

City Council Budget Work Session Transcript – 09/01/2015

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[9:31:53 AM]

>> Mayor Adler: At this meeting we have a vote we have to take and I need more members here to take that vote. So we'll wait a little bit more for folks to show up. Mr. Zimmerman?

>> Zimmerman: Could I raise a point of privilege?

>> Mayor Adler: Yes.

>> Zimmerman: There have been some comments made in the media recently about horrific events -- we had a police officer that was killed in Harris county and I would like to have a minute to say as the representative for northwest Austin and as chairman of the public safety committee, I want to state the obvious here and that police officers are not pigs and protestors are not scum. There seems to be a lot of vitriol in the community right now. We support all police officers that are acting within their rights and the rule of law. We support protestors to protest, but this whole thing of the escalation of violence is very serious and very dangerous. And so we want to ask our community to be respectful of both sides. And I want to end this remark with a three thousand-year-old parable out of the bible. They used to say that the parents would eat sour grapes and the children's teeth are set on edge. The idea being that you incur problems based on what somebody else did or there's some kind of institutional guilt that belongs, even though the individual is not guilty. So we want -- I think I speak for everyone here that we do support our police officers. We support the rule of law. We support the right of people to peacefully protest. And we appreciate our community respecting those values.

>> Mayor Adler: Thank you. We're going to continue to wait for a couple of minutes because I need more people on here to take that vote and then we're going to go through the budget quickly and I think it's important that people see how the other members are.

[9:34:03 AM]

So we're going to hold off.

>> Mayor Adler: I'm going to go ahead and convene this meeting. It is Tuesday, September 1st, 2015. This is an Austin city council budget work session with some business posted as well. We are in the Austin city council chamber. It is 9:35. 301 west second street. We have on our agenda before we move into budget work session two items of business. The first one is boards and commissions nomination and waivers. I don't see anyone here to speak on that. Is there anyone who wanted to speak to that? Seeing none, is there a motion to approve the boards and commissions nominations? Ms. Gallo moves. Is there a second? Mr. Zimmerman seconds. Those in favor please raise your hand? Those opposed? It's unanimous on the dais. With troxclair not here. I would let everyone know that councilmember troxclair

is ill this morning, feels that she might be a little contagious.

[9:36:04 AM]

Hopefully this runs its course quickly. I'm sure that she is watching on TV. She said she would. But to protect us all, she's going to be watching today. The second item on the agenda is the floodplain issue, item number 4. As you all, council, this is something where we had a public hearing. This is the property on lake Travis. We couldn't move to third reading. There were six votes in favor of that, four against with one abstention. I think the council indicated its will last time, Ms. Troxclair is not here, in order for this vote to move forward. Ms. Pool is going to be voting yes so that this can move forward is my understanding. But still with the same reservations I think that she had last time. Is there a motion to move forward item number 4?

>> Zimmerman: So moved.

>> Mayor Adler: By Mr. Zimmerman, seconded by Mr. Casar. Those in favor please raise your hand? Six. Those opposed? Houston, tovo, Garza and Gallo. So that moves forward on second reading. It will come back to us one more time for a third reading vote. Those four members voted no, troxclair was off the dais. That gets us then to the remaining business, which is the budget issue. Before we move to the budget issue, I just wanted to address quickly while we were on TV and I had the opportunity to do that the email from the manager yesterday that brought to us emails from some of the staff members.

[9:38:10 AM]

You know, in reading that, the first thing I wanted to convey was that our staff is much loved and appreciated and respected by the people on this dais. 10-1 -- and frankly, I hope that the staff has seen that in the comments that have also been made from this dais. I can think of hundreds of occasions over the last eight months where we've tried to express our appreciation. We've tried to understand that the 10-1 process is very different from where we were a year ago. And that it's required significant changes. And a lot of those changes have been made on the fly. I'm not sure if anybody was right ready for the extent of changes or the way that this council works differently or the processes that were set up consistent with what had been talked about during the campaigns. We know the extra effort and assistance and long hours, and more than anything else I want our staff to know just how much their work is appreciated and how much we respect the staff that we have. We feel very lucky in this city to have the staff that we have and their work and innovation is demonstrated with the quality of life that's in this city. The budget process is an awkward process. The budget process is not one where we can pick up the phone and ask iterative questions easily about what happens if we move this lever or what happens if we move that lever.

[9:40:13 AM]

We're in a process where the primary communication has to happen by written questions. And that is a very cumbersome process, but a very open and transparent process and that advantages and disadvantages. It has challenges that are presented in that process. And I think that we see both the advantages and the challenges that come from that. We have probably expanded on both those challenges and those benefits by how we've done this budget concept menu by laying out real clearly much earlier different thoughts or concepts. I would remind everyone that when we introduce the idea of the concept menu, I specifically said that the record needed to reflect and people needed to know that this was to be a safe place for people to ask questions so that they could learn the impact of different ideas. That it didn't represent support for any particular idea. But if we want to know what

happens to the budget, if we increase everyone's salary by 10% or drop everyone's salary by 10%, we can't ask that question quietly. We can't ask that question as an aside. And if we want to learn how different things in the budget function, how they change things relative to other changes in the budget, there's only one way for us to do that, and that's to answer the question very publicly and very openly. And we're not even given the opportunity to do that when we're explaining why we ask the question. The question just barely -- and barely, I mean nakedly, is set forth so that that information can be obtained.

[9:42:19 AM]

You know the manager asked for reaction from staff back in April what a five% across the board cut would be. None of us wanted a five percent across the board cut. And I think it was apparent that there wasn't a majority or even two-thirds of the council that was inclined to vote for anything that would put us in the position where we would have that kind of cut. The manager asked that question, I think not trying to scare people or to disrespect people or to send a message by asking the question. Frankly, I think -- as I looked at it and as I explained to people at the time, it was a prudent thing to do. It was additional information. It was if you did a five percent cut, what would it look like. And frankly the answers to those questions, though it was nothing that very -- I don't think anybody on this council would do it and no one has suggested in this process doing anything like that. I learned a lot from the answers to those questions that came from staff. I learned a lot. And I think that some of the stuff that you see on the concept menu is similar to that exercise back in April. This is how we learn in a very public way. When people see something on a concept menu, it's fair game to respond to and people all over the community are responding to what they see. I wish there were a way for us to ask questions without scaring people and without giving weight to things, without the negatives associated with the benefits, but there's not.

[9:44:25 AM]

And we recognize that our employees are both our employees and our family and also constituents, many of them. And so there's a double grounding for staff to be able to ask and raise questions or to convey your views both policy views or political views or whatever views. And I think that that's -- that's important. You know, at the end of the day this council's main responsibility are to the residents and to the citizens of this city. And that includes our employees, and for many of us that is especially true for those that are -- that are most in need.

-- Most in need. So the email, the memo was received by council and read, as were the emails. I believe that we'll move on through this and we'll work through it and at the end of this process I hope and trust we'll be stronger in the end and that the product we end up with will be a good, deliberate and well reasoned and thought out product, but more than anything else in reaction to that I wanted to convey on behalf of the council how much we value respect in great ways our staff and how much we see and know the work that staff is doing. I'm now going to move us on to the budget process.

[9:46:26 AM]

I've talked to a few people about what is the way to get information the most quickly working through this budget process to put us into the place where next Monday, September 8th, we're best able to begin to actually craft a budget. And I think the one that made the most sense and the one to do is to have us go through the concept menu as we have before. This time I'm going to start at the back because that's where we stopped last time. And this is the exercise we're going to go through now, if it's

okay with the council. I'm going to walk us through each one of these concepts on the concept menu and ask people to just raise their hand and indicate to one another whether it's a concept that they support. I'm going to run through the list pretty quickly just so that people can get a general feel. This is not at that time -- we're not at a place where we actually know what the trade-offs are going to be so we're not going to be totaling up the things you're adding to the budget and taken from the budget. We're not into that form of detail, but it's a way for us to express quickly to one another what things are concepts that we like. We're not going to debate it in this round. It's going to be like speed dating. We're not going to debate it, but if somebody needs to explain quickly what it is that they mean by their vote, what it means is ambiguous and I'll give you a moment to do that so that people can see. Tired of that exercise I'll ask then if anybody wants to talk about particular items in detail and then we'll just go back through the budget and give people the floor so that they can or lobby their colleagues or ask questions or do whatever might be appropriate.

[9:48:49 AM]

I'll have to go through the whole health and human services budget and I'll just run through these things and quickly just to give it a general feel. I'm starting with the health and human services general services budgets. We have item 103, which is increasing -- making a significant increase to existing social service contracts. And I'm asking without a regard to that specific number. I'm asking for those people at this point that feel inclined to add a pretty substantial increase to the existing social service contracts. It's something that I'm going to support. That you can see on the dais where your colleagues are. I think that was helpful. The next one is funding to advance progress for the sobriety center. This is something that I support. You can look at the dais and see. There are the aid support for continued funding of the parent support specialists. People want to indicate where they are on that. Okay. Next item is another aid. It's the prime time after school programs. Is there support for that on the council? The next item is supporting the health and equity issue that came through the health and human services committee that indicate support for that.

>> Houston: Mayor, I need clarification. Are we talking about only health equity. Are we talking about across the board equity, the office of equity?

>> Mayor Adler: This was item 1.25, the health and human services recommendation to fund programs. That's what I meant from that one.

[9:50:52 AM]

I'm going ask for that one, 1.125, people that are inclined to support that one. Okay. That was 1.25.

>> Zimmerman: I'm having trouble following through the sheet here. We're jumping around.

>> Mayor Adler: I'm on the health and human services deal. You have one sheet broken up by category.

>> Houston: For some reason I missed 1.11.

>> Mayor Adler: I'm sorry, I skipped over that. There's the concept of creating an equity office or a diversity office, a chief equity officer, chief diversity officer, which is 1.11 here. There was also something in the Mexican-American quality of life. People are also supportive of that. That's 1.27 N 11. I have 1.29, which was a health and human services grant. This was the local food corner issue. Is there support for that? Ms. Tovo?

>> Tovo: I'm very supportive of this. I will just say this is one of the items that I was referring to last week that I would really like between here and there, here and next week to get very clear on how exactly that money is going to be spent, where the position is. I did see the backup, but I'm not sure I've seen what the administrative costs are, what the ongoing costs are, whether any of them are one time funds. I'd like to see the detail get real clear.

>> Garza: I agree with that. It a great idea. I'm still struggling to figure out how we get affordable produce into those refrigerators.

[9:52:56 AM]

So I'm supportive as a whole, but I need more information.

>> Houston: I echo those concerns, but the other concern I have is couldn't that come under the health if we can expand funding to health in that something should be channeled over to the health and human services rather than a separate funding source.

>> Mayor Adler: And I have a global and related question. As I go through some of these things both on social services and health and human services, I don't understand in some instances the particular program well enough to endorse that particular program even though I can endorse the need. And I keep coming back to the thought that maybe what I would like to see is just a block grant, a sum of money that we earmark for that area and then ask staff to tell us how most' wisely that would be spent and to bring it back to a committee, kind of like what we're doing with the quarter-cent issue. So that the money is earmarked in the budget, but we're not at this point trying to fashion programs. And I don't know if that's an option for us, but when we're done at the end of going through this list, that is one of the things that I want to add to -- ed and staff to talk to us about. >>

>> Renteria: Mayor, I also support that. I have problems because it seems like there's a couple of entries that are meant to do the same and I'm just very confused about I've talked to different groups and they all seem to want the same thing and they just want it into the budget and then let them -- when you say put it out for bid, let them compete for it. So that's basically the way I see it also.

>> Kitchen: I would also support -- I like the idea of putting sufficient dollars into the health and human services budget and that meets a substantial amount from my perspective, to then go forward through those processes.

[9:55:03 AM]

>> Mayor Adler: Okay. Further discussion before we move on?

>> I have the same concerns about Austin independent school district because we find -- ask for them in very different places. So I want to be able to also capture exactly how that's going to be folded into one item.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: These comments are where I was going. I'm skeptical of whether we can measure the effectiveness of the new dollars, but I would wholeheartedly support the council taking a look at the baseline budget and doing these reallocations and consolidations because it's my feeling we could probably be getting better results for the existing money in budget without adding additional money if we had the council scrutinize that and reallocate the existing funds in the budget without adding to it.

>> Mayor Adler: My hope is that next year's budget process when we go through the departmental review or other kind of deeper dive, some of the departments every year rotating through, that we'll really have a chance to be able to take a look at that. The next item is item 1.32. Which is the river city youth foundation. In my mind this falls for me in terms of that kind of block deal, but I would take more direction from Ms. Garza on that. She may be more familiar with that program.

>> Garza: I think this could fit in under the 6.7 million.

>> Mayor Adler: Next item is 1.51, which was internship opportunities, again with the caveat with respect to our block funding -- these were two that they could do within their budget, right? The next two internship programs we heard?

>> Pool: And I just had a comment on the other item.

[9:57:04 AM]

I wanted to say the 6.7 million was a number that was arrived at by council last year in conversations with service providers under health and human services. And I would be -- I am not keen on rolling all of these additional programs in to that dollar figure and losing the dollar figure that we have already done some work to establish. It may be that we block grant them, but that number would need to be something different from 6.7 is my thinking. Because of the need in the community that was measured last year and the promises that the previous council had offered.

>> Mayor Adler: Okay. Ready? The next item is the -- after the two internship programs -- I'm sorry? The two internship programs, people supportive of those. Mr. Casar?

>> Casar: And I heard you mention that you said that it would fit within the existing budget as in --

>> Mayor Adler: Weren't we told that at the work session? That they were fitting within the existing budget. Was that right that those things were fitting within the existing budget?

>> I don't recall that conversation, but I know we have staff here from hrd and from those two enterprises, aviation and convention, who might be able to speak to that.

>> Mark Washington. We spoke with the department directors and they were able to absorb \$50,000 for -- 50 interns within their existing budgets so that that is a lower dollar amount, though.

>> Mayor Adler: And what would that dollar amount be?

>> It's roughly \$50,000.

>> Mayor Adler: Is that in each 1.51 and 1.52?

[9:59:12 AM]

>> Let me confirm that. I need to confirm the number. We let me confirm that.

>> Pool: Mayor, my intent in offering this was that funds that are within those two departments would be used for this so it is a matter of reallocating our shifting funds, but that no new dollars, because these are closed surprise funds so the monies would be within those departments.

>> Mayor Adler: Let me run through this quickly so we can get through it and mark the things you want to come back and have larger conversations on. The next item is 1.58, expanding the teen pregnancy prevention issue. Support for this for me again is a block -- it's hard for me to set priority among programs, but I know this is an area that needs additional funding. And then 1.61 was televising the cag. I show that as a to be determined. The cag is the code advisory group Ms. Kitchen, that doesn't show up on yours? Under cag, planning. All right, that's that one.

>> I know that there are some items that were submitted yesterday that didn't make this -- this cut on the content menu. Do you want to take those up later or do you want to take them up as we get to that area?

>> I'll let you call it out, but don't defend it or explain it at that moment.

>> Kitchen: Not for this area, I do have for other areas.

>> Mayor Adler: If someone else has an idea without defending or explaining it. Ms. Tovo.

>> Tovo: I have a couple of things that I submitted through the budget q&a, that probably will make it on to the concept menu, so I will just run them very quickly, the asian-american center and

[10:01:18 AM]

[indiscernible] I have heard through the grapevine that the demand exceeds capacity because of funding limitations, but I have asked some questions that will get us that information and then I would be prepared to move forward with the potential amendment to increase the funding, if the data shows that

that's useful. Let's see ... I think that I had another in this area, but I will -- I'll have to come back to it. It.

>> Mayor Adler: We are not precluded anybody from moving forward.

>> Zimmerman: I think maybe what councilmember kitchen was referring to, we haven't really dug into the capital improvement plans, you know, the C.I.P. For spending the bonds. I think more than suggesting new expenditures, we simply want to look into possible reallocation of the money that's already being planned to spend. So, yeah, I don't think those are additional expenses, they are simply reallocations and an examination. I don't think that we have spent hardly any time, does anybody remember a major capital improvement plan discussions that we've had? I don't think we've had any yet, we're trying to get those on.

>> Mayor Adler: Okay. Ms. Tovo?

>> Tovo: I just remembered the ore one, there's a program called the roving leaders which again operated through the parks and recreation department, I believe that I have heard again through the grapevine other community have requested that. It's what appears to be a very successful, very appealing program for I believe young teens, it operates in areas of high need. It was a program that was -- that funding was allocated through a budget process, in the last days of the budget process a couple of years ago. Again as I've talked with people in the community, there's been some interest in seeing it expand. In looking through the concept menu, there were several budget items from y'all looking at expanding youth program areas in one area or another in the parks department. I think this is a program that -- seems to me this is a program that we've already got in place.

[10:03:18 AM]

There may be some interest in expanding it. If there's wide-spread interest in increasing our investment, in youth programs, in -- in underresourced areas, this is a good program to invest in. I have asked some questions through the budget q&a that will again help us look at the state to assess whether there is a demand to moving -- for moving it to some other communities.

>> Mayor Adler: I have heard some of that as well. I'm going to have probably difficulty picking one program over another program just because I'm not sure that I feel like I have the capacity to make that kind of prioritization. But putting aside money and the process to be able to vet those or have some process is what I'm going to be wanting to -- to see if there is a way to find.

>> Tovo: Mayor, if I could just clarify, it's a parks department program, so I think they can provide us with some information about whether it's a priority to them to expand. Because we're dealing with some non-profits as well on here, I want to be sure everybody understands that's an existing parks program.

>> Mayor Adler: Got it. I'm on the economic development page right now, starting off with 1 point, the master plan for colony park. Is there support on the council for doing that master plan?

>> Houston: Excuse me, mayor, I'm sorry, I didn't hear 1.63? Did we do 1.63?

>> Mayor Adler: Did I skip over that? Is that I think we're each using different lists, I think maybe synchronizing what lists we're using --

>> Zimmerman: We could put version Numbers --

>> Kitchen: I was suggest we use the list that the staff handed out to us yesterday. Because that list, when they came around and gave us the updates to our book, because that list is divided by these subject areas.

[10:05:24 AM]

>> The mayor -- the list on a footer on the bottom right should say 8-31-2005, that's the list that the mayor is reading off of it.

>> Mayor Adler: Was I handed the list that you are --

>> You have.

>> Mayor Adler: This is the one that was handed out, if you had your book it would have been put in the front of your book?

>> I think everybody's binder was intercepted and the new pages have been put in. You may have previous versions of it in your binders, we didn't remove anything. We just added to it. But the version is dated 8-32-2005 in the bottom right corner --

>> Houston: Thank you so much. I had notes on the other thing.

>> Mayor Adler: A few more things have shown up since then and will continue to. I'm going to call out the item no. As well as the indicated councilmember as well as the concept. So that people can better follow what I'm doing. I'm now in the economic development page. Which is the second to the last, starting from the back and working forward. The very end at the end is health and human services, the one that's just before that is economic development. The first on the economic development is 1.23, Ms. Houston asked about that, implementing part of the colony park master plan. People indicate support for that. Okay. And for my office, frank, as best you can, if you can keep track of the hand raised, I think you're doing that.

[10:07:30 AM]

Then the next item which was increased, 1.27 troxclair increase funding for the music department. Is there support for that? Okay. The next item was additional funding to capital idea. Is there support on the dais -- I'm sorry, 1.30, tovo. Capital idea additional funding, is there support on the dais for that? I will say my caveat on that was to move that to one-time funding and to ask capital idea to -- as I know they are, to be working on -- on model tweaks that would enable it to be able to reach a larger group of people at a lower per person cost.

>> Kitchen: Mr. Mayor?

>> Mayor Adler: Yes.

>> Kitchen: I would like to suggest as you go through these, I know it's more awkward, where you can, maybe you can read out the language, it might help the public.

>> Mayor Adler: I'll do that. 1.62, equalize funding for the chambers of commerce at \$225,000 per chamber, the support on the council for that -- is there support on the council for that?

>> [Indiscernible].

>> Okay. This was item 1.62, pool. That was equalizing funding for the chambers of commerce at \$225,000 per chamber. Raise your hand if that's something that you support. Ms. Tovo?

>> Tovo: I'm sorry. I am struggling to find my backup on that. Can you tell me what Numbers changed, councilmember?

>> Pool: All of the minority chamber Numbers go up and the opportunity Austin number goes down.

>> Tovo: What do they go up to?

>> Pool: I will pull that information and --

>> Tovo: I think I'm supportive of that.

[10:09:32 AM]

>> Mayor Adler: Let's move through. Next one is item 2.01, Zimmerman, cut subsidies by 50%, is there support on the council for that? Okay. 2.07 Gallo, this is reducing art in public places from 2% to 1% and increasing the neighborhood partnering program by that savings.

>> Gallo: Mayor based on the information that we received which is really the bond language with the particular bond indicates with that language the funding for this, so I think this needs to be pulled off

the concept menu, but it does need to be a policy discussion as we talk about our next bond cycle.

>> Mayor Adler: Sounds good. Thank you. So I'm -- 2.07, I think we can strike from the concept menu.

2.09, Gallo, eliminating Austin energy support for community events. Is there support on the council for that?

>> [Indiscernible].

>> Mayor Adler: 2.09.

>> Zimmerman: 2.09.

>> Mayor Adler: Ed, did you have a question? Okay. 2.09, was there support for that on the council? This was Gallo's Austin energy --

>> Gallo: There's a whole list of different items we were working on a proposed update -- update for the proposed budget.

>> Mayor Adler: If you want to call it and discuss it more fully we certainly can do that let's work our way through this list. Ms. Tovo.

>> Tovo: Probably the same remark would apply to me. I just want to say while I'm not supportive of doing this through the budget process, my office has been working on a resolution to put in place a framework that would allow a higher level of scrutiny for -- higher level of scrutiny and higher level of decision making.

[10:11:37 AM]

I'm very supportive of looking carefully at those and how those decisions are made.

>> The next item is 2.10 Zimmerman, removing funding from the chamber of commerce from the economic development department. Is there support on the council for that? Okay. 2.11, Zimmerman, remove funding for downtown Austin alliance from the convention center and Austin water department. Okay. 2.14, troxclair, limit Austin energy, Austin water and Austin resource recovery support for the economic development department and lower utility bills. Support on the council for that? Okay. 2.21, decrease the budget for the Austin new year's eve event as recommended by the economic development department and potential service reductions and revenue enhancements report. Is there support for that? Okay. 2.22, maintain funding for the Austin San Antonio corridor membership at the fiscal year '15 amount. Is there support for that? Okay. The next item I think is 3.08. And it's to eliminate Austin energy, Austin water and Austin resource recovery support for the economic development department. Use the savings to reduce

[indiscernible] Bills. Okay. Yes?

>> Renteria: I didn't want to -- I support maintaining the funds on 2.22, so if I can [indiscernible] My vote, it wasn't because I -- I just didn't hear it right.

>> Mayor Adler: That's fine, okay.

>> Pool: I have the Numbers now on my item 1.62 that mayor pro tem tovo requested.

[10:13:39 AM]

Would you like me to read that out now?

>> Mayor Adler: Let's make a note of that and come back to that item and we'll discuss it more fully.

>> Pool: If you have the backup in the tabs it is at 1.62.

>> Mayor Adler: Okay, thank you. I'm now to the quality of life menu. Ms. Gallo.

>> Gallo: I just feel like I need to make a comment at this point as we talk, particularly about the reductions. We have a lot of wonderful programs that we have coming forward that we have councilmember support on adding to the budget, which as we address affordability and trying to balance our budget and keep our tax bills low, there are pieces of what we've proposed for reductions,

so just -- just because we support the concept doesn't necessarily mean that we support everything within it. As you mentioned, so eloquently before, it is just an attempt to put out there and ask the questions of are there place that's we can tighten our belts? And so I just -- it's a very uncomfortable process up here to say that we're supporting something that broadly cuts a lot of things where it's actually an area that we can go through and do a little bit more investigating within. But it just feels very uncomfortable to raise my hand on all of the budget cutting items, because I'm not saying we need to cut everything. I'm just saying as we continue to add to our budget, there's going to be places that we have to look and this gives us the ability to go out there and look. So I just -- this process is very up comfortable from that standpoint because I think the first inclination is oh, my god, you know, she's supporting cutting everything and that's not true. What I'm saying is we've got to find places to reduce the budget to be able to add services and so that's why I keep raising my hand up with a few other people to say we need to look at these and it's not to say that everything in that concept menu is on -- is looked at being axed. Just expressing really discomfort in how this process is working.

[10:15:42 AM]

>> Mayor Adler: Very uncomfortable and we're taking an ax to do fine work here. So what I take away from that is that there were only two or three hands that raise understand terms of cutting economic development in budgets and I think that is something that is useful information to have as people are crafting within the -- Ms. Kitchen and then Ms. Tovo.

>> Kitchen: I would like to add an explanation. I am in favor of reducing the way that we fund corporate subsidies. I didn't raise my hand for that one item because of my understanding which may be misplaced and I may need further education, that we had already made those commitments. If there's commitments that we have not already made that are in the budget with regard to corporate subsidies, then I would be in favor of cutting those.

>> Mayor Adler: Ms. Tovo?

>> Tovo: I am -- I just want to verify what we're doing here. Are things actually going to disappear from the concept menu? We're just taking a straw poll basically.

>> Mayor Adler: No, there weren't that many things that we have to go through the blood letting of putting things on and off. My -- I have been asked to just say orally and into the record how many hands I see, which I'm about to start to do, but nothing is going to drop off the menu.

>> Tovo: Thanks.

>> Mayor Adler: Ms. Kitchen, I for one at this point I still believe that incentives is an important tool for us to have. But I agree with you that we need to, you know, change the direction. I am all in favor of this city co-investing with companies that are willing to train people who live here for -- for middle class jobs. So I believe in incentives and the tool being used with a -- with that kind of focus.

[10:17:43 AM]

Continue on, Ms. Houston?

>> Houston: Yes, I want to go back to 201 as well. Because there are some things that I think, if we look at the agreements of some of the incentives, we might be able to get out of those or reduce them at this point. I'm willing to look at that the way it's written. It was just a blanket statement. I am looking at the incentives being redirected instead of -- that will help benefit those people who are low resourced and are not employed and are looking for jobs. So if that comes about, I would be supporting that, but this broad statement I couldn't agree with that. Then on 2.22, I think that I've raised my hand at the wrong place. I want to keep the membership the same, I do not want it increased to the -- to \$100,000. So I may have voted no and I am for keeping it at the same fee.

>> Mayor Adler: Okay. Change your vote both ways there on that one. There were only two votes that seemed like they were supporting that at this point with our pluses and minuses. I want to continue on now, we're on the quality -- I'm sorry, Mr. Zimmerman?

>> Zimmerman: One more clarification, this is a great question that keeps being raised about the legal obligation, I'm quoting here from chapter 380 law on the council message board that says in the event that the city does not appropriate funds in any fiscal year for payments due or expenditures under this agreement, the city shall not be liable for such payments or expenditures.

>> Mayor Adler: And we can talk about that. Someone should earmark that and talk about that later.

>> Houston: Let's do that, especially with the domain.

>> Mayor Adler: My personal view is there are moral and legal obligations and I think our city should abide by both. But let us move on. We're now in the quality of life items.

[10:19:48 AM]

There were four large ones identified by Ms. Houston. 1.12, 1.13, 1.14 and 1.15, 1.16, 1.17. My view on all of these is that there are things that I want to do within that and, you know, I'm looking again at either a block or some earmarked funding. I just -- it's hard for me to differentiate from a priority standpoint with respect to these. I will be voting in favor of increased funding really tough to the quality -- relative to the quality of life agendas that we have gotten from the organizations. But I'm going to want more detail or more specifics or a block vote -- a block grant on that. Okay. Ms. Houston?

>> Houston: I concur with that concept about how we do this. But this is important to put on the concept menu because it has not been addressed in prior councils and although this is 10 -- 10 years into the quality of life, report cards should be out there this year, hopefully soon, you won't see a tick on the needle very much. Some of these items are critical to us being able to do better in our community, as far as economic development, education, cultural and arts. The things that all communities want and for some reason this community has been left out of that. So this is required in some form or fashion, this next budget cycle.

>> Mayor Adler: I understand that, I agree with that as well.

>> Houston: Police cameras are probably not in that, but that's also part of the solution.

>> Mayor Adler: There are, Ms. Houston, some things specifically that are a priority for me. Some of which you've noted. 1.19, skipping down to that, 1.19, the funding for the African-American cultural heritage district is something that I would support.

[10:21:55 AM]

So I'm at 1.19, it's Houston, it's from the -- the African-American cultural heritage district. Is there support on the dais for that? Looks like I have about eight hands showing. 1.20, which is the African-American youth harvest foundation. 1.20. Is there support on the dais for this? Again, Ms. Houston, this goes back to kind of a block grant thing for me -- a block grant thing for me that just needs to be kind of prioritized. There are hands

[indiscernible] Specifically for that. 1.21 is minorities for -- for quality and employment. Same kind of block grant.

