

Regular Meeting of the Mayor and City Council of the City of Abilene, Texas, to be held in the Council Chamber of the City Hall on Thursday, December 16, 1982, at 9:00 a.m.

CITY COUNCIL: Mayor Elbert E. Hall; Council - Dr. Julian Bridges, Billye C. Proctor, Juan C. Rodriguez, A. E. Fogle, Jr., L. D. Hilton and Kathy Webster.

1. Call to Order.
2. INVOCATION: Councilman L. D. Hilton.
3. APPROVAL OF MINUTES: Regular Meeting held November 18, 1982 & Regular Meeting held December 2, 1982.

4. AWARDS & PRESENTATIONS:

John R. Corely	City Engineer	Engineering	30 Years
George H. McGee	Captain	Police Department	30 Years
Oscar A. Hcppe	Plant Operator	Water Treatment	20 Years

Awards for Outgoing Board Members.

CONSENT AGENDA

All items listed below are considered to be routine by the City Council and will be enacted with one motion. There will be no separate discussion of items unless a Council Member or citizen so request, in which event the item will be removed from the general order of business and considered in its normal sequence.

5. Ordinances
 