

## MINUTES OF THE CITY COUNCIL

CITY OF AUSTIN, TEXAS

Regular Meeting

January 11, 1951

10:00 A.M.

Council Chamber, City Hall

The meeting was called to order with Mayor Glass presiding.

## Roll Call:

Present: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass

Absent: None

Present also: Walter E. Seaholm, City Manager; Trueman E. O'Quinn, City Attorney; C. G. Levander, Director of Public Works, R. D. Thorp, Chief of Police.

Councilman Johnson moved that since copies of the minutes of the last meeting of the City Council have been furnished Council members by the City Clerk, the reading of the minutes be dispensed with and that the minutes be adopted as read in the Clerk's report. Upon being duly seconded by Councilman Drake, the motion was unanimously adopted by the Council and the minutes so approved.

The Mayor brought up the request of MRS. EDNA H. THOMAS for permission to erect a residence with a portion to be used as a nursery school, at 917 Keith Lane. This matter had been postponed from the week before in order that the Council could make a personal inspection of the location. Councilman Long moved that the permission be granted. The motion died for lack of a second. Councilman MacCorkle then moved that the application be denied. The motion, seconded by Councilman Johnson, carried by the following vote:

Ayes: Councilmen Drake, Johnson, MacCorkle

Noes: Councilmen Long, Mayor Glass

MR. BEN W. GREIG, President and General Manager, Austin Transit, Inc., presented the following letter:

"AUSTIN TRANSIT, INC.  
Austin, Texas  
January 11, 1951

"To the Honorable Mayor and City Council of Austin:

"Austin Transit, Inc., hereby requests that the City Council consider and approve a revision of the fare structure for bus transportation within the City of Austin whereby, on and after the date of approval, such fares will be as follows:

Adult Rates

Cash Fare.....	10¢
Weekly Pass.....	\$1.50
Transfer.....	Free

Children and Students

Cash Fare (children and students through high school.....	5¢
Transfer.....	Free

"The two effects of this change will be to eliminate the present eight and one-third cent token fare and to increase the weekly pass from \$1.25 to \$1.50. The fare for children and students is unchanged.

"The Mayor and City Council doubtless need no lengthy explanation as to why this change is needed, for they also have found it necessary to adapt their businesses to the sharply rising costs of the last few years. The present fare structure of Austin Transit, Inc., became effective on July 1, 1947, and at that time appeared adequate. However, events of the past three and one-half years have made the present fares wholly unrealistic. On April 27, 1950, representatives of Austin Transit, Inc., appeared before the Council and explained the problems of rising costs and declining revenues which confronted the Company. With the advent of the Korean War, these problems have steadily grown more serious. Thus, for example, prices for the sixty items which the Company uses in the operation and maintenance of its buses have risen an average of 47.52% over what they were on July 1, 1947, when the present fares became effective. Individual increases on these items range from 12.03% to 462.16%. Gasoline, which of course is one of the largest items of expense, has risen in price some 18.54%, with the rise in lubricating oil being approximately the same. Batteries are another large item, and their price has risen 52.17%. On February 1, 1951, the Company's tire rental rate will be adjusted upon the basis of rubber and rayon yarn prices for the preceding six months. Since these prices have advanced sharply, the tire rental rate is certain to spiral. In addition, the tire company is discontinuing a refund which the Company formerly was able to obtain by taking unusually good care of tires on the smaller buses.

"Coupled with these increases in costs has been a steady decline in passenger revenue. Thus, during last year the Company carried approximately one million fewer revenue passengers than it carried in the year preceding the last fare adjustment. In terms of percentages, the revenue passenger decline since

the last fare adjustment has been 34.29%. This is by no means a local phenomenon, for, as the Company informed the Council last April, public transit companies throughout the nation have experienced a similar decline.