>> Houston: Same, people working with folks who have been incarcerated coming back into our communities and helping them find jobs.

>> Mayor Adler: Okay. Then I get down to -- to down -- skip then to the ones that came from the hispanic quality of life. Again, Mr. Renteria, again, I think we need to fund in ways that we have not in the past. The agenda and request coming from the

[indiscernible] Quality of life commission. Again, I'm going to be looking at whether there's a block grant

and some kind of process to spend that on specific items. Insofar as there's an indication for some specific items let's run through this list so that Mr. Renteria you get a feel for -- for that in addition to the block grant issue. 1.33 was the feasibility study for the Seri budget, people particularly support that? I see about three hands. Designated officially name fifth street, mexican-american heritage core tore? >> Renteria: Mayor, I wouldn't respectfully remove that -- I want to respectfully remove that one and replace that with the tejano walking trail, which I will bring up later.

[10:24:05 AM]

>> Mayor Adler: Okay. So swapping out the trail for 1.34. I will be voting specifically for the trail.
>> Renteria: Thank you. Ms. Garza?
>> Garza: I was a co-sponsor on 1.33, can I keep it in there. He was taking off 1.34.
>> Garza: Sorry about that.
>> Mayor Adler: 1.33 stays. 1.35 was funding for the de deos muertos, I think -- this is something that I'm going to support, should be an ever growing holiday and celebration through the city at large. I hope we can continue to do that.
>> Houston: I think it's important to all cultures that honor their elders, especially those who are deceased, I think it can be broader and more inclusive. So I support that as well.
>> Mayor Adler: Okay. The next one is 1.36, it's a community outreach specialist in the mac, specific support for outside of block grant, I see three hands. Next item is 1.37. This is money for -- outreach education and enrollment or the increased enrollment to the city's uninsured population. Support for this -- this is something that I'm supporting, I'm probably going to recommend that it go to one-time funds. I think the Numbers are beginning to come down, that's probably how I would treat that, but I would still want to see us funding, taking advantage of leveraging our dollars by getting people insured. Ms. Kitchen.
>> Kitchen: This is an item that I think is very important.

[10:26:06 AM]

I'm not sure about the 300,000. I would like to talk to councilmember Renteria a little bit more about what that's supposed to cover. I do think that the city should have a dedicated person working on this. I do think that there's a problem in the city that for whatever reason, we've made some progress but we're not there yet, so that's why I think it's important.
>> Mayor Adler: Okay. Ms. Houston?
>> Houston: It's important but we have so many other organizations doing this, I'm wondering about duplication of services. Bring can vote, hold up that I support it, I need to know how that's going to be coordinated. Foundations communities does that, a lot of other groups that are helping to get that out in the community and make sure that people know about the options.
>> Mayor Adler: Mr. Zimmerman.
>> Zimmerman: I have the same point. Do we know how much central health is spending on this? Because I know central health has been working on this as well. It's a duplication.
>> Mayor Adler: Let's flag this item. Obviously we need to come back to this one. Let's make sure we come back to this one. The next one that I have on here is funding 1.38 -- Renteria, funding for rundberg lane, support for that on the council?
>> Casar: Mr. Mayor, I think this would be something great that we could page into later health and human services funding. It was basically mentioned in both the disparity study -- health disparity issues and the bigger issues, so I can see it being part --
>> Mayor Adler: I think it would be part of the block for me. Also something in addition to the block, it's

something that I think is a program that is doing really well, setting some best practices in the city. I want to make sure that we continue to leverage that effort.

>> Renteria: When we get to 1.44, I would like to make the same recommendation.

>> Mayor Adler: Okay, Rainey street, 1.39, I think we were pulling that down because of the earlier work that was done.

[10:28:08 AM]

Mr. Renteria? 1.40, update the city of Austin's website to be completely bilingual. Support for that as a called out item here.

>> Renteria: Also I wish that we could include all of the other languages that -- that, you know, because I think it's very important to start reaching out to all of our populations, you know, including the Asians, and trying to, you know, include as much as possible because, you know, we do have a language problem right now and I think it's just not -- just Spanish -- there's a lot of [indiscernible] From different cup that's have different languages, so you should -- from different countries, that have different languages, you should concentrate to be inclusive on that.

>> Mayor Adler: Next item was 1.41, which was the leadership program. At the mac, calling that out specifically, I have three hands. 1.42, this was the -- the summer job paid internship program. For low income youth and professional career oriented employment, specific hands on that.

>> Mayor, I raised my hand on the one right before, leadership.

>> Mayor Adler: Before for there and on this vote, 1.42?

>> Houston: I would just be asking how is this different from some of the programs that the city already operates? How will this be different than -- the possibilities of having interns at the convention center and the aviation.

>> Mayor Adler: I think that one thing we might ask staff to do between now and the 8th is put together an internship plan that might -- because there are several of these in different departments doing different things across the department internship program is something that I think has wide-spread support but to do it in a way that best fits with managerial operations, but provides increased opportunities for internships within the city I think is something that has support.

[10:30:25 AM]

Ms. Tovo?

>> Tovo: I was just going to suggest, I'm very supportive of increasing our investment in this, but I concur with my colleague who's have indicated that it sounds like -- I'm a little concerned about our developing brand new programs here from the dais. I'm not sure that it's realistic for the staff to develop a fully fledged internship plan and new departments between here and next Monday. So I guess that I would suggest there does seem to be a lot of support for increasing our investment and exploring new opportunities in aviation and the convention center. I really think that's a fabulous idea. But maybe the way to do it is to increase our investment and then ask -- follow-up with a resolution to staff. I mean typically it would have been -- anyway. Then ask them to take some time and report back on what that looks like, later, not next week.

>> Mayor Adler: I concur. I did not mean for staff to come up with a plan from a budget standpoint. I would be in support of putting aside earmarked money for internships, I would like staff direction of what would be an appropriate or manageable amount.

>> Tovo: I think that makes good sense with the specific suggestion those be in those two departments that councilmember pool brought forward, those doesn't sound like currently happens.

>> Mayor Adler: Easily those two I think are important, I would also like us to look even more broadly

than that within the city.

>> Zimmerman: I hear a really important policy discussion going on here that there can be an appropriation made, a one-time appropriation made and then before we know it, it morphs into a full-time new bureaucracy at the city. And I asked Mr. Van eenoo, in the economic development department, how did the economic development department get started? And correct me if I'm wrong, but I think it got started more than a decade ago with an appropriation. Kind of like what we're doing here.

[10:32:27 AM]

Somebody appropriated money for a development department and then that was the beginning of it and over the years it morphed into what it is today.

>> Mayor Adler: Let's go ahead and tag that for the discussion later.

>> Zimmerman: Let's do policy discussion --

>> Mayor Adler: Let's have that policy conversation coming up. We're going to continue working through this. I'm at 1.41, Renteria, create -- 1.43, Renteria, creating the hispanic Latino development corporation. Hands on that. Two. And the next item is 1.44, which is a Latino chronic care initiative. In health and human services. I see this as kind of part of that block allotment again. I think people were shaking their head again readily for that. 1.45, funding for libraries, Renteria, funding for labors and neighborhood centers in low income neighborhoods as identified by the city demographer to include technology, equipment and training. Raise your hands for that. Funding for libraries. I have four hands for that. I have creating a city of Austin diversity office. I think this is the same thing as the chief equity officer. Anyone want to raise their hand for that, indicate that? 1, 2, 3 -- 8. We have next item is an advisory commission to the joint committee. 1.47. Advisory commission to the joint committee of the city of Austin, aid board of trustees, Travis county commissioners court, hands for that.

>> Mayor.

>> Mayor Adler: Yes, Ms. Pool.

>> Pool: That's interesting, but I need more information and to see how -- what the purpose would be. I can divine the purpose. I might be supportive if I had more information signal okay. Anyone can pull that if they want to, to talk about it at the next round. I think that gets us through the economic development menu.

[10:34:34 AM]

Before that is -- I think that I hit all of the quality of life items. The next area is financial policy items. 1.01, increased tax exemption for seniors over 65 and disabled. Depending on dollars, this is something that I think that I would support. If people want to raise their hand for that. I'm at 1.01, financial policy section, which is -- we're starting at the back, working our way forward. Did you find it? It's right before quality of life and it is directly after utilities. I'm going to call up 1.01, increased exemption for 65, please raise your hand if it's something that you are interested in. I count 7 hands raised. Next thing was televising the code advisory group meetings, I think we already took a poll on that. Two hands. On budget reductions -- three hands. Three hands. Item 204 was my concept debt funds, select capital items as documented in the budget. This was taking a look at things in the budget, one-time expenses, a life of greater than three years. We would have the option to finance those as opposed to just paying for them straight in talking with -- with Mr. Van eenoo, I will probably change this number to reflect the things that Mr. Van eenoo thought were prudent to do within -- within the approved options for the council to consider that basically took out the general fund number, took out the other fund number, and had the one-time fund reallocation at about -- about 3.3.

[10:37:06 AM]

And what that would do is free up 3.3 in one-time funding. But probably would not respond that. And -- and what I mean we that is -- is -- part of that money was for potential capital expenditures for facilities and equipment. That we could do with a financing mechanism. What they really want is \$300,000 now to be able to plan and then the balance of that money, if they needed it during the year, they would come back and either they would be money or they would ask to debt fund it at that point and then there was \$2 million for just general facilities work. There was already a million-four in the budget for that. This was just augmenting that, because there would also be needs -- always be needs. This was taking a historical pattern of a million four and boosting it by two million dollars. But nothing there was a -- was a burning priority for the city? Such that there's an additional two million there if we wanted to pull it out and apply it somewhere else if we could. So I have that just earmarked as a place to come back and look at, a place where there's potential available funds, if that's something that we wanted to access or do something with.

>> Quick question. Part of the idea on this is because interest rates are at historic lows, so it would be a good use of that. That makes sense to me.

>> Are we voting on that.

>> Mayor Adler: People that conceptually like that, raise your hand. Seven, eight. Okay. The next item was a 20% reduction. This is item 2.06 Gallo, 20% for training, mileage, reimbursement, printing, binding, food and beverage, hardware, software, minor equipment and supplies.

[10:39:09 AM]

People generally in favor of this -- raise your hand. Ms. Kitchen?

>> Kitchen: I would like to make a statement.

>> Mayor Adler: I'm sorry?

>> Kitchen: I'm -- both 2.06 and 2.34, which is these proposed budget reductions, I would like to have further discussion about whether there are areas within this, whether it's 20% or something else, where there might be some opportunities. So when I raise my hand for 2.06 and 2.34, that's what I'm saying. Not necessarily 20%, not necessarily all of these items and not necessarily all departments. But I do think that it's worth looking at.

>> Mayor Adler: For what it's worth on the flip side of that, I'm for the going to raise my hand -- I'm not going to raise my hand. But that doesn't mean if there was a specific item that somebody brought forward that it wouldn't be something that I support. But across the board is not something that I'm comfortable with.

>> When we looked at this on Thursday, we found that 2.7 of the 2.799764 was -- was the books budget for the libraries. And I thought that we -- it seemed the sense of the dais that was not an appropriate number to cut and that would be pulled out. I cannot support reducing our library book budget by almost \$3 million and that's the bulk of this number here.

>> Mayor Adler: Quick vote on 2.06?

>> I know I'm going to move this really fast. But I think councilmember kitchen made a good point and I'm going to say that again is what we did with this was throw out an opportunity to look at individual groups within both of these, not to say an across the board 20% cut is what we are -- as we talk about funding good programs there's some places in here that we may be able to belt tighten. Mayor pro tem tovo mentioned the library books, is interesting to me that is actually within this type of budget to begin with, because it's such a large amount but we certainly would not be interested in decreasing funding for that.

[10:41:19 AM]

It's strange that it's lumped in with this.

[Multiple voices]

>> Mayor Adler: My suggestion is that the degree we want to dive into this, let's earmark and come back to this, work our way through and give people general feels: Anyway, raising hands on 2.06.

[Indiscernible]

>> County caveat a more detailed -- with the caveat a more detailed conversation on this. I see four hands, three hands. Then 2.08. Eliminate all advertising marketing positions within the city of Austin. People generally in favor of this?

>> I have two hands.

>> Gallo: I'm going to make a comment on this, too. The intention was certainly not to eliminate all of the positions in the budget. As budget is helping us with the Numbers as we're taking the library books out, I think that needs to be eliminated from this, also.

>> Mayor Adler: Okay. I saw two hands. 2.13, maintain 12% savings in the budget stabilization reserve funds. Generally speaking, people are interested in this. I have one, two, three, [indiscernible] Five, six, seven. There are people here. Ed, when we come back, I want to talk about this more. When we talked last week we talked about looking at whether or not that remaining one-third balance was an appropriate filter, so we will come back and talk about that. 2.27 was removing advertising costs from the Austin code department. Mr. Casar.

>> Casar: Very briefly, to explain a piece of this one. We wanted to see the whole thing, but I think that of the 334,000, there's about 124,000 for placement of testimony V and radio ads.

[10:43:19 AM]

I think to make the -- to make the residence advocacy project to work, 200,000 of those TV and radio ad placement and also a look at community liaison proposed position to get to the funding that we would need for that to work. This sort of community outreach is currently proposed in this year's budget, we would shift that to this more grassroots community quarters work.

>> Mayor Adler: Still outreach, but you are changing the focus of the outreach in the code department to the particular program. Probably something that I want to come back, would help me to discuss that, both in conjunction with this and that other item that's happening. But generally speaking, 2.27, Mr. Casar is removing the advertising costs as he just described.

>> Tovo: Mayor, I didn't understand the upshot of what you were describing. Are you suggesting reducing this from 334 to an elimination of 100,000.

>> Casar: Right now it would be a ready -- right now 334,000, rather than cutting all 334, my preference is around 200 to 220.

>> Tovo: Cutting?

>> Casar: Cutting 120 of the 334. I apologize. I also think there was a well intentioned misunderstanding this would be removing positions. This has no affect on positions. This would be primarily the cost of placing ads on the radio and television.

>> Tovo: Here this should be cutting 200,000 and later you're going to talk about that 134 moving over to a different community outreach.

>> Casar: 200 moving over.

>> Mayor Adler: Cutting 200, leaving 134, moving 200 over to that other program.

>> Houston: We'll talk about that later, I have concerns about that.

>> Mayor Adler: We'll talk about that later. All right next one is 2.34 reducing by 20% the budget for the enterprise fund department -- we can -- I think you are entitled to an indication, just generally on people where they feel.

[10:45:25 AM]

2.27, Casar, kind of redirecting the outreach of code. Nine people. 1.34 Gallo reduce by 20% the budget for enterprise funds departments not including transportation for the following travel, training, mileage, reimbursement, printing, binding, food, beverage, memberships, hardware, software, minor equipment and supplies. Any hands raised on that. I see two hands. Changes in revenue in this section. Lowering the tax rate, we don't need to do. I would state publicly that as we go through the concept menu, it's my desire to be able to vote for a budget this time that both lowers the tax rate as well as lowers taxes. Then my sense is we're going to be able to do that and still hit the increased -- substantial increase in spending for the safety net in the city and the programs that we need. The next one lowering the tax rate sufficient to -- to lower the tax bill, I think we've seen now the answer to that question by the Numbers that -- the revised Numbers. Ms. Kitchen.

>> Kitchen: Are you taking a vote on that?

>> Mayor Adler: I think that's -- okay. People -- let's do that. People on the dais that are at this point conceptually aligned with ending up with a budget that both lowers the tax rate as well as lowers taxes. One, two, tree, four, five -- three, four, five, six, seven, eight, nine. Okay. You had indicated to us, Mr. Van E enoo earlier you didn't know the last time, did you get a feel for that? You said before your time, you thought maybe in the mid '90s. Have you gotten further information on that is that we have not.

[10:47:27 AM]

We can still go back and look for it for you.

>> Mayor Adler: I would be interested to know if it's ever happened.

>> It may not have.

>> Mayor Adler: Okay. I think that would be pretty significant if we're doing something here that's never happened in the city of Austin. Significant if it hasn't happened since the 1990s, but even more significant if it's never happened. 3.05, implement the proposed senior tax freeze --

>> Gallo: Mayor, if I can just mention, when we first proposed this with the resolution, there was also discussion with doing an exemption instead. There was concerns with the permanence of a tax freeze. I would say at this point we would want to remove 3.05 from the discussion and -- and turn our direction and attention towards 3.06.

>> Mayor Adler: 3.06, I think we took a vote earlier on doing a senior exemption. I think we need to come back and talk about, you know, amount and level and cost. But there seemed to be a majority of the council if money allowed that was interested in doing that to some level. And I think you have given us a memo, ed, that gave us what the cost was to return it to -- to 77,000 and change, which kept the deduction the same for -- for increase, if you could take a look at that number, revised, now that we have a new housing number. And also tell us what the number would be to take it back to 2005. That would be helpful. 3.07, from -- from Ellen. Maintain 12% savings, we've already talked about that issue. 3.11, transfer 2% of the convention center revenue to the general fund. Raise your hands in support for that. I see one hand --

[10:49:29 AM]

>> [Indiscernible]

>> Mayor Adler: This is 3.11. Transfer 2% of the convention center revenue to the general fund to lower the tax rate. 3.11. Those generally in favor of that. One, two --

>> Mayor? I just -- I was under the impression that we couldn't use convention center funds for anything that wasn't related to the convention center. I would be happy to understand it differently.

>> Houston: Mayor, this is.

>> Kitchen: Mayor, this is one that I'm saying that I'm in favor of it if we can legally do it. I don't know the answer to that.

>> Mayor Adler: Let's ask the question that way. If it's legally possible, people that would be interested in transferring 2% of the convention center revenue to the general fund raise your hand. One, two, three, four, five, six, seven, eight, eight people. Limit Austin water transfer to the same level as last year. My sense on that is we need to look at the transfer payments, but I would like to do it outside of this budget, both with electric utility and water utility, a much broader conversation. So I would vote no for that at this point. Those in favor of 3.12 raise your hands? Two, two people. 3.14, was to pick up the sales tax revenue at the higher rate for the remaining year. Good idea. Ms. Garza, I think that you swayed ed van eenoo to do that, think it's incorporated in the budget to do that. Is that right, ed? Is that our proposed budget is at 5% growth.

>> Mayor Adler: Didn't you have something in your last memo about picking up something for the balance of the '14-'15 year.

>> We did. Since the time we gave council the proposed budget, we received a July sales tax payment that came in significantly above 5%, came in at 9%, August payment came in at 15%.

[10:51:32 AM]

Based upon those two additional months of actual data, it does increase our projections because we build off of the current year. It does increase our projections for next year, but the projected growth for next year is still 5%.

>> Mayor Adler: Right. But I understood the presentation from Ms. Garza to pick up the additional money from 2014 to recognize the full extents of the sales tax revenue which is what your budget does.

>> Garza: Hearing those Numbers --

>> Mayor Adler: For the balance of the year he's realizing the actual revenues. What are you projecting out for September, I guess?

>> We're projecting out 5%. So if we were to change that projection to 6%, that's an additional \$161,000. This proposal is just about changing the projection for the remainder of the fiscal year 2015.

>> Correct. If we were to increase it for September, what do you think the -- at this point what do you think the additional revenue is for September.

>> It's not just September because it's a two month lag, it would actually be September, October, November. We get our payments two months after the actual sales occur.

>> Mayor Adler: The question is in the -- in the money that we're assuming goes down to budget stabilization, which is where that money will drop, you are assuming 5% growth in september/october. Given the last two months, I read Ms. Garza's question to suggest there might be more money in September and October than 5% increase. Does that seem reasonable to you?

>> It seems reasonable but it's not guaranteed, not certain. The number that's we've received this year have ranged from a positive 12% to I'm sorry 15% we just received is the new high, but one or two months that were negative this career. So it could be above 5%, it could be below 5%.

>> Mayor Adler: So that we know on this if you could arrange -- readjust the Numbers and 3.14 and 3.15 to tell us if you assume 6 or 7% for the remaining two months, october/november, that change in assumption that would be helpful.

[10:53:39 AM]

>> Garza: Mayor I think those are Numbers in there.
>> Those are the Numbers -- these are the Numbers.
>> Mayor Adler: Okay. All right, so a vote that we might consider a higher amount of the 3.14, 3.15 we would assume a higher than 5% amount for sales tax raise your hands.
>> I have 1, 2, 3, 4, 5, 6, 7, 8 hands raised. That gets us to 3.17. This is adopting full recovery policies to recover the enforcement costs imposed by repeat offender property -- oops I turned -- you don't have 3.17 next.
[Indiscernible].
>>> [Indiscernible]
>> Mayor Adler: What? We were in -- we were in financial policy.
>> We're now in utilities. Maybe I could staff in the next iteration to -- to put page Numbers on this, that would be helpful.
>> Mayor Adler: I may have it in the wrong category.
[Multiple voices].
>> When we get to it, I'll make sure that you don't forget it. Spend.
>> Mayor Adler: That's what I'm looking for. In utilities right now. 2.15.

[10:55:40 AM]

Troxclair reducing the Austin energy general marketing budget. And hands in favor of that? I have two. 2.16, limited professional fte positions for Austin resource recovery to two positions. Limit to two.
>> Houston: I think this is one of those things that -- that we probably need to pull and look at at a closer level.
>> Mayor Adler: Okay. Let's make sure if anyone wants to do that, we pull the resource recovery program and issues, but at this point so that we get the vote for -- for the dais, people that generally are -- are comfortable or want to -- might be interested in the concept of 2.16, of limiting additional proposed fte positions for Austin resource recovery to two positions, raise your hands. I see one hand. 2.17, troxclair, adapting the organics program, and associate program fees an an elective opt-in program. Ms. Kitchen.
>> Kitchen: I would like to make a caveat here. I think that when we were in the utilities committee my understanding was that the staff was going to bring us back information. I am interested in the potential of phasing in a program, a required program, so I'm open to the possibility that it might be opt-in, in the beginning, but I don't have the information yet. So I'm going to raise my hand on that one with that caveat.
>> Mayor Adler: Okay. A vote on 2.17. People raising their hand. One, two, three, four, five people. Probably something that we need to flesh out further as well. 2.19. Troxclair, limiting Austin water transfer to the general fund to the same level as last fiscal year.

[10:57:40 AM]

Transfer question. Those in -- raise your hands. Two hands. Two hands. 2.20, troxclair, reducing the budget for residential and commercial solar rebate programs in accordance with the decrease in incentive amount. People in favor of this? One hand. I have 2.28 pool removing the \$3.8 million included in the capital budget spending plan. For the proposed combined cycle unit.
>> Pool: If I could just mention, mayor, this is for -- this is the planning phase and my idea here is to -- is to not put the money into the budget until we really have a sense from the dais on whether we will be

moving forward with this gas plan.

>> Mayor Adler: Okay.

>> Pool: I wanted to shift these money to our citizens assistance program.

>> Mayor Adler: Okay. Hands raised on 2.28. Five. Next item is 3.16. By the way, I don't want my support, my failure to raise my hand to be indicated that I'm supporting spending that money on the combined cycle plant because I think we still have that as an open question. On the dais. 3.16, kitchen, adjusting the Austin energy tariff to include housing and urban development's vash, veterans administrative supportive housing to the list of programs whose participants are eligible for advertise counts under the consumer assist -- discounts under the consumer assistance or cap people raise your hands.

>> Pool: Can we --

>> Gallo: Can we pull the ones that we still adopt have pricing on?

>> Mayor Adler: I want to get a feel for where people are on those issues.

[10:59:45 AM]

3.17, kitchen, assume full recovery policies. To recover the enforcement costs imposed by the repeat offender program.

>> Kitchen: Wait. That's still -- that's under -- we haven't gotten to that list.

>> Mayor Adler: My list it keeps showing up.

>> Kitchen: It's not there yet.

>> Mayor Adler: 3.18, increased cost for Austin energy customer assistance program by pool. Support in Ms. Tovo?

>> Tovo: I'm going to raise my hand. I'm very supportive of doing that if there's a need to. I think that we heard last week that there's -- that they've got the money and because they didn't spend it. I'm not sure that it's necessary. But I think between yours and then councilmember Casar's we'll get the information about whether we've got folks off the waiting list.

>> It could be some of the money that's needed for the vash program could be needed in there as well. I think it is still fluid.

>> I think that's fluid as well. Do we want to vote on 3.18, increasing money for the cap program?

>> Kitchen: If needed.

>> Mayor Adler: Raise your hands. I have one, two, three, four, five, six, seven. I think it all goes to the need question that Ms. Tovo asked. 3.19, Casar, enroll customer assistance program waiting list.

>> Casar: I think it's the same issue. We have over a five-million-dollar bucket that we could use to do this and we're working through whether that can be done in the budget or afterwards. We'll get more updates.

>> Mayor Adler: That gets us to fees.

>> Kitchen: You forgot one.

>> Zimmerman: 3.20, the 10-kilowatt to 20-kilowatt change. I would like to hear about that.

>> Mayor Adler: Okay. The 3.20 is going from the 10 to 20-kilowatt issue.

[11:01:49 AM]

I think for me this is an important issue. I've gotten several different suggestions on how to cut a finer line on this, which I hope to be able to take a look at and working with others to come back to the council on that. So this item I don't think I support, but going to this issue is something that I will. So that's my caveat on that. Ms. Pool?

>> [Inaudible].

>> Mayor Adler: People who want to address that issue of the 10 to 20 raise your hand?

>> Zimmerman: Mr. Mayor, I'm not sure what it is. I might be in favor and I might be opposed. But yeah, I want it to be addressed.

>> Mayor Adler: So I'm just throwing it out as that's a challenge that we should be addressing. And raise your hands for that. I have one, two, three, four, five, six, seven, eight, nine. I think that's an issue we want to address. Is that it? That gets me then to fees. 3.03, increasing the development services fee to 100% of the cost of -- cost of service. Those in favor of this please raise your hand. Eight people. The 3.04 reinstate temporary food permit fees, the 404,000-dollar number. For me this is a challenge. I've asked staff to take a look at if there's an interim that doesn't lose \$404,000 in fees it should be paying them, but addresses the question of the smaller entity that's trying to raise \$500 so the little league team with travel. And I'll support the latter and probably not the former.

[11:03:49 AM]

But generally speaking, doing something with this fee for these people, 3.04, raise your hand if you're generally supportive of this? I have six hands. 3.10, troxclair, don't increase any fees for Austin resource recovery from the fiscal year 15 amount. People generally in favor of this. One hand, two hand, three hand. And we've also said we need to have a broader conversation on Austin resource recovery issues. Haunt not just about --

>> Houston: Not just about Austin resource, but the amount of fees and the amount the the fees are being increased overall. Austin resource, Austin energy and Austin water. That's going to be the issue. With respect to the fee issue, Mr. Van eenoo, at this point before we make changes to this budget, do you have a feel for what the net increase is all in for fees and taxes with this budget?

>> I think that somewhat depends on what council decides to do with the drainage fees. In the drainage presentation they talked about a phased in approach that would lower that fee. It seemed like there was generally support for that. And then there was also some discussion that the mayor had asked the water utility to go back and maybe revise their rate impact to take it into account changing water consumption. We did that and I think the overall monthly impact for all of our utility fees and property tax came out to a little bit over five dollars a month.

>> Mayor Adler: Five dollars a month total, net-net.

>> For everything, resource recovery, Austin energy, Austin water, transportation user fee, the property tax bill. With all those changes, if all that happened, we would be at about five dollars and some change per month.

[11:05:55 AM]

>> Mayor Adler: So by way of perspective, for the forecast budget I believe the number was about \$18?

>> That's right, in the proposed budget it was \$11, but as a result of some changes since we received certification, since the water utilities relooked at their retention Numbers, I have it right here, \$5.26 per month would be our current projection.

>> Zimmerman: What is that number?

>> Mayor Adler: This is all of the fees, water -- this is the increase in fee for the median homestead, the 217,000-dollar level. This would be changes for that home in water, electrical, fees that are shown on the utility bill and property tax.

>> So it's a net increase of five dollars after we took out the \$12?

>> Mayor Adler: It's a increase of five dollars that people will pay -- yes, so the property tax, which at this point is a decrease of \$12 a year in that equation, shows as a decrease of 98 cents a month. So what that has is a slightly increased water bill, a slightly decreased electric bill. It has some of the fees going

up and it has taxes going -- property taxes going down.

>> Zimmerman: I was trying to get apples to apples. If we did one apple on an annual basis we do the other number on an annual basis?

>> Mayor Adler: All of the Numbers are on a monthly basis. And again when we did the forecast budget it was at \$18. When we got the manager's -- that proposed the budget it had gone down to about \$11. And now with the last memo from ed, it is -- with the changes he just discussed a moment ago is just over five dollars. Ms. Kitchen?

