

## REGULAR MEETING OF THE CITY COUNCIL:

Austin, Texas, September 5, 1935.

The meeting was called to order at 10:45 A. M., with Mayor Tom Miller presiding. Roll call showed the following members present: Councilmen C. F. Alford, C. M. Bartholomew, Simon Gillis, Mayor Tom Miller, and Councilman Oswald G. Wolf, 5; absent, none.

The Minutes of August 8, August 15, August 22, and August 29 were read and after correction, upon motion of Councilman Gillis, were adopted by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

Councilman Wolf moved that B. J. Dzierzanowski, 309 Crockett Street, be granted a temporary taxicab license for a period of ninety days to operate as a taxicab a Pontiac sedan, 1931 model, Factory No. P769831, State Highway License No. 966358. The motion carried by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

Councilman Alford offered the following resolution:

WHEREAS, A. F. and J. A. Martin are the contractors for the repair of a loading platform located at 110-120 East Fourth Street, and desire a portion of the sidewalk and street space abutting Lot 12, Block 42 of the Original City of Austin, Texas, during the repair of the loading platform, such space to be used in the work and for the storage of materials therefor; therefore

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

1. That space for the uses hereinabove enumerated be granted to said A. F. and J.A. Martin, the boundary of which is described as follows:

Sidewalk and Street Working Space

Beginning at the southwest corner of the above described lot; thence in a southerly direction and at right angles to the centerline of East Fourth Street a distance of 15 feet; thence in an easterly direction and parallel with the centerline of East Fourth Street a distance of 100 feet; thence in a northerly direction and at right angles to the centerline of East Fourth Street a distance to the north line of East Fourth Street; thence in a westerly direction along the north line of East Fourth Street to the place of the beginning.

2. That the above privileges and allotment of space are granted to said A. F. and J. A. Martin, hereinafter termed "Contractors," upon the following express terms and conditions:

(1) That the Contractors shall construct a guard rail at least 4 feet high and substantially braced and anchored around the above described street working space.

(2) That the Contractors shall repair the platform in sections not greater than 35 feet in length, and shall leave the platform unobstructed to pedestrian traffic, except during hours of actual work on the platform.

(3) That the Contractors shall in no way obstruct any fire plugs or other public utilities in the construction of such guard rail.

(4) That provision shall be made for the normal flow of all storm waters in the gutter, and the Contractors will be responsible for any damage done due to obstruction of any such storm waters.

(5) That the Contractors shall place on the outside corners of any walkway, barricades, or obstructions, red lights during all periods of darkness.

(6) That the Contractors shall remove all fences, barricades, loose materials, and other obstructions on the sidewalk and street immediately after the necessity for their existence on said sidewalk or street has ceased, such time to be determined by the City Manager, and in any event all such sidewalk, barricades, materials, equipment and other obstructions shall be removed not later than September 20, 1935.

(7) That the Contractors shall restore all public and private property injured during the use of such space to as good condition as the same existed before the use of such space began.

(8) That the City reserves the right to revoke at any time any and all the privileges herein granted or to require the erection or installation of additional barriers or safeguards if the conditions demand it.

(9) That the Contractors shall furnish the City of Austin a surety bond in the sum of One Thousand Dollars (\$1,000.00), which shall protect, indemnify, and hold harmless the City of Austin from any claims for damages to any person or property that may accrue to or be brought by any person by reason of the exercise of the privileges granted the Contractors by the City of Austin, and shall guarantee the replacement of all sidewalks, pavement, and all other public property and public utilities disturbed or removed during the construction work, and shall further guarantee the construction of a walkway and other safeguards during the occupancy of the space.