"As a result of the increase in costs since the 1947 fare adjustment and the decline in passenger revenue during the same period, the Company is now losing money at the rate of approximately \$1,200 per month. As the Council knows, bus operations in Austin are conducted through the medium of three corporations, to-wit, Austin Transit, Inc., Bus Leasing Corporation and Zachry Realty Company. The loss figure just stated is a consolidated figure resulting from the operations of all three corporations. Losses of Austin Transit, Inc., alone are much higher, being approximately \$3,500 per month, but this figure is in part offset by profits on the part of the other two corporations. The profits and losses of the combined companies since the last fare adjustment are as follows:

Year ending 7/31/48.....	\$25,953.14	Profit
Year ending 7/31/49.....	\$15,117.58	Profit
Year ending 7/31/50.....	\$16,316.15	Loss
Four months ending 11/30/50.....	\$ 4,806.62	Loss

Consequently, during the three and one-half years since the last fare adjustment, the combined corporations have had a total net profit of only \$19,947.95, with the result that the average yearly return on an investment which is in excess of one million dollars has been approximately \$5,700 per year. Moreover, even these figures are to a large extent illusory, for in the two years in which the companies have shown a profit, they had revenues of \$147,305.25 from a bus leasing arrangement which is no longer available to them, and the profits for those two years resulted almost entirely--if not wholly--from this leasing arrangement, rather than from normal bus operations in Austin.

"To its knowledge, the Company has done everything within its power to combat this situation. It has succeeded in checking passenger revenue decline to the point where its decline for last year was only 5.45%, as compared to an average nationwide decline of 9.5%. It has trimmed expenses to the point where its administrative costs are now only 83.37% of what they were at the time of the last fare adjustment, with its maintenance costs being only 72.02% of what they were on such date. However, despite these economics, the actual costs of obtaining and operating the buses have mounted to the point where the Company is steadily losing money; and the principal effect of such economies has been to make it possible for the Company to postpone until now its request for a fare adjustment.

"The need for a fare adjustment at the present time has been made especially acute by another factor. The Company's present contract with its employees expires on February 6, 1951, and it is now necessary to negotiate another contract to take effect on that date. At the time of the last fare adjustment, the Company increased the wages of bus operators six cents per hour and the wages of shop workers five cents per hour. Subsequently, on February 6, 1949, a wage increase of four cents per hour was granted. There have been no wage increases since that date. Hence, it has been two years since the Company's employees have had a wage increase, and their total increases since July 1, 1947, have been a maximum of ten cents per hour. The Company's employees are asking that a wage increase be embodied in the new contract that will be required on February 6, 1951. The Company feels that they are entitled to such an increase. At the same time, however, with the

Company steadily losing money in an increasing amount, the Company is unable to grant a wage increase unless it obtains a revision of its present fare structure.

"As the Council knows, during the three and one-half year period in which Austin Transit, Inc., has refrained from asking for new fares, bus companies in other Texas cities have requested and obtained one, two, and even three increases. Some of these increases have been made only upon the termination of lengthy disputes between the companies and their employees--disputes which have reacted most detrimentally to the welfare of the citizens of the communities in which they have occurred. By refraining from asking for a fare adjustment until it became absolutely necessary, Austin Transit, Inc., has freed the Council and the people of Austin from the vexations of the repeated fare requests which have occurred in other Texas cities. By requesting such an adjustment prior to the expiration of the contract with its employees, Austin Transit, Inc., is confident that it can avert the wage disputes, and consequent events, which have also occurred in other Texas cities.

"The principal effect of the requested fare revision will be the elimination of the eight and one-third cent token. At the present time, the Company derives approximately 35.29% of its revenues from a straight ten cent cash fare and charter fees, with approximately 50.91% of its revenue coming from the eight and one-third cent tokens. Consequently, this requested change will affect slightly more than one-half of the Company's revenues. In this connection, it might interest the Council to know that at least twenty-three cities in the nation now have a straight ten cent cash fare with no tokens or passes of any kind, and another twenty-seven cities have fares--cash and tokens--in excess of ten cents.