>> And that is listed in budget question 240 you see all these Numbers and it has been posted.

>> And just an information request. And I apologize if this is in the response also, but we had talked about a taxpayer impact at the same time that provided us this kind of information at different levels, different income levels.

[11:08:06 AM]

So my question is simply -- I'm not asking for an answer now. I'm just asking -- I'm sorry, I don't remember when that information would be available to us and maybe it's already available. I would like to see this kind of information at the levels we talked about for the taxpayer impact statement.

>> We were able to revise that budget highlights document that we do. Not the one that we published that you see and city hall and that was already at the at the printer, but the version we ran in aunt chronicle, the version posted online does include that taxpayer impact statement. But the resolution didn't talk about doing things at an income level and --

>> Kitchen: You're right. It was not income level. I'm sorry, it was as to the property -- the property taxes at the level of houses. But that didn't give us different levels for the fees then.

>> It would be very hard whether you're low income or there's high income people that live in condos that use very little water. There's low income people that live in houses with large yards and use a lot of water or more water. So it's very hard to do this kind of analysis.

>> Kitchen: I like to flag the fees as something we need to spend some more time talking about.

>> Pool: Mayor, I just got a note from our colleague -- speaking of the impact statement and the effect of our fees and taxes on everyone in the city that Travis county looks like they're going to be able to lower the average tax bill at the county level this year, not by very much, but a little bit. So it looks like the message is percolating at a number of different levels.

>> Kitchen: Mr. Mayor? Just one more comment I would like to -- on behalf of councilmember troxclair who is watching. Wanted us to understand that her item about the organics program -- let's see. Full implementation -- I think she's saying full implementation the first year would almost double our total fee increases.

[11:10:09 AM]

And I think that maybe the -- for myself that's one of the reasons I want to look at that program to see if it could be phased in.

>> Mayor Adler: I would also like to go back, Ms. Troxclair, who is definitely watching, has asked us to retake the vote on the corridor fee issue, in the corridor. What number is that?

>> It was the one with the corridor, our payment to the corridor group was going down from 100,000 to 50,000.

[Multiple voices]

>> Renteria: Are we going to come down to this item about the fees? And are we going to move to another item now?

>> Mayor Adler: No, no. Real quick. I want to double back and retake it just so that Ms. Troxclair can see

-- it's 2.22, maintain funding for the austin-san Antonio corridor membership at the fiscal year '15 amount. Those that are in favor of that raise your hand.

>> Garza: I guess I need to know more because of the membership fees going up. Usually you have an opportunity to pay half of it. That's why I don't understand this -- this item.

>> Pool: I think we agreed we were going to come back and talk about it. It had enough votes to have additional conversation.

>> Mayor Adler: So Ellen, if you were watching the reason it was a confused vote is because it's a very confused dais. I don't know if that's a vote on that that's meaningful until we know it better. Let's pull that and come back and discuss that issue.

>> Renteria: Because I know if we pull our membership up and you're basically killing the lone star project, which I think is going to be very beneficial for this whole region.

[11:12:17 AM]

I know there are people who don't like urban rail. This is a commuter rail from Georgetown all the way to San Antonio, which is really badly needed. If anyone that travels 35 between Austin or Georgetown to San Antonio will tell you that if they had an alternate way of commuting that they would take that.

>> We'll talk about that and the groups and their interaction when we pull that item and come back to it. Ed?

>> I think we can add some clarity to it real quick. The current fee is \$100,000 and the fee will be \$100,000 next year. It's just that in this year's budgets, 50,000 was paid out of the general fund and 50,000 was paid by the transportation department, through the transportation user fee. And this fy '16 budget has that all being paid by the general fund. That's why it's showing here as it's a 50,000-dollar increase in the general fund's contribution. And if we were to stop doing that there would be a 50,000-dollar savings to the general fund. But it technically should show here on 222 that it would be a 50,000-dollar increase to other funds. If we were to undo what's proposed in fy '16 and put it back to the way it was done in '15 it would be 50,000 from the transportation department, 50,000 I believe from the planning department.

>> Mayor Adler: Ms. Tovo?

>> Tovo: Now that we're pausing here I guess I need to ask the question, why isn't 100% of it being paid by the transportation fund.

>> Mayor Adler: Robert, make the answer quick and let's get back to these things.

>> Robert spillar, transportation department. Last year the request for the increase from the corridor council came up after the original budget had been set for the general fund. Council decided it was wise to participate in the corridor council because of the issues related to I-35 and other transportation related issues and we paid for that out of our department funds.

[11:14:26 AM]

>>

>> Tovo: We'll have an opportunity to talk about it later. I'll have more questions.

>> Mayor Adler: We'll have a further conversation. We won't discussion that now.

>> Zimmerman: Thank you, Mr. Mayor. The way to eliminate it entirely would be with a new resolution or rescind a resolution to eliminate it entirely. How would we do that?

>> Mayor Adler: Let's pull that up? Let's pull that up.

>> Zimmerman: Is it a budget question or a policy question.

>> Mayor Adler: It's a line item that we want to discuss more fully. Continuing on in the fees. I'm up to 3.13, lower all utility bills and fees, and it's been pointed out to me that legally a councilmember can't

actively participate in dais conversations if that councilmember is not here, but obviously we can all receive emails or notes, and if someone asks a question, just ask it of yourself. 3.13, lower all utility bills and fees to lower the bill of the average Austin bill pair. Including Austin energy, Austin water, Austin resource recovery, drainage fee, transfer user fee, clean community fees and community benefit charges to the same bill or lower than they paid last year. 3.13. Ms. Kitchen.

>> Kitchen: I would say this falls in the same category of we need to discuss these more rather than to take a blanket up or down on this?

>> Mayor Adler: I do too. I think it's overly broad and we want to reduce fees as much as we can. Let's go on to the next one -- Mr. Zimmerman?

>> Zimmerman: It's a transparency question about the Billings.

>> Mayor Adler: 3.17. Is this it? Adopt the full recovery policies to recover the enforce meant costs by repeat offender program and other problem properties, including a graduation fee, based on the number of units and fee for reinspection of units.

[11:16:28 AM]

People generally in favor of that? Nine. Okay. The section before fees is public safety. The first item, 1.24. Garza. Converting E.M.S. To a 42 hour work week. People generally supportive of this raise your hand? Nine. 1.26. Adding funding for safety improvements at Austin's five most dangerous intersections in terms of bodily injury listed separately in order of magnitude. Did you have a total for this?

>> Kitchen: I think they're still working on it. If I'm remembering correctly it's around three million or so. Is that it -- a little bit more than three million. Okay. So 1.26, earmarking money for those dangerous intersections, raise your hand. We have one, two, three, four, five, six, seven, eight. Are any of those things being picked up at all in the quarter cent?

>> Kitchen: They're more expensive than the quarter cent. They're major engineering things.

>> Mayor Adler: I'd like to see that --

>> Kitchen: We'll provide more information. The department can provide more information. They're spread around the city.

>> Mayor Adler: We have 1.28, troxclair, provide funding and space to staff the shady hollow fire station. Those generally in favor of that?

[11:18:31 AM]

Nine. Body cameras? Ms. Houston, it's item 1.48. I have a question about how this would get rolled out with the technology, whether there was something that would enable us to have a substantial amount of the force involved that would be able to see how the program works. I'm waiting to get those Numbers back. This is something that I support. But I don't know that it's wise for us to do it all at once and I don't know practically speaking how it gets purchased and then rolled out.

>> Pool: Mayor? There are significant data storage costs that I don't know if they are in this 3.8 million plus the 3.2 million. We're looking at seven million dollars.

>> And a lot of that is the data costs.

>> Pool: Okay, thanks. There's a detail of O --

>> Mayor Adler: There's a detail of that somewhere in backup that shows that as well.

>> Houston: And it doesn't include any grants that we can get from the state to offset the cost.

>> Mayor Adler: Which was also part of the question I asked, which was on this aren't we eligible for and could we get the state funding that's been earmarked for this. Generally speaking I'm going to support this because I'm in favor of body cameras Ms. Kitchen.

>> Kitchen: I also am in favor of body cameras. I would like to flag it for discussion if from a budget

standpoint it would be phased in beginning substantially this year. But just because I know that I would be concerned about authorizing the whole amount if it's going to be impossible to actually use it all in the year. Mayor Adler with those caveats, those people that are in favor raise your hand?

>> Zimmerman: Mr. Mayor, there's also a saving thing on this.

[11:20:31 AM]

We had testimony in the public safety committee that the money for this should be planned next year, not this year. And A.P.D. Had mentioned that they are not ready they don't have the technology finalized. I would hate to see money go in this year when the technology is not settled on.

>> Mayor Adler: I think this would be something we would talk about something on a deeper dive to have public safety here. They did further research and determined that technology existed with two different companies. So a question is then how does that change the equation. I think that's a question when we do a deeper dive on body camera. My staff have not been able to identify to find that resolution, but I would just ask staff if you've done any explorations as to funding in response to a previous council resolution, that would be helpful information to have as part of this as well.

>> Mayor Adler: Okay. Thank you. Generally support for 1.48 raise your hands. Nine people. That gets us to 1.55. This is increasing the budget for E.M.S., community health paramedic programs, sufficient to provide services for additional E.M.S. Patients to achieve greater savings.

>> Zimmerman: 1.55.

>> Mayor Adler: This is 1.55.

>> Kitchen: Mr. Mayor, I would like to explain when we talked about this before there was a request for further information which we still owed to people, without going into a lot of detail. Basically this program savings come from reduced E.M.S. Visits that are uncompensated as well as reduced er visits and other things like that.

[11:22:39 AM]

So it's a program that's been shown to be effective. I will make sure that we get further information to people.

>> Mayor Adler: General support people in -- general concept people in support of 1.55, please raise your hand. Eight. 1.63. This is the third-party non-profit organization expanding existing contract or renew contract and provide outreach with the purpose of educating, advising tenants with building conditions that I am payroll the health and safety of residents. Mr. Casar, this is the other half of what you talked about earlier in terms of redirecting code community engagement effort? Those in favor of this conceptually --

>> Houston: I have a question conceptually before I show my hand. Third-party non-profit is fairly vague. Is there any specifics to identify that or is it any third-party on --

>> I'm happy to pass information around, but it would be the non-profits that have legal expertise that do this kind of work in other places. We have expanded -- we have current non-profits that we engage with that do some of this work or we could rfp it out. So that's why I left in expanding an existing contract to do so or executing rfp for now. But we'll -- we're trying to narrow some things down with both code and city legal, but it wouldn't just be any on old non-profit, but somebody really to do this work well.

>> Mayor Adler: I would be much more comfortable with us tasking that opportunity for staff to run its traps, rather than us picking a provider on the dais.

>> Renteria: Mayor, I know that presently the Austin tenants council does that kind of work and they do an excellent work, so if it's -- and I'm sure that any additional funding would-- they really would focus on

problems that we're having right now.

[11:24:59 AM]

So but that is presently the only group I know that's doing those services, just for information.

>> Casar: I believe we have an existing joint contract with both Texas Rio grande legal aid and Austin tenants' council to do this work jointly right now under health and human services.

>> Mayor Adler: Okay. General concept approval, Mr. Zimmerman.

>> Zimmerman: I think this is typical of a kind of program that is loaded with negative unintended consequences. I would actually work very hard against this. It would have the net effect of driving more people out of Austin on lower rent scale. I would be against this.

>> Mayor Adler: 1.63. General indication of support for 1.63? Nine. Next item I have still under public safety budget reductions, we have several items that speak to decreasing the fte's on police. That would be 2.18, 2.29, 2.3.

>> Kitchen: Mr. Mayor, may I speak to those? I think that we should flag these for further discussion. And they're all variations or alternatives of each other, it's 2.18, 2.29, 2.30 and 2.31. And I also just passed out two additional items that we submitted to the concept menu yesterday, but it was later than they had time to pull out. So those are -- you have those in front of you too. There's one I just want to highlight that is a little bit different and that's where we did submit a concept menu item that said add sufficient funding to engage a consultant to assist the Austin police department in designing an effective community policing model, including effective methods of changing mental health calls.

[11:27:11 AM]

The thinking behind that was just to respond to the concerns that we all had where I heard people and myself included supportive of community policing, but not -- perhaps needing assistance in a best practice model. So I don't know, just one last thing, I know we don't want to spend a lot of time talking about this now, but basically these items all have to do with the sworn positions and they are items that do two things, that reduce the number of requested fte's in the police department's proposed budget and also attempt to recognize the timeline by which the -- any new sworn positions would be actually added to the payroll so that the funding tracks the time that they would actually be added to the payroll. So it's kind of complicated and we may want to come back to these at another time, but they're a combination of reducing the number of ftes, recognizing that not all of them can start on day one, and delaying the funding until such time as it can be used.

>> Mayor Adler: Okay. I think we're going to pull up this question of staffing for police. I think there were some questions that were raised about the best way to do the community policing model, which is something I'm supportive of. The other question that I asked -- I also heard that our city's ability to fill our recruiting classes is not what we would like it to be. That it's tougher to recruit.

[11:29:11 AM]

And we can't fill all the spots. And there was a suggestion made that rather than keeping the number that high that we maybe put some funds against being able to recruit competitively. I understand that some jurisdictions offer things like moving expenses and other things. And I asked a question of the department as to whether or not that kind of thing would be helpful or impactful at all. Ms. Houston?

>> Houston: Mayor, I'd like to use some of those incentives, if we can find one, to encourage people to live in Austin rather than living outside of our jurisdiction.

>> Kitchen: So Mr. Mayor, I suggest that we defer this until the time that we want to really get into the

discussion.

>> Mayor Adler: I think that's true. We'll look then at 2.25. Ms. Houston, you had removing funding in the fire department to the lieutenant position to relate or replace the position assigned to the FBI's joint terrorism task force. This is a question that I have and I would really like staff to speak to staff for us.

>> Houston: I don't mind pulling it because staff did not satisfy any of the questions that we asked earlier.

>> Mayor Adler: We'll have that conversation. And then 2.31, reflecting the nearly flat increase in emergency calls, limit the increase in civilian positions for community communications to nine ftes.

>> Kitchen: I would defer that also. That's all part of a package that we talked about.

>> Mayor Adler: We'll put that back on public safety about those issues. That then gets us to the one before public safety, which is parks, open space and libraries.

>> Tovo: Mayor, I have an additional item that I submitted yesterday for the concept menu that I'll just lay out. This is an item that was included within a document we received back in the spring about proposed budget requests and this is an additional lieutenant for group home inspection for about a cost of \$170,000.

[11:31:18 AM]

It was my understanding it was not included within the proposed budget, but it was an item identified by the fire department as a potential need, especially if code -- especially since code is moving forward and bringing us forward some changes to the group home enforcement. So I regard that as a priority and I've submitted that for inclusion on the concept menu. I would like to see if it had any support.

>> So this is an additional position in fire, an inspector for group homes. Do I understand that correctly, Ms. Tovo?

>> Tovo: That's right. And it was identified in the initial funding request that was submitted to us last spring. A lot of these items made it into the budget, but not all of them did. But that was one that did not.

>> Okay. Generally speaking, support, Ms. Houston?

>> Houston: Because we're very concerned about the safety and health of residents in unregulated homes, I am going to have a caveat. I need to have more information about it, but I generally support adding more enforcement to making sure those folks are safe.

>> And I understand that's a concern. And I concur with Ms. Houston on that. Those indicating general support for increased inspection ability for the group homes raise your hand? 10. Nine people. Now I'm on open space, parks and library. For me I see this how I see health and human services. I've heard two particular items that I think are important for me to be able to support. One is the Georgian acres park from Mr. Casar and the other from Mr. Renteria.

[11:33:19 AM]

Beyond that or part of that I would like to see us adopt a material and significant sum of additional funding for parks. I just don't know the process for apportioning that. And there's something that just doesn't feel right about us doing that whole process on the dais to me. But that's where I am on that issue. Do you want to call up these individually? My vote on these would be the same. I will call up first 1.31, which is an additional staff for the dove springs recreation center. General support for item 1.31 raise your hands. Seven people. This could be part of the funding I want. I don't know how to raise my hand and state it on each one, but that would be my answer for each one of these.

>> Gallo: And if you figure it out let me know. I think all of these are important and I think we should look to staff also to help us prioritize the way this would be spent, but obviously I think what I want to say is

we're underfunded for our parks program and need to increase it. But I'm a little uncomfortable kind of piecemeal this together.

>> Mayor Adler: Did you want to say something, Ms. Garza?

>> Garza: This isn't specifically because it happens to be in my district, but we are going to have to at some point make these hard decisions. And if we just allot a certain amount to the department, we at some point have to decide what the priorities are that we set as a council. I guess I would caution us from a just block amount of money because -- the beauty of 10-1 was part of the ability to bring voices to this council that hadn't had that before and bring spending to parts of Austin that don't have it or there's unmet needs.

[11:35:23 AM]

So I know it's going to be hard, but at some point we really are going to have to prioritize and start making some tough decisions.

>> Mayor Adler: Okay. Ms. Kitchen and then Mr. Zimmerman.

>> Kitchen: I support that concept that councilmember Garza is talking about. I don't know if this makes sense for parks or not, but one of the things that I'm finding and I'll be curious about what others thought at the right time for us to discuss, but the quarter cent funding that we're discussing right now where we passed a lump sum amount and we're going through a process with the department so the department is setting priorities, but then we are weighing in on the priorities with information from your district, at least for transportation I'm finding that to be helpful. I don't know if that kind of process works for parks, but just a thought.

>> Zimmerman: Mr. Mayor, to follow on, that's exactly where I was going. We just had another town hall on Saturday. People come in and they express their priorities, but if the bureaucracy controls all those spending decisions, that creates a lot of frustration for constituents that can't get their priorities met. So we have individual representatives on this dais, it just makes amazingly common sense to have a pool of money per district and each elected councilmember listens to their constituents and decides with pard what those priorities ought to be. I don't see another sane way to do it. I don't know what councilmember Garza needs in her district, councilmember Houston, and the needs are different. The constituents want different things in different districts. Some want swimming pools, some are more on parks, open space. So I think we have to move to a place to segue in the districts and councilmembers work with pard to figure out what those priorities are.

>> Tovo: I just want to acknowledge that I think the process that councilmember kitchen isn't describing is is different from the one that councilmember Zimmerman is describing.

[11:37:29 AM]

I guess for me I'm supportive, I probably would be supportive of several of the items, if not a lot of them on this section, but I would like to -- I would like to understand how this -- how this fits with some of the identified needs that the staff put forward in that document I just mentioned that may not be in our proposed budget. So for example, with the dove springs [indiscernible] Very critical need and I sure would want to support it if I did. I would want some help understanding whether that was a need that the staff identified or how we know that that is the best funding increase for dove springs recreation center. Likewise when we get to the playgrounds I'm very supportive of that program but is expanding the playgrounds program something that the staff have -- I want to hear from the staff whether that is the highest need in terms of our youth programs or whether expanding the roving leaders, which we think people have requested, has been. So if I -- as we move through these or later, if we could hear from the sponsors why you've identified that as the highest critical need in that particular facility, that

would be helpful. And imperfectly comfortable just to echo what councilmember Garza said, imperfectly comfortable making decisions like that rather than allocating block funding. To me these are different projects, it works a little bit differently. As I look at the concept list and some of the health and human services grants where it may make sense to allocate that funding and have those individual organizations compete in an rfp.

>> Thanks for the input from councilmember kitchen and the mayor pro tem. That was part of my intent in putting a number of these items up there was to get from the parks and rec department a list of the priorities so that we had total Numbers to work from and then we could look at the lists that are in there and see which ones have the highest -- the highest need.

[11:39:41 AM]

Also, a number of these items are on the list that Austin interfaith talked to our offices about and there are some specific parts of town that are underserved that do need some increased attention and stepped up resources, for instance, 1.49 where we look at the site plans a in 78744 and 45. There will be more granular detail below that item, but as you can see with an 11.6-million-dollar capital improvement plan item, those programs are in the backup with additional information. The summer playgrounds program could be used to embrace the roving leaders program that the mayor pro tem has talked about. I am specifically interested in 1.53, which is the libraries, expanding it to maintain the days that it's open a six day a week program. That was a promise that a lot of us made to our constituents. And I thought that the dollar figures were in budget to continue it from next year, the funding was restored last year and then I found out that it wasn't. So that 700,000-dollar number is to continue our library funding at the level it's at now, which restores it from the cuts that were made during the recession and I would further ask staff to continue that funding going forward should this be restored this year. I don't want to have to argue to continue our libraries to be open six days a week. So that's generally what this was about. There were some specific requests that I got, like councilmember Casar, councilmember Zimmerman had asked for some specific items to be added to this let's, but generally if you look down at 1.67, 68 and 69, you will see lump sums that will have additional sums below it, which is what the mayor pro tem and I think councilmember kitchen and Garza and modern may be looking for too.

[11:41:47 AM]

>> Houston: Thank you, councilmember pool for making that explanation. I have to disagree with councilmember kitchen. It -- agree with councilmember kitchen. It felt much more individualized with a quarter cent tax. Staff came to me and we talked about the priorities and how that can be used in the district. So this does not seem to be as coordinated and as specific as some of the needs of some of the districts. So I support the way the staff has done that, put a pot of money in it, let's talk about it by district, what do they see as the needs and then we can work from that rather than making these individual kinds of decisions. I too support councilmember Casar's pool and playground in the area, but I think he could do that based upon off money we have available.

>> My sense is that --

>> Mayor Adler: My sense is that I have high hopes for the quarter penny process that we're going through. There are two elements of that that I find attractive. Both is the individual meetings so that the councilmembers can get into the conversation, the priorities of their districts. But it's also being overlaid with what are the city priorities as the staff prioritizes different programs within the city. So it's not being just driven by money cutting into equal pieces, having it spent by districts because that doesn't seem to be right for me. It's that element that -- so I agree with Ms. Houston and Ms. Kitchen and I think

with others that having the staff help us facilitate that process is real good, recognizing that at the end of the process there may very well be real hard decisions for the council to make and I'm ready to make those, but that process on the quarter penny I'm finding that to be helpful for me.

[11:43:50 AM]

Ms. Garza?

>> Garza: I'm very happy to see councilmember Zimmerman deferring to staff on something. I would say that the difference and the question of how do you know what's important to other districts? You look at this list and see what's important because everything on this list has been a community ask from several meetings, several things that community has asked for. I'm reluctant to compare this to the quarter cent fund because those are really specific engineering things that I will not wrap my head around a traffic light or some other crosswalk that I would absolutely defer to staff some kind of engineering specialty that they have. But we need more pools, we need more programs. Please help us with this rec center. They're not as -- I wouldn't say it takes a specialized recommendation and if we were -- we should have reached out to parks and said if this is a direction we were going we should have asked for those recommendations. A quarter cent fund will be a long process. It started awhile back. I just caution us from comparing those two and at some point we'll -- again, we'll have to decide where this money goes and it should be done in the budget in my opinion.

>> Mayor Adler: This afternoon when we do a deeper dive we'll bring in parks and rec to talk to us through these priorities. If it's okay, we'll go ahead and we can go through and vote quickly if people want. 1.31, Garza, the dove springs recreation center. People that are supportive of that? I'm going to vote for probably all of these. Renteria, 1.45, funding for libraries and neighborhood centers and low income neighborhoods as identified by the city demographer. People generally in favor of 1.45? Okay. Do you have 1.49? Local park team site plans?

[11:45:51 AM]

That's a capital improvement project. We haven't really talked about the capital improvement budget. I need more information on that. We'll pull that up in conversation. Pool, expand the summer playground program to 20 parks in underserved areas. People generally supportive of this? Seven, eight. 1.55, continue the expanded library days and hours that council approved in last year's budget. People generally in favor of expanded hours? Seven. 1.54, pool, increase the library materials expenditures?

>> Houston: Is this for all libraries or the central library? I'm not clear.

>> Mayor Adler: All libraries. Those in favor of that? Six. Seven. 1.56, Casar, this is the Georgian park.

>> Casar: Mayor, I think it was listed at 700,000 because that's what parks was needing, but when we had our last hearing I think it's a pretty scrappy area and I understand that resources are limited so 500,000 is what I and the community have been talking about and we met repeatedly with staff about this issue because once again people have to split up parks and we have only one park in my area.

>> Mayor Adler: 1.56 raise your hands? Nine. 1.57, continued programming services during the closure of the southeast branch library. I understand that that's happening, is that right? 1.57, people generally supportive of that? Eight. 1.59, park improvements for distribution parks, Mr. Zimmerman?

[11:47:59 AM]

That was 1.59. And 1.59 -- 1.6, funding for repairs needed at the northwest pool. 1.6 funding for pool? I have six. The question I would have is I would like to have that discussed in the context of the overall pool plan and program. But I think there's stuff we need to be doing.

>> Pool: This pool is in allendale. It serves a significant swath of the community. It is the sole item that I've put on here for district 7 specifically. This is 1.6. I'll take a vote. Mr. Casar -- people generally supportive of 1.6, please raise your hand? Six people. 1.65, Casar, provide funding for the creation of a splash pad north of 183.

>> Casar: Mayor, if the council -- I would say that the general priority in the community has been for both, but I think if the council feels comfortable with the Georgian acres park, then we can work on the splash pad issues later. I've been looking at lots of private funding sources too begging for money.

>> Mayor Adler: 1.67, adding a million and a half to parks for safe trails and playgrounds. Again, I'm not sure the right amount or the right priority, but that said I want to have the broader conversation. Ms. Tovo?

>> And councilmember pool, does this encompass the recommendations for playground maintenance that were in the parks initial request?

>> We can ask director Hensley, but it should.

>> Tovo: That's a high need, it's been identified by our ought as a high need and it was in the early budget documents and I don't believe made it into the proposed budget.

[11:50:06 AM]

So I'm supportive of that, assuming that that's a component.

>> Mayor, just a clarification, is this citywide?

>> Zimmerman: There was another question on that. How would this funding or is it broken down by district? Again, back to the point of our constituents in our separate districts are looking to their newly elected council to help decide how money will get allocated in their separate district.

>> Mayor, as I have said earlier, the lists are by priority. It would be provided by the staff and we've made that request, 1.67 with the playgrounds we would likely subsume on the playgrounds plan that was also in the Austin interfaith list, so some of these are duplicative and we'll get more information from staff this afternoon. I think that was on the schedule, is that right?

>> If it's not, I see parks are here and Sarah is here, but this afternoon it would be real helpful to talk about these in terms of priority, but also in terms of the broader picture. If you have \$500,000, if you had a million, if you had two million systemwide, where do you think the needs would be.

>> It's very similar to how you were talking about the larger sum of money that is needed for social service and health. And we see the parks and how door reaction as a public safety issue as well. And also a healthy community issue so our kids can be out and playing and not just in front of TVs or their laptops.

>> Zimmerman: Mr. Mayor, I need to make this point again. The purpose of our 10-1 was to say we don't like the way business has been done. We want to have more direct accountability for the expenditure of the funds and the way that happens is to allow councilmember pool to answer directly to her constituents for how money will be divided up in district 7 because we have limited money.

[11:52:07 AM]

We need to conserve and get our taxes down, our spending down more. So I just don't see how this can be done without putting that responsibility for prioritizing the spending with each of our councilmembers.

>> Mayor Adler: I won't go through a debate on the policy discussions. We'll be talking at length about parks this afternoon. The next thing I have on here is 1.68. It's 110 for park for helping meet building maintenance needs. General support for helping parks with maintenance needs. Six people. 1.69, half a million for parks and expanding the parks ranger unit. For me subject to the priority conversation, in

favor of that? Four.

>> Mr. Mayor, I just want to let everyone know that we also submitted some park priorities from district 5 and they're not on the concept menu so ed, we'll work with you all to -- I'm not sure, they probably got lost in all the stuff that you've been getting. We did have items for district 5.

>> 2.24, remove funding of \$95,000 for an executive director for the zilker gardens conservancy. Is there support for this? Four P 2.32, retail store and disburse the inventory to local organizations free of charge.

>> I'm hopeful when we talk about parks someone can address that issue for me because one question was taking the books and giving them to half price bookstore. Again, we punted on that issue and I just don't have a feel for what those different options mean.

[11:54:07 AM]

>> Gallo: Mayor, we got a lot of feedback after our policy discussion that we had four or five months ago on the new lease, this facility was having to move from one location to another. And because the new lease was going to be more expensive it would be more expensive to operate. We got multiple emails from different organizations that were more happy to take the supply of books and the location of this facility is very close to the current library on Yarborough. So it just seemed like a duplication of expenses when we're trying to fund all of the things above it that are really important that are really looking at duplication of services would be one of the things that we should look at very carefully.

