAD. THE APPLICANT IS REQUESTING A POSTPONEMENT TO APRIL THE 7TH. THIS IS THE APPLICANT'S FIRST REQUEST. AND MAYOR, THAT CONCLUDES ALL THE ZONING CASES FOR TODAY.

Mayor Wynn: THANK YOU, MS. GLASCO. SO COUNCIL, THE CONSENT AGENDA WILL BE TO APPROVE ON ALL THREE READINGS CASES Z 1, Z 2, Z 3, Z-4, Z-5 AND Z 6 AND NOTING THAT ON Z 6 NO RESTRICTIVE COVENANT IS NEEDED AND TO POSTPONE CASE Z 7 TO APRIL 7TH, 2005. I'LL ENTERTAIN A MOTION.

Thomas: SO MOVE.

Mayor Wynn: MOTION MADE BY THE MAYOR PRO TEM, CONSENTED BY COUNCILMEMBER THOMAS TO APPROVE THE CONSENT AGENDA AS READ. FURTHER COMMENTS? HEARING NONE, ALL THOSE IN FAVOR PLEASE SAY AYE.

AYE.

Mayor Wynn: OPPOSED? MOTION PASSES ON A VOTE OF SEVEN TO ZERO. THANK YOU, MS. GLASGO. ANY MORE ZONING CASES? WE NEED MORE DAYS LIKE THIS.

Goodman: PLUS WE HAVE OUR FIRST WINDOW.

Mayor Wynn: THEY ARE OBSERVING REAL GOVERNMENT IN ACTION OUTSIDE THE WINDOW THERE. COUNCIL, EARLIER IN CLOSED SESSION WE DISCUSSED ITEM NUMBER 38, A LAWSUIT KNOWN AS MINION ET AL VERSUS THE CITY OF AUSTIN. WE ARE POSTED FOR A SETTLEMENT ACTION, ITEM NUMBER 45, SO WITH THAT WE WELCOME A BRIEF PRESENTATION FROM OUR OUTSIDE COUNSEL, MR. CASEY DOBSON.

EXCEEDINGLY BRIEF, MR. MAYOR. I'M CASEY DOBSON. I'M YOUR -- MY LAW FIRM REPRESENTS THE CITY AS YOUR

OUTSIDE COUNSEL IN THIS CASE. THIS LAWSUIT WAS FILED IN OCTOBER 2001. IT MAINLY CONCERNS OR COMPLAINED ABOUT THE ADMINISTRATION AND IMPLEMENTATION OF THE TRANSPORTATION USER FEE AND DRAINAGE UTILITY FEE. THOSE FEES WERE ORIGINALLY PASSED AS ORDINANCES IN THE EARLY 1990'S. TODAY WE RECOMMEND THAT THE CITY COUNCIL APPROVE A SETTLEMENT OF THE ENTIRE CLASS ACTION LAWSUIT FOR A VALUE UP TO NINE MILLION DOLLARS. THESE DOLLARS WILL BE PAID TO ELIGIBLE RATEPAYERS IN THE FORM OF REFUNDS OR CREDITS. MANY, MANY AUSTIN RATE PAYERS WILL NOT BE ELIGIBLE TO FILE A CLAIM UNDER THIS CLASS ACTION SUIT. AND FOR RATE PAYERS THAT MAY BE ELIGIBLE TO FILE A CLAIM FOR THE OVERWHELMING MAJORITY OF THOSE RATE PAYERS, THE REFUND OR CREDIT WILL BE VERY SMALL. WITH THAT, MAYOR, I'M READY TO TAKE ANY QUESTIONS FROM YOU OR THE REST OF THE COUNCILMEMBERS.

Mayor Wynn: THANK YOU, MR. DOBSON. QUESTIONS, COUNCIL? COMMENTS? IF NOT, I'LL ENTERTAIN A MOTION ON ITEM NUMBER 45.

MOVE APPROVAL.

Mayor Wynn: MOTION MADE BY COUNCILMEMBER MCCracken, SECONDED BY COUNCILMEMBER DUNKERLEY TO APPROVE THIS SETTLEMENT AGREEMENT AS POSTED AS ITEM NUMBER 45. FURTHER COMMENTS? HEARING NONE, ALL THOSE IN FAVOR PLEASE SAY AYE.