"The other effect of the requested revision is to increase the charge for the weekly pass from \$1.25 to \$1.50. The Council will recall that this pass is an innovation which the Company adopted on June 4, 1950, with the approval of the Council, in an endeavor to stimulate the use of bus service. At that time, the figure of \$1.25 for such a pass was adopted as a more or less arbitrary figure, pending further study of the use of the passes. 9.7% of the Company's revenue is now derived from this source. Surveys reveal that the average number of rides per week on such a pass is 23.8%, making an average cost of 5.25¢ per ride. Persons who ride the buses a sufficient number of times per week to justify the purchase of a pass are, of course, entitled to special consideration in the way of fares. However, if the proposed revision is approved, the average cost per ride on the weekly passes will still be only 6.3¢, and thus the disparity between passes and ordinary fares will be preserved. In the face of rising costs, numerous cities have discontinued the use of weekly passes. Where such passes have been retained, their price runs up to \$2.00, with the average price being in the neighborhood of \$1.75. Consequently, even with the proposed increase, the price of such a pass in Austin will remain well below the average.

"In closing, mention might be made of the matter of bus service. As the Council knows from the discussion of this subject which was had last April, the furnishing of such service has not been without its problems. However, substantial progress has been made since the time of the last fare adjustment. Since that time, the Company has purchased and put into service twenty new buses. Ten additional large--type buses are now on order, with delivery promised in March of this year. The total cost of these buses--all of which have been purchased since the last fare adjustment--has been in excess of \$285,000. Each month the Company now operates approximately 40,000 more bus miles than it operated when the last fare

revision was made, and the length of its lines has increased during this period from 136.2 miles to approximately 152.4 miles. According to a survey made by General Motors, the Company is furnishing to the people of Austin bus mileage which is nearly 50% greater than that furnished by transit companies operating in the thirty-eight cities throughout the nation whose size is comparable to Austin. Since these and other aspects of the Company's service were thoroughly discussed with the Council last April and have since been studied at length by the Citizens' Advisory Committee which the Council appointed at that time, the Council is familiar with this matter, and no further reference need be made to it other than to repeat the Company's sincere pledge to give the people of Austin the best possible type of bus service that its patronage and revenues will permit it to give.

"In view of the losses which the Company is now incurring and in view of the imminent need to begin negotiations with its employees for a new wage contract, the Company respectfully requests that the Council give this matter its earliest possible attention. On this matter, as on all matters between it and the City, the Company's books and records are fully open for inspection by the Council and its representatives, to the end that the Council can verify the statements made herein and can gain any other information that it desires.

Respectfully submitted,  
AUSTIN TRANSIT, INC.  
By(S) Ben W. Greig  
Its President and General Manager."

MR. DEAN MOREHEAD, representing the Austin Transit, asked the Council to give this immediate attention as the Company had to negotiate wage contracts with the employees on or before February 6th. MR. GREIG stated the company and the Union were practically in agreement as to what could be paid based on what was being asked for in the fare raises; that they were on friendly and understanding terms. He stated the Union representative was present. He stated this could be worked out satisfactorily and without any trouble if the Council would go along with Mr. Greig, and he could assure that they would get together and work it all out without any trouble. Mayor Glass congratulated them on the good relations. He pointed out the Council would have to have an audit made, and that as long as everybody was fair, he couldn't see any reason why something reasonable couldn't be worked out. There was a discussion of having a C.P.A. audit the books. The same accountant that audits the Transit Company's books audits the City. It was decided to see what kind of audit needed to be made and decide as soon as possible. Mr. Greig stated he would furnish a report of the last audit made and the annual report. The Council was again asked to let them know as soon as possible, and the Council stated it would see what could be worked out by Thursday week, (January 25, 1951)

The Fourth Grade Class at Robert E. Lee School visited the Council and was greeted and welcomed.