The resolution was adopted by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

Councilman Gillis offered the following resolution:

WHEREAS, Carl Quick is the contractor for the construction of an addition to a building located at 1514 Lavaca Street and extending through the block to Guadalupe Street, such addition fronting on Guadalupe Street, and desires a portion of the sidewalk and street space abutting Lot 10, Block 38, of Division "E" of the City of Austin, Texas, during the construction of the addition, such space to be used in the work and for the storage of materials therefor; therefore

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

1. That space for the uses hereinabove enumerated be granted to said Carl Quick, the boundary of which is described as follows:

Sidewalk and Street Working Space

Beginning at the southwest corner of the above described lot; thence in a westerly direction and at right angles to the centerline of Guadalupe Street a distance to a point 10 feet west of the east curb line of Guadalupe Street; thence in a northerly direction and parallel with the centerline of Guadalupe Street a distance of 44 feet; thence in an easterly direction and at right angles to the centerline of Guadalupe Street a distance to the east line of Guadalupe Street; thence in a southerly direction along the east line of Guadalupe Street to the place of the beginning.

2. That the above privileges and allotment of space are granted to said Carl Quick, hereinafter termed "Contractor," upon the following express terms and conditions:

(1) That the Contractor shall maintain an unobstructed 4 feet walkway through the above described working space, such walkway to be protected by guard rails at least 4 feet high and substantially braced and anchored.

(2) That the Contractor shall in no way obstruct any fire plugs or other public utilities in the construction of such guard rail.

(3) That provision shall be made for the normal flow of all storm waters in the gutter and the Contractor will be responsible for any damage done due to obstruction of any such storm waters.

(4) That the Contractor shall place on the outside corners of any walkway, barricades, or obstructions, red lights during all periods of darkness.

(5) That the Contractor is permitted to construct a temporary work office within such allotted working space, provided such work office is not within 25 feet of any corner street intersection.

(6) That the Contractor shall remove all fences, barricades, loose materials and other

obstructions on the sidewalk and street immediately after the necessity for their existence on said sidewalk or street has ceased, such time to be determined by the City Manager and in any event all such sidewalk, barricades, materials, equipment and other obstructions shall be removed not later than October 17, 1935.

(7) That the Contractor shall restore all public and private property injured during the use of such space to as good condition as the same existed before the use of such space began.

(8) That the City reserves the right to revoke at any time any and all the privileges herein granted or to require the erection or installation of additional barriers or safeguards if the conditions demand it.

(9) That the Contractor shall furnish the City of Austin a surety bond in the sum of Five Thousand Dollars (\$5,000.00), which shall protect, indemnify, and hold harmless the City of Austin from any claims for damages to any person or property that may accrue to or be brought by any person by reason of the exercise of the privileges granted the Contractor by the City of Austin and shall guarantee the replacement of all sidewalks, pavement, and all other public property and public utilities disturbed or removed during the construction work, and shall further guarantee the construction of a walkway and other safeguards during the occupancy of the space.

The resolution was adopted by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

Councilman Gillis offered the following resolution:

WHEREAS, Godwin Brothers are the contractors for the construction of a building located at 618-620 East Seventh Street, and desire a portion of the sidewalk and street space abutting Lot 4, Block 89, of the Original City of Austin, Texas, during the construction of the building, such space to be used in the work and for the storage of materials therefor; therefore

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

1. That space for the uses hereinabove enumerated be granted to said Godwin Brothers, the boundary of which is described as follows:

Sidewalk and Street Working Space

Beginning at the southwest corner of the above described lot; thence in a southerly direction and at right angles to the centerline of East Seventh Street a distance of 22 feet; thence in an easterly direction and parallel with the centerline of East Seventh Street a distance of 40 feet; thence in a northerly direction and at right angles to the centerline of East Seventh Street a distance to the north line of East Seventh Street; thence in a westerly direction along the north line of East Seventh Street to the place of the beginning.

2. That the above privileges and allotment of space are granted to said Godwin Brothers, hereinafter termed "Contractors," upon the following express terms and conditions:

(1) That the Contractors shall maintain an unobstructed walkway at least 4 feet wide through the above described working space, and shall protect such walkway by guard rails at least 4 feet high, substantially braced and anchored.

(2) That the Contractors shall in no way obstruct any fire plugs or other public utilities in the construction of such guard rail.