AYE.

Mayor Wynn: OPPOSED? MOTION PASSES ON A VOTE OF SEVEN TO ZERO. THANK YOU ALL VERY MUCH. AND MR. DOBSON. SO COUNCIL, I BELIEVE THAT'S ALL OF OUR -- ALL OF OUR DISCUSSION ITEMS PRIOR TO OUR 5:30 BREAK FOR LIVE MUSIC AND PROCLAMATIONS, SO WITHOUT OBJECTION, WE'LL GO BACK INTO CLOSED SESSION. WE HAVE TWO POTENTIAL ITEMS WE COULD TAKE UP, ONE REAL ESTATE MATTER, ITEM NUMBER 39 RELATED TO BLOCK 21 AND THE DECOMMISSIONED SEAHOLM POWER PLANT, AS WELL AS THE POTENTIAL EVALUATION OF OUR CITY AUDITOR, ITEM NUMBER 43. SO WE ARE NOW IN CLOSED SESSION.

WELCOME BACK OUT AT 5:30 -- I WILL COME BACK OUT FOR LIVE MUSIC AND PROCLAMATIONS. THEN WE HAVE OUR 6:00 O'CLOCK PUBLIC HEARINGS. THANK YOU VERY MUCH. OKAY, GOOD EVENING, TIME FOR OUR WEEKLY LIVE MUSIC GIG AT THE AUSTIN CITY COUNCIL MEETING, AND JOINING US TODAY IS TONY HARRISON, TOE MY IS A SINGER SONG WRITER AND LOCAL BUSINESSMAN WHO JUST RELEASED A NEW CD AND ORIGINALLY FROM ENGLAND BECAUSE, CALLS AUSTIN HOME AND SWEARS HE CAN SING A WESTERN SONG BETTER THAN MOST OF US NATIVES, SO PLEASE WELCOME TONY HARRISON. (music) [APPLAUSE]

THANK YOU. SO TONY, GO BUY THE NEW CD. I AM GOING TO BE DOING A GUEST APPEARANCE AT CENTRAL MARKET THIS COMING SATURDAY. I PLAYED AT THE BROKEN SPOKE LAST WEEK AND I SOMETIMES PLAY AT GINO'S DOWN ON SOUTH FIRST, THE BLUE'S GIN SO WE HAVE A FEW GIGS COMING UP AND OUR WEB ITEM IS TONY HARRISON.COM. I HAVE ANOTHER WEB SITE CALLED BEEP BEEP HONG HONG.COM WHICH I DO FOR CHILDREN'S MUSIC AND CHILDREN'S SONGS AND FOR SAFETY ON THE ROADS. SO AND THEN I HAVE SEEN A FEW SCHOOLS I HAVE BEEN TO THE SCHOOLS TO SING THEIR SONGS.

THAT IS GREAT. BEFORE YOU GET AWAY, A PROCLAMATION READS THE BE IT KNOWN WHEREAS THE LOCAL MUSIC COMMUNITY MAKES MANY MANY CONTRIBUTIONS TOWARD OUR CULTURAL DIVERSITY AND WHEREAS THE DEDICATED EFFORTS OF ARTIST FURTHER AUSTIN'S STATUS AS THE LIVE MUSIC CAPITAL OF THE WORLD SO I MAYOR WYNN HEREBY PROCLAIM TODAY MARCH 10, 2005 AS TONY HAIR ONHARRISON DAY IN AUSTIN AND CALL USALL OF AUSTIN TO CONGRATULATION THIS GREAT TALENT.

THANK YOU, THANK YOU VERY MUCH. OUR FIRST PROCLAMATION I AM JOINED BY GG EDWARDS BRYANT, PROCLAMATION IS REGARDING POSTERIOR CHILDREN'S DAY. AND THIS PROCLAMATION READS, BE IT KNOWN WHEREAS THE NUMBER OF CHILDREN IN THE FOSTER CARE SYSTEM IN TEXAS EXCEEDED 26,000 IN 2003, AND THE NUMBER CONTINUES TO GROW EACH YEAR. AND WHEREAS BECAUSE OF THE GROWING DEMANDS ON THE SYSTEM AND THE EMOTIONAL NATURE OF THE WORK, CHILDREN ARE