Councilman MacCorkle offered the following resolution and moved its adoption:

(RESOLUTION)

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

That Walter E. Seaholm, City Manager, be and he is hereby authorized and directed to execute in behalf of the City of Austin a release of all public utility easements in, upon and across two certain tracts of land, each being a portion of Shoalmont Addition, Section 4, a subdivision of a portion of the George W. Spear League within the City of Austin, Travis County, Texas, according to a map or plat of said Shoalmont Addition, Section 4, recorded in Book 4, page 300 of the Plat Records of Travis County, Texas, such tracts of land being more particularly described as follows:

Tract No. 1:

The south five (5) feet of Lot 17, Block B of said Shoalmont Addition, Section 4.

Tract No. 2:

The west one hundred twenty-three (123) feet of the north five (5) feet of Lot 18, Block B of said Shoalmont Addition, Section 4.

Which motion, seconded by Councilman Drake, carried by the following vote:

Ayes: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass  
Noes: None

Councilman Johnson offered the following resolution and moved its adoption:

(RESOLUTION)

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

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

THAT Southern Union Gas Company be and the same is hereby permitted to lay and construct its gas mains in and upon the following streets:

(1) A gas main in HILLVIEW ROAD, from Townes Lane northerly 292 feet, the centerline of which gas main shall be  $7\frac{1}{2}$  feet west of and parallel to the east property line of said HILLVIEW ROAD.

Said gas main described above shall have a cover of not less than  $2\frac{1}{2}$  feet.

(2) A gas main in ROBBS RUN, from Hillview Road easterly 48 feet, the centerline of which gas main shall be  $6\frac{1}{2}$  feet south of

and parallel to the north property line of said ROBBS RUN.

Said gas main described above shall have a cover of not less than  $2\frac{1}{2}$  feet.

(3) A gas main in SANCHEZ STREET, from a point 548 feet north of East 14th Street southerly 248 feet, the centerline of which gas main shall be 3 feet west of and parallel to the east property line of said SANCHEZ STREET.

Said gas main described above shall have a cover of not less than  $2\frac{1}{2}$  feet.

(4) A gas main in EAST 5TH STREET, from Spencer Street easterly 610 feet, the centerline of which gas main shall be  $7\frac{1}{2}$  feet south of and parallel to the north property line of said EAST 5TH STREET.

Said gas main described above shall have a cover of not less than  $2\frac{1}{2}$  feet.

(5) A gas main in CANADIAN STREET, from East 7th Street southerly 277 feet, the centerline of which gas main shall be  $7\frac{1}{2}$  feet west of and parallel to the east property line of said CANADIAN STREET.

Said gas main described above shall have a cover of not less than  $2\frac{1}{2}$  feet.

(6) A gas main in FAIRVIEW DRIVE, from Perry Lane southerly 242 feet, the centerline of which gas main shall be  $7\frac{1}{2}$  feet west of and parallel to the east property line of said FAIRVIEW DRIVE.

Said gas main described above shall have a cover of not less than  $2\frac{1}{2}$  feet..

(7) A gas main in BOWMAN AVENUE, from a point 78 feet east of Schulle Avenue westerly 85 feet, the centerline of which gas main shall be  $7\frac{1}{2}$  feet south of and parallel to the north property line of said BOWMAN AVENUE.

Said gas main described above shall have a cover of not less than  $2\frac{1}{2}$  feet.

(8) A gas main in SCHULLE AVENUE, from Bowman Avenue northerly 270 feet, the centerline of which gas main shall be  $7\frac{1}{2}$  feet west of and parallel to the east property line of said SCHULLE AVENUE.

Said gas main described above shall have a cover of not less than  $2\frac{1}{2}$  feet.

The Southern Union Gas Company is hereby put upon notice that the City of Austin does not guarantee that the space assigned above is clear from other underground utilities, but is based upon the best records we have at hand, and that the minimum depth stated does not have any reference to the fact that greater depths maynot be required at special points. When the Southern Union Gas Company requires definite information upon the ground as to eleva-

tions or working points from which to base the location of their assignments, they shall apply to the Department of Public Works not less than three (3) days before such information is required. The Southern Union Gas Company is further put upon notice that they will be required to bear the expense of repairs or replacement of any underground utility damaged during the construction of lines named in this resolution.