(3) That provision shall be made for the normal flow of all storm waters in the gutter and the Contractors will be responsible for any damage done due to obstruction of any such storm waters.

(4) That the Contractors shall place on the outside corners of any walkway, barricades or obstructions, red lights during all periods of darkness.

(5) That the Contractors shall remove all fences, barricades, loose materials and other obstructions on the sidewalk and street immediately after the necessity for their existence on said sidewalk or street has ceased, such time to be determined by the City Manager, and in any event all such sidewalk, barricades, materials, equipment and other obstructions shall be removed not later than October 17, 1935.

(6) That the Contractors shall restore all public and private property injured during the use of such space to as good condition as the same existed before the use of such space began.

(7) That the City reserves the right to revoke at any time any and all the privileges herein granted or to require the erection or installation of additional barriers or safeguards if the conditions demand it.

(8) That the Contractors shall furnish the City of Austin a surety bond in the sum of One Thousand Dollars (\$1,000.00), which shall protect, indemnify, and hold harmless the City of Austin from any claims for damages to any person or property that may accrue to or be brought by any person by reason of the exercise of the privileges granted the Contractors by the City of Austin, and shall guarantee the replacement of all sidewalks, pavement, and all other public property and public utilities disturbed or removed during the construction work, and shall further guarantee the construction of a walkway and other safeguards during the occupancy of the space.

The resolution was adopted by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

Councilman Wolf offered the following ordinance:

AN ORDINANCE REPEALING AN ORDINANCE REGULATING THE CONDUCT AND DRESS OF BATHERS AT PUBLIC BATHING RESORTS IN THE CITY OF AUSTIN, AND PROVIDING A PENALTY FOR THE VIOLATION THEREOF. "

The ordinance was read the first time and upon motion of Councilman Wolf, seconded by Councilman Gillis, the rule was suspended and the ordinance passed to its second reading by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

The ordinance was read the second time and Councilman Gillis moved that the rule be further suspended and the ordinance be passed to its third reading. The motion carried by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

The ordinance was read the third time and Councilman Gillis moved that same be finally passed. The motion carried by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

Councilman Gillis offered the following resolution:

WHEREAS, Texas Public Service Company has presented to the City Council tentative maps or plans showing the proposed construction of its gas mains in the streets in the City of Austin hereafter named, and said maps or plans have been considered by the City Council; therefore,

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

THAT Texas Public Service Company be and the same is hereby permitted to lay and construct its gas mains in and upon the following streets:

(1) A gas main in WESTOVER ROAD, beginning at a point 20 feet south of and 20 feet west of the intersection of the north line of Westover Road and the east line of Forest Avenue;

Thence in a westerly direction with the centerline of a gas main, which centerline shall be 20 feet south of and parallel to the north line of said Westover Road, for a distance

of 78 feet.

Said gas main described above shall have a cover of not less than 2½ feet.

(2) A gas main in SABINE STREET, beginning at a point 18 feet west of and 16 feet north of the intersection of the east line of Sabine Street and the south line of Pelham Street;

Thence in a northerly direction with the centerline of a gas main, which centerline shall be 18 feet west of and parallel to the east line of Sabine Street, for a distance of 40 feet.

Said gas main described above shall have a cover of not less than 2½ feet.

The Texas Public Service Company is hereby put upon notice that the City of Austin does not guarantee that the space assigned above is clear from other underground utilities, but is based upon the best records we have at hand, and that the minimum depth stated does not have any reference to the fact that greater depths may not be required at special points. When the Texas Public Service Company requires definite information upon the ground as to elevations or working points from which to base the location of their assignments they shall apply to the City Engineering Department not less than three (3) days before such information is required. The Texas Public Service Company is further put upon notice that they will be required to bear the expense of repairs or replacement of lines named in this resolution.

AND THAT whenever pavement is cut in the vicinity of a fire plug, water must be used at intervals during the course of backfilling of the ditches.

THAT the work and laying of said gas mains, including the excavation in the streets and the restoration and maintenance of said streets after said mains have been laid, shall be under the supervision and direction of the City Manager, and under all the pertinent terms and conditions of the certain franchise granted to said Company by the City of Austin.