OFTEN MOVED QUITE OFTEN AND BEGIN TO FEEL THEY HAVE NO PLACE. WHEREAS WE ARE MAIMING THIS DAY IN ON MORE OF THE CHILDREN WHO ARE DESTINED TO LIVE IN CIRCUMSTANCES THEY DID NOT CREATE, TO CALL ATTENTION TO THE NEED FOR IMPROVEMENTS WITHIN THE FOSTER CARE SYSTEM AND TO ENCOURAGE CITIZENS TO LOBBY ON BEHALF OF BILLS PROVIDING A BETTER QUALITY OF LIFE FOR THESE YOUNG CITIZENS, THEREBY I DO PROCLAIM MARCH 23RD, 2005 AS FOSTER CHILDREN'S DAY IN AUSTIN AND CALL ON MS. GG EDWARDS BRYANT TO TELL US ABOUT THE DAY AND ULTIMATELY TELL US ABOUT THIS DRAMATIC NEED WE HAVE IN OUR SOCIETY. GIGI.

THANK YOU FIRST OF ALL I WOULD LIKE TO THANK THE CITY OF AUSTIN FOR TAKING THE TIME OUT TO RECOGNIZE THE SITUATION THAT CHILDREN ARE IN AND WHAT THEY DIDN'T CREATE. WE ALSO KNOW THAT THERE ARE A LOT OF PEOPLE OUT THERE THAT ARE WORKING REALLY HARD TO MAKE THEIR LIFE BETTER, INCLUDING THE SOCIAL WORKERS, COUNCIL MEMBERS AND THE GOVERNMENT OFFICIALS. I WOULD ALSO LIKE TO THANK THE PARENTS, THE ONES THAT HAVE CHOSEN TO TAKE CARE OF THESE KIDS, AND WE CONSIDER THIS TO BE A GREAT OPPORTUNITY FOR THEM TO SEE THAT THE CITY DOES CARE ABOUT WHAT THEY ARE DOING AND THEIR SITUATION AND A.

ARE WORKING REALLY HARD TO MAKE THINGS BETTER AND I WOULD LIKE TO INTRODUCE -- DOUGLAS.

AGAIN, I WOULD LIKE TO THANK THE CITY ON BEHALF OF US A ALL OF THE FOSTER CHILDREN HERE IN AUSTIN, TEXAS. I AM A FORMER FOSTER CHILD AND I CAN TELL YOU THAT IT MEANS SO MUCH WHEN PEOPLE TAKE THE TIME TO LET YOU KNOW HOW MUCH THEY CARE FOR YOU, WHEN YOU DON'T HAVE YOUR OWN PARENTS TO DO THAT FOR YOU. THIS IS A VERY TIMELY PROCLAMATION SINCE APRIL IS FOUND TO BE ABUSE PREVENTION MONTH AND I I IF WE CAN PREVENT THE ABUSE WE WILL BE SO MUCH AHEAD OF THE GAME TO PREVENT CHILDREN FROM GOING INTO FOSTER CARE AGAIN THANK YOU SO MUCH AND WORKING TOGETHER I THINK WE CAN MAKE THIS A BETTER SYSTEM.

THANK YOU ALL SO MUCH. [APPLAUSE] OUR NEXT

PROCLAMATION IS REGARDING TEXAS CAN 20TH ANNIVERSARY AND JOINING ME IS JASON MARSHALL THIS PROCLAMATION READS BE IT KNOWN WHEREAS BECAUSE THE FUTURE OF OUR CITY AND STATE DEPENDS ON EDUCATED CITIZENRY AND TEXAS CAN, TEXANS CAN HAVE A NETWORK OF PUBLIC SCHOOLS AND PROVIDERS FOR AT RISK KIDS PROVIDING THEM A SECOND CHANCE AT EDUCATION. AND WHEREAS THE MISSION OF TEXANS CAN IS BASED ON THREE CORE VALUES, DISCIPLINE AND PRIVATE, REWARD IN PUBLIC, RULES WITHOUT RELATIONSHIPS, BASH REBELLION AND BEHAVIOR IS BASED ON NEED AND WHEREAS ON THE OCCASION OF THEIR 20TH ANNIVERSARY WE RECOGNIZE TEXANS CAN AND ITS LOCAL ALFIANS AUSTIN CAN ACADEMY FOR THEIR IMPORTANT WORK IN EDUCATING AND HELPING TO CHANGE LIVES KEY TO THE VITAL FUTURE OF OUR CITY THEREFORE I WILL WYNN MAYOR OF THE AUSTIN TEXAS DO HEREBY PROCLAIM MARCH 11, 2005 AS A 20TH ANNIVERSARY OF TEXANS CAN AND CALL ON CITIZENS TO CALL ME CONGRATULATING JASON FOR ALL OF HIS HARD WORK. JASON. [APPLAUSE]