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

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

Which motion, seconded by Councilman Drake, carried by the following vote:

Ayes: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass  
Noes: None

COUNCILMAN LONG made inquiry about the \$10.00 a month pay increase to all employees, and if the 5¢ per hour increase for the hourly men would be equivalent to the \$10.00. It was stated the hourly men received \$9.75 on the hourly basis; but when they worked overtime, they more than made up the difference. On a yearly basis, it worked about even.

COUNCILMAN JOHNSON moved that any dimes placed in the Parking Meters be given to the Polio Drive. The motion, seconded by Councilman Long, carried by the following vote:

Ayes: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass  
Noes: None

Councilman Long asked that the ordinance covering cow lots, chicken pens, etc., be furnished Councilmembers; and if the penalty does not cover violations, the ordinance could be amended to be more enforceable and the people could be made to clean up these lots. She stated she had had complaints about one on Pressler Street, as well as other places.

Councilman MacCorkle asked that a proposal be submitted to the Council by next Wednesday night covering the revamped pension and retirement system. He made inquiry about the budget also. It was stated the budget would be ready for the Council by the early part of the next week.



The City Manager recommended an extension of contract for the installation of a fuel oil tank at the Power Plant; and as steel was a short item, he thought best to start on this immediately. He stated under the present contract the City has the right to extend it, and this was explained to all bidders that the City reserved the right to increase the contract or to negotiate for additional work. Councilman Long moved that the proposal of Mr. Odom, in a letter dated January 5, 1951, for furnishing and installing the fuel oil structure for the Austin Power Plant complete in accordance with plans and details and specifications prepared by Burns and McDonnell Engineers, in the sum of \$99,962.00 as represented by unit costs submitted, be authorized. The motion, seconded by Councilman Johnson carried by the following vote:

Ayes: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass  
Noes: None

Councilman MacCorkle made inquiry about marking City Cars in some manner to identify them. The City Manager displayed a design of the City Seal which he stated would be placed on all City cars except Detective cars. Councilman MacCorkle stated City cars had been noticed at football games and other places, and it would appear they were not in line of duty, and he felt every precaution should be taken that these cars not be used on private business. He stated he would like to have a listing of all city cars. The City Manager stated at the time he asked for this list previously, the inventory had not been completed, but the list was now ready and he would be furnished a copy, showing the location of every car, and to whom it was assigned.

Councilman Johnson moved that the City go ahead with the order of the garbage trucks contemplated under the new budget, so there would be no delays. The motion, seconded by Councilman Drake, carried by the following vote:

Ayes: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass  
Noes: None

MR. GRIMES, representing the Polio Committee, thanked the Council for permitting the collection of dimes through the parking meters and for the early thought on the clean-up plans.

The City Manager presented a plat of the location of the Abattoir and pointed out a corner lot which was the only part of the whole block not owned by the City. He stated the City had previously tried to purchase this lot, and now it had been offered to the City for \$9,000 which was a right price for it. He pointed out a definite need for it, and recommended its purchase. Councilman Johnson moved that the City Manager negotiate for the purchase of this corner lot as recommended. The motion, seconded by Councilman Drake, carried by the following vote:

Ayes: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass  
Noes: None

The City Attorney explained a contract which he was drawing up with reference to the City's consenting in joining in a lease for the housing project for Bergstrom Field. He gave the early history and referred to a resolution adopted by the Council last year. He stated his explanation to the Council was to see if the Council consented to the City of Austin being named in the lease, and that it would also establish the City's interest in the Air Base. He made inquiry if the Council had any objections to the part of the City's entering in the Contract. Councilman MacCorkle asked that copies be furnished the Council.

Councilman MacCorkle made inquiry about the newspaper reports of the City's purchasing land between Exposition Boulevard and West 6th Street. The City Manager stated there had been planning on this, but no action whatsoever.