The resolution was adopted by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

Councilman Gillis moved that, in accordance with the recommendation of Capt. Tom Neal of the Traffic Division, the following be granted Taxicab Driver's Permits: Byron Alden Denman, 1309 East Avenue; Andy Bowman, 95 Rainey Street; Robert O. Pudifin, 207 East 3rd Street; Gaylord O. Neie, 2327 Santa Maria Street; Richard L. Lunday, 1913 Holly Street; and Wade Frazier Stafford, 224 Clay Avenue. The motion carried by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

By unanimous consent, the Council declined to pay the claim of D. H. Burrell, in the amount of Five Hundred Dollars (\$500.00) for alleged personal injuries received by stepping into a mud hole at 1000 Shelley Avenue on June 19, 1935.

Councilman Bartholomew submitted the following resolution:

BE IT RESOLVED BY THE CITY COUNCIL:

THAT no funds of the City be deposited in any banking corporation not designated as a city depository and be it resolved that all city funds be deposited in such depositories and that no funds of the City be deposited in any banking corporation until and unless the same shall have been secured in the manner provided by Article 2560, Revised Civil Statutes of 1925, and the City Manager is hereby directed to carry out and perform the provisions of Article 2561 of the Revised Statutes of Texas, 1925.

The resolution was adopted by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

Councilman Wolf introduced the following resolution:

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

THAT the City Manager be and he is hereby authorized and fully empowered to enter into and execute for and in the name of the City of Austin one certain written agreement dated and effective August 21, 1935, between said City of Austin and L. W. Baldwin and Guy A. Thompson, Trustees, International-Great Northern Railroad Company, Debtor, respecting, among other things, a certain 8-inch sewer line across right-of-way between Mile Posts 178 and 179, Austin, Travis County, Texas, a true copy of said agreement being attached hereto as a part hereof.

(Attached Agreement)

PIPE LINE AND CANAL CROSSING LICENSE

This instrument executed in duplicate on this 21st day of August, A. D. 1935,  
WITNESSETH:

The undersigned Carrier hereby grants, solely on the herein expressed terms and conditions, and the undersigned Licensee, CITY OF AUSTIN, a Municipal corporation of the State of Texas, Austin, Texas, hereby accepts permission to install, keep, and use, free of charge, for conveying sewage (8" sewer line) along or across the right of way or other grounds constituting a part of Carrier's railroad (hereinafter called premises) at or near Austin, Travis County, Texas, a certain pipe line (or canal and/or flume), the same to enter premises between Mile Posts 178 and 179, and otherwise to be located as shown by yellow lines and of said right of way if limited to any track, by white line, but, if wider by red lines on the map or plat marked Exhibit "A" and hereto attached and made a part hereof.

1. Licensee shall furnish or do at Licensee's own cost and responsibility any and all things and when and as from time to time required to accomplish whatsoever the Licensee attempts or is bound to do at any time hereunder. Licensee shall adjust Pipe Line (or canal and/or flume) to any physical change as made at any time in any of Carrier's property; at all times keeping upper surface of any pipe line or canal and/or flume at least four feet below bottom of rail thereover. Licensee shall cause any Pipe Line, before being used for anything inflammable, to conform substantially to Exhibit "B" attached hereto as part hereof; obtaining Exhibit B, if missing, from Carrier. Said things, including the time and manner of doing any work, each shall conform to the requirements of Carrier as well as of any State, Federal, or Municipal authority. Carrier may acting for Licensee furnish or do, and Licensee shall pay and bear the cost of, anything which herein required of Licensee at any time either shall not be furnished or done within ten days following Carrier's written request therefor or shall be undertaken by Carrier at Licensee's request; and Licensee on request shall, in advance, deposit with Carrier the estimated cost thereof. If deposit be less than actual cost, Licensee shall pay difference; if more, Carrier shall repay difference. Licensee when returning this license (signed) shall pay to Carrier ten dollars for preparing it. Any other payment shall be made within twenty days following receipt of bill. Licensee shall pay cost to Carrier for all labor, including wages of foremen, plus 10% to cover accounting and supervision, and Carrier's cost price of all materials f. o. b. Carrier's rails plus 10% to cover handling and accounting, plus freight at tariff to point of use. Carrier may connect with and discharge sewage into Pipe Line while serving as sewer.