I JUST WANT TO SAY ON BEHALF OF AUSTIN CAN AND OUR PARENT ORGANIZATION TEXANS CAN, WE WANT TO THANK THE CITY OF AUSTIN FOR RECOGNIZING OUR 20 YEARS IN HELPING THROUGHOUT THE STATE OF TEXAS. CURRENTLY WE HAVE TEN SCHOOLS THROUGHOUT THE STATE, AND WE HAVE ONE, OUR SCHOOL HERE IN AUSTIN IS LOCATED IN EAST AUSTIN. TOMORROW WE WILL HOLD A RIBBON CUTTING FOR THE SCHOOL, BUT PRIMARILY RECOGNIZING THE ACHIEVEMENT FOR TEXANS CAN, AND WE ENCOURAGE, OF COURSE THE CITY COUNCIL AND ALL OF THE -- ALL OF YOU TO JOIN US IN THIS GREAT OCCASION. BUT WE ARE HOPING TO CONTINUE TO HELP AT RISK YOUTH ACADEMICALLY, AT RISK YOUTH THROUGHOUT THE STATE AND LOOKING TO EVEN EXPAND OUTSIDE OF THE STATE AND TAKE OUR MISSION FURTHER, SO WE HOPE WE CAN CONTINUE TO DO GOOD THINGS, GIVE AT RISK YOUTH THROUGHOUT NOT ONLY THE STATE OF TEXAS BUT AMERICA A SECOND CHANCE, EDUCATION AND A SECOND CHANCE AT LIFE. THANK YOU.

THANK YOU. OUR NEXT PROCLAMATION IS REGARDING -- I AM JOINED ALSO BY OFFICER COUNCILMAN DUNKERLEY AND

JERRY BINDER OF DELL AND GRANGER FROM THE CITY OF AUSTIN AND THE PROCLAMATION READS. -- IT IS HARD TO READ THE FONT ON THIS. WHEREAS NAPM AUSTIN I THINK IS ONE OF 180 AFFILIATES OF THE INSTITUTE OF SUPPLY MANAGEMENT AND WHEREAS THIS ANNUAL CELEBRATION OF PURCHASING MONTH FOCUSES ON EXPANDING AWARENESS OF THE PURCHASING AND MATERIAL MANAGEMENT PROFESSION'S ROLE AMONG BUSINESS AND CORPORATE LEADERS, GOVERNMENT OFFICIALS, ACADEMIA, THE MEDIA, AND THE GENERAL PUBLIC, AND WHEREAS PURCHASING MONTH ALSO PROVIDES AN OPPORTUNITY TO EDUCATE STUDENTS AND OTHERS ABOUT THEIR OPPORTUNITIES IN PURCHASING, NOW, THEREFORE I WILL WYNN MAYOR OF THE AUSTIN OF TEXAS HEREBY PROCLAIM MARCH, 2005 AS PURCHASING MONTH IN AUSTIN AND WOULD LIKE TO ASK COUNCIL MEMBER BETTY DUNKERLEY WHO FOR YEARS OF COURSE WAS THE SENIOR FINANCIAL OFFICER HERE IN THE CITY OF AUSTIN OVER DEPARTMENTS SUCH AS PURCHASING AND SAY A FEW WORDS ABOUT THE MONTH, ABOUT THE PROFESSION, ABOUT THE IMPORTANCE OF ABOUT HAVING PROFESSIONAL STANDARDS FOR CITIES AND ALL PRIVATE SECTOR COMPANIES. BETTY.