>> Gallo: I just have a comment --

>> Pool: I would just mention, this is a program that the city staff has been recognized nationally for innovation and the opportunities at recycled reads are vastly in excess of simply books. This is not a half price books store. This is a place -- it's a community gathering place and there's a lot of programming there. And for us to take this item and disburse it to the commercial entities, like half price books, of course they would want those books, especially if they were for free because when they get the books from us they do have to pay folks, if I take my books to half price books even though I don't get very much. So I think that we -- that this program deserves a much better hearing on its benefits to the community than it has gotten so far because the conversation we had previously was strictly limited to the lease and it was months ago when council was new and was just trying to get a feel for what programs are in the community. But I would reiterate this is a nationally recognized exemplary, innovative program that the city has put forth here and it does good things in the community and has wide community support.

[11:56:13 AM]

>> Zimmerman: Mr. Mayor? I need to emphasize and reiterate that we are -- Austin is nationally recognized as the most economically segregated city in America, and these kinds of programs contribute to the unaffordability of the city. And ironically the used book stores serve people who can't afford or don't want to buy new books, and of course they can't afford to live here to take advantage of this because the cost of living here is so high. So we are nationally recognized as one of the most unaffordable cities to live in.

>> Mayor Adler: Okay. Generally speaking, a vote on 2.32, closing the library resale store. Those in favor raise your hand. We have four votes, but I would still like further information on that. I think that's all of the parks issues. That I have. Before parks we have -- is it employees and benefits? Employees and benefits. We have establishing a new living wage of \$13.03 per hour for temporary employees. It's 1.02. People generally supportive of this raise your hands? Ms. Houston?

>> Houston: I have a question and I don't know whether it's been received by the budget folks, but how

do we define temporary? Is that seasonal people or is that interim staff? Is it three months, six months, a year? How do we define temporary? Matures it's employees that --

>> Mayor Adler: It's employees that work for us without benefits.

>> The definition of a regular employee is someone who receives benefits, pays into the retirement system and a temporary employee doesn't.

[11:58:22 AM]

>> So like the crossing guards would be temporary.

>> Some of the crossing guards are permanent employees, but they're not seasonal, they're with us year-round. But like lifeguards are temporary, but there could be temporaries that are with us for more than three months or six months or nine months. We still consider them temps because they're not benefited employees.

>> Casar: And Mr. Mayor, acm Washington has been working on this and he'll be delivering information I believe to the full council, but I think something important that he did point out to me that may be helpful for this council's thinking is of the temporary employees making less than \$13 an hour, over 550 of them have been with the city for a year. Just over 200 have been with the city over six months and just over 60 have been with us under six months. So the vast majority have been with the city over a year making \$13 an hour.

>> Mayor Adler: Okay. General support for the new living wage for temporary employees raise your hands? Seven. Providing -- there are several health insurance issues with respect to temporary employees. 1015, 106 -- 105, 106, 107, 108.

>> Mr. Mayor? May I speak to that?

>> Mayor Adler: Yes.

>> Kitchen: Okay. These are different alternatives, first off, I would like to remove 1.08, I think that's an alternative we don't need to proceed with. It has a tbd, if we can just remove 1.08 from the concept menu, which leaves is with 1.05, 06, 07. I -- the difference here is -- is -- is the length of service at which point you bring in the health insurance, so -- so 1.06 is 12 months, those temporary workers who have been working for the city over 12 months, 1.07 is those who have been working over six months.

[12:00:34 PM]

My preference would be 1.07, but I leave all of these on the table for consideration of the council.

>> Mayor Adler: I'm going to vote in favor of both 1.06, and 1.07, but ultimately it comes down to how much money we have for what we are doing. Those temporary employees, who don't look like temporary employees because they have been with us for a very long period of time, I would like to pay so we don't incentivize temporary employeeship.

>> Houston: I didn't hear what you said.

>> Mayor Adler: To not incentivize temporary employeeship, I knew it wasn't a word so I didn't say it very loudly. Those in favor of that concept, please raise your hands. Seven people.

>> Houston: Mayor, did we skip 1.75.

>> Mayor Adler: I was calling for a vote in sense of 105, 106, and 107 all being same versions of a different concept. Obviously we need to talk about that more, figure out how to do that, so eight people then, strong support for that. The next item is 1.66, Ms. Pool, hold harmless?

>> Pool: This was the idea that we talked about at the work session. The maximum amount of health insurance coverage, I think about \$600 a month for people at the highest level, the cascading lower Numbers for health insurance. In an effort to try to minimize the increases, cost of living for our staff, who work really hard for us, I offered up a -- what I was calling a hold harmless where the city would --

would absorb the increases that the staff otherwise would have to pay?

[12:02:34 PM]

>> Mayor Adler: Further conversation on this? Ms. Kitchen?

>> I would be supportive of the concept. I would need to know the amount. I'm not sure -- how much -- how much order of magnitude for that? So --

>> I think staff has been working on that for a couple of weeks.

>> Mayor Adler: This raises for me the integrated issue of pay and salary and benefits. I don't think any of us can really handle one of those without looking at the other one of those. You know, generally, I'm in favor of -- of 3% across the board pay raise. I'm willing to look at -- at making adjustments temporarily in terms of whether the 3% is all realized at once or whether the 3% is realized in steps. And -- and I -- and I would look at that in terms of the cost and the money we're going to have in order to bring the lowest among our workers up to a -- up to a minimum wage, because I think that that is also an important thing as we've just discussed. I am concerned on -- on insurance benefits that we might have some workers at the lower end of this -- of the spectrum that can't afford to bring their dependents on to the program, it's an expensive thing to do. And, you know, I have trouble with the equities of someone not being put into a position where they can't do that if they're making, you know, \$30,000 a year, \$40,000 a year and have a family. And I'm not sure that there's an ethical, for me, justification for having that cost be the same for the person who is making \$250,000 a year. I did hear this weekend that proposals to take a look at that could result in someone's insurance payments going up \$1,200 a month. I got one panicked call, panicked me when I got the call, that -- that that was never a part of the conversation.

[12:04:42 PM]

My conversations with my Washington were to say that I don't know how you would implement. He's a human relations expert for us, and will hopefully tell us, but he had talked about the possibilities where you were tiering employees so that it wasn't a percentage for everybody that was broken into brackets, he talked about putting caps so that nobody's insurance would go above a certain amount, nobody's insurance payment would drop below a certain amount, so that they would be operating within a range. I don't know the answers to those questions, I look forward for Mr. Washington telling us what would be the prudent way to do something like that. Those are the kinds of nuanced questions that you can't convey in a budget concept question. So I just bookmarked that as again I think that this dais is full of people that value our employees and support our employees and recognize the work that they do and that they've done specifically for us. We're just trying to work through some complicated issues and -- and hopefully at the end of this everybody feels that -- that they were heard and valued and that we hopefully will -- will be able to deliver to the city a product that is worthy of them having put us here. But so I have a lot of open questions on a lot of these. Mr. Zimmerman?

>> Zimmerman: Thank you, Mr. Mayor. I concur with most of your remarks. But I want to speak to the hold harmless idea. I think the city has already been harmed by the very unaffordable fees and utility bills and taxes. It's great that we can cut them 98 cents a month. But a lot of harm has already been done. Whenever we talk about hold harmless, I want that to be towards our constituents that are struggling to afford to live here.

[12:06:43 PM]

So all of the things that have been mentioned that city employees face, those who are not city employees who are paying the taxes and fees and utility bills, they face those same problems and same

costs and same concerns and their salaries have not been going up 3% a year for the last several years. So to me the hold harmless is the reason why -- why we should reject 1.66.

>> Mayor Adler: Okay. A vote on -- on hold harmless, 1.66, this is again the ax on a small deal. I'm going to vote in favor but I want my vote to be read as saying I'm going to be looking at both pay raises and insurance costs and how they impact the -- the staff that we have at the city of Austin. Those in favor of 1.66 raise your hand. Did it to see I hear people -- ditto I hear people looking at me, eight people. Next thing is restructuring employee health insurance premiums. I meant that in the context that I described just a second ago. Is there any interest on that on the dais, please raise your hand. I have one, two, three, four, five, six people, seven people. Eight people, I was on --

>> Mayor? I'm interested in entertaining all of the conversations on the employee raises. I've been more as an advocate for the 3%, but -- but I guess you can include my vote on this one as well.

>> Mayor Adler: Okay. That got us up to eight or nine people on 1.64. Again, we just -- it's we'll go on. 2.02 was -- was adopting the three percent pay structure but adding an element to consider which would have the 3% part of it happen earlier than the second part of it happening.

[12:08:55 PM]

I liked this concept better than doing a tiered rate and I liked it better than cutting the 3% or moving to 3% where it was partly salary and partly bonus. I wanted it to be a full 3%, but if we needed money to be able to do something, then to make an adjustment if we made one temporarily. So it's a concept that I thought we would want to be having available to us to consider. Put a vote on that, item 2.02 is that something we want to have among the things we consider. I have one, two, three, four. People. The next item is 2.03, a tiered pay increase in lieu of a flat rate 3%. Mr. Zimmerman. Those who support that raise your hand. One. 2.05 was putting on the table the concept of delivering the civilian market analysis but allowing us flexibility temporarily to start that one month later than was otherwise shown, those in favor of having that element as something to consider please raise your hand. One, two, three, four, five, six people. 2.12 for non-sworn full-time employees, convert the existing service incentive pay into a merit bonus pay and cap it at 1%. Support for 2.12? One vote. 2.23, structure wage increases for non-full time employees in a way that would save at least \$6 million. For those in favor of that, please raise your hand. One, two. 2.26, reduce employer pension contributions from 18% to 15%? Two. 2.33, Houston, eliminate the executive health physical benefit which provides \$500 per in -- in ancillary executive compensation.

[12:10:59 PM]

Those that want this concept considered raise your hand. Three. That gets us to -- to -- I think we're done.

>> Mr. Mayor?

>> Yes. I was thinking there were some others that you had mentioned one that you had submitted.

>> Mayor Adler: There are a couple of others that are not shown on here that we've asked questions about. When we have gotten information for. One was codenext, we had -- we had asked staff on several occasions when they were presenting to us, whether it made sense to increase the budget to allow for greater community interaction and engagement in this process. And what that might look like. If it was something that was desirable, staff came back with a recommendation for a \$250,000 increase to the codenext budget for that citizen engagement, public engagement issues. That's something that I would support. We don't have a number for that, yet, but I would like an indication on that. So this would be increased community engagement on the codenext process. Mr. Casar.

>> Casar: Mayor, would we fund that from other funds as in the -- do you know if this would be a

general fund expenditure or an enterprise fund?

>> This --

>> Mayor Adler: This would be a one-time expenditure.

>> Casar: From the budget stabilization reserve.

>> Mayor Adler: I wasn't actually looking for a source for any of these things. It would depend. We can move some moneys back and forth between those three in certain instances. Once we decide what it is that we want, then we're going to be asking for help for what's the best way to accomplish that goal.

>> Casar: Understood, thanks.

>> Mayor Adler: But \$250,000 in increased codenext community engagement, raise your hands. I have one, two, three, four, five, six -- nine.

[12:13:02 PM]

I also asked for some budget potential nut in the budget for sunset or a department review process, we haven't gotten a number for that yet, but contingent on getting a number and the manager was going to take a look at the way that he would recommend that would happen, the auditor gave us a report about how different governments do that. I would like a vote just generally on the concept of doing a departmental review process ongoing that would be off budget cycle -- period that would address those issues. So --

>> Zimmerman: Quick question. Would that answer to our audit team, would they be in charge of that?

>> Mayor Adler: We're not deciding how that would be done at this point.

>> Zimmerman: That depends, if the audit team does it, yes, if they don't, then no.

>> Mayor Adler: I would say generally speaking in a process that -- none of the [indiscernible] Have been worked off, I would like a show of support if it exists that we're interested in some kind of departmental review or sunset review. I have one, two, three, four, five, six, seven, eight, nine people. What other things do people want to vote on while we're --

>> Mayor.

>> Mayor Adler: We want better technical controls of our chamber.

[Laughter].

>> I want to make a comment about 2.33.

>> Mayor Adler: Which was that?

>> Houston: That's the executive benefits package.

>> Mayor Adler: Yes.

>> Houston: This came up several months ago. And it's \$10,000 is not a lot of money, but it's given to those people who have -- make a lot of money and they get about \$500 to do some health benefits. To me that is better spent giving it to people who don't have enough money. If we're going to give health benefits compensation to people, let's give it to lower paying staff than to our executives.

[12:15:12 PM]

That's not a lot of money and, you know, if you have got to pay something out of pocket, this is what that's used for. Surely people at the executive level can afford that, that's why I'm recommending that we move that money and try to help our lower pay employees.

>> Mayor Adler: Okay. I understand. All right. It is 12:15. Yeah, Ms. Pool.

>> Pool: To that end, I think I had heard that that item was in the package in order to bring down our overall group insurance costs and if that's the case, maybe we could get some additional information about the -- about the theory behind that --

>> Mayor Adler: Let's talk now about the things that the staff are going to want brought back this

afternoon, then we'll break for lunch and then we'll come back. The things that we want to highlight for staff, I think we need someone here from hr, mark to talk to us about pay, different options, variations, insurance question that has been raised. Ms. Houston will ask questions, Ms. Pool with expect to the executive. Those are related issues. The ones that -- that, you know, indicated that they had some support on the dais for -- for at least being considered. Things generally on the hr side. On the parks and open space, we're looking for direction on these items and where they fit within priorities and if we wanted to do something that was in more than nature of the block -- as we did the quarter cents, how might that be approached or does that make sense in this concept or should we not do that in this concept. Any other items that we want staff to come back within the parks and open space library section?

>> Recycled reads.

>> Mayor Adler: Sorry?

>> Recycled reads, more information about that program.

>> Mayor Adler: Library also. That's true. Next section was public safety.

[12:17:13 PM]

I think we need police here to talk about the -- about the staffing questions and community policing questions. And then fire to talk about the lieutenant question. Ms. Kitchen?

>> Kitchen: Well, we can talk about that later. I would -- I'm not sure if we'll get to that today. Those of us have asked to meet with the police department, we still have unanswered questions. May not be the first priority for this afternoon. Although as a group I think we have questions. If a couple of us are having meetings --

>> Kitchen: That's fine. We've already been through several group meetings. I'm saying if you are prioritizing the time, I'm not saying that we don't, just if we are prioritizing the time.

>> Tovo: Mayor, it was my suggestion about the lieutenant, but given the nature of the discussion, I mean, we have a lot to talk about, so if that's -- if that's -- I'm comfortable with not having that discussion today and allowing the fire department to provide us with some feedback through the q&a process. If that's amenable --

>> Mayor Adler: That might

[multiple voices]

>> Tovo: One question

[multiple voices]

>> Mayor Adler: So fire can provide us that information. The question is why are we paying for lieutenant position that's doing federal work.

>> Tovo: I'm sorry.

[Multiple voices]

>> Houston: No boarding homes.

[Multiple voices]

>> Tovo: Two lieutenants for the one that's related to the item that I'm bringing forward. I would be happy for that information to come back through the q&a process if my colleagues are comfortable with that as well --

>> Mayor Adler: I'm comfortable with fire responding to both of those questions by q&a. Are you, Ms. Houston?

>> Houston: I didn't hear you.

>> Mayor Adler: I would like to have fire staff speak to both of those questions.

>> Houston: That would be fine and the other thing on the boarding home is that it may not be something that we need to do this fiscal year because I don't think that the code committee that's

comprised of public safety has finished having their conversation, that may be something that we can delay.

[12:19:26 PM]

>> Mayor Adler: Okay. If the department would advise us on those two issues, I think that would be helpful. Okay. The next element that we have is -- is fees. Was there anything that we needed staff to come back and talk to us on fees in. Next answer was utilities. I think we wanted folks to come and be able to talk to us about Austin resource recovery and associated fees. Anything else on utilities that we needed folks to come back --

>> [Multiple voices]

>> Address the need on a -- customer assistance program, those questions, whether there was that increased need that required additional funding.

>> Casar: Mayor, on that I think we can work it out, off dais, off line. I think we have certain information that we -- I think that will be easier on paper, we'll get back with you.

>> Mayor Adler: Pick that up for the rest of us or have staff respond to see that question, that would be fine. Mr. Zimmerman.

>> The big one is the 3.8 million, Austin energy regarding the combined cycle gas plant. So --

>> Mayor Adler: My sense is, I'm not sure how that would be developed.

>> Zimmerman: We are just taking that off?

>> Mayor Adler: No, no, I think we can talk about that. I don't think staff needs to be here for that. From a staff perspective they have made a recommendation, we have asked for a gap study, there's going to be kind of an independent determination, so we're not going to have a conversation today about whether that's the right thing to do or not. But if people wanted to talk about whether or not we should put money in the budget, pending that decision, that would be something that we could discuss but doesn't require staff to be here. Ms. Tovo?

>> Tovo: I believe some people had questions about 3.2, which was the kilowatt changing the demand charge, the threshold for the demand charge for commercial businesses. Of again, I don't know if we want to keep staff here to talk about that or not. I would like to also talk about the proposed new tariff rates for the special contracts that we would be approving in this budget, we haven't had an opportunity to have staff lay that out for us.

[12:21:35 PM]

>> Mayor Adler: Okay. Is that something that you would want staff to come back to do or something that you would want them to respond to?

>> Tovo: I'm okay with them responding in a memo form. Again as I mentioned the other day, we spent a lot of time talking it this spring, now we are seeing the final proposals on those, but we haven't had, as far as I know, unless I'm missing one, a memo explaining what those tariff rates are and how they've been set. It's an item of real concern, I think for many in our community who feel those special contracts have been subsidized by other ratepayers, I want to be very certain that we are not doing that in the ones that are proposed within this year's budget.

>> We don't need Austin energy back. A memo would be good on that. On the 10 of 20, I had said I would be ready for alternatives, I was ready to not do that yet. I would probably ask that by question in the next day or two. Next item financial policy, it is just with us, sorry about that, you're here for like the long haul and everything. Probably -- probably an explanation of that -- of that 3.2 issue just so that people can understand that better. I did kind of a shorthand on the -- on the punt stabilization, as well as the -- budget stabilization as well as the reserve percentage, 12 to 12.5% and use knowledge the one

third as a filter I think are questions to discuss. Anything else on the revenue issues? On the -- on the quality of life issues, I'm not sure there's so much staff questions on that one. It is a staff question. Then I have the health and human services issue, is there a staff question with respect to health and human services?

[12:23:42 PM]

No? Okay. I think that's generally where we are, it is 12:20 --

>> Mayor, I'm sorry, didn't we pull 2.07, councilmember Gallo about the art in public places? I have pulled in mine but that was maybe just for discussion.

>> Mayor Adler: I think she said something we need to discuss from a policy standpoint, but as we're doing our capital improvement budget project going forward.

>> Houston: I understand how you feel about the chapter 380 agreement, but is that something that we can have discussion about that.

>> Mayor Adler: So someone to talk to us about the 380 agreements would be helpful as well.

>> Garza: Something that I would like to address sooner rather than later, I believe we are supposed to have a zoning meeting next Thursday during one of the budget readings days, I'm wondering if that's something that can be canceled. I don't know how we get through budget reading days and a zoning meeting on the same day. Something to think about during the break.

>> Mayor Adler: Maybe we can talk about that. My understanding is that historically the council has been able to get through the budget on that first day. Didn't need days 2 and 3. I don't know if that's true or not. Does that vary?

>> We have gone to the second day on occasion. And we have gotten done on the first day. We have not at least in my seven budgets with the city gone to the third day.

>> My first budget was 45 minutes it took to get through the budget, but it didn't ever happen again.

[Laughter]. Not counting on that.

>> Mayor Adler: Probably won't happen this time either, just saying, you know. [Laughter]. So -- would you take a look at the fact that we do have that zoning meeting and we have postponed some things to that meeting at the last meeting, so at the very least we probably need to convene those meetings, even if we're voting to move them somewhere else. But the question is do we create an expectation that we possibly might have things -- if you can take a look at that.

[12:25:45 PM]

Let's talk about that issue when we come back.

>> We'll do it.

>> Mayor Adler: Okay. It is 12:00 -- do we want to reconvene at 1:30? Sooner than that? 10:00 sounds good, we will be back. Thank you.

[1:41:09 PM]

[Austin city council will resume

[1:48:00 PM]

momentarily.]

[Session will resume momentarily.]

[1:55:59 PM]

>>

>> Mayor Adler: We are ready to go ahead. We're going to where he convene

-- we're going to reconvene the meeting here on September 1st working group on budget. Before we get started, council, I understand that there were some conversations during the break between a couple of us and APD, and they're working through some of the issues and suggest that the most constructive thing might be to let them continue those conversations, report back to us, rather than calling them up at this point. Does anybody have any objection to letting APD go and letting that small group kind of work before us here? Mr. Zimmerman?

>> Zimmerman: Thank you, Mr. Mayor, no objection to that at all, but we brought the subject up in the public safety committee. We had a budget conversation, and there were two strains of that. One that I was bringing that said let's have the new officers tied to the metric of solving property crimes. Another interest was having some metrics on community policing. So if community policing doesn't mean going to the community to solve property crimes, then there needs to be some metric where we could measure the effectiveness of the new officers. So that's kind of what we're looking for back.

>> Okay.

>> Zimmerman: Does that sound about right?

>> Mayor Adler: I think that's part of that conversation to figure out what the metrics are and what that means. So we'll do that. So I apologize for keeping APD over lunch.

>> [Inaudible]

>> Mayor Adler: I think it is. So, manager, if it's okay, we can let APD go. You can send them on.

[1:58:09 PM]

So now we'll work through some of the questions that we had. Mark is here to talk to us about H.R. Issues. Mark, I think you've been able to do some work on some things that might not have been showing in the report. So let me ask a question first about insurance coverage. Just because, again, you know, I've heard people fearful that we were considering something that could result in their insurance costs going up by, you know, a thousand dollars or some -- \$500 or some really large number. And since in the conversations that I had from you going back, you know, a week ago or more, that was never something that was -- that was never something that was to be considered. I want to ask some follow-up questions on the work that you've done with that because at my request, you also looked at option -- you looked at options that were not direct percentage. Is that correct?

>> That's correct.

>> Mayor Adler: Okay. So that I understand and so that everybody knows, the insurance payments that we have right now, we have a ppo and hmo and cdhp. Is that correct?

>> That's correct.

>> Mayor Adler: Can you tell me what each of those letters stand for?

>> There are three options. One is a preferred provider option. It's a point of service type of plan where they are more independent to go outside of the network, if you will, outside of the Austin area with other providers. The hmo is a health maintenance organization, and cdhp is consumer-driven health plan.

[2:00:13 PM]

>> Mayor Adler: Okay. And the expenses that we have for people that participate in each of those plans are different as an employee. Is that right?

>> For the -- for the --

>> Mayor Adler: Depending on --

>> Depending -- the cdhp is a lot more affordable because there's more at risk in terms of deductible so the premiums are lower. There's not much difference -- there's slight difference between a ppo and hmo.

>> Mayor Adler: Okay. So, for example, someone who's under the ppo as an employee only, only insuring himself, that's free to city employees. Is that right?

>> [Inaudible]

>> Mayor Adler: Hang on a second. We can't hear you. We have a technical problem. And it's also not going out over the air.

>> Time for a dance.

>> Mayor Adler: Time for a dance. Should we just take a five-minute -- let's see how close he is.

[2:02:21 PM]

What do you think, should we take a five-minute break, do you think? All right. We'll take a five-minute break and then we'll gather back together.

[Recess.]

[Recess.]

[2:11:59 PM]

>> Mayor Adler: Mr. Washington, does your microphone work?

>> It is on.

>> Mayor Adler: Okay. Great. So I'm back now to asking some preliminary questions about the insurance issue. And by the way, I'll just say parenthetically, you know, you guys are working late into the night now trying to get us answers as quickly as you can, and I recognize this is one of those things that is hot off the press and probably not -- clearly, you haven't had the time that you would have wanted to have to either look at these Numbers or present these Numbers. So I appreciate you getting them to us quickly, and you have time to go back and take a look at these, make sure that they're right. But ballpark, they'd be right. And certainly I know from a presentation standpoint, you would expect -- I mean you're doing fine, and I appreciate that. I want to just set the question with respect to insurance so that people understand that the issue that I think we were trying to look at here. Right now in the city of Austin, basically employees under a ppo, they don't pay anything for themselves. It's covered by the city. Is that right?

>> That's correct.

>> Mayor Adler: And for an hmo, it's like \$10 a month. Is that right?

>> That's correct.

>> Mayor Adler: And that's -- and that would be for everybody, whether they make less than \$44,000 a year or if they make over \$80,000 a year. Is that right is this.

>> That's correct.

>> Mayor Adler: It's the same thing. Everybody pays the same thing as a city employee. Now, if somebody wants to insure not only himself or herself but her family as well, what does the city of Austin employee have to pay if they're getting a ppo?

>> They pay the dependent cost and they pay about -- the cities partially subsidizes a cost of a didn't he want.

[2:14:03 PM]

>> Mayor Adler: About \$512, about, isn't that right?

>> For their family. For a spouse, \$305 and children, 224 a month.

>> Mayor Adler: And the question I want to ask about is the employee and the family just to make it easy so we're not hitting lots of Numbers each time. For an employee and their family it's \$512 under the ppo. Is that right?

>> That's correct.

>> Mayor Adler: And that's true if the employee is making less than \$44,000 a year, as well as if the employee is making more than \$80,000 a year. Is that right?

>> That's correct.

>> Mayor Adler: It's the same amount. Now, under where we're going, you've increased in the budget the -- the contribution that the city makes for employees' health coverage. Is that right?

>> The city's contribution has increased by 12%.

>> Mayor Adler: Okay. And that's because health costs have gone up. Is that right?

>> Correct.

>> Mayor Adler: And so we're covering a greater amount for our employees, which I think is the right thing for us to be doing as a city. And what that would result for for an employee who has a ppo who wants to cover herself and her family, that means it goes up to \$563.85 a month. Is that right?

>> Right. The employees increase -- the city is at 12%, the employee is approximately 10% of the cost.

>> Mayor Adler: \$563, is that about right?

>> Right.

>> Mayor Adler: And that's a little over a \$50 increase per month for every employee, even after the city has committed to pay a greater share than what they were paying before. Is that correct?

>> That's correct. And just for the purposes -- I see some faces -- and I think that's illustrated on the second page of the packet that all the councilmembers have, on back.

>> Mayor Adler: Yeah. It's the table on the second page. There are a lot of people watching this on TV and a lot of staff, I think, that are real interested in this conversation. And it's come up as a question, so I want to make sure that everybody understands what the issue is, that we're struggling to figure out what is a fair and equitable way for us to deal with it.

[2:16:10 PM]

So the monthly cost for somebody who is providing insurance for herself and her family is that the cost goes up \$50 a month. And that's true whether the employee is making less than \$44,000 a year or over \$80,000 a year. Is that right?

>> That's correct.

>> Mayor Adler: Okay. So the question that I had asked you was that I was concerned that at some level we might have some employees down at the lower end of the scale that might feel that they couldn't afford insurance for their family because they couldn't afford the \$50 a month expense. It wouldn't be exactly the same problem for somebody at the upper end, but down at the lower end, they might just forgo the insurance coverage altogether. So what I asked was, was there a fair and equitable way, was there a good way, as a human relation director, a good way, if the question we were trying to address was how do we deal with that disparatability to be able to pay for that kind of thing. One question we asked was, did we want to do it just on a percent basis where everybody pays the same percent. But that was something you and I quickly rejected. Is that correct?

>> We talked about the enormous cost that would be incurred if someone were to do that.

>> Mayor Adler: And we quickly rejected that.

>> You were not in -- you were not wanting to pass that amount on to employees.

>> Mayor Adler: All right. I just want to record to reflect I was not ready to do that to our employees. That's good. I just want to get that out there because I've had phone calls this weekend, people wanting to know why I wanted to increase their insurance rate by \$1200.

>> If he could, though --

>> Mayor Adler: Yes, sir.

>> Because the budget question -- we did have that conversation, but because the budget question asked for a specific information, that's the calculations we provided, but also included the alternative that we discussed, in addition to the way the question --

[2:18:19 PM]

>> Mayor Adler: Because the budget question I asked was how do we make some kind of relationship between people's ability to pay and what they had to pay for something as important as insurance for them and their family, and one option to have something that takes into account a relation between what they pay is just to do it on absolute terms. And when you said, hey, we're looking at absolute terms because that was the direct reading in this cumbersome process we're on I said, whoa, don't do that, surely as H.R. Director there's a better way to go. One thing we talked about doing then was breaking the employees into like classes, you know, four different classes. If we did that and made it relation, but we weren't trying to have one group of people subsidize, and an entire other group of people, what might one model be. And you've come back with a model that is on the page that you've handed out as one possibility because, again, we're in a process here, we have to ask these questions by writing, and I don't get many chances to sit across from you in a room and do this. One possibility that was presented was to say to that family, the person making less than \$44,000 a year, one way to do it would be to say instead of paying \$51 more a month, you only have to pay \$0 more a month, so there would be a \$20 a month savings for that employee. That would be about \$240 a year. Is that right?