2. Licensee agrees to indemnify and hold harmless the Carrier from all liability, damage and expense, including attorney's fees and costs, which the Carrier may incur or suffer, caused by the installation, maintenance, existence or use of Pipe Line (or canal and/or flume).

3. "Term hereof shall begin with the 21st day of August, 1935, and continue thereafter indefinitely as long as Licensee shall perform and covenants hereof and shall reasonably need in its business the permission granted hereby and shall not abandon said Pipe Line (or canal and/or flume). In the event Licensee shall fail to perform the covenants hereof, or shall not reasonably need in its business the permission granted hereby, or shall abandon the said Pipe Line (or canal and/or flume), the term hereof may be terminated by expiration of thirty days following serving, by Carrier on Licensee of written notice of intention to end term hereof. Term hereof may also be concluded by expiration of thirty days following serving by Licensee on Carrier of written notice of intention to end term hereof. Any notice of Carrier shall be deemed served when posted conspicuously on Pipe Line (or canal and/or flume) or when deposited, postage prepaid, in U. S. mail addressed as aforesaid, not later than last day of term hereof Licensee shall remove Pipe Line (or canal and/or flume) and restore premises. Any of Pipe Line (or canal and/or flume) not so removed shall at Carrier's election without notice be deemed abandoned. Covenants herein shall inure to or bind each party's heirs, legal representatives, successors and assigns; provided, no right of Licensee shall be transferred or assigned either voluntarily or involuntarily except by express agreement acceptable to Carrier. Carrier or Licensee may waive any default at any time of the other without affecting or impairing any right arising from any subsequent default.

The International-Great Northern Railroad Company, pursuant to Section 77 of the Bankruptcy Act, approved March 3, 1933, is now in process of reorganization and is being operated by the undersigned Trustees under jurisdiction of the United States District Court, Eastern Division, Eastern District of Missouri, and, upon the date that ownership or control of the railroad and property of said Railroad Company by said Trustees or their successor trustee or trustees, shall cease, this agreement shall ipso facto terminate, unless, pursuant to the decree of said court, said agreement shall be continued in effect by the party succeeding to such ownership or control.

Attest:

(Sgd) A. Naylor  
Secretary for the Trustees

L. W. BALDWIN and GUY A THOMPSON,  
TRUSTEES INTERNATIONAL GREAT  
NORTHERN RAILROAD COMPANY, DEBTOR.

By (Sgd) H. R. Safford  
Senior Executive Ass't.  
"Carrier"

CITY OF AUSTIN

By (Sgd) Guiton Morgan  
City Manager  
"Licensee"

Attest:

(Sgd) Hallie McKellar  
City Clerk.

The foregoing resolution was adopted by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

The Mayor laid before the Council for its second reading the following ordinance:

AN ORDINANCE TO REGULATE THE USE OF DEVICES OR APPARATUS FOR THE AMPLIFICATION OF SOUNDS FROM RADIOS, PHONOGRAPHS, BANDS, ORCHESTRAS AND/OR THE HUMAN VOICE, WITHIN THE CITY OF AUSTIN, AND PROVIDING PENALTIES FOR THE VIOLATION HEREOF.

The ordinance was read the second time and Councilman Wolf moved a suspension of the rule and the placing of the ordinance on its third reading. The motion carried by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

The ordinance was read the third time and Councilman Wolf moved that same be finally passed. The motion carried by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, Mayor Miller, and Councilman Wolf, 5; nays, none.

S. W. Freese of the firm of Hawley, Freese and Nichols, Consulting Engineers, submitted the following report:

" September 4, 1935.