THANK YOU. THIS PARTICULAR ORGANIZATION COVERS NOT JUST GOVERNMENTAL PURCHASING BUT PURCHASING ACROSS THE CITY, AND THEY PROVIDE A LOT OF INFORMATION, A LOT OF TRAINING, AND A LOT OF INPUT INTO THE ECONOMIC INDICATORS IN THIS REGION, SO AS A FORMER PURCHASING MANAGER SUPERVISOR OR WHATEVER IT IS, I WANT TO THANK OUR PURCHASING DEPARTMENT AND OUR PURCHASING STAFF FOR DOING EVERY DAY SUCH A WONDERFUL JOB THAT HELPS THE COUNCIL IN THEIR WORK. SO I WANT TO THANK THEM AND THEN IN ADDITION, THE BROADER ORGANIZATION, THANKS FOR ALL OF THE GOOD WORK YOU DO.

A FEW WORDS? I WANT TO SAY THANK YOU VERY MUCH FOR THE CITY OF AUSTIN, AND MAYOR WYNN FOR THIS PROCLAMATION, ON BEHALF OF THE AUSTIN NAPM ASSOCIATION, WE HAVE MEMBERS ALMOST 300 MEMBERS REPRESENTING OVER 80 COMPANIES IN THE CITY OF AUSTIN. NATIONWIDE WE HAVE 45,000 MEMBERS, AND THEY ARE OUTSTANDING PROFESSIONAL PEOPLE WITH HIGH

ETHICS AND STANDARDS AND IT IS -- THAT IS THAT WE ARE HERE TO DEDICATE TOWARD THEIR APPRECIATION AND COMMITMENT TO THIS SOCIETY. AND IN ADDITION, AS YOU KNOW, WE ALSO ARE THE ECONOMIC INDICATOR PROVIDERS FOR THE PURCHASING ASSOCIATION, AND WE ARE PROUD TO SAY THAT, YOU KNOW, THE MONTH OF FEBRUARY, THE INDICATOR CONTINUES TO GO UP AT 55.8, SO THE CITY IS DOING WELL, AND WE HOPE TO CONTINUE TO SEE THAT. THANK YOU VERY MUCH FOR THIS PROCLAMATION.

THANK YOU. [APPLAUSE] THANK YOU, COUNCIL MEMBER, MAYOR, IT IS A PRIVILEGE FOR ME TO SERVE THE CITY OF AUSTIN AND I REALLY ENJOY BEING A MEMBER OF THIS PROFESSION. I HOPE TO BE ABLE TO CONTINUE TO WORK DILIGENTLY IN IN THIS PROFESSION AND SERVE THE CITY FOR MANY, MANY YEARS. THANK YOU.

THANK YOU. WE ARE JOINED BY MR. HILL FROM SETON BECAUSE THIS IS REGARDING SETON'S MEDICAL CENTER HISTORY, IT IS REMARKABLE IT IS 30 YEARS OLD THE PROCLAMATION READS BE IT KNOWN THE SETON MEDICAL CENTER BEGAN IN 1902 AS SETON INFIRMARY BUT CHANGED NAMES AND CHANGED 0 LOCATIONS IN 1975 AND HAS BECOME THE LARGEST ACUTE CARE CENTER IN AUSTIN. WHEREAS DURING THIS 30 YEARS ON 38TH STREET SETON HAS EXCELLED ON MANY FRONTS, INCLUDING NEONAILT CARE, WELLNESS EDUCATION, HEARTS TRANSPLANTS, ADVANCED TREATMENT FOR KIDNEY SOCIETIES AND PATIENTS ON RESPIRATORS, CARDIOVASCULAR CARE AND STROKE PREVENTION AND CARE, I CALL ON ALL CITIZENS IN RECOGNIZING SETON MEDICAL CENTER AS IT CELEBRATES IT 30TH ANNIVERSARY AND THANK THANKING THE ENTIRE STAFF FOR GIVING OUR CITIZENS WONDERFUL CARE, NOW, THEREFORE, I WILL WYNN, MAYOR OF THE CITY OF AUSTIN, TEXAS PROCLAIM MARCH 23RD, 2005 AS SETON MEDICAL CENTER DAY IN AUSTIN, CALLING US ALL CITIZENS TO CONGRATULATE ME IN THANKING THIS GREAT HOSPITAL AND CARE PROVIDER AND ASK MR. HILL TO SAY A FEW WORDS ABOUT SETON.