>> That's correct.

>> Mayor Adler: That would be for employees making less than \$44,000, that they would get a \$240 savings. In order to do that, there would be -- for employees making between 44 and 62,000, they wouldn't -- they would get basically a \$10 a month savings, or they'd pay \$120 less a year. Is that right?

>> That's correct.

>> Mayor Adler: And then for employees making 62 to 80,000, they would pay pretty much the same thing they were going to pay otherwise.

[2:20:26 PM]

>> They would pay the plan budget increase.

>> Mayor Adler: The same \$51.

>> Right.

>> Mayor Adler: Then those employees making over \$80,000 a year, they'd have to pay \$10 more a month than they were otherwise may go.

>> That's right. Their premium increase would be 12% and it would be equivalent to the city's portion.

>> Mayor Adler: So about \$10 a month extra they would pay. A far cry from \$1200 a month. And that's the last time I'll point that out, that I just -- no one was going there. So one way to do it is that way, and we give some people a \$20 break a month at one end, and at the upper end, that would -- most -- you know, three-quarters of the classes, it's the same or less, and in that group above 80, it's \$10 more a month. Another way that you suggested doing this, if somebody wanted to do something to help make sure that employees down at the lower end didn't have to forgo insurance because they couldn't afford it for their families, for dependent coverage, one other option was to just give -- charge everybody the

same amount for their insurance, just as we're doing now, but to give some kind of stipend to everybody in the city, that you give to everybody in the city a \$10 a month or \$20 a month stipend, a cost of living stipend that then they could use if they wanted to pay for insurance. Is that the kind of thing -- it's cost of living.

>> Right.

>> Mayor Adler: They would get a cost of living they could spend on whatever they wanted to. Is that right?

>> That's correct.

>> Mayor Adler: All right. Now, in order to do that, there are two different ways that we could do that. I'd like you to look at both of them for me and this is a new question. This is an iterative process and only when I get you here can I do this, or on the message board or Q and a. I would like to know with a stipend, where everybody paid the same amount of insurance cost, but there was a flat stipend, so somebody making \$44,000 a year or less would get the same stipend as the person making \$80,000 a year or more, I would like to know how you would do that with a three percent pay raise and keep it cost neutral.

[2:22:45 PM]

What does that mean? If we wanted to do that, but we wanted the cost to the city to remain neutral, what would that look like? And the second option would be, if I didn't want to keep it cost neutral, but I wanted to provide a stipend, what would the extra cost to that be if I was looking at a stipend that would be in that neighborhood of -- of 15 to \$20 a month for people at the lowest end, which means that everybody else would get the same thing, what that would add to the budget, and where you think we might be able to find that money. Okay? Those are two new questions. All right. We are now back to -- and then there were some other questions I think you had looked at with respect to -- and we'll get the information out. You had also looked at if we didn't go to the \$13.03 living wage, but there were interim steps, would you report those Numbers to us?

>> Sure. Councilmember Casar alluded to that concept prior to the break, and if you turn to page 7 in the packet that was passed out, there was a budget question that was asked, and it has not been posted, so this is still a draft, about options, looking at adjusting as many employees as possible to 13.03, many temporary employees, within certain dollar increments, and on page 8, what we provided was a breakdown of the costs to adjust those employees who are under \$13.03 an hour, which is -- represents 884 employees to the living wage, which was \$1.7 million that we've previously reported, but we also looked at, if we wanted to only adjust a portion of that population, perhaps those that worked more than one year, that cost would be 1.1 million, roughly.

[2:25:12 PM]

And if you wanted to look at those who worked more than six months but less than one year, that's about 1.6 million. And we did the same type of analysis at other wage levels. So if we couldn't get everyone -- if it was unaffordable to get everyone to 13.03, temporary employees looking at other wage rates, and the two alternatives was the current living wage for all regular full-time employees, regular employees for the city is 11.39, so the cost to get all the temporary employees below 11.39 to the living wage is about 850,000, and that's not broken up by types of funds at this point. And then we looked at another option to get all employees to \$12.03, and that is 1.1 million. And, again, looking at the seniority of the group, you could further break the costs down or reduce the costs to the city, if it were only to be applied to a portion of the group. And in addition to that, much like we've provided with other alternatives for the three percent wage increase, making it affordable, is the concept of even delaying

the implementation for living wage adjustments for temporary employees by a quarter, to reduce the cost 25% or midyear. So those are just various options for discussion, and I think that's what councilmember Casar had alluded to.

>> Mayor Adler: Great. I think that answers those questions. Were there any additional Numbers that you generated that we haven't discussed?

>> I think councilmember pool, prior to the break, inquired about her -- I think it's a council concept, 1.66.

[2:27:13 PM]

It's on page 5 of the packet, but it's also a budget question, 245. And in essence, it's somewhat similar to what we've talked earlier about affordability, but right now the lowest paid employee who's making the current living wage for a family insurance increases 10%, that would represent about 2.6% of their income. And the part of the discussion I heard before the break was what would be the cost to -- another version of holding employees harmless is if the city just picked up the tab, if you will, the cost for the premium increases for the employees and retirees, and that total cost represents about \$4.5 million in contributions from employees and retirees, if the city would pick up the tab, and that would increase the city's cost by three percent from 12 to 15%.

>> Mayor Adler: With a total cost of four and a half million dollars.

>> Correct.

>> Mayor Adler: Okay.

>> These are rough Numbers, and I think ed and the staff still needs to go through and make sure that --

>> This is helpful. Mark, you have retirees included in this number. Do you include retirees in all the other charts?

>> For the total charts of insurance increases, retirees are included. The retiree premiums are not on -- in response to councilmember -- excuse me -- mayor Adler's concept on the wage neutrality, so their rates are not built into that.

>> Pool: Okay. So if we're going to compare the two, we should only be looking at the number for employee, which is 2.4 million?

>> Correct.

>> Pool: Or are you going to bring those Numbers to include retirees in the other chart?

[2:29:14 PM]

>> The retiree wage premiums were not included because we -- I don't have their pension information and pension analysis.

>> Pool: Okay. So apples to apples, we can look at the top number there, the 2.4.

>> The 2.4 million.

>> Pool: Okay. Great. Thanks.

>> Mayor Adler: Okay.

>> Mayor Adler: ms. Kitchen. Just a clarification and I'm just blanking right now, excuse me. The increase in the health insurance costs, so there's an increase for retirees also?

>> Yes.

>> Kitchen: At the same level?

>> I think approximately the same level, approximately 10%.

>> Kitchen: Okay.

>> Mayor Adler: And our current budget has us picking up an increased share of the retirees.

>> Correct.

>> Mayor Adler: The same as if they were a current employee?

>> Correct.

>> Mayor Adler: Okay. Ms. Garza.

>> I generally like the idea of the premiums being different for different salary ranges. I guess as you're going and working these Numbers, one maybe unintended consequence that I would be fearful of is my assumption would be this would be based on base salary and so for any, I guess, employee groups, the one that comes to mind that I'm familiar with is fire, in departments where there's overtime, you could be working -- you could be making more money and paying a smaller premium because your base salary is smaller. And another concern would be it would -- I mean, I -- I'd want to see the Numbers, if it is just \$10 a month, maybe -- not that big a deal for the higher level people but I wouldn't want to disincentivize somebody from promoting if they would essentially be taking home less money, by putting them in a different salary range it's more money out of their checks.

[2:31:26 PM]

I don't know if you could give examples of how that would effect over time and that kind of thing.

>> That's a good point. One of the limitations of our ability is to estimate additional earnings by the employee -- excuse me, for overtime. This is base wages or other stipends that they may already receive. That's the reason why -- we have a very difficult time finding other employer base plans that have a variable level -- variable levels of contributions based on income, and it is not very common, and there are some unintended consequences of differentiating premiums by income levels, which is why I think the preferred method, if we were to do something, would be to offer a stipend and charge everyone the same premiums.

>> Mayor Adler: Okay. Ms. Pool?

>> Speaker2:.

>> Pool: One last thing I would say, all the calculations that you've done here are really helpful and they help to illustrate, for me at least, that the 3% pay increase is going to be really important in order for our employees to be able to make up for the expanded costs in the health insurance area, depending on how we handle that. Thanks.

>> Mayor Adler: Okay. Were there further questions that anyone had? Ms. Kitchen?

>> Kitchen: I just want to say that this information is very helpful. I'm going to have to think about it, but it does disturb me that -- particularly our retirees are paying more on the health insurance because they're on a fixed income. So in an ideal world, it would be better, from my perspective, if we just picked up the full cost of the increase in health insurance.

[2:33:28 PM]

I don't know if that's going to be possible, you know. I just had to say it. So I know it may not be possible. We're talking about four point whatever million, but, anyway. I'm still going to look at that. We'll see where we have other funding.

>> Mayor Adler: Find us a way. Mr. Casar.

>> Kitchen: And I just wanted to -- now that my colleagues have the Numbers in front of them, the reason that I had asked Mr. Washington to provide us the six months and the 12 months increments orient temporary employees, while I wanted to capture everyone I know our budget is tight so I wanted to see if we could get that into a smaller chunk. It seems what's been uncovered here is that it's almost entirely temporary employees that have been here over six or 12 months that are low-wage temporary employees so in my attempt to try to make this a smaller price tag for my colleagues, given our other priorities, it seems we've sort of uncovered what seems to be a systemic issue here, where our lowest

paid temporary employees are those here year-round so I just think while I was trying to bring this out as an -- break down alternatives for folks at different levels of cost, the result was something different, which broad forward it seems to me we have a bit of an issue here. And so I know councilmember Houston has asked for a -- a couple of times for us to sort of learn, understand who these temporary employees are. Mr. Washington, if you do put any more of that together, I think it would be beneficial for all of us to have that information because it seems to that it's just folks working year-round. Knowing their departments are helpful, but perhaps examples of what those positions are, where folks are temporary I think it would be helpful as we sort of make a judgment on how to handle this, and I apologize that I didn't find ways for this to be a smaller price tag but it just is what it is.

[2:35:34 PM]

>> And I think we can certainly get that information for you. And I just want to clarify that what we're looking at, at least in response to your specific question on -- what's your question? 145, those that were below 1303 and that represents about half of all the temporary employees who are not summer youth employees. So the other half are over 1303.

>> Casar: Right.

>> So the halves that below, we have some significantly below the current living wage right now as well.

>> Casar: But it's still accurate what I said, that the vast majority of those low-waged -- of the city's low-wage temporary employees have been with us for over a year?

>> Absolutely.

>> Mayor Adler: Mr. Casar, I appreciate you asking for those Numbers. Again, there's a lot for us to learn up on the dais and, quite frankly, you know, whether you would support a shorter period of time or not, I think it's a real important question to ask because it helps us understand how different levers work. My sense for me is if there's any way I can support the 1303 for all temporary employees it's something that I'd like to do. I think that there are cities all over the country that are adopting base-level wages in their cities. It's not a tool that's available to us, but I think as a city we can set an example. I think that the cities that are trying that now are finding they're doing it in a way that's growing those -- the businesses and not putting them at jeopardy. Two ways for us to deal with affordability at the extreme in our city, and that's to help make things less expensive. And I know we're all trying to do that. The other one is to help people to have more to spend. So if there's any way at all for us to hold on to the 13.03 for all temporary employees, it's something that I wanted to try to do.

[2:37:35 PM]

Further conversations near.

>> Houston: Thank you, mayor. As -- that's temporary employees, regardless of how long, six months, less than six months, or did you put any kind of time into that?

>> Mayor Adler: I didn't. You know, I -- from where -- I look at insurance a little bit differently at this point in time. Someone who is a temporary employee for a real short period of time I don't think we need to -- they need to necessarily come in and receive the benefits we're able to provide for our employees generally speaking. So I could see if we were going to give insurance to temporary employees, to have it for those employees that look like they're full-time employees, they've been here for a year, for a long period of time. But with respect to the wages that we pay, I think that it's good for the city to set an example in the city to say anybody who is working in this city gets a certain minimum level, a living wage in order to be able to work.

>> Houston: Okay, thank you. And I have asked Mr. Washington for some additional information, like how many people in that temporary category are retired, how many are return to work city employees

that retired, came back to work, and have account -- are counted in another category. I'm retired so, you know, I've got other income and health benefits and so there's some variables there that we still don't have that I would like to have.

>> Thank you for reminding me of that question. We did look at that number, and I think there were approximately 190 of the temporary employees who are retirees of the city of Austin.

>> Mayor Adler: Further questions for Mr. Washington? Ms. Pool first, then we'll come back to you.

>> Pool: I almost hate to ask this because it feels really good up here about the 13.03, but I'm drawn to note that that's half of the people who are temporary.

[2:39:37 PM]

The other half are making over 13.03 and if they've gotten pay raises, are we going to shift them up as well? If we're raising up people who are at \$11 to \$13, people who are already at \$13, is there going to be some conflict in a similar work situation where they're already at that level and they're not getting a pay raise?

>> The compression issue is similar for temporary employees as it would be regular employees, if we establish a point of cutoff and you accelerate some to above that point sooner than others, that's a real issue. We probably have a little bit more flexibility in adjusting those rates for temporary employees, but it's not -- it's based on each's department's ability to do that.

>> Mayor Adler: Okay. Further questions? Of Mr. Washington?

>> Casar: My last one was a friendship, when you provide that number of retirees to us, if you can provide it by email and how many of them are under -- with that number of 100 something, those that were under 13.03 or just overall.

>> Okay.

>> Casar: That would be helpful photo know how many we're talking about on this item versus those making over \$13.

>> Mayor Adler: Okay. Anything else further of Mr. Washington? Mr. Washington, thank you very much. Do we want to bring down parks to talk to us?

[2:41:50 PM]

Thank you. Did you hear the conversation we had earlier today about -- I think a general consequence on the dais -- consensus that parks are underfunded. There's a question about whether it would be better to do a large amount and then to engage in a process to set that spending in part with a district by district consideration, but also with a systemic -- system-wide prioritization of projects or some combination thereof. Do you want to talk about that issue for a second?

>> Sara Hensley, director of parks and recreation and I have my a team here with me to help. We have actually submitted through a response to a request for budget sort of -- we laid out for you -- I don't know that you've received it yet, but prioritization from a staff's perspective for primary two areas. One is just the unmet needs that we submitted through the budget process, and then as we heard y'all discuss, we submitted list of what we would recommend for capital improvement projects for each district area based on what we heard, everything from the parks -- the lack of a splash pad, playscape renovation and minor renovations in other parks, to look at that time holistically for us -- we do look at it that way. We look at how we do our budgets in a very holistic manner and we do it based on needs. Obviously our needs are greater than what we have the resources to deal with. Many cases, we are reactionary in how we deal with our maintenance and our going back in and repairing.

[2:43:50 PM]

However, we do have a capital improvement program that is in place from the 2012 bond program that does have capital improvement items and many of those are in your districts when we did those, we did not do it by district. We did it by -- started out with a list of 1 billion and then obviously had to core it down relatively because of a lack of funding, obviously. And the same thing occurred from an operational standpoint. We started with a large list of needs from a maintenance and forestry tree maintenance and trails and parks maintenance and building maintenance, and then, obviously, there's not enough money and so we culled that down. So we feel like we have sort of a list, through the unmet needs, through the C.I.P. List that we have redeveloped. And so we could do it that way. Working through a committee, working through the open space environment sustainability committee. We do do it through the parks board. But I do feel like we have a pretty good list of things that -- from a staff perspective, we feel like are priorities, and there's just never going to be enough money to meet all those needs. But the most recent effort we actually did try to put something in there from a capital improvement, but this would be new money. It would not be -- these are capital improvement items that are not currently funded that we put that in. These are not -- there are other items that are already funded, and many of these are playscapes. Some park improvements, but a lot of them are playgrounds and playscapes. So I'm not -- I don't know -- I don't know the answer to that to really say, yes, it will work, no, it won't. Because in all honesty, there are areas in this city that have higher needs than others. And if we would certainly try to represent that there -- there are high needs all over the city, but from what our work was completed, when we did this, we looked at the highest and most needs.

[2:45:57 PM]

And where we could get -- spend the dollars in the best and most efficient way.

>> Mayor Adler: Is there a single place that that information is pulled together? In terms of the priorities?

>> Well, we submitted it as a budget question, and I believe they're getting ready to load it up. I'm not sure that they have it. It was ours. It's request 247 that councilmember pool requested, which was please provide a prioritization list of parks and recreation department's identified unmet needs by district and then provide any other needs, not just from a C.I.P. Standpoint, but from the unmet needs list. So we gave you three things. One is a list of unmet needs we supplied to the budget office and to the city manager back when we were preparing the budget documents. Two is a list of what we believe are good prioritization projects for each district, from a capital improvement standpoint, not certainly all-inclusive, and three is an additional list of funding recommendations that follows up on the issues related to taking care of what we have.

>> Mayor Adler: What question number is that?

>> 247.

>> Mayor Adler: Okay. Has that been posted yet? Do you know when that will be posted?

>> I don't have an eta for when it will be posted, although I can tell you the unmet needs, initial funding requests from all departments were provided to council back in April in your financial forecast report so we'll be taking that work and additional things Sarah talked about and compiling them in the budget question.

>> Pool: There is one additional item that I'd like to see if staff could provide us, and then maybe we can make this conversation to the next time we're talking about budget when -- after everyone has had a chance to look at this -- the two specific lists you're going to provide. That is if you could take the highest needs area and overlay that quarter mile and half mile map about our park deficient areas, that I think will help us to focus in on the specific areas city-wide, where our attention could be the most effective.

[2:48:06 PM]

And then I think it might actually touch in areas that we're looking to help the most. And then the other item I had was parkland dedication fees, where you have those that have not yet been spent, where we might be able to use them, and I think there was also some bond funding that was identified from previous bonds prior to 2012 that may not yet have been spent. And then maybe, mayor, we could take the conversation about parks and rec to a different day, after everyone has had a chance to digest all of that information.

>> Mayor Adler: My sense is probably that after today, the next thing that we have scheduled is the eighth. Is that right?

>> Correct yeah,.

>> Mayor Adler: So the next time we're together as a group is the eighth. My sense is that we're narrowing down a lot of these issues, probably when we get back together on the eighth, it might be good to open with a general conversation about parks, about social service, and about health and human services. Those are things we had kind of the big things. And then begin our -- kind of our budget process for the day. Ms. Houston? Geo.

>> Houston: Well, I was going to ask, Ms. Hencely, if we could get -- Hensley, if we can get copies of that now, if we can look over it and if there's continued conversations, or do you want to wait until after the budget guy looks at it?

>> No. We think we'll have that response posted today or tomorrow. And, again, the bulk of the response I think is going to be the unmet services the departments already provided to council back in April but we'll be adding other information to that information and anticipate that -- getting it close to today or tomorrow. It's in the final review process.

>> Pool: And I think the map that we're looking for that overlays the quarter and half mile distance and the park deficiency areas will give us the graphical representation that's going to be really important.

[2:50:09 PM]

>> And we -- thank you very much for asking that. We do have that. And I can provide that as well as a map that we submitted for the trust republic land that also shows by colors the highest areas of need.

>> Mayor Adler: That would be helpful. Ms. Gallo, Mr. Zimmerman, then Mr. Casar.

>> Gallo: Has there been any evaluation on adding additional fees onto the special events that are done on our parkland facilities? I know we had talked about, you know, a dollar per ticket or some amount of money that could be added to the ticket price for those special events that are held on our parklands. Awhere has that gone and has there been any evaluation of what type of income that would provide additionally to the city?

>> Yes, there has and actually through council approval we did add a dollar per depict goes up to \$2, the top is \$3 a ticket at the height of that opportunity and that would go back into the repair of that park for which the event or for other closely associated areas, material supplies, equipment. There has been talk, and there is currently talk, going on right now with the parkland event task force and recommendations of those fees and the possibility of looking at fees to pay -- to be more in line with what it actually costs to maintain a park. And an example is the overuse of a park when you have back to back events, not being able to deep core aerate or anything like that. This does not allow the grass to really grow very well and so the cost of that is quite expensive. So all of those things are being looked at through the parkland events task force, but there was, through council's action, previous council, the ability to -- and we did, raise those fees to \$1 per ticket. Those dollars -- now it's \$2 per ticket, they go towards the maintenance staff to go back in and repair the park.

[2:52:16 PM]

>> Garza: You know, my -- I guess you know my thought what is I first heard about that, those would be funds that would go to provide benefits to all the parks city-wide, to your budget city-wide. I'm a little surprised to hear when we have special events on our parkland that part of the contract with those special event providers does not cause them to pay the cost to repair damage to our parks. And I think what I'm hearing you, is the extra fee on the ticket prices goes to do that instead of a benefit to the whole community.

>> It does two things, one, extraordinary things that happen that you can't always pin back onto the event host. But we do use some of that money to go back and repair other parks in that area, and we do use that money to buy equipment, for instance, small aeration machines so we can do it ourselves and not have to contract that out. And I will say, some of that money does go back to other neighborhood parks. The idea is to be able to put the money back into parks and things that are in that, you know, program area. And many of those things have helped us purchase more equipment and supplies for the park staff. So from that perspective, it's been a huge success. But the other part of that is exactly what you're saying, which is very imperative, is to look at what's the true cost of the use of that park, what are the costs of damages incurred, what is a reasonable fee for deposit. All of those kinds of things. That is the parkland events task force that's undertaking that as well.

>> Gallo: So if we look at those contracts a little more closely, with the idea of making sure that the cost to repair, as we can determine what those are, are passed on to the event, then more of that extra money that we're receiving as part of the ticket prices can actually be distributed throughout the community.

>> Yes, I believe it can.

>> Mayor Adler: Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor.

[2:54:17 PM]

I want to go back to a term I've heard probably a dozen times and that's "Highest need." So highest need obviously is somewhat subjective. Let me just give one example, and that's the cemeteries. I have no cemeteries in district 6, but you look at the cemetery and say well is the highest need spending bond money to renovate a CHAN he will or straighten up the monuments, get the trees watered, do other landscaping work like that, irrigation improvement. So it's subjective. So my point of the comments I've had for my other councilmembers and colleagues is I'm asking you to make a change in how we do this and have the councilmember answer to voters on determining what those highest needs are on a per-district basis. I don't want to be asked what the highest need is for cemetery. Is it to fix the irrigation and straighten the monuments or is it to improve a chapel? I don't know. That facility is in your district, and you get to answer directly to voters. And park staff can't do that. Park staff is going to be here when the councilmembers are term-limited out or unelected. The park staff doesn't have to directly answer to voters and the taxpayers who pay the bills. But the city council members do. So that's behind my push here to get you to think about having a different way of determining these highest needs and have that more responsibility of elected councilmember.

>> Mayor Adler: Mr. Casar.

>> Casar: I think that of course "Need" is a subjective issue and that's part of that what body is meant to do, a majority decide where our priorities and highest needs are. I appreciate councilmember pool bringing up the mapping, and this is something that we had brought up with the parks department early on in my term here, because the maps, my understanding of the maps, they were created for the parkland dedication fee and development fees, not always necessarily directed towards where is it that

we need a park the most.

[2:56:30 PM]

And so open Austin and the parks department invent working really well to create this park equity tool that will more clearly -- it's starting to define where parks are and who nearby a park. I think the quarter mile and half mile metrics we used are sometimes helpful when people are more densely packed together in the urban core but we know we have some neighborhoods that may be far east or north where we have lots of density in that half mile metric may not make as much sense. So I empiric, when I did my slide show that people later made fun of me for, did I pull up screenshots of open Austin's, they've been working so hard with the parks department to develop, so I think that's important as we try to come up with a definition, not just for this budget but for the future of what high levels of need are, and that's, again, why in my humble request to bring to -- to look at the needs in Georgian acres, I try to define why outside of the bond cycle it might be important to invest there, it's in one of the few consensus tracts in the city with twice the poverty rate Austin and you've got high Numbers of kids that don't have somewhere to play. That's creating that sort of objective standard, I think, would be helpful and I think our parks department is looking to do that. But, again, I think the maps that we currently have at the parks department have their limitations and we -- they've been working with outside folks to keep supplementing that, which I applaud and appreciate. So I would encourage my colleagues to take a look at that because it helped me identify places in other people's districts where I would be, you know, pretty amen to be making investments as well because I can see sort of those red spots.

>> Mayor Adler: Any further questions, conversations about parks? This section? Ms. Tovo.

[2:58:33 PM]

>> Tovo: Just sort of of a general question. I hope -- and this may -- you may be providing us with some guidance as far as this goes through the q&a process and some of the questions that have been submitted, but I hope you can similarly guide us in terms of our investments in youth services and where staff are identified the highest needs, if we are interested in increasing our investment, which I think would be a good thing and a prudent investment. But if you could help us -- if you could help us understand where those dollars are best placed from a staff perspective, and then we can have that conversation on -- about whether or not we agree.

>> We can do that, mayor pro tem. I will say that in the city manager's budget, it's recommended to add eight full-time recreation specialist that's would go into facilities primarily on the eastside, where they're needed. One of the things that Kimberly Mcneely has done a tremendous job with staff when they started was to look at quality over quantity from a programmatic standpoint and that every center should have quality programs and there shouldn't be certain citizens that centers that have all the -- centers that have all the people and where the needs are the quality is different. This summer, perfect example. Every one of our summer programs all over the city, east, west, north, south, had long waiting lists. So that was an issue. Our city manager recognized that and we were able to put in there for a recommendation of eight positions. The answer to your question is, no, it's not nearly enough because of the needs and having people on waiting lists but with the budget and wanting to share the wealth, that was a good start for us. The question was raised between summer playground program and the roving leader, and I believe you will have something in your inboxes regarding that, and that is an issue about summer programs for young people and then a program like roving leaders where we see a need to serve our teens.

[3:00:34 PM]

Across the city there are not that many teen programs and what we're finding is we need maybe to beef that up and the roving leader area, where we can go all over the city with that program and touch our older -- our younger adults, older young people, to serve them. So we will put something together, but I think we did, in answering one of those questions about the difference between one is a needed recreation center, two is a need from a roving leader standpoint. Summer playgrounds are important but where we have the biggest gap is serving the teens.

>> Tovo: I look forward to seeing those. Again, it would be great to be able to fund both of those programs because they're both important but, again-- and I don't mean to have them competing against each other. Just as we move forward into next week, if you can help us, I know that you probably didn't forward all the priority needs that your staff identified because of the scarcity of resources but I think what I'm sensing from a lot of the concept ideas and a lot of the discussion is a willingness to increase our investments in the area of parks. So I guess what I'm asking is can you kind of go back to look at what some of the needs are that you maybe didn't focus and see if those are appropriate for our consideration.

>> And we actually -- we did do that. The item that you will be getting, I think, as ed referred to, the first page is what ed referred to as you all would have testified in your budget documents, which was our initial funding request but was unable to be met and it was un-- considered unmet needs. The second page was recommended priorities by district, capital improvement, which would be additional funding different from the current bond program that allocated funds. The third section is additional funding requests of unmet needs that weren't listed in the original unmet needs that are needs for us across -- city-wide.

>> Tovo: Thanks very much. I didn't understand from your answer earlier those were almost program needs so thanks.

>> Program, maintenance, everything.

[3:02:35 PM]

>> Tovo: Good. Those are attached to councilmember pool's question.

>> 24785247.

>> Tovo: Okay, thank you.

>> Mayor Adler: Ms. Pool.

>> Pool: Just to drill down a little bit deeper, Ms. Hensley, on the unmet needs for -- for example, facility services, are you going to forward, for example, at rosewood recreation center there's some repairs needed with the hvac units.

>> Yes, we haven't -- I don't know that we listed that specifically, but we did list the need for maintenance and repair money. Deferred maintenance we have a long list of deferred maintenance issues for air conditioning and -- I'll give you a simple example with the rain and everything, we had seven pool pumps go out we had to replace, which was unanticipated. Air conditioners this year, I don't know how many we've had go out that we had to have repaired. Those are certainly unintended and certainly we're not prepared for it but our staff is out there trying to repair it. Right now as we speak our air conditioning is out in one of our buildings and water main busted so we have no water in the facility at all. All these kinds of things where we're dealing with unanticipated costs that we don't have the funding to pay for.

>> Pool: And that would include meeting Ada concerns and then also some landscaping and sanitary functionality. Then on trails and playground for grounds maintenance, including information on the backhoes and the motor graders and such, that you really need.