Honorable Mayor and Council  
City of Austin, Texas

Gentlemen:

We have made an examination of the operating statements of the Austin gas distribution properties of the Texas Public Service Company and after making a minor adjustment in rental charges, these statements reflect operating revenues before depreciation and management fee as follows:

1931	\$140,217.90
1932	158,702.89
1933	140,746.00
1934	140,955.59

The years 1931 and 1932 taken together were approximately normal in respect to temperature during the space heating seasons. However the years 1933 and 1934 taken together were two of the warmest years on record at Austin insofar as the space heating seasons were concerned. Inasmuch as future operating revenues must be predicated upon normal temperature conditions it is necessary to take into consideration the abnormal temperature conditions which prevailed during the years 1933 and 1934, such procedure being accepted by the Railroad Commission of Texas. It is obviously just as unfair to the City to predict future revenues of the Company on the basis of very warm years as it would be unfair to the Company to predict future revenues on the basis of extremely cold years. The space heating load is measured on the basis of what is known as "Degree Day Deficiencies" which compare during the years 1931-1934 with the normal (annual average) as follows:

1931	- 1505 D.D.D.
1932	-1755 D.D.D.
1933	- 851 D.D.D.
1934	- 1400 D.D.D.
Normal (Average)	- 1645 D.D.D.

It is to be noted that the average for the years 1931 and 1932, of 1630 D.D.D., is approximately normal whereas both 1933 and 1934 are substantially sub-normal in the number of D.D.D.

The number of domestic and commercial meter connections in Austin have shown a steady and substantial increase during the period 1931-1934 inclusive. The average number of domestic and commercial meters for these years is as follows:

1931	-	9194	meter connections
1932	-	9477	" "
1933	-	9761	" "
1934	-	10300	" "

Based upon the foregoing tables of operating revenues and number of meter connections, the average operating revenues (before depreciation and management fee) for the years 1931 and 1932, were \$16.0103 per meter per annum. When the operating revenues for 1933 and 1934 are adjusted to a normal temperature basis, they exceed the average operating revenues per meter for 1931 and 1932 of \$16.0103 per annum. This is possibly due in part to an increased customer saturation and use saturation. However for the year 1934 we are adopting the 1931-1932 average operating revenue of \$16.0103 per meter per annum which amounts to \$164,933.90 as the operating revenues (before depreciation and management fee) as corrected to normal temperature conditions on this basis of computation (10,300 meters at \$16.0103). Any conservative basis of correcting space heating revenue to normal conditions will sustain the figure of \$16,0103 per meter for the years 1933 and 1934 as well as the total amount of \$164,933.90 for the corrected operating revenue for the year 1934.

As to the value of the property comprising the Austin gas distribution system, the statement submitted to the City by the Company reflects an appraisal spread on the books as of December 1, 1926, plus subsequent net additions and does not reflect the historical or actual cost to the Company. As a matter of fact the figure of \$1,792,827.91 as taken from the books of the Company as of December 1934 is substantially in excess of the reproduction cost new of the properties at present day costs. It has therefore been necessary for us to make a preliminary appraisal of the property and in this connection we have taken from the maps of the Company the length and sizes of pipe comprising the distribution system.

We find a reproduction cost new of the properties of \$1,362,900 or \$132 per meter on the basis of the 1934 average number of meters in service (10,300). We have taken into consideration in arriving at these reproduction cost new figures certain peculiar conditions existing at Austin, particularly the high percentage of rock. Although the cost per meter of \$132 is not exact and cannot be pending a detail inventory and appraisal, it is on the safe side, i.e. any uncertainties have been resolved in favor of the Company.

After taking into consideration the character of the component parts making up the Austin gas distribution system we have computed on a sinking fund basis 1.43% as being the proper annual rate of depreciation and amortization applicable to the Austin properties. The Railroad Commission of Texas has been allowing 7% for return and management fee for systems the size of Austin (Waco and Wichita Falls). The sum of these two percentages (depreciation - 1.43%; return - 7%) amounts to 8.43% and when applied to an undepreciated rate base of \$1,362,900 amounts to \$114,892.47 per annum.