THANK YOU. VERY MUCH. MAYOR AND COUNCIL, IT IS NICE OF YOU TO CELEBRATE THIS 30 YEARS ANNIVERSARY AND

BIRTHDAY WITH US, AND WE THANK YOU FOR THIS PROCLAMATION, AND FOR YOUR RECOGNITION OF SETON AND THE 103 YEARS THAT SETON HAS BEEN FROM AN INFIRMARY THAT HAS GROWN INTO A MAJOR MEDICAL CENTER AND WE ARE MOST APPRECIATIVE OF THE PARTNERSHIP THAT WE HAVE WITH THE CITY OF AUSTIN, WITH BRACKENRIDGE AND CHILDREN'S AND I WILL TELL YOU THAT CHILDREN'S IS STILL ON TIME AND ON BUDGET AND WE WILL OPEN AND HAVE A GRAND CELEBRATION ON THAT DAY BUT WE THANK YOU FOR THIS PROCLAMATION AND THE PACKET THAT YOU WOULD SEND PLATE OUR BIRTHDAY WITH US. THANK YOU VERY MUCH.

THANK YOU.

WE ALL KNOW HOW GREAT SETON HAS BEEN FOR THIS 100 YEARS BUT SOMETHING YOU MAY NOT KNOW IS THAT, AGAIN, IN THAT GREAT CARING SPIRIT OF THIS COMMUNITY, SETON AND SAINT DAVID'S AND THE SIMS FOUNDATION HAVE FORMED AN ASSOCIATION AND ALLIANCE TO FIGHT PRIMARY HEALTHCARE -- I HAVE BEEN ASKED TO BE ON THAT BOARD, AND SO I AM REALLY GRATEFUL TO DO THAT, BUT SETON AND SAINT DAVID'S HAVE AGREED TO COVER 500 LIVES IN HEALTHCARE FOR MUSICIANS IN OUR COMMUNITY, AND AS YOU KNOW, PRIVATE HEALTHCARE IS REALLY HARD TO GET IN THIS COMMUNITY FOR MUSICIANS AND THE SMALL BUSINESS AND FOR LOTS OF PEOPLE, SO FOR THAT CONTRIBUTION, I AM ALSO THANKFUL.

THANK YOU VERY MUCH.

THANK YOU SO MUCH. HAPPY BIRTHDAY. [APPLAUSE] THE CITY COUNCIL WILL RECONVENE. WE ARE IN RECESS, THANK YOU VERY MUCH. (music) (music)

Mayor Wynn: WE ARE OUT OF CLOSED SESSION. IN EXECUTIVE SESSION, WE TOOK UP ITEM NO. 43, WHICH WAS RELATED TO THE SOLVE OF ELATION AND ANALYSIS COMPENSATION BENEFITS FOR THE CITY AUDITOR, NO DECISIONS WERE MADE. BACK IN OPEN SESSION, COUNCIL WE CAN TAKE UP THE POSTED ITEM, WHICH WAS ITEM NO. 28, APPROVE A RESOLUTION REGARDING THE COMPENSATION PACKAGE FOR THE CITY AUDITOR. I WILL

RECOGNIZE COUNCILMEMBER DUNKERLY.

Dunkerly: [INDISCERNIBLE] HAS BEEN DOING A MARKET STUDY OF ALL OF THE EXECUTIVES AND DEPARTMENT DIRECTORS. SINCE THE CITY AUDITOR REPORTS TO THE COUNCIL, AT THIS TIME I'M REPRESENTING THAT WE INITIATE A MARKET ADJUSTMENT FOR THE CITY AUDITOR IN RESPONSE TO THE MARKET STUDY WE HAVE DONE. TO THAT END I WOULD MOVE THAT WE ESTABLISH THE FOLLOWING COMPENSATION AND BENEFITS FOR THE CITY AUDITOR AT A SALARY OF \$117,709 IN RESPONSE TO THE MARKET ADJUSTMENT OF THAT POSITION.