>> Yes, ma'am. Just to clarify that one, this is on the sheet, we were lucky. The previous budget year we got some trail safety -- some trail crews that were desperately needed. Until that point we had one team of four people to address a huge amount of trails in the city, and we were fortunate enough to get three other teams. Unfortunately we weren't able to buy the equipment for those teams so currently we're renting equipment to repair those trails. It would be more cost effective over the long-term to look at acquisition of those pieces of equipment than to spend that kind of money on rental for those -- for the trails because trail maintenance is an ongoing issue for us on a daily basis.

[3:04:50 PM]

So, yes, that will be included.

>> Pool: Okay, thank you.

>> Mayor Adler: Okay. Thank you very much. That gets us to public safety. We told staff they didn't need to stay but I think there were a couple questions, manager, we would like them to respond to even though they're not here. Ms. Houston, do you want to first or second?

-- Want to go first or second? Is there someone here who could speak to libraries? Let's go ahead and do that. And then after we do libraries, Ms. Houston, we'll talk about questions we want public safety to answer for us.

>> Garza: My staff has met several times regarding the southeast library closure, and every time they met with the community and, I believe, with staff as well, they were told there needs to be money in the budget, with we need to get money in the budget. Now I've noticed there's been a little bit of a change it says, and I saw this recently, this morning, that it's \$0 now. So I just want to get clarification that we can continue the programs with the southeast library while it's closed and that's included in the budget and you don't need additional funds. Is that what you're saying?

>> Thank you. Let me clarify that. I'm Brenda branch, director of libraries. We're taking a 3-pronged approach. The first thing we're doing is working with aid to try to get a computer set up at we Hadden. They may need some funding to keep that building open but I believe we can find that in our budget.

[3:06:51 PM]

I don't think we need to add that to next year's budget. We always coordinating with parks and recreation so that our youth librarians can provide programming at the dove springs recreation center. In addition to that, we're expediting the purchase of a book mobile to bring limited collection and the ability to put holds on materials and so on. But none of that requires funding.

>> Garza: Okay, I guess I'm a little bit worried when you said we may need funding to use widen but we think we have the money. I just want to -- if we need the money, I want to be able to ask for it in the budget process now. So when will we know if --

>> I don't have anything from them. I don't even have a firm confirmation that we can have their computer center.

>> Garza: Okay.

>> They're working on it right now. And what they're saying is, that they believe they will need some additional funding to keep staff there after their regular hours. I have no idea what that will be. I don't think it will be a large amount of money and I believe we can probably cover it.

>> Garza: Okay. I just -- that's -- southeast libraries is one of the most used -- has the most programs in the city Spanish just want to make sure that they're covered during this closure time.

>> Yes. And the programming part will be at the dove springs recreation center.

>> Garza: Okay. All right. Thank you aftermayor.

>> Mayor Adler: Yes, Ms. Houston.

>> Houston: I just need to ask you a question.

>> Mayor Adler: Yes.

>> Houston: Is there some kind of interlocal agreement we have with Austin independent school district about uses of facilities for public benefit or for the benefit of students?

>> Mayor Adler: I think there are some agreements that are kind of more narrowly drawn. Ms. Tovo, do you want to?

>> Tovo: Yeah, I would agree with what you said.

[3:08:52 PM]

I think we've got joint use agreements at a lot of our facilities, and, actually, staff, Mr. -- Assistant city manager can identify that because the staff went through and compiled a big list of them, everything from zilker elementary, which has a shared park playground to many others.

>> Mayor Adler: Then when you're answering the question, my understanding is through that joint committee, Ms. Tovo, that's also something that's been put on the table to look at and to try to find new opportunities that are currently not being used as well.

>> Good afternoon, councilmembers, Burt lamb, assistant city manager. That is correct, we northeastern a variety of interlocal agreements with aid in a partnership community. Smart in this situation I think it could be a very perfect situation where we could enter in some agreement through some reciprocal impact, in other words, for something that we can do on their behalf, they do something for us, for the public benefit. So even -- it could be dollars we say, but for the most part if it's use of their facility and they get some other benefit through the agreement or some other use -- an example, one time there was a need for them to have use of the palmer event center, some meeting space, and in return, instead of paying for it, we actually got use of some storage space that they had. So there was a benefit to both entities, both ways. So what I'm saying is, yes, we can do various interlocal agreements, either with money exchanging our not, or possibly with some benefit going both ways. , So yes, and I'll be happy to talk to aid and see if we can resolve this issue fairly quickly.

>> Houston: The reason I ask, this -- the library is important, but it brought up -- because I've heard from other city staff that at times they try to use a school site and they say it's not for educational benefit, even though we may or may not have an interlocal agreement with them.

[3:10:54 PM]

So I think we need to look at that and those interlocals to make sure that there's equal give because as much money as we provide the system for -- the school district for support, would you think that that would be something that would be already in place. But I've had a couple of city staff say they tried to utilize that route when were unable to do so.

>> Mayor Adler: Okay. Anything else? First are there questions about libraries? Do we want to talk about the bookstore program?

>> Recycled reads, I'll be happy to talk about that. I should clarify, we are not relocating the store. What we brought you to was a request for renewal of the lease at the current location. And I should also clarify that state law prohibits the city of Austin from giving away city property. So we could not give the books to half price bookstore, goodwill or any of those locations.

>> Zimmerman: Mr. Mayor.

>> Mayor Adler: Hold on one moment, please. Mr. Zimmerman?

>> Zimmerman: Yeah, we give away millions and millions and millions of dollars in chapter 380 agreements.

>> Mayor Adler: Okay.

>> Zimmerman: So we can give things away. We do it every year. Millions of dollars.
>> Well, I've been told that I can't give books away. So maybe the legal department --
>> Zimmerman: There's a solution for that. You can sell them to half price books, sell them. Not a problem.
>> Mayor Adler: Okay. Please continue.
>> Okay. If you recall, I think I mentioned previously that we established recycled reads to keep withdrawn library materials out of the landfill. And since February of 2009, we have kept 3,000 tons of library material out of the landfill. It also -- recycled reads also provides citizens an opportunity to recycle their own reading material.

[3:12:59 PM]

And so we get thousands of books every year from citizens, and it extends the life of those books because people read them many times over and over and over again. Many educators purchase materials from recycled reads. You may not be aware of if you haven't been there that hardback, hard copy adult books are \$2 and youth books are 50 cents, so teachers can walk out of recycled reads with an armload of books for very little amount of money. Over the last six years, recycled reads has become a community gathering place. We have hundreds of programs. We have a meeting room that the community uses all the time. The projected costs for fiscal year '16 is \$309,000. We need, however, to keep two administrative assistants to process our withdrawn books, so the actual cost savings would be \$209,000. But we would lose \$154,000 in revenue. So you're really saving about \$100,000. So I personally don't recommend closing recycled reads. I think the community treasures it very much.
>> Mayor Adler: Further questions? Yes, Ms. Houston.
>> Houston: I can't remember. When we voted to -- council voted to renew the lease, how much was that for? In my head I thought it was something like \$400,000 a year.
>> Zimmerman: It was a lot of money.
>> Councilmember, the -- we signed a 84-month lease renewal agreement, and for a not to exceed amount of \$1,151,643.

[3:15:04 PM]

That is about, for the first year of our rent, of our first year -- our first year of rent will be \$110,831.
>> Houston: Thank you, thank you for clarifying that because somewhere in my head I heard 400,000. The concern for me is that this is going to go on forever and ever. This is an infinite need to have rental space, and there's some perhaps opportunities to move that into another location that perhaps the city already uses or Austin resource recovery is about to build as soon as we annex some land they're about to build some facilities out there that might be able to house that. I understand that this is important to some parts of Austin and to some people. I don't see it much of use in my community -- my community doesn't go there and hang out and have coffee. I know that that's not why we make those kinds of decisions, but that's a lot of money over this amount of time. And if there's another way to do this and keep the program that's nationally recognized going and not have to expend that kind of money, I would certainly appreciate looking for that. If we look -- we're looking for a coffee house, maybe we can do that cheaper than \$100,000 a month.
>> Mayor Adler: Year.
>> Houston: A year, \$100,000.
>> Mayor Adler: Further discussion on this? Mr. Renteria.
>> Renteria: I just want to ask you, our books not recycle informal do you have to throw them in the landfill?

>> Well, what we're doing is recycling them. We're --
>> Renteria: Yeah, but, I mean, can you send it to a recycling plant where they recycle the paper or do they have to be thrown in a landfill?
>> We can recycle them.
>> Renteria: Okay. Bau I understood you were saying that, you know, you kept so many out of the landfill and I was wondering, why? With why would you throw them in the landfill when you can just recycle them to a recycle center.

[3:17:08 PM]

>> We need a space to do that in. We need people to handle it. We have to deaccession the materials, process the materials, and rather than -- that's just killing the book right there. You don't get any more uses. The way we have it, the books are used over and over and over again by people in the community.
>> Renteria: So do you distribute those books out to the community like in east Austin, southeast Austin?
>> I'm sorry.
>> Renteria: Do you distribute those books when recycling them to different areas of Austin?
>> The guidance I have is that I cannot give city property away.
>> Renteria: Well, I mean, there's other libraries in other areas.
>> Yeah, we can't give it to them, according to the guidance that I have been given.
>> Renteria: Hmm, okay.
>> Mayor Adler: Ms. Gallo.
>> Gallo: That was such a thoughtful look that you had there. I was waiting for you to speak. And do you have a wonderful program, and certainly my concern with trying to figure out a way to take this money and spread it out to other libraries -- it was interesting the communication that we got after the discussion that we had several months ago from people. The first thing they said, which would be a question that I would have because I didn't know the answer to it, is I assume the books are coming from all the different libraries that are going into this program?
>> Some of the books are withdrawn from the libraries, but we get thousands of donations from citizens as well. So we're extending the life of their reading material as well. Because that's not going into the landfill.
>> Gallo: So what percentage of the books that you have would be the books that you're actually recycling from the libraries?
>> I'm not sure I have that off the top of my head. I can get that four.
>> Gallo: I mean just ballpark, more than half? Less than half?
>> I can't tell you that.
>> Gallo: Because there certainly are lots of other nonprofits that people can give their books to other than the library, and I think the underlying concern and suggestions that we saw in the communication was that we're struggling with being able to fund our neighborhood libraries, and if what we're doing at this library -- if libraries could leave their own books that need to be shut down, closed down, whatever your word was for it, in their libraries and have a free bookshelf, it seems like the public would participate in that and that would get those books staying in the community and allow them to be spread out in those communities at no cost, perhaps, at no additional cost to the libraries.

[3:19:47 PM]

But the more important thing is I think people just see in the community, as councilmember Houston mentioned, we have a city-wide issue of being able to fund our libraries. And it just seems like that this

is so isolated to a particular spot and people can find other resources to donate their books. Like I said we had four or five different nonprofits that said, you know, we do prison reading programs, we'd love to take the books, we have a big community garage sale that funds a children's home, et cetera, et cetera. I know you're saying we can't do that with our books but it sounds like a lot of the population that brings the books to us could do that.

>> That's correct.

>> Gallo: Once again it's not saying what you're doing is not great. It seems like we have so many unmet needs community-wide that that was the only reason for bringing that up, would that be a better use of the funds, to spread it out through the whole community. Thank you for what you're doing. It's obviously a good program. When we have to make hard choices, you know, sometimes saying no is difficult, but I think the community does need the benefit of library money.

>> Mayor Adler: In part I think it's a lack of familiarity with the program. Would you describe what benefits this program brings to the community above and beyond the benefit that would otherwise be achieved if there was a way just to give the books or sell the books to half price bookstore? One thing you mentioned was that this is a community center and has activities. How many people participate there? Do you have a feel for that?

>> I actually have those Numbers here. I think last year we had about 4,000 people attending programs at the recycled reads.

>> Mayor Adler: Okay. What other benefits does this program provide to the community other than something like if the books were sold to -- in bulk to half price bookstores and they resold the -- resold the books.

[3:21:56 PM]

>> The sustainability issue, keeping things out of -- keeping trash out of the landfill.

>> Mayor Adler: Okay.

>> An opportunity for them to recycle their own materials and give them an extended life, an opportunity to give the withdrawn materials from the library an extended life.

>> Mayor Adler: Okay. Thank you.

>> Okay.

>> Mayor Adler: Ms. Pool?

>> Pool: One of the programs -- one of the ways that this program also benefits our community is that for teachers who, because the school district doesn't have the funds for their book budgets and for expand reading programs, teachers use their personal funds to come in and buy supplies. And you would say that some of the supplies that they need they can find at a reduced cost at recycled reads, where going to a commercial establishment -- we keep saying half price books but it could be any other bookstore, that your costs are even below those costs? So this is an affordability item.

>> Absolutely. The people that I've heard the most from are teachers. I get letters interest teachers. If you go on the website for recycled reads, you can scroll down and see letter after letter after letter, article after article, from teachers saying this is a godsend to us. We can go in there and, as I said before, take an armload of books for our libraries and at very, very little cost if you go to half price books, obviously, it's half the price of the book, \$10, \$20, \$30. You can get a gorgeous \$50, \$60 book for \$2. To me that is an affordability issue.

>> Mayor Adler: Thank you. Ms. Tovo.

>> Tovo: I just wanted to thank you again for the work that you are doing, and I believe most of our branch libraries do have small collections of books for sale.

[3:24:03 PM]

>> They do.

>> Tovo: At least most of them I visited do so they are making those copies available at, I think, the same price range, within those community neighborhoods. And, you know, I think it's important. I think the work that recycled reads is doing is important, among other things, I think it's encouraging people not to throw their books in the landfill if they can receive another read. I will never forget going by a house downtown that was being cleaned out and seeing five or six boxes of hundred year old books being thrown away because whoever was cleaning out that house didn't see those as having additional value. And I think that, among other things -- among all the other things that recycled reads is doing in our community, it's also encouraging people to pass their books on to other people, whether donating it to recycled reads or lending it to a friend. I think it's an important sustainability goal and literacy goal so I'm very supportive of continuing to have that as a resource in our community.

>> Mayor Adler: Okay. Further -- thank you very much.

>> Thank you.

>> Mayor Adler: Thank you.

>> Mayor Adler: I think that gets to us public safety. Manager, one of the questions we had asked this morning that we -- we needed obviously a written response to is the question with respect to the body cameras. What makes sense in terms of rolling that out, when it could actually be put into place, what is the most prudent rollout schedule, how many years is that, what would that mean in the first year, all of those questions, to reaffirm that the technology is at a place now that warrants us to move forward whether we should be testing that at some controlled level initially beyond the 20 officers we have in the field right now with body cameras, all those related questions.

[3:26:07 PM]

Then, Ms. Houston, you had some questions as well.

>> Houston: The other part of that was being able to benefit from the grant that the state has, so that the city is not picking up the whole cost but we could use some of the grant funds to purchase body cameras. Then we asked a camera the other day, Mr. Manager, about where our officers live and about 75% live outside of the city of Austin, about 442 live inside the city limits so I've asked additional questions about where exactly those places are and how far away they are from the city. But that comes -- some people are able to purchase -- not purchase, use cruisers and motorcycles to take home. I don't know what level of group that is, and I don't know whether that's part of the meet and confer, but that's -- you know, as we continue to buy equipment, how far people drive those home at night has -- causes wear and tear on the vehicles and increases the mileage. So I'd like to know whether or not that's part of the perks that some people get, is to be able to take their vehicles home and bring them back. And the cost associated with that. There seems to be some room for abuse with those things, if we're -- if they're not monitored carefully.

>> Mayor Adler: I understand that at some point in Austin's history, there was actually incentives in the term -- in terms of helping with housing costs in Austin for police officers that would live, I think -- I think that the city had some homes in the federal H.U.D. Period they were able to acquire or help facilitate at a really low price that were then made available to folks on the force, if they would choose to live there.

[3:28:12 PM]

Anything else on public safety? All right, we'll move on to the next item on the menu. Which is the fees component. Are there any questions with respect to fees?

>> Garza: Mayor, I thought we were going to ask more questions about the item councilmember

Houston, the fire lieutenant --

>> Mayor Adler: Oh, we had fire. Well, I think captain -- chief is here. I guess we could ask those questions. I think we said we were going to ask for them to be written on the deal.

>> Garza: Oh, okay.

>> Mayor Adler: But you're here so why don't you come on down.

>> [Off mic]

>> Mayor Adler: So this was one heck of an installation party.

[Laughter] You don't even have to tell us. We don't -- you know --

>> I already told you.

>> Mayor Adler: I know, I know..

>> Okay. So we are referring to -- there were two lieutenant positions

>> There are two lieutenant position that's came up earlier, so the first one I believe Ms. Houston referred to was the one where we were going to replace a lieutenant that's been assigned to the FBI's joint terrorism task force and I think trying to help y'all understand the benefit that that brings back to us and, yes, we are -- they are on the Austin -- city of Austin payroll, but they're working in a team and the thing that benefits us the most is what we get back from that individual. They give us monthly reports and briefings at our executive staff meeting and then if there's something critical that comes up, obviously we hear about that realtime.

[3:30:13 PM]

And it allows us to identify areas of concern and, you know, the way that the lone wolf terrorism is growing and the terrorism that's occurring, they're using fire to draw people in to, you know, go into put the building out, the fire out in the building, and then there's terrorists attacks that occur because of that. We're we're now able to identify things that are -- that terrorists would use to -- for bomb making, you know -- improvised explosive devices, ieds, so using that person and leaving them there, they have a top secret clearance, which also means that they're getting top critical information, if they -- that they in turn can then pass on to us. So it's been a big benefit for us. We've had a person assigned there since August of 2011. In those last budget cycles, we have continued to ask for that replacement of that position that we reassigned from our fire and arson investigation unit. Does that -- does that clarify and I would be happy to answer any more questions. But it does bring a great deal of value back to the fire department as well.

>> Mayor Adler: Ms. Houston?

>> Houston: Thank you, chief Kerr and congratulations on your being sworn in as the national president of the fire association.

>> Thank you, it's the international association of fire chiefs.

>> Houston: Good, I'm glad that you said that because I wouldn't have remembered.

>> I wouldn't say iafo because you would ask me what that meant anyway.

[Laughter].

>> Houston: I sure would. Help me understand, if we didn't fund this position the federal government wouldn't give us information about terrorist acts and keep us in the loop as they do all other jurisdictions about what's going on and what we need to be aware of?

[3:32:13 PM]

>> So what happens is there's a lack of communication and information, a lot of times, between the law enforcement and the fire service. I don't mean our law enforcement, but I mean, you know, from the federal level and that level. So we have someone in there that has the security clearance and they're

part of a team, so we're getting that information real-time and we'll know about it way ahead of -- now, I know our law enforcement partners have that information as well, they also have a member on that same team, but we're getting that real-time and we're able to do preemptive resources and where we're sending those resources and what type of resources we're going to send based upon the information that we're getting.

>> Houston: So what is the percent of time that this lieutenant uses to be on the task force, the federal task force and what percentage of time do they use to be a part of the Austin fire department?

>> So 100% -- almost 100% of their time, I would say 90% of their time is committed to the federal joint terrorism task force.

>> Houston: Hold on just a minute. He meet every day or whatever the schedule is. He's got a full-time job on this task force?

>> That's correct.

>> Where is it? Austin, Austin based but with the San Antonio office of the F.B.I., but they're here in Austin at the Austin office. Then they are also available to us as a resource any time that we would call them, but their primary responsibility is with the task force and working with them and then communication, obviously, between the department, we have a liaison in the department that primarily works with him as well.

>> Mayor Adler: Okay. Mr. Zimmerman?

>> Zimmerman: Thank you, Mr. Mayor. It's very, very discouraging to consider that we have to hire an employee to keep up with communications that the federal government -- that we also fund through taxes, that we have to pay for an extra person to communicate back to the fire department.

[3:34:20 PM]

I -- I guess the rationale that you've given us for having this employee is the same rationale that I would say why we should not be paying that employee. It's the job of the federal government if they have this information they need to share it with us. We shouldn't have to pay for an employee to get that information, we have several congressmen in this area. We need to contact them and if the government is failing to communicate to the local -- to the local fire and law enforcement, that's a problem with the federal employees and it needs to be fixed and we shouldn't suffer another -- \$140,000 or \$150,000 a year, so that we can get communications?

>> You know, I respectfully would like to take a different position than the one that you're taking. And you're right, our taxes do pay for our federal resources. But in the real world, you know, it doesn't happen. And in the real world, if we want real-time information and my concern is that I'm doing everything I can to do two things. One is provide the best services I can to the community and number two is to take care of my firefighters. And if -- if by having a member on the joint terrorism task force helps me do that, then that's exactly why I'm doing it.

>> But this -- this kind of management helps to price our taxpayers out of the city. So instead of fixing a communication problem, we add additional cost and taxes on to our local taxpayers. This is a fundamental issue to have important communications coming back and if we fund this, why wouldn't the federal government demand that we fund still other people for communications in other departments. Where would this end? If we start now as a policy, where would it end?

>> Again, I would respectfully disagree with you that I think that it's not a burden to the taxpayers, it's a benefit to the taxpayers on helping protect them.

>> Mayor Adler: Thank you, Ms. Houston.

[3:36:22 PM]

>> Houston: Let me ask you. Now if this additional position lieutenant is funded, what would that new person be doing?

>> They will be back reassigned to the arson investigators and they'll be working with our juvenile fire centers program.

>> Houston: So there's a current person already in this joint task force now?

>> Yes, there is. They've been there since 2011.

>> So you are just trying to fill that vacant position?

>> That's correct.

>> Houston: Thank you.

>> Mayor Adler: Okay. You want to address the other issue?

>> Then the other issue was looking at the position and inspector for the group homes and some of the issues and challenges that we've had with that, that was working in coordination with Austin code department, in having a full-time inspector that that's what they would do is -- they would work in the development of those codes and regulations, as well as the enforcement and the inspection of those and that -- that was on our list as -- as councilmember tovo mentioned and it would be one of those that would evolve like that person would start out helping develop those codes and setting up the processes as to how that would look.

>> Thank you, chief Kerr. Do you see that as an important priority for us to consider within this year's budget cycle if the funds are available?

>> I would see that as important to get started on that. Maybe it's a half-year funding in that we can start halfway through so it's only six months of funding so that the burden is a little bit less on this year's funding and then we can work prior to that with Austin code in developing somewhat of a process and who we're going to assign to that task force and making that work.

>> Tovo: I guess realistically it would take a few months to bring that person on board anyway.

[3:38:22 PM]

>> Correct, it would.

>> Tovo: So if we allocated half your funding that would probably be sufficient to meet your need as we envision the process at this point?

>> Yes, it would.

>> Tovo: If we allocated the entire funding and you brought this person on mid year, what would become of the funding.

>> The rest of the money? Usually goes into what the budget office calls their vacancy savings. We know what happens to vacancy savings in the fire department, they help cover the overtime.

>> Tovo: Thanks very much.

>> You're welcome.

>> Houston: One question on that. We don't even have a resolution yet on ordinance prepared and so it seems to me that we need to still continue to work without a position and then once we get something settled and firmed up, then we can put that in a budget cycle. But we're still a little far off from even getting an ordinance drafted to bring to council to be able to implement any kind of code policy. So just want you to kind of think about that because -- because, you know, I don't want to put something in place to help with unregulated homes. And then that be used for overtime. My position -- my position on this is that we do something to manage the ordinance once we get it in place to make sure that vulnerable populations are safe. So I -- I'm gonna think about how we can do that better.

>> Yes, ma'am, I understand.

>> Mayor Adler: Okay, Ms. Tovo.

>> Tovo: Sorry, now I have a follow-up question because chief Kerr I thought you said it would be

valuable to bring that person on to help with the final development or are you currently doing that with your existing staffing?

>> We are not currently doing that. It would be useful to have someone to help develop that and I guess we would, you know, like I said if we wait six months and -- if we waited six months and I could probably use some assistance from Mr. Smart, also, because, you know, we're kind of need to work on this together and how we would develop that process and I think we would be part of supplying you the information for that resolution.

[3:40:39 PM]

>> Tovo: So if we brought this person on in six months, there's still an opportunity for that lieutenant to work with code on the development of the ordinance and the regulations?

>> Yes, there would be. We would absolutely put them to work right away.

>> Tovo: I think we do need to hear probably from director smart now or later about the timing and whether that timing is sufficient if that person comes on board in six months.

>> Mayor Adler: Mr. Smart, come on down, take your time.

>> Mayor, commissioners, I'm Carl smart director of Austin code department. Some response to questions from mayor pro tem and councilmember Houston we are working on now the ordinance that would provide reasonable accommodations. We have to have that ordinance in place prior to actually putting together the licensing and inspection program for these unregulated homes. We have been to the community development commission, we've opinion to the mayor's committee on disabilities with the reasonable accommodation ordinance draft and they have -- now we're preparing to bring that back to the -- to your health and human services committee. During this month, and then after that we'll refine it and then bring that to council for their -- for your consideration. Secondly, we're working on a model standards amendment to the ordinance, to the boarding home ordinance, that will actually allow for more monitoring of care that is being given to the residents of these unregulated homes. Sold -- so it looks now time-wise towards maybe the end of the calendar before we have an ordinance, licensings and inspection program in place. The question was would the six months would allow us time with the six months -- would it be useful of having a person in place with the fire department, I think the answer is yes.

[3:42:48 PM]

>> Houston: The question is are you working with the fire department now, is there a group working together to come up with some processes that would be added to the reasonable accommodations or the regulations for unregulated homes? Are you all in conversation with fire now?

>> Absolutely. We have an interdepartmental task force working now that includes Austin fire, Austin code, ems, Austin police, health and human services department and several others working together. So that task force is in place now working, any additional help that we get will be appreciated but we're working on it now.

>> Mayor Adler: Thank you. Other questions? Mr. Smart, thank you, chief, thank you. That gets us to the fees section. Any questions relative to fees? I think there were some questions generally about Austin recovery.

>> Bob gettert director of Austin resource recovery.

>> Mayor Adler: Hi, bob. Did you hear some of the questions?

>> Yes, I believe the 3.1 and related 3.13, the dollar 70 base rate increase we're requesting in this budget. Our response, in the dollar 70 was -- if the 1.70 was eliminated it would create a \$4.8 million shortfall between revenues and expenditures and it would challenge -- put us in a negative cash flow

and challenge the compliance to the fund balance reserve policy, the city physical policy. So it would -- fiscal policy.

[3:44:49 PM]

So it would force the question of cuts in services to balance the lack of that revenue flow from that 1.70. Our projected cuts would obviously be eliminating the 1515 employees we're asking for in this budget cycle and there's some service cuts related to those, reducing yard collection from weekly to biweekly would save some money and reducing the brush and bulk collection from biannual, twice a year, to an annual service. I do believe those are service cuts that our customers would be reluctant to agree to.

>> Mayor Adler: Further questions? Would you talk about the -- the question that was asked by one of the questions about making the practice something that -- making the practice something that is voluntary as opposed to required?

>> On the organics proposal?

>> Yes.

>> First of all, the organics proposal impacts next year's by 4 cents out of that 1.70. However there is the broader picture of the five-year impact that I have discussed. Let me find my paperwork on that. The general gist of the answer to a subscription based is that it creates an uncertainty in how to calculate the cost per household. State law requires us to charge no more no less than the direct cost of providing that service. We couldn't get a generalized cost and expect a subscription base, say, based on \$10 a month or \$15 a month without a detailed cost estimate of actually providing the cost of that service.

[3:46:58 PM]

If it's subscription based, the question is how many subscribers. We ran different scenarios, 25, 50, 75% of the customer base. The difficulty is in given month you have some subscribers dropping, some coming in, variable rate. Impossible to set a rate per year. The second problem with that the most cost efficient way to provide the service is to spread the costs over a larger base. When you spread the costs over a smaller base, it's obviously going to be more expensive. Is this program worth 10 or \$15 a month service fee or a subscription base. My answer is no, it's not. Fits subscription based, would withdraw the service because the costs would not equate to the benefits provided. I do believe that the benefits justify the serious consideration of \$4.10 over a five-year rollout period and that's my proposal.

>> Zimmerman: Thank you, Mr. Mayor. I would concur that if it were subscription based it should not be done and it should not be done. I don't think the demand is there. The demand that I'm hearing from my constituents overwhelming is the fees are too high today. They are already too high. That's why it would be rejected. That's why I'm going to be voting against this. Our fees are already too high.

>> Mayor Adler: Okay. Further questions here? Ms. Pool and then Mr. Casar.

>> Pool: Because this activity that the resource recovery has entered into is based on directions from previous councils and it goes -- councils and it goes to our concerns about sustainability and affordability, can you give us real quick the dollar figure that we are saving by not putting these materials into the landfill, which we're also looking for different places to locate the landfills, right?

[3:49:03 PM]

This is part of a longer term effort to minimize the need to find larger landfill areas for -- for all the waste that we produce.

>> Yes. In the real sense of our recycling program, there is cost of operating the recycling program, but saving from landfill tipping fees about 1.1 or \$1.2 million per year in reduced landfilling fees. On organics

about a million dollars a year in economic savings from landfill tipping fees.

>> Pool: Then also the spinoff of additional materials that we produced by the composting, there's a dollar figure associated with that, I would say.

>> I would add it's hard to calculate a dollar figure, but we are associated very closely in collaboration with the dillo dirt program, with Austin water. They have a biosolids recycling program that is attached to our composting collection and processing system. If with he were to reduce that commitment, it would increase the costs at Austin water. This proposal to increase food organics collection and processing in association with Austin water's activity should create some economic savings in Austin water in addition to Austin resource recovery. I don't have that price to calculate it. But there should be a cost savings at that end, too.

>> Pool: Another one of those, this is a moral decision, not just an economic decision for the city to make, right. It's a recycle, reuse, repurpose.

>> And you began with prior councils. There's a 2005 council directive, a 2009 council directive, and a 2011 adoption of our master plan that includes this. So we're following past council direction.

>> Pool: We've been working on this for the last 10 years.

[3:51:05 PM]

>> Yes.

>> Thank you. I think it is a great program and I think that people who are interested in expanding are waiting for this to happen. I feel that the community does support this program and I do, too.

>> Mayor Adler: Down on this size, I think Mr. Casar was next. 1.

>> Casar: While I think it's productive to talk about opt in versus required. I'm trying to get my head around why we're having this discussion here during the budget. That's the question that I would like to ask perhaps we should be having this discussion right now. The portion of the fee increase that has to deal with organics, how is that linked to this being opt-in, opt-out, or does it just have to do with capital expenditures that would be needed regardless of whether this is an opt-in program or not?

>> Yes, it's the capital purchases. The first purchases planned and the impact on fiscal year '16 is four cents out of the 1.70 requested is three new trucks.

>> Casar: You would be purchasing these trucks either way, whether it was a subscription or required service?

>> In this proposal it's part of the organics expansion. Whether it's opt-in or not, if you are going to have subscribers --

>> Casar: Probably need at least three trucks.

>> This is the beginning, this is the beginning of the process. I would add that in fiscal year '16, it's a detailed planning year. We'll fine tune the proposal in fiscal year '16. We need the lead time to purchase the trucks. That's the request right now. It takes 12 to 18 months to receive the trucks after council approval. The discussion is now because of that 12 to 18 month lead time.

>> When I suggest to my colleagues we want to make this a required or subscription program is a worthy conversation, even though I have strong opinions, I think that's a worthy conversation, it seems to me that in the budget the conversation to be had is whether or not we purchase these three trucks or not.

[3:53:30 PM]

Said if you are against the program, organics collection period I would think that one would vote against the purchase of these trucks. But if you are for it, subscription or required, it seems to me either way one would support purchasing these trucks, if you are on the side we want to do we are not sure how

yet, sounds like we need the trucks either way and we can sort of move on and have that conversation some other time.

>> One additional point to that discussion in that these three trucks will stabilize our yard collection system. We are short staffed and short vehicles on the yard trimmings. This expansion of organics expands the yard trimmings and stabilizes the yard trimmings collection. I think we avoid the problem that we've had this spring and summer with the addition of these three trucks and it's the beginning start of the organics expansion.

>> Casar: So these trucks are beyond the composting and issue -- the composting initiative but also for other organics is what you are saying, thank you.

>> Mayor Adler: Thank you. I was back on this side. Who is --

>> Go ahead and then I'm back to Ann kitchen. She had a question then Ms. Gallo next.

>> Houston: Okay. Thank you so much for being here, if this request is about purchasing trucks and not about organics, then I'm willing to have that conversation, but they are inextricably linked in my opinion. But I'm going to do both of them, councilmember Casar. Okay. So we're in a pilot now. Can you tell me how many people are in the pilot.

>> 14,700 in the current pilot.

>> Houston: What is the utilization rate in the pilot.

>> 62% at the moment.

>> Houston: 62% of people use it. I didn't hear you talk about anything about education, so how will we -- if we purchase these trucks for yard trimmings, that kind of thing, when will we start educating the public about using the green carts before they have no choice but to use them?

[3:55:42 PM]

Is there a phase-in process I guess is what I'm asking.

>> There is a phase-in process. This proposed rollout would be the first year of planning, development, equipment purchase, fiscal year '16. The following four years is a rollout of one quarter of the city, 52,000 households each year until we reach 210,000 households. So it's a rollout phased in a quarter of the city at the time under the current proposal [multiple voices]

>> Houston: Engagement of the pop El Paso.

>> We would have a six month time before rolling out the green carts each year, he would indicating.

One of the staff that I'm asking for in this budget is a community engagement person that would be out there in the community talking to the residents. We certainly feel that education and outreach to the community has to happen before they receive those green carts.

>> Houston: If we make this as a standard across the city, then that doesn't matter what they think.

We're just trying to engage them on this is what's going on happen when we get to your neighborhood.

>> What we desire is that the food waste not be placed in the trash cart but in the green cart. That does take education, that does take conversation with the residents. It's modeled off the recycling program. Everybody has a recycling blue cart. You're not required to use that blue cart. You are required to have the blue cart, you are not required to use that blue cart. We have 75% of the residents using that blue cart over the last 10 years it's grown. It started at 25% utilization. It has grown to 75%. My desire is 85% of the residents to use the blue cart. The same proposal is on the table for the green carts for the organics, we would roll that out, it's optional whether you use the cart or not. We desire that you do, we desire that that food waste not be placed in the trash cart.

[3:57:44 PM]

>> Houston: How much do the blue carts cost a month?

>> I do have that, that is \$7.46 on our cost of service. Per household. Per month. You can choose not to use it, but you are being charged \$7.47.

>> That's right.

>> Likewise with the green cart, you can choose not to use it and you'll be charged anyway.

>> That's right.

>> Houston: That charge will be tell me again.

>> The organics charge would roll in over time. I have that number in here, just a minute. There it is right here. The first year four cents, the second year 95 cents, the third year \$1.13, the fourth year \$1.50 or 79 cents. So it changes per year based upon the amount of equipment needed to be purchased for the following year. As we've finally serve 100% of the city with green carts, it adds up to 4.10.

>> Houston: Thank you.

>> Mayor Adler: Thank you, we are back down. Ms. Gallo?

>> Gallo: Thank you for the information, I think you said 14,000 were in the pilot. What percentage of the 14,000 was available for tenants and multi-family developments?

>> It primarily single family. There are a few four-plexes that are being served, not many, I don't know the exact number. Most of them is single family.

>> Gallo: Okay. Would that be zero percent is offered to multi-family greater than four units?

>> Greater than four units, zero percent because the city code does not allow my department to service above four units, that's a private sector service.

>> Gallo: Interesting. So the program that we're talking about would --

>> Four units and below.

[3:59:45 PM]

>> Gallo: Would exclude renters and multi-family because of our code requirements.

>> It's a city code where private sector haulers provide the service five units and above. City provides the service four units and below.

>> Gallo: What options does that part of our population have that option for apartment renters and owners of various different businesses is the useful recycling ordinance, which was adopted by council last year. Phases in over time by 2018, every building in the city is required to provide recycling service and if there's a food service on site, they would be providing -- they would be required to provide organics collection as well. That's the universal recycling ordinance for non-city serviced buildings.

>> Gallo: That service is provided by --

>> The private haulers.

>> The private haulers. Are they also an option for single family homes that wish to recycle if the city were not to have a program?

>> Not at this time, no. It's a split, it's a city code split. The city provides that service of four units and below and the private sector five units and above. And it's -- it's -- it's intended to not have crossover service.

>> Okay. Thank you.

>> Mayor Adler: Is that a common practice among cities?

>> Yes, the. Throughout the country, private haulers are generally used for commercial setting and multi-family households are generally considered commercial service. The usual split and where the split is is determined by what can be serviced by carts versus what is serviced more efficiently by metal dumpsters. They are a service that my department cannot supply and service.

>> Okay.

[4:01:46 PM]

Mr. Renteria.

>> Renteria: Isn't there a private organization that's called -- I don't know if they are non-profit, but the food peddlers that are going around doing that kind of service?

>> There's a group that we're working in collaboration with that's providing a subscription based collection service, the fees range anywhere from \$8 to \$32 per household per month.

>> Renteria: Do you know how many they have?

>> I don't have a count. I don't know.

>> Renteria: I mean, my concern is that I recycle everything and I got into the recycling and bought the barrel and, you know, a lot of my constituents, I just even had a meeting last night, were saying why do they have to pay, you know, can they opt out because they have this program already, they are doing it, they are recycling everything and they just don't feel like, you know, since they're going to continue that, way of recycling because they recycle and compost into dirt and reuse it for their plants and now you're coming and saying, hey, we're going to charge you, you know, in five years up to \$4 plus to do what you are doing right now.

>> In our calculations, we are accommodating for opt out situations, back yard composters. If there's a way for a resident to document that they are taking their food waste and not putting it in the trash, but actually composting it in some way, either in a communities garden or a back yard garden, then there would be a way for us to economically opt them out, that's different than the opt in proposal that's on the table here. It would be universal service across the board with the opportunity to opt out if there is an alternative composting program that's documented.

[4:03:50 PM]

Our goal is not to force everybody on the same system. Our goal is to make sure those organic materials do not go to the landfill and our most recent study of trash going to the landfill, 46% of what we collect in our trash carts on the residential program going to the landfill, 46% is food waste and organic material. And 44% is recyclables. So if you look at the trash that we are collecting and paying tipping fees for, 90% could be recovered.

>> Renteria: I'm glad that you're thinking about doing that because I'm sure that you have a record of all of those that submitted for one of those kind of recycling barrels that you all -- a couple of years back.

>> Yes.

>> Those are the people that are saying wait a minute, we went through all of this process and we're committed to recycling. I'm one of them. I have two piles, one is dirt with just the table scraps that I keep and then the other one is for leaves because they have seeds so we have these multiple piles that I'm -- I maintain. I'm glad that you are including that, I'll be supporting that if you are going to have --

>> We have that accommodated in our calculations. We are assuming a 75% participation in the green cart centralized collection offered by the city with 25%, hopefully, we can document as much as 25% of the residents with alternative composting means. And that would capture 100% of the house holds. That would be the ideal set up for us. What you are speaking of is a decentralized approach which naturally is lower cost. I would encourage that type of activity, but when we talked to other cities that have encouraged decentralized approaches, there's a cap to the number of residents that are willing to compost in their back yard. It's an option that some like and many don't like.

[4:05:52 PM]

And so if the combination of a centralized and decentralized approach works best.

>> Thank you.

>> Houston: Mayor, somebody else have something?

[Feedback].

>> Mayor Adler: That's somebody's phone. Good.

[Laughter].

>> Anything else, Ms. Houston?

>> Houston: I have one question. I would have loved for us, although this has been going on for many years, I'm not sure that the total, all of the community has participated in these conversations. Sometimes in a city this size, we tend to make some decisions and assume that everybody is part of that conversation or knows what decisions. I wish the education component had started first and if people are still not recycling, still not doing a good job, so maybe some of that marketing we could put back in the budget so that they could go out and make sure that people are recycling and make sure that they keep doing this. But how are you going to verify that people are composting? I hate to do something and then we have no way of enforce that. How would you know? 123450 my word of honor.

>> Part of it is supplying a photograph of what you had in your back yard. Part of it is the city sponsored compost workshops. We provide about two dozen compost workshops each year. Many, many people have been certified through the workshops that they do know how to compost, they go out, buy compost equipment and put in their back yard. We do have that list from I would say about four years worth of compost workshops. I would also say that I'm thanking the participation of the compost workshops and a good 10% are on the east side. So there's significant interest on the east side.

>> Houston: Well, there is interest.

[4:07:52 PM]

I don't know how we define significant, but there is interest. Of again, there are people who don't want to have an extra fee added to their bill because of something that they don't know about and are not going to use.

>> Mayor Adler: Mr. Zimmerman?

>> Zimmerman: The subject of education, I know the past councils set some policies that you're acting on now and you're advocating very passionately and very effectively, we have to do this, we have to do this, we have to do what the past council told us and we have to educate people so that they do what the past council has told us. Again, a little education, we passed 10-1, now we have constituents in the outside of the city who were never represented before. They were never represented. So I don't know how to get through to you that there's a huge block of constituents that are already upset with the high cost of the fees. They want the existing fees reduced. They want more economical solutions. So when you say education it's always the government bureaucrats know best, they are going to educate the constituents, but I want to know how we educate you that we don't want this. How do we do that?

>> Mayor Adler: In all fairness, he's still working under the old policy until he gets a different policy from the council that's the policy that staff is supposed to work with.

>> Zimmerman: Has there been an alternative presented to us from staff? Because I don't see it.

>> Mayor Adler: I think that you could ask for that.

>> Zimmerman: I've asked for that, many, many times, I've asked for that. All I get is we have to raise fees, we have to raise fees, we have to educate people on past policies of the council. I don't see anything else. Have I missed it? Have you presented something that missed that would lower the fees.

>> We have presented the organics collection program in nearly every sector of the city, we've had community meetings and taken input from all sector of the city. I would also say for organics collection, including food waste is a fairly new topic nationwide, there are many cities looking at Austin.

[4:09:57 PM]

It is viewed that this proposal is a cost efficient measure compared to other cities that are proposing this. I'm looking at cost efficiencies everywhere I can. Ed.

>> My question is have you presented anything to us that would lower the fees? What you just said was a repeat of what I've been hearing for months. Have you submitted anything to us that would lower the fees that we're paying when it comes to trash collection.

>> Mayor Adler: Maybe the place that we could do that, if someone wanted to tee up the policy question in whether we wanted to engage in this type of program, we could tee up the policy program and ask the appropriate committee to take a look at it. That would probably be the place to change the policy. Further questions on this issue? All right. That gets us out of this one then. The next area on the budget, I thank you. Thank you. Next policy area I think is after fees is utilities. Does anyone have any questions on utilities? There was some question about need on cap, I think that you were going to ask those outside --

>> Casar: There's a lot of numberses. I think it makes sense to bring back the Numbers on the dais.

>> Mayor Adler: Other questions related to utilities that we would have here? All right. Financial policy. Ed, do you want to take a stab at the reserve questions? Two questions, one was the debt funding of those reserve or moving those freeing up those one time expenditures, stabilization issues, the second one was the 12 versus 12 and a half percent with what looked to be one of the primary drivers that one third filter.

[4:12:00 PM]

Item 2.04 nor -- on your concept menu debt financing to pay for select [indiscernible] Item with discussions with the mayor about. Kind of refined over time the Numbers that you see right now, 3.3 million in one time funds, 48,000 general fund, 1.3 million in other funds. I think at this point in time, we would primarily be looking at the one-time funds, I apologize, that's the budget stabilization reserves. What we're looking at here, with the -- what the direction was, was to try to identify items in our operating budget that was appropriate to use to issue debt for and specifically looking for things that weren't kind of like recurring types of things. Our recommendation as a financial staff when we have things such as a police cruiser or trucks and vehicles used by our parks department, any number of departments, yes, there are one-time type of purchases that we could use debt for, but they happen every year. Every year we're goodbye to be replacing -- we're going to be replacing a large block of police cruisers, we don't think we should issue debt because then you end up paying for the vehicles and interest over time. It's more financially economical to cash fund when those are available. That's not to say we would never have a situation where we would recommend using debt for vehicles, it's not our standard practice. These items here narrowed down to just our items that are really kind of non-occurring, one off type of expenditures. And really the 3.3 million of one time funds is in two large buckets. One of those being 1.3 million, from our budget stabilization reserves, that is that reserve that we typically look to fund one-time expenditures, \$1.3 million would be to do facility renovations at one Texas center related to the needs of the new development services department in creating space for the additional staff that are proposed in this budget.

[4:14:14 PM]

To be very frank with you all, that is a conservative estimate of what we think the costs might be. We haven't even gotten into the design work yet. We know there are going to be space limitations associated with addressing recommendations in the Zucker report and housing the new staff that are proposed in this budget. One thing that we think council may want to consider would be to scale back

that dollar amount, that \$1.3 million. We think that we could get very far along the path doing the design work-related to the facility renovations for about \$300,000. Once we had a tighter grip in regards to the actual costs to renovating one Texas center to meet those needs were, we could come back to council mid year. If at that time the best solution was to debt finance these items, we could still do that at that time. It wouldn't be too late to craft a reimbursement resolution and look for debt. We think there may be other alternatives to look at as opposed to our stabilization reserves. We might look at the rental rates different departments pay for that facility. They haven't been visited in a while. We might be able to -- adjusted in a while. We might be able to charge more to cover these renovation costs. While we think it would be legally appropriate to use the debt here. We are saying we think that piece of it, the 1.3 million, as opposed to 1.3 million when we are not 100% certain of what the costs are going to be at this point in time, to the extent that council wants to look at that and maybe reallocate those dollars to other priorities, scale it back, let us get a grip on what the costs are going to be, we come back with a mid year budget to implement those improvements. That would be one part of that \$3.3 million that's in the one-time column for this item 2.4. The other \$2 million has to do with general facility needs.

[4:16:15 PM]

So we have throughout the city roughly 260 facilities we're responsible for. A large, large number of those, the majority of those facilities are facilities related to general fund type of departments. So they are fire stations, ems stations, they are recreation centers, libraries. Police facilities, et cetera. These facilities really suffer from a lack of appropriate routine maintenance and so one of the ways that we have funded those over the years is we have an operating budget transfer, a transfer from our general fund to our building services department for facility maintenance of those facilities. It's \$1.4 million, it's been that amount for several years. As you've heard from Sara Hensley and we have a lot of directors that will come and talk to us about us, but Sara was talking about how they have just a long list of repairs. Hvac needs, facilities where the water is not running, bathroom repairs that are needed and the libraries could give you the same list. We went through a facility planning process, developed a facility roadmap. It wasn't a very good report card really from the facility roadmap. A lot of these facilities are in very poor shape. Needs related to elevator improvements, hvac improvements, leaky roofs, restrooms, et cetera, millions and millions of dollars. Long story short, what we were recommending in this budget is to take two million from the stabilization reserves put it towards that C.I.P., put it towards the building services C.I.P. To start addressing some of these needs. This is something that council could consider. To issue debt for instead of using our stabilization reserves for that purpose. We have used debt for these types of things in the past. I think it was just last year where we had some real critical needs and the number of our older fire stations, female locker room renovations, other renovations and we did issue debt to address those needs. So it's something that council could consider in discussing the matter with city staff.

[4:18:19 PM]

Again, if there was a desire from council to take this additional two million that staff is recommending to go to meet facility renovation needs, our recommendation would be instead of issuing debt to meet those needs, it would be to simply have -- if council wants to reallocate that you could certainly do that and we would work on an alternative plan, maybe bring it back for you in fiscal year '17 for consideration to really begin addressing what is a -- a large number of facility needs. Two million to some degree is a drop in a bucket and I think with the \$1.4 million that's already in our transfer to the building services for a C.I.P., we're going to be able to address the highest priority needs for our facilities, this would allow us to do more, but I think those are things that we could work with our

building services staff to defer some of the items that are lower priority, but certainly wop want to come wack to -- would want to come back to council in fiscal '17, with a recommendation and a plan and hopefully your support for beginning to address some of these real old and outdated facilities that have a lot of needs. But again that was the ask was for us to look at some of these non-recurring one-time expenditures to look for things where we might be able to issue debt as an alternative to free up those funds for other council priorities. That's what we've come up.

>> [Indiscernible].

>> Mayor Adler: With respect to 204 just in summary, we were trying to see if there was additional money that could be available in the council wanted to use it. You advised against the other funds [indiscernible] Against the general fund 48,000 with respect to the 3.335. You are saying keep the \$300,000 spent for the study. If you wanted to come back for the next million, rather than debt financing the next million now, wait to see if the study indicates it should be done, we could always bring it back and debt finance it then and that would be an appropriate thing to do.

[4:20:29 PM]

That leaves then two million that is general facilities servicing with the million-four that's already in the budget somewhere else, that hits the highest needs, but anywhere from zero to two million would be an appropriate use of the balance of that facility funding and not putting it to some other one-time expense.

>> That's right.

[Multiple voices] What I said.

>> Mayor Adler: No, no, no, I wanted to make sure -- okay. Do you want to address the next one, the reserve question?

>> Sure, I think there's two, 2.13, 2.07 essentially the same item which is a concept to reduce our general fund reserves to exactly 12%. So in the budget that's before you, the city manager's proposed budget for fiscal years 2013 our general fund reserves would total 12.5% of our general fund budget. I -- I sent a memo out to y'all, we talked about that with the audit finance committee as well, embedded is the staff recommendation to make some changes to our financial policies pertaining to general fund reserves. I will try to walk through these really quickly. But the current reserves in place today that have been in place for years is three tiered approach to general fund reserves. It's a fixed \$40 million for emergencies and additional 1% of operating budget that comes out to about 7 or \$8 million additional for what we call contingencies and then there's a budget stabilization reserve. Which currently is about - about 90? \$93 million?

>> Uh-huh.

>> We currently have about \$93 million in the stabilization reserve. That reserve is part of how we get to the 12% overall reserve. We currently don't have a formal policy saying that we need to be at 12%.

[4:22:30 PM]

But it has been an operating practice of the city for many years now, it's something that we talk about our rating agencies every year when we get our ratings redone that we do have strong financial practices and a commitment to maintaining good reserve levels of 12% or more. What we have proposed in fy '16 is to what simplify that three-tiered structure, take the emergency reserve and the contingency reserve and to merge them into a single fund. If you go into the fy '15 budget in the back in those financial policies you will see there's very, very little difference between what the intent and purpose and use of the emergency and contingency reserves are. They are both essentially there for unanticipated emergency type of situations. So we would just merge those into a -- merge those into a

single fund for that purpose but also recommend setting the level of that emergency reserve at 6% of general fund expenditures. One thing that we have seen is that the \$40 million emergency reserve from the day it was put in place over a decade ago, the purchasing power of that \$40 million in the event of a major event just isn't what it was a decade ago. If we don't do something a decade from now, it's going to be even less. We really recommend that council adopt a policy that allows that kind of emergency bucket of funds to grow as the cost of things grow and as the city budget grows. We recommend setting that at 6%. So that's one policy change. Then we would keep the stabilization reserve the way it is. Then also recommend formalizing the 12% reserve policy which has been a standard practice. So that's the old policies. The new policies in all of that, what you will see is there isn't a contingency reserve anymore. When you look at the old policies as part of scrapping the old and bringing in the new and resetting our reserve levels, we no longer need to have the incremental increase in the transfer to our contingency reserves.

[4:24:33 PM]

We're proposing to get rid of that reserve, but we left the transfer to the reserve in our general fund budget. It was a million and a half budget increase to keep us in compliance with that policy. The reason we left that in the budget is because we didn't know if council was going to approve these new policies. So if you were to approve these new policies as part of adopting the budget on September 8th, again embedded in the budget, if you were to approve these new policies we don't need that million and a half dollar transfer to the exigency reserve. That reserve would no longer exist. Contingency reserve. We are already planning a staff to bring forward a budget amendment to eliminate that transfer in anticipation that the council will approve the new policies. If you don't we would pull that amendment off the table. There is -- then there was another in that memo, there was another -- \$2 million relative to the stabilization reserve, the whole one third draw down policy. The recommendation that the staff brought forward, the budget we put forward before you, does not use the full amount of that one-third draw down. That would be another \$2 million that would be the maximum amount that council can go to if you want to stay in compliance with that policy. That's \$3.5 million. Even if you were to do those two things, you would still be slightly above 12%. And so then the final aspect here would be if you wanted to do the full 12%, that would be an additional \$600,000, but at that point, I know this has been a long-winded story, at that point if you were to go to the full 4.1 million, you would be out of compliance with the policy that previous councils established by not drawing down the stabilization reserves by more than one-third in any given. Long story short, if you were able to follow all of that. I think there is about \$3.5 million from our reserves that council could tap into, draw down, allocate to your different priorities while staying in compliance with your financial policies.

[4:26:39 PM]

The additional \$600,000 that got you down to the exact 12% number would actually put you in violation of the budget stabilization reserve policy. There is one aspect, 2.13, actually to both of these, that talks about applying the -- these reserves to lowering the tax rate. You know, that is something that staff would recommend against, that the -- it's really in line with your own policies. The policies for the stabilization reserve is to apply those funds to one-time activities. A permanent reduction in the tax rate, we would view as not being in alignment with council's policy about those reserves, the use of those reserves.

>> Mayor Adler: Okay. So that I understand on 3.07, that should be one-time money as opposed to general fund money to start off with. Is that correct?

>> That's correct.

>> Mayor Adler: And then you talked about the two million, you talked about the next one and a half million, that would have us in compliance with past policies and practices, 3.5 brought to one-time and we're consistent with past policies as you're recommending they be amended now.

>> That's correct.

>> Mayor Adler: And then the last \$600,000 relates to the last filter, which is you don't want to draw done more than one-third of your reserves in any one year.

>> Right.

>> Mayor Adler: So the question-- I just need help understanding why that's part of a fiscal policy if you set your reserves based on a certain percentage of what your budget is, that makes sense to me. If you're talking about not drawing down more than one-third, that seems to be more related to how accurately you predicted what your budget was going to be because that's more driven by your end of year balance than anything else. So I'm trying to figure out why that's a relevant filter.

[4:28:42 PM]

>> I think why it's a useful filter ideally you would see these reserve levels in good economic times like we're experiencing right now, you would see them grow, you would see them grow past 12%, you know, to 15%, 18%, wherever they grew, but you would like to see the reserves grow during strong economic performance, when your sales tax dollars are coming in strong so that you have the rainy day fund that you can tap into during poorer economic times, that's why we call it a budget stabilization reserve, it gives council an ability to try to stabilize your budget during leaner economic times without having to resort to service cuts because a lot of our revenues, development revenues, sales tax revenues are very volatile. So we want to position ourselves to be in a strong position for when the sales tax dollars start to decline as opposed to the growth that we've been seeing.

>> Mayor Adler: I understand the reason for the reserve, if the reserve at 12% isn't enough, why wouldn't we raise it to 13% or 15% or 18%? I mean, we ought to set it seems like at a percentage we think is the right

>> I would say female you set it to 15d even if you set it to% or 12 percent, if the minimum is 6%, our recommendation would be all this one year to go from 12% to 6%, contract the one-third drawdown policy serves as a useful limitation on the use of the reserves so it's -- it spreads their availability out over several years.

>> Mayor Adler: Okay.

>> That's the value.

>> Mayor? Elaine hart, cfo. In the absence of that vehicle, that use of the one-third, we would typically have to either debt finance more of our equipment or we would have to set aside general fund dollars in the budget, actually appropriate the dollars for it because typically that's what we use the one-third monies for. I did want to also mention that the policy changes were taken to the audit and finance committee, and they did recommend approval to the council.

[4:30:48 PM]

>> Mayor Adler: Okay, thank you. I won't raise that question again. I did have one last question, it's not one of the items. It's a financial question. I'm not going to put this on the menu concept, but I just want to just quickly air it out publicly and in the room. You have made an assumption for next year as to the sales tax revenue at 5%. I asked you why you had done that. You had said it was the ten-year average. If you take the tax -- sales tax revenue over the last ten years, average is 5%. In the last ten years, we had the great recession, so there was one real outlier year in that 10%, which I think was, like, a minus -- instead of a plus 5% it was a minus 9% or something like that. Similarly, there was an outlier high year,

not as much of an outlier, which was, I think, 12%. I asked what the eight-year -- looked at to see what the eight-year average was and it looked like it was 6% as opposed to 5%. If you throw out the high and you throw out the low and figure out what the average is, it would be 6%. My question is, would it be prudent financial policy if this council chose to do so, to assume next year a 6% as opposed to a 5%, but so as not to rest too much on that change, to use any increased revenue that came from going from 5 to 6 only to fund one-time expenditure items?

>> I think in particular with the last thing you just threw in there, that you would only be allocating those to one-time expenditures. Going to 6% is less prudent than going to 5%, less conservative than keeping it at 5%. But going to 6% and allocating those dollars to one-time type expenditures as opposed to ongoing, recurring secures like staff costs is certainly more fiscally conservative to keep those for one-time things.

[4:33:01 PM]

Truth be told, past history would indicate you're going to probably not be able to maintain 6% sales tax revenue growth so you don't want to build your recurring -- build your budget to fund recurring costs based upon something that's maybe not sustainable. So definitely with the piece you added at the land to allocating it to one-time things, I think that would fit my definition of prudent, yes, sir.