The Council received a report from the City Manager that the following applications for change of zoning had been referred to the Zoning Board of Adjustment:

DR. S. F. WATERMAN	506 N. Lamar Blvd.	From "C" Commercial To "C-2" Commercial
O. W. ROBERTS	1705 Cedar Avenue	From "A" Residence To "C" Commercial

Councilman Johnson moved that the following applications for change of zoning be set for public hearing at 11:00 A. M. Thursday, February 8, 1951:

FLORENCE W. & L.A. McALLISTER & MAC COKER	Lot 28, & 30x50' Lot 16,7 20x50 alley that formerly existed, and Blk. E, Outlot 2, Dv. "Z", Raymonds Subdiv. 916 W. 6th.	From "C" Commercial To "C-1" Commercial NOT Recommended by the Zoning Board of Adjust- ment.
J. W. SCARBROUGH	N.29.5', Lot 12; all of Lots 13-16, Blk. 14, Swisher Add'n. SE Corner Eva & West Gibson - 1401-09 Eva	From "A" Residence To "C-1" Commercial NOT Recommended by the Zoning Board
EDWIN E. FOSTER	Lots 1,2,&3, Blk.14, Walsh Place Add'n. Ne cor. Enfield Rd.& Scenic Drive 1501-05 Scenic Drive	From "A" Residence To "C" Commercial NOT Recommended by the Zoning Board

The motion, seconded by Councilman Drake, carried by the following vote:  
Ayes: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass  
Noes: None

Pursuant to published notice thereof, public hearing was held on the following:

McCANDLESS HOMES, INC. 100 Blk. W. Koenig Lane From "A" Residence  
100-300 Blks. E. Koenig Lane To "C" Commercial  
RECOMMENDED by the  
Zoning Board of Adjust-  
ment.

No opposition appeared. Councilman Drake moved that the recommendation of the Zoning Board be upheld and the requested change granted, and the City Attorney instructed to draw up the necessary ordinance. The motion, seconded by Councilman Long, carried by the following vote:

Ayes: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass  
Noes: None

CECIL HALE 1101 W. Gibson From "A" Residence  
To "C" Commercial  
RECOMMENDED by the Zon-  
ing Board of Adjustment.

No opposition appeared. Councilman Long moved that the recommendation of the Zoning Board be upheld and the requested change granted, and the City Attorney instructed to draw up the necessary ordinance. The motion, seconded by Councilman MacCorkle, carried by the following vote:

Ayes: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass  
Noes: None

JOE THOMAS 1511 East 7th From "A" Residence  
To "C" Commercial  
RECOMMENDED by the Zon-  
ing Board of Adjustment  
and to include additional  
property, Lots 1-6; Blk.  
1, Lots 1-6, Blk. 2,  
Outlot 4, Div. "A"; and  
Lots 13-24, Outlot 5, Div.  
"A", Central Oil subdiv.

There was opposition expressed by the residents in the block between Chalmers Avenue and Comal, on their lots facing 7th. They did not want the change. Opposition was expressed by G.M. CORLEY, W. H. SMITH, J. H. MURRAY, MARTHA RHAMBO MRS. F.R. RICE, and others, against the zoning of the 1600 block, but not the 1500 block. Councilman Drake moved that Lots 1-6, Block 1, and Lots 1-6, Block 2, (property facing on East 7th Street from Navasota to Comal) be changed as requested and recommended, and the City Attorney instructed to draw up the necessary ordinance; and the remainder of the property recommended by the Zoning Board not be changed. The motion, seconded by Councilman MacCorkle, carried by the following vote:

Ayes: Councilmen Drake, Johnson, Long, MacCorkle, Mayor Glass  
Noes: None

There being no further business, the Council adjourned subject to the call of the Mayor.

APPROVED *Taylor*  
Mayor

ATTEST:

*Elain Hoosley*  
City Clerk