Mayor Wynn: MOTION MADE BY COUNCILMEMBER DUNKERLY TO -- TO APPROVE THE -- THE BACKUP RESOLUTION. MARKET JUSTICE ANNUAL SALARY. SECONDED BY COUNCILMEMBER ALVAREZ. FURTHER COMMENTS? THAT'S VERY IMPORTANT TO US, ONE OF FOUR PERSONS THAT THE CITY COUNCIL HIRES DIRECTLY, REPORTS TO US DIRECTLY IN AN INDEPENDENT ROLE FROM OUR CITY MANAGEMENT'S OFFICE AND ORGANIZATION AND WE VALUE THE POSITION AND THE WORK THAT GETS DONE BY THAT STAFF. VALUE OUR CITY AUDITOR. HEARING NO FURTHER COMMENTS, ALL IN FAVOR PLEASE SAY AYE.

AYE.

OPPOSED? MOTION PASSES ON A VOTE OF 7-0. THANK YOU ALL VERY MUCH. COUNCIL THAT TAKE US TO, A LITTLE LATE, OUR 6:00 PUBLIC HEARINGS. I BELIEVE THIS EVENING THEY ARE ANNEXATION PUBLIC HEARINGS. WE WILL 7 ENTERTAIN A -- WE WILLENT TRAIN A BRIEF STAFF PRESENTATION.

GOOD EVENING. I'M VERY COLLIER WITH THE NEIGHBORHOOD PLANNING AND ZONING DEPARTMENT. ITEM NO. 48 IS THE ROSE MONT AT OLD MANOR ANNEXATION AREA. THIS IS THE SECOND OF TWO PUBLIC HEARINGS FOR THIS PROPOSED ANNEXATION AREA AND ORDINANCE READINGS ARE TENTATIVELY SCHEDULED FOR APRIL 7th. UPON ANNEXATION THE CITY WILL TAKE OVER RESPONSIBILITY FOR SERVICES CURRENTLY PROVIDED BY THE COUNTY IN ADDITION TO PROVIDING SERVICES NOT CURRENTLY AVAILABLE. I BROUGHT COPIES OF THE

SERVICE PLAN AND THOSE ARE LOCATED ON THE TABLE BEHIND ME. AND THIS CONCLUDES MY PRESENTATION.

THANK YOU, MS. COLLIER. AGAIN THIS IS THE SECOND OR LAST OF THE PUBLIC HEARINGS. WHEN IS THE ACTUAL TECHNICAL ANNEXATION TO OCCUR?

APRIL 7th.

OKAY. THANK YOU.

Mayor Wynn: YOU ALREADY SAID THAT. LET ME MAKE SURE, NO CITIZENS SIGNED UP. ANY CITIZENS THAT WISH TO BE HEARD ON THIS ANNEXATION HEARING REGARDING THE ROSE MONT AT OLD MANOR AREA, ITEM NO. 48? HEARING NONE, ALL THOSE IN FAVOR PLEASE SAY AYE. -- HEARING NONE I'LL ENTERTAIN A MOTION TO CLOSE THE PUBLIC HEARING.

SO MOVE.

Mayor Wynn: MOTION MADE BY COUNCILMEMBER THOMAS, SECONDED BY COUNCILMEMBER SLUSHER. ALL IN FAVOR PLEASE SAY AYE?

Wynn: OPPOSED? MOTION TO CLOSE PASSES ON A VOTE OF 6-0 WITH COUNCILMEMBER MCCracken TEMPORARILY OFF THE DAIS.

OKAY, ITEM NO. 49 IS THE PIONEER HILL TRACT. THIS IS THE SECOND PUBLIC HEARING FOR THIS ANNEXATION AREA AND ORDINANCE READINGS ARE TENTATIVELY SCHEDULED FOR APRIL 7th. UPON ANNEXATION THE CITY WILL TAKE OVER SERVICES CURRENTLY PROVIDED BY THE COUNTY IN ADDITION TO PROVIDING SERVICES NOT CURRENTLY AVAILABLE. COPIES OF THE SERVICE PLAN ARE ON THE TABLE BEHIND ME THIS EVENING. AND THIS CONCLUDES MY PRESENTATION.