>> Mayor Adler: Okay, thank you. Any further questions on the revenue section? Okay. Then we'll go to - - thank you, ed. Quality of life section. Are there any questions or thoughts on this item? Manager, I think that there was some interest in having that chief equity officer or chief diversity officer is and without asking you to design a program for us now, I want to make sure if that's something that made sense to do, there was sufficient money in the budget to be able to support that, that concept.

>> Okay. What I asked Mr. Van eenoo to do, because we really don't have any -- we've got a lot of research to do. So what I asked him to do was take a look at how we funded the level at which we funded the chief sustainability officer and the chief renovation officer and maybe take an average of those compensation -- the level of compensation there and just use that as a number for the time being. And then we'll just have to see what we see after we've done our research, in terms of position and function design.

>> Mayor Adler: Okay. Thank you. Any further questions beyond the conversation we had this morning on any of these items?

[4:35:05 PM]

Ms. Pool.

>> Pool: I just know that on all of the items, it would be helpful to have the level of detail so that we can determine how the money will be spent like we're doing on the other items that we're talking about.

>> Mayor Adler: On which? On the --

>> Pool: On the quality of life items. And I think they were all subsumed kind of underneath the whole office equity but just like parks and health and human services, I think we need to get down to a legal of specifics, including how many ftes might be needed before we can make any real decisions about adding new programs or expanding existing ones.

>> Mayor Adler: I share a similar kind of thing. To the degree someone put something on the concept men skew there's not a lot of backup or good description of the program, where I will probably be voting is to either not do it, because I don't understand it, or to make it part of just kind arrive block grant that says in this area I think we need additional funding and then have something to that, to the degree people could supply backup, that would be helpful. Otherwise, it would be for -- for me it would be more of a block grant in an area. Ms. Houston?

>> Houston: I was going to say that since some of these things happened many years before I came on this council, it's going to be hard for me to get the level of detail that councilmember pool might be able to accept, but I will try to put things in buckets so that we can see where there's overlap and where -- places where there's congruence. So. . .

>> Mayor Adler: Okay. Anything else on quality of life issues? Ms. Houston.

>> Houston: There was a question about the implementation of the colony park master plan. How many -- when we did our straw poll, was there any interest in having further communication on that?

[4:37:06 PM]

>> Mayor Adler: I --

>> Houston: I can't remember. My day has gone past me.

>> Mayor Adler: I indicated a desire for that. I think it was -- I'm not sure there was a -- let's ask. I mean, on quality of -- on the funding for the master plan for colony park --

>> Houston: 1.23.

>> Mayor Adler: 1.23. Is there interest in that on the dais?

>> Houston: And the reason that's there is because they've complete aid master plan and yet nothing has been done to kind -- completed a master plan and nothing done to move that needle at all. Since we'll be having conversations about all kinds of things east of 183, this is something we already have a master plan on, and so I was just seeing how much interest there was in trying to carve out some way to implement that.

>> Mayor Adler: Okay. Just a quick straw poll on the dais, interest in that.

>> Pool: I wanted to make a comment.

>> Mayor Adler: Okay. That's one, two, three, four, five, six --

>> Renteria: Mayor, I think that really will fall in line with everything else that we're looking into over there in colony park, including that, you know, all the way around the decker lane and all that. And the area where the -- our power plant is at, you know. . . I call it Dechert lake.

>> Mayor Adler: I do too. Makes citizen to me. Ms. Pool.

>> Pool: It seems the next step on that would be to have an implementation plan, and we don't yet have that, but that would be where the different specific items for funding would then be attached to an actual program or fte or funding, and I'd certainly -- I certainly would look to see the implementation plan fleshed out so that we can continue moving forward on it. And it may be that it's part of what we do with our east Austin equity program or maybe it's separate so that it doesn't get slowed down by that. We just don't know. But I think the next step is the implementation.

>> Houston: May I ask, Mr. Manager, what department, what division does the implementation plan?

[4:39:07 PM]

I mean, who pushes this forward?

>> The quality of life -- I'm sorry. I didn't have my mic on.

>> Houston: This is colony park.

>> The colony park plan, I guess, it spans a number of departments. So initially, as you may recall, our housing department was working a lot with the constituents over there. They will continue to be involved, but we also see the importance of having our economic development sun -- subject matter experts be involved. I think one of the areas exploration will be at some point whether or not it makes sense to bring -- to engage some sort of master developer to cyst in realizing the vision of that plan. I know that all of the appropriate staff are engaged in that conversation with members of that community, and at some point I anticipate coming back to council and making a presentation about

what we think makes sense, in terms of a path forward.

>> Houston: Thank you.

>> Mayor Adler: And, manager, with respect to that, since we're probably -- there's a limit to how well you're going to be able to detail that over the next four days, I do want to make sure that you folks have taken a look at what would be an appropriate placeholder amount for that project. I don't recall the none offhand, but I know it's one of the things that we have. There's a number that's put against that but if you can take another look at that and make sure that's the number that's appropriate.

>> Is that 400 is now that's 400,000?

>> Mayor Adler: Yes, sir. Okay. Anything else on quality of life? Ms. Tovo?

>> Tovo: Yeah. I wanted to weigh in I'm supportive of putting money into implementing some of those elements of the master plan, and I would be interested in -- it's been, what I guess about a year since it was completed and presented to council, and I think that -- I think it's important to move forward on it and I think it's certainly related to the broader work that's going on in looking at east Austin as part of the council's subcommittee that's been pulled together that several of you are working on.

[4:41:24 PM]

But I think this is a pretty fully crafted vision with some action steps, and I think it's appropriate to move forward with it. I guess I would like to know kind of what our expectations are for that 400,000? It's been a while since I looked at the plan so I can't remember whether it's broken into phases or not, but maybe over the course of the next days we can get some sense about what that 400,000 might do so that we can set expectations for the community as well. But I think it makes good sense to move forward with it.

>> We'll provide that.

>> Mayor Adler: Thank you. Anything else on quality of life? The next section that I have, then, is economic development. I think colony park master plan had shown up there but of course it's all part of that same agenda. Anything else that people wanted to address here? Yes, Ms. Pool, then Mr. Zimmerman.

>> Pool: I think we probably need to have some conversations about how to handle the chamber of commerce contracts. I don't know if that's something that we can just get some input from staff on. The -- we have two proposals, one of them has more support than the other. And I think there's a general -- there's general support for continuing funding to the chambers of commerce, but I don't know what the appropriate level is. I don't know that we've landed on one. The proposal that I put forward was an attempt to find some equity among the different chambers of commerce, and it -- that may or may not be the approach -- the approach I took may or may not be the best one, but I do support increasing the amount of funding to our minority chambers, just generally.

[4:43:25 PM]

>> Mayor Adler: Okay. Mr. Johnson, can you address that, why I don't know now or in memo, otherwise. I know each of the chambers have different capacity, that are involved in different activities. And I don't know if that's something you want to address now or something you want to send us a memo to be able to come back and address.

>> Kevin Johns, director of economic development. We can do both. I'd be happy to send an analysis of the role of each one of the chambers. I think it's important to recognize that the opportunity Austin project is a regional initiative. It's a regional economic plan that organizes our overall long-term growth into economic clusters. So if one area begins to melt down, we have a diversified economy that can replace that area. In addition, the greater Austin chamber of commerce has specific focuses that you

might be interested in continuing. I hope so. Dealing with clean energy, dealing with moving children out of poverty, getting kids graduated, and moved into college. Those are different metrics than the other chambers of customers. The Asian chamber of commerce is probably the fastest growing. The black chamber has perhaps some of the largest problems. The hispanic chamber of commerce is -- has done a consensus and there's going to be 50,000 hispanic businesses created. The gay and lesbian chamber is a rapidly growing chamber with a lot of interesting focuses that I think would help us revitalize our neighborhoods. So they have different sizes and shapes. They have different constituencies and they're all incredibly valuable. I would be happy to do a little bit more of analysis and get that to the mayor and council.

[4:45:26 PM]

But I wanted to give you that overview because I think it's very important to recognize that at least the regional economic plan, which is updated every five years, does take into consideration the overall diversification of the economy to prevent -- to address any unexpected meltdowns in part of the economy.

>> Mayor Adler: Okay. Thank you. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. So, again, I've made this point before, but is there anybody who can come forward and speak to council about how -- there are many persons and organizations doing similar work that we're being asked to subsidize with tax dollars, other organizations, other groups promoting business and doing a lot of good work. They go unrecognized. Their voice is not heard. They're not demanding any subsidies. So, you know, I'm dismayed at this process where we have one point of view, we're going to be sold on the benefits of this tax subsidized groups and there's no voice that says, you know, we have other groups that are doing similar things, who are not being tax subsidized.

>> I'd like to address --

>> Zimmerman: I don't see how this is a fair process here.

>> I'd like to address at least one aspect of that. Chambers of commerce are universally part of private public partnerships in every major city in the country. It is universally accepted there is a role in government in funding chambers of commerce everywhere. In our case, the greater Austin chamber of commerce, we do have a pretty sizable contract, but that's only 10% of their dollars. So I think it's very important to recognize that there are a lot of business organizations working, but the public-private partnership is really the wave of the future, with extensive private investment.

[4:47:26 PM]

That's why we work with them. That's why every major city in the country does.

>> Zimmerman: Mr. Mayor, I just heard another sales point. It's into the I'm refuting what's been said but, again,, again, there's no other point of view.

>> Mayor Adler: Okay. Thank you very much, Mr. Johns.

>> Thank you.

>> Mayor Adler: Anything else on economic development? The next one was health and human services. Does anybody have any issues here on health and human services that we wanted to ask about? Anybody? Okay. Yeah, go ahead.

>> Garza: I just want to speak to the 6.7 million gap. I think there's a lot of misunderstanding and I'm afraid some stuff is going to get rolled into there that wasn't the intention of that money, nine intention of that money was -- the intention in my understanding was to help existing contracts keep up with the cost of service they're providing, and so I just want to make sure that we understand that while there

probably will be some duplication in some of the asks in what the 6.1 million can provide, I don't want us to think we can throw in a bunch of needs under that 6.7 million because that has been specifically -- there was a big community stakeholder process to figure out exactly what that money could be used for, and that's just -- that's just step one. We're supposed to be adding money in other years too.

>> Mayor Adler: Okay. Ms. Pool?

>> Pool: Yeah, I would agree with that. That was part of how the budget was determined last year, was to make some intentional statements about how much should be included in the funding this year. And so, yeah, I think that's a larger conversation that we'll have and I want to be really careful we don't roll in some other items into that number that maybe shouldn't thereby.

[4:49:28 PM]

And one of those is the -- shouldn't thereby, and one is the healthy corner stores initiative and with the good services of councilmember Garza's staff, we have some additional detail on how the \$400,000 would be allocated and the programs would be administered through health and human services. We have food desert areas in districts 1, 2, 3, 4, and we would collaborate with the office of sustainability and the grassroots community organizations, 150,000 for healthy food retail initiative, 100,000 for community and school-based farm markets, 100,000 for sustainable food centers, double dollars incentive program, and then a staffer -- and I think this includes benefits of 50,000 for a full-time employee at health and human services to administer the program. And that would be in the areas that we are mapping out, and it will help local retail food stores offer the healthy food options that they need. And to engage with local communities to develop support for those options and the education component on how it's a better use of your dollar to buy bananas than maybe salty potato chips and candy bars.

>> Mayor Adler: Okay. My view of this, I believe we need to make a substantial increase in the social service contracts that we have and I've been trying my best here in different policies, different ways, to turn up as much money available to us as we can and being as creative about that as possible. And I think we need to have a substantial increase. I'm having trouble getting Numbers to work, netting out where we actually reach to a 6.7 number in that category. I just want to say that out loud, although I'm continuing to work and try and still believe we need to do substantial work. In my chart, I haven't quite been able to figure out how to reach that far.

[4:51:31 PM]

Ms. Houston.

>> Houston: May I ask Mr. Jones a question?

>> Mayor Adler: Yes.

>> Houston: Thank you for being here today. And the \$6.7 million that is being requested, do we have existing contracts now? I know that's what it says, but do we have existing contracts that could use up all of that money if we found enough money to fund it at its requested level?

>> Well, current -- Shannon Jones, health and human services director. Currently, the funding that is identified, 6.7, is divided into two categories. One, 3.7 roughly for social service contracts. The other, 3 million for health department type of services. The \$3.7 million, the effort is -- there's a strategy to be able to increase what we're currently doing, look at new initiatives, look at some of those that have been put forth as part of the social service efforts to address issues that the mayor and others had lewded alluded to. We would look at some of those not funded the first time. All of that would be part of the callous in terms of how we'd determine that.

>> Houston: When you talk to the health and human services committee, you kind of gave us a broad

overview of how this would be an umbrella for some of the entities that had received and not been funded.

>> Yes, ma'am.

>> Houston: Thanks.

>> Mayor Adler: Anything else? Thank you, sir. That's health and human services. There was a conversation, Ms. Houston, that you indicated this morning that you wanted us to touch on briefly. On economic development, and the question was with respect to the agreements, the incentive agreements we've entered into, and whether or not we want to continue performing under those.

[4:53:36 PM]

Since all such agreements as a matter of law require a note that the city can back out of them at any time because no council can bind a future council. I don't know if you want to discuss that issue. Mr. Johns? Is he gone?

>> Pool: No, he's still here. Someone is going to look for him.

>> Houston: I don't see him. I don't see him.

>> Mayor Adler: I know. And sue walked out to see if she was seeing him right out there, and I had forgotten that so I didn't want to let it go.

>> Houston: Thank you. Because I had too. If we could have that conversation, maybe he could post something or send us an email about whether or not we could get out of some of the chapter 380 agreements after 11 years or so. What the -- legally if we could do that.

>> Mayor Adler: My understanding that, legally, I mean, we have contracts that say that we can opt out, which is not to say we wouldn't be sued if we tried that. But our contract says that we can get out. And my guess is we probably could. But my sense, though, is that when a city enters into an agreement like that it's a commitment I would vote to honor just because I think going forward it's important for people to be able to rely on what a city says it's going to do. You want to speak to the legal issue, Ann?

>> I'm not sure what the question is, but the language is in there that councilmember Zimmerman pointed out earlier, we naught in the language for all the agreements.

[4:55:42 PM]

Of course the city gets a benefit from the -- entering into the chapter 380 agreements and community benefits from there so those are things you would consider as you think about the future.

>> Mayor Adler: My assessment of the law is you can't sue a city for estoppel unless you received benefits as part of the transaction and then it would be a fact issue on whether we fall within the facts of those cases.

>> That's right. We always say, we can be sued for anything, but we would certainly defend that.

>> Houston: I was about to say that. So I guess the question for Mr. Johns and his staff is that -- how is the domain performing and do we have metrics to see if they're keeping their end of the agreement after this many years? Because we keep buying them stuff.

>> Mayor Adler: Mr. Johns, the question was 380 agreements and whether we should continue to perform on those, but the most recent question was whether or not the folks we're in those continuing agreements continue to perform, are we monitoring that and specifically the domain.

>> Thank you. I apologize. I thought you were through with this, and I was halfway up the stairs. Let me distribute to you a brief handout. Thank you. So Kevin Johns, director of economic development. The chapter, the seven chapter 380 agreements that we have, as you know, are -- have been voted the number -- 100% transparent. And the analysis themselves that we have done, that was recommended by the citizen activists and formal city councils is called the loca analysis.

[4:57:43 PM]

And the loca analysis is used by, I think, 300 cities across the country, and it's a cost benefit analysis, excuse me, I ran downstairs.

[Laughter] But it's a cost benefit analysis that looks at the revenues generated by the businesses and then the costs to the city. And the way it's done, is that the company first, as you know, is recruited by the city to fill a whole or to anchor a cluster industry. So the companies don't actually come to Austin until we have decided that we need them to be a fit in our economy. Once that happens, the chamber of commerce will recruit them, we'll do an evaluation on basic values, and then we do the cost benefit return on investment. And it will tell us what the break-even point is. When we do the analysis with a company, after looking at the revenues and the cost that it generates to the city, it tells us how much money not to give. So we always start with calculating if a company does come here, how much money do we need for parks? And we set that aside. How much do we need for police? Then we set that aside. And so on through the entire budget. So when it comes time to do an evaluation of whether to incentivize a company, we're only dealing with the profit of the company. And the profit of the company that it brings to the city over and above all our costs. So as you will see in this analysis that I've distributed, there's a breakdown of the net benefits to the city under each category. So we calculate what those net benefits are in terms of cash return on investment. So, for example, apple, which you've heard both criticized and applauded, the net cash benefit to the city is that the city makes \$14.5 million on the deal.

[4:59:55 PM]

You along at Facebook, and I think our incentive was \$20,000 a year. So for minimum investments, we're getting great return on investment. I'd like to also mention I think, Ms. Houston, I think it's important to recognize that these seven contracts all require that minority contractors are involved. So we can -- we are doing modification -- I mean, we're doing an evaluation of all of the contracts, both through our staff and through an independent evaluations that done at the end of the year, after the company has paid their taxes, they've turned in their -- what they have accomplished in terms of jobs created, in terms of the performance and hiring minorities, in terms of the capital investment that's required. So our staff will go and do an evaluation, and then we have a second independent organization that's come -- that comes and evaluates it as well. If the company has performed, then we -- and they paid their taxes, then, according to whatever the contract is, which still is just a part of the profit, then that money will be paid to the company. So these companies, these remaining seven companies, are all operating in good faith. They're all generate generating a profit for us. They're all hiring local companies, minority companies. And I would say that they're anchoring different sectors of the economy. So, for example, H.I.D. Global?

>> The reason we went out and tried to find H.I.D. Global is because they have a -- they're the security cards, the Hughes corporation. They do all the security cards when you pass into buildings. It's because they will hire hard to employ people. So we made a focused to attention to try and get at least as many companies as we can -- so this was part of a trend that we started about four years ago -- to try and get companies that will hire people who don't have a high school degree or who have been homeless or who have struggled in their career for whatever reason.

[5:02:16 PM]

And so each of these companies has a target focus, H.I.D. Global in this case had a hard to employ focus.

With the exception, because they deal in high security, they weren't allowing us -- they can't hire people who have -- who are exfelons. We did hire -- we did recruit U.S. Farathane who did hire people with criminal records but unfortunately they've turned in their agreement. So I think in summary, this is a very useful tool since 2003. I think we do one or two a year. We haven't done any in the last year and a half, but as some segment of the economy begins to, I guess, become stressed, like the apple stock has dropped 16% in value in the last week, so it's not that they're necessarily in stress, but if something did happen with them, then all the companies that do business with them, who are in the Austin economy, would also become under -- they would become stressed. Samsung supports 200 local companies. So we're very -- we're very successful as a city in targeting very -- very carefully targeting segments of the economy, making sure that the agreements are transparent, making sure that they're performance-oriented, that we only deal with the profit, so that the city is never out any money, and in this case, the return on investment is, I think, for those seven companies, is 33, \$35 million that we wouldn't otherwise have here. I should probably go ahead and say it because I know it will come up as a question, but a question always comes up, wouldn't they come here anyway? And the answer is no. We have a written agreement with them where they've signed a government contract that says that we were competing with other cities that were also offering them incentives.

[5:04:19 PM]

And so we believe, then, as a matter of fact and as a matter of legality, that they are being truthful because they've signed government contracts saying that they would go elsewhere if they didn't have an incentive from here. So was that too long-winded? I apologize. I just got on a roll.

>> Houston: That's okay. That's --

>> Mayor Adler: Question. Are the cities -- we monitoring city's performance? Are they continuing to perform? What about the domain?

>> The domain is -- we do monitor the domain. We do that every year, and the original piece of the domain contract is what we monitor. Since then there's been multiple phases of development, and those have been incredibly successful and so they're not being incentivized at all. So phase two, which I'm not sure I can get from staff, but I'm sure it's over \$100 million new development, that is not subsidized, not incentivized at all. Also please recall that the domain was probably the earliest of the incentivized contracts and in that the community was divided. They were divided because it was revitalizing an area and a lot of the companies that were moving in were retail companies that were not in Austin. So it didn't benefit as directly the local businesses. And so the local business community and a lot of local activists zeroed in on it and correctly said let's not compete against the local businesses if we're going to recruit companies here, let's recruit them so they support the local businesses and they hire the local businesses. So we do monitor it. The contract is solid. It's producing. They're doing what they're supposed to be doing. The second phase -- and I guess the third phase that's coming all are not -- they're not incentivized and they're generating a lot of jobs and a lot of growth. If you would like specific breakdown on the domain, I'll have to get that four but I'd be happy to do that.

[5:06:26 PM]

>> Mayor Adler: Any further questions? Ms. Houston.

>> Houston: Just one last question. How much longer do we have in an agreement with them that started many years ago? Because we bought a chiller, I think, in the -- while I've been on the council. So what is our relationship in --

>> In the domain?

>> Houston: In the domain, the first phase that was incentivized.

>> You know, I don't have that. I'll have to get that you, if that's okay. I don't have that one memorized. That was quite before my time.

>> Mayor Adler: Okay. Anything else? Thank you, Mr. Johns.

>> Thank you.

>> Mayor Adler: That was the end of the sessions that we had. There was, manager, the question of the departmental review. If you could take a look at that and tell us whether or not there needs -- there should be a placeholder. The auditor had looked at what other cities were doing and is supposed to be weighing back in, whatever they budgeted for those. I don't remember if that was in her report or not, but whatever would be the appropriate -- again, we're not asking you to develop the program in four days, but whether or not there needs to be anything put against that.

>> We'll take a look at it.

>> Mayor Adler: Thank you.

>> And get back to you.

>> Mayor Adler: That takes us through the budget. Does anybody else want to lay out anything else for the council to discuss at this point? Ms. Kitchen.

>> Kitchen: Well, I didn't get a chance to ask councilmember pool. I thought there was another concept item submitted related to green infrastructure. Is that sounding. . .

>> Pool: The latest that I saw on that is it didn't make it on to the concept menu for today. Maybe it will be on there more. We do have four sponsors on the consultant for the green infrastructure with codenext. Let me see what I've got on here.

[5:08:28 PM]

And the four sponsors are the mayor, the mayor pro tem, and you.

>> Kitchen: Yeah.

>> Pool: With me.

>> Kitchen: I don't know if you have that in front of you to re-- to give people a heads-up.

>> Pool: And I don't.

>> Casar: Okay, never mind.

>> Pool: Thanks for bringing it up. I suspect it will be on our next concept.

>> Kitchen: But we won't talk about it again until September 8. I think the concept was to recognize the importance of green infrastructure in the land development code process and to support a consultant to work with the watershed department, if I'm understanding correctly.

>> Pool: Right, I think that's correct. The idea was to get that into the budget now so we could continue moving forward because time is fast moving with regard to our work on codenext, and this is an integral part of it.

>> Mayor Adler: Okay. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor. We have on the council message board, if anybody has got their computer on and up, it says concept menu, district 6, 2 million mobility reallocation. I want to draw your attention to that, and we have councilmember Houston, troxclair, and Gallo have signed on to this. If there's -- I have a graph I'd like to put up on the overhead just for a second. And it shows, if we still have that there. It shows a pretty remarkable disparity in the C.I.P., capital improvement plan. There it is now on the overhead. As you see there's less than 1% of the C.I.P. For Austin transportation and public works being spent in district 6. And this data comes from budget question 87, which you can also look up, but that link is on the council message board as well. So I'm going to be bringing this forward. But on the same subject, I'd just like to point out that we need to very quickly get into some of the capital discussions because what we've talked about, I think, so far is, you know, year to year expenses.

[5:10:33 PM]

We haven't really got into the capital plan yet, per Se. So --

>> Kitchen: Mayor?

>> Mayor Adler: Yes.

>> Kitchen: I wanted to talk about that for a minute and I had a chance to very recently ask a question of ed van eenoo, which I didn't have a chance to share with any of the other councilmembers, and that has to do for our timing, for talking about how the distribution of the capital improvement projects I asked specifically with regard to transportation. I don't want to put words in your mouth, but I thought I understood that we had some flexibility in order to move -- to move around those dollars after the budget process, so long as the projects fit within the original bond issue. So, in other words, the distribution of the 25 million or whatever it is for transportation projects, if we don't address that during the budget process, we can still address it later. Did I get that right?

>> Did you. The appropriations related to the capital program are done at a very high level so it will be a certain dollar amount for streets, certain dollar amount for sidewalks, and there would be time for council to engage in the specifics of where the dollars are going to get expended. Of course staff has a plan behind, there's a five-year plan for what those expenditures are planned to be but by council taking action to appropriate a certain amount to the capital program doesn't preclude you continuing to have a discussion about what projects should be the priority.

>> Zimmerman: That's really what it was about, was setting the priorities, yeah.

>> Mayor Adler: Okay. Anything else for us to discuss on the dais? Yes, in general.

>> Garza: I just have a process question for next week and suggestion for how we tackle going forward and maybe start with the revenue changes and the budget reductions, start voting on those first so then we know exactly what we can add into the budget.

[5:12:42 PM]

And so -- instead of maybe going and taking things off the concept list. That's just a suggestion.

>> Mayor Adler: I don't see us going to the concept list next week, ask what you've suggested is how they've done it in the past. I think we may have earlier preliminary conversations with respect to kind of the block item kind of things that we're moving. But I don't see us following the concept menu next week. I think it's been a useful tool to have us work through areas, but some other process they'll be looking at.

>> Garza: Okay.

>> Mayor Adler: Further conversation or discussion?

>> Kitchen: Okay. So I'm assuming we'll still use the concept items? We just may not go in the order that we've --

>> Mayor Adler: Right.

>> Kitchen: Okay.

>> Mayor Adler: Mm-hmm. Yes, Mr. Casar.

>> Casar: Mayor, if we do end up doing this the way that we have done in past years, talking about revenue and reductions first, there are several of those reductions or revenue increases that I'm on the fence about and more on the no side than the yes side, but of course I would want -- and I think we would still have the privilege open that if when we get to the spend being side that we still don't have enough courtroom we find something as a real priority or as a goal that I may be willing to at that point be able -- be willing to consider some of those revenue increases or reductions that may -- I may be willing and open to changing my vote if we start getting ourselves in a situation where there's a real need.

>> Mayor Adler: And to be clear, councilmember Garza proposed what had happened in past years, and I recognized that, but I'm not sure yet that that's the way for us to go. But I do not see us doing Monday the way that we've done the last two days. I just don't think that that fits either. But I share the same thing that you do. It's going to be going back and forth and back and forth between spending items and revenue items with respect to the -- for me also.

[5:14:45 PM]

So we would -- at no point would we be closing down any piece of it because it's all interrelated and I will promise to try to come up with a fair and equitable and deliberate way for us to be able to do that and have everybody be able to bring forward what they want and everybody have an equal opportunity to do that. Those elements I think that worked out of the last model as well.

>> Casar: You keep accidentally calling us in on labor day. It's Tuesday, right.

>> Mayor Adler: Tuesday, Tuesday, sorry about that, Tuesday the eighth. Ms. Georgia.

>> Garza: If I could just ask if you could -- when you decide what process you want, if you could maybe post one of the things bulletin board so our staff can -- post on the bulletin board because there's strategy involved in what the process will be. We might do things differently. If we can know that process beforehand that might be helpful.

>> Mayor Adler: Yes, Ms. Pool.

>> Pool: Earlier today you said none of the items we talked about here today based upon our straw poll hand rags would be taken off the list but there are clearly some items on here that a significant minority of councilmembers support, and I would just like to say we've had ample opportunity to have the conversation and discussion and the rhetoric on a number of these and I would hope that we could move beyond that so that we don't have to revisit the same conversations again because I think we get the areas where people are in opposition, but if there's insufficient support on the dais to move forward with an idea or a concept, then maybe we can maybe not entertain it any further.

>> Mayor Adler: I promise to try and keep the process moving forward. We have a lot of work we're going to have to get done. Unchartered territory for all of us. People need to be able to make their point. I'm going to give everybody a chance to be able to do that but I'm going to keep the process moving forward. Mr. Zimmerman.

>> Zimmerman: Thank you, Mr. Mayor.

[5:16:46 PM]

Process question too. I haven't of course quantified anything but it seems like referring to what councilmember pool has said of course there's a lot more support for adding millions of dollars of spending compared to reducing spending. So I wonder if maybe you have some quantified results to look at, strong support for many of the spending options, but not much support for the reductions. So I kind of wonder where we are in terms of increasing our spending based on what's happened today.

>> Mayor Adler: You know, it's hard to know because a lot of people were indicating support for ideas without indicating support for a particular execution of what those -- those ideas. But based on kinds of things that I've seen and heard, I still believe that this council will end up in a place that has us reducing both taxes and the tax rate.

>> Zimmerman: Okay.

>> Mayor Adler: Anything further? Then we will stand adjourned until the eighth. We have no meeting -- do we have a meeting on Thursday this week? I think we're done this week. All right, we're done. Thank you.

[Meeting adjourned]