



MEETING MINUTES
Wednesday, June 17, 2015

BOND OVERSIGHT COMMITTEE
Regular Meeting

The Bond Oversight Committee convened in a regular meeting on Wednesday, June 17, 2015, at 8:30 a.m. in City Hall Boards and Commission Room #1101, 301 West 2nd Street, Austin, Texas.

Chair Moses Garcia called the Committee Meeting to order at 8:30 a.m.

Committee Members in Attendance:

Moses Garcia (Chair), Tyler Anderson, Jennifer McPhail, Beverly Silas and Dave Sullivan
Committee Member Karen Friese (Vice Chair) was not in attendance.

Staff in Attendance:

Mike Trimble, Susan Daniels (Liaison) and staff presenters listed in Agenda item 3 below.

1. APPROVAL OF MINUTES

The Minutes from the April 29, 2015 meeting were approved on consent.

2. CITIZEN COMMUNICATION: GENERAL

No one signed up to speak.

3. STAFF BRIEFINGS:

- A. DRAFT 5-year Bond Appropriation and Sale Schedule:** Kim Springer, Financial Services Department - Budget Office, presented the DRAFT 5-year Bond Appropriation and Sale Schedule (FY 2016-2020) for the 2006, 2010, 2012 and 2013 Bond Programs. Ms. Springer walked through the draft information by department and discussed the major projects contributing to the required appropriation and bond sale timeline. She also provided a handout showing bond spending in comparison to General Government CIP spending.

Several questions from Committee Members Sullivan, Anderson and Silas were asked regarding the use of remaining balances of projects on hold or projects completed with money left over. Ms. Springer explained that remaining funds must be used to meet the intent of the Ballot language and within the appropriation category.

Specific questions regarding the status of the Municipal Court, NE Police Substation and Mexic-Arte projects were asked including if any written explanation is available for why projects have not moved forward as anticipated while having bonds sold but not spent. Ms. Springer responded that the

Mexic-Arte project is now moving forward with the non-profit starting a capital campaign to design and build an iconic structure. She also stated that the Municipal Court and NE Police Substation project is on hold due to evaluations of the acquired site not meeting the needs of the departments. However, staff from the Strategic Facilities Governance is currently conducting further analysis and looking at funding options so that the project can move forward.

Committee Member McPhail inquired about diversification of funding for key infrastructure departments, particularly for pedestrian sidewalk improvements overseen by the Public Works Department. She asked if Council has had discussions around this topic. Ms. Springer explained that Council is at the beginning of the annual Budget Process and will be discussing various funding tools for departments.

4. NEW BUSINESS – ACTION ITEMS

A. Discussion and Possible Action: Letter of Recommendation to City Council related to Agenda item 3A.

The Bond Oversight Committee made a recommendation to support the staff proposed DRAFT Fiscal Year 2016 General Obligation Bond Appropriation and Sale Schedule. The recommendation was made by Committee Member Silas and seconded by Committee Member Sullivan. It passed in a 5-0 vote with Committee Member Friese not in attendance. A recommendation letter will be drafted and signed by Chair Garcia and will include the following points (exact language may vary):

- Endorse the staff recommended bond appropriation and sale schedule
- Encourage the leveraging of investments across department and agency lines to encourage maximization of public amenities with possible examples given for diversifying funding sources, particularly for pedestrian improvements, and for opportunities to co-locate affordable housing on public property used for other purposes.
- Endorse the quarterly Bond Programs Report as a means to communicate progress and accountability for implementation of the programs
- Endorse the capital improvements web portal CIVIC as a step toward providing access to Bond project information
- Recognize staff professionalism and the Capital Planning Office's role in voter-approved Bond Program oversight
- Recommend that the future Economic and Capital Budget Committee continue to look at issues brought before the Bond Oversight Committee as well as adding additional topics for discussion, including:
 - Bond Program impact on the debt service portion of the City's tax rate
 - Asset Management and Total Cost of Ownership
 - Operations and Maintenance impacts of Bond program implementation

5. FINAL MEETING REMARKS

June 17, 2015 marks the final meeting of the Bond Oversight Committee, which has had a long history of providing service to City Council and citizens of Austin with the responsibility to "ensure efficiency, equity, timeliness, and accountability in the implementation of the [2006, 2010, 2012, 2013] bond programs" while taking into account "the extent to which changes in the local economy, the City's financial position, and the bond market may affect the amount of indebtedness the City can maintain," per the resolution that established the Committee.

Committee Members and staff each expressed their appreciation for participation in Committee work, the amount of information brought to the forefront of discussion and the commitment for transparency in implementation of voter-approved bond programs.

The responsibility of this Committee will be absorbed by the future Economic and Capital Budget Joint Committee of the Planning Commission, Zoning and Platting Commission, and City Council's Audit and Finance Committee appointees.

6. ADJOURN

- Chair Garcia adjourned the meeting at 9:08 a.m. without objection.