Mayor Wynn: THANK YOU, MS. COLLIER. QUESTIONS OF STAFF, COUNCIL? ANY CITIZENS WISHING TO BE HEARD ON THIS PUBLIC HEARING, ITEM NO. 49, REGARDING THE FULL PURPOSE ANNEXATION OF THE PIONEER HILL COA TRACT?

HEARING NONE I WILL ENTERTAIN A MOTION TO CLOSE THE PUBLIC HEARING. MOTION MADE BY COUNCILMEMBER ALVAREZ, SECONDED BY COUNCILMEMBER DUNKERLY TO CLOSE THIS PUBLIC HEARING. ALL THOSE IN FAVOR PLEASE SAY AYE? AYE.

Wynn: OPPOSED? MOTION PASSES ON A VOTE OF 6-0 WITH COUNCILMEMBER MCCracken OFF THE DAIS.

ITEM NO. 50 IS THE AVERY RANCH AREA, THIS IS THE SECOND PUBLIC HEARING FOR THIS ANNEXATION AREA. ORDINANCE READINGS ARE TENTATIVELY SCHEDULED FOR APRIL 7th. UPON ANNEXATION THE CITY WILL TAKE OVER RESPONSIBILITY FOR SERVICES CURRENTLY PROVIDED BY THE COUNTY IN ADDITION TO PROVIDING SERVICES NOT CURRENTLY AVAILABLE. COPIES OF THE SERVICE PLAN ON THE TABLE -- ARE ON THE TABLE BEHIND ME, THAT CONCLUDES MY PRESENTATION.

Mayor Wynn: THANK YOU. COUNCIL, QUESTIONS OF STAFF? ANY CITIZENS THAT WISH TO BE HEARD ON THIS ITEM, PUBLIC HEARING NUMBER 50, REGARDING THE FULL PURPOSE ANNEXATION OF THE AVERY RANCH AREA? HEARING NONE I WILL ENTERTAIN A MOTION TO CLOSE THE PUBLIC HEARING. MOTION MADE BY COUNCILMEMBER ALVAREZ, I'LL SECOND. ALL THOSE IN FAVOR PLEASE SAY AYE.

AYE.

Wynn: OPPOSED? MOTION PASSES ON A VOTE OF 7-0.

ITEM NO. 51, GOODNIGHT RANCH AREA, THIS IS A LIMITED PURPOSE ANNEXATION. THE SECOND PUBLIC HEARING FOR THIS PROPOSED ANNEXATION AREA. AND ORDINANCE READINGS ARE TENTATIVELY SCHEDULED FOR APRIL 7th. UPON ANNEXATION THE CITY WILL TAKE OVER RESPONSIBILITY FOR SERVICES CURRENTLY PROVIDED BY THE COUNTY IN ADDITION TO PROVIDING SERVICES NOT CURRENTLY AVAILABLE. COPIES OF THE PLANNING STUDY AND REGULATORY PLAN ARE LOCATED ON THE TABLE BEHIND ME. AND THIS CONCLUDES THE PRESENTATION.

Mayor Wynn: THANK YOU, MS. COLLIER, ANY CITIZENS WISHING TO BE HEARD IN THIS PUBLIC HEARING, A LIMITED PURPOSE ANNEXATION OF THE GOODNIGHT RANCH AREA? HEARING NONE I'LL ENTERTAIN A MOTION. MOTION MADE BY COUNCILMEMBER MCCracken, SECONDED BY COUNCILMEMBER DUNKERLY TO CLOSE THIS PUBLIC HEARING. ALL THOSE IN FAVOR PLEASE SAY AYE.

AYE.

Wynn: OPPOSED? MOTION PASSES ON A VOTE OF 7-0. THANK YOU, MS. COLLIER. MS. SPENCE, IS THAT ALL OF OUR ITEMS? FOR THE RECORD, MS. SPENCE, WE DID NOT TAKE UP ITEM NO. 39 IN CLOSED SESSION. NOR DID WE TAKE UP ITEM NO. 37 IN CLOSED SESSION. ALL THE OTHERS WERE ACCOMPLISHED. THERE BEING NO MORE BUSINESS BEFORE THE CITY COUNCIL, WITHOUT OBJECTION, WE STAND AN JOURNALED. THANK YOU. STAND ADJOURNED. THANK YOU. 6:52 P.M.

End of Council Session Closed Caption Log