This amount of \$114,892.47 required for return, management fee and depreciation compares with the \$164,933.90 hereinabove computed as the amount available for return, management fee and depreciation, leaving a difference of \$50,041.43 which when adjusted for the saving in gross receipts tax gives \$51,589.10 as available for an adjustment of domestic and commercial rates.

If, as we deem advisable, the rate for the first 1000 cubic feet be left as it is, this would allow a saving of 10 cents per 1000 cubic feet in the net rate for all gas used in excess of 1000 cubic feet per month or a corresponding saving of 11 cents per 1000 cubic feet in the gross rate. We are of the opinion that a rate based upon the foregoing considerations can be sustained. Furthermore, there is some factor of safety in the fact that there would be an increase in gas consumption at the lower rates.

The present charge for the first 1000 cubic feet is \$1.17½ net, consisting of a \$0.50 service charge plus a \$0.67½ net commodity charge. If a \$0.50 service charge is not made, the commodity charge for the first 1000 cubic feet should be raised accordingly to approximately \$1.17½.

The Company has afforded us full access to their records and property and has furnished us all the information which we requested.

Respectfully submitted,

Hawley, Freese and Nichols

By (Sgd) S. W. Freese. "

A. T. Knies, Vice-President and General Manager, and Judge Ike D. White, Attorney, for the Texas Public Service Company, respectively, were present and asked that action on the matter of the report of Hawley, Freese and Nichols be deferred for two weeks in order that they might have said report analyzed.

Councilman Gillis moved, seconded by Councilman Bartholomew, that the Texas Public Service Company have two weeks' time in which to analyze the report of Hawley, Freese and Nichols,



Mayor Miller offered as a substitute motion, seconded by Councilman Wolf, that the report lie on the table for one week.

The question being put first on the motion of Councilman Gillis, the same carried by the following vote: Ayes, Councilmen Alford, Bartholomew, Gillis, 3; nays, Mayor Miller and Councilman Wolf, 2.

On motion duly seconded and carried the meeting recessed at 12:30 P. M., subject to call of the Mayor.

Attest:

Stella McEllar  
City Clerk

Approved: Tom Miller  
Mayor.

REGULAR MEETING OF THE CITY COUNCIL:

Austin, Texas, September 12, 1935.

The meeting was called to order at 10:30 A. M., with Mayor Tom Miller presiding. Roll call showed the following members present: Councilmen C. F. Alford, Simon Gillis, Mayor Tom Miller, 3; absent, Councilmen C. M. Bartholomew and Oswald G. Wolf, 2.

The Minutes of the last regular meeting were read and upon motion of Councilman Gillis were adopted as read by the following vote: Ayes, Councilmen Alford, Gillis, and Mayor Miller, 3; nays, none; Councilmen Bartholomew and Wolf absent, 2.

J. A. McKinnon submitted a complaint against the throwing of lighted cigarettes from offices in the Littlefield Building upon the awning in front of his place of business at 607 Congress Avenue. The matter was referred to the City Attorney for investigation.

A committee from the various Parent-Teacher Associations of the City, representatives of the School Board, the Chamber of Commerce Traffic Committee, and the Optimist Club met with the Council for a lengthy discussion of traffic problems concerning school children.

E. H. Smartt, Attorney for H. R. Long, appeared before the Council relative to the claim of his client that, in exchange for the right-of-way given by him for the new Fredericksburg Road, the City pay certain back taxes on his property and deliver to him a deed to the old Fredericksburg Road adjacent to his property when the new road is opened. The matter was referred to the City Manager and City Attorney.

Councilman Alford offered the following resolution:

WHEREAS, Texas Public Service Company has presented to the City Council tentative maps or plans showing the proposed construction of its gas mains in the streets in the City of Austin hereafter named, and said maps or plans have been considered by the City Council; therefore

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

THAT Texas Public Service Company be and the same is hereby permitted to lay and construct its gas mains in and upon the following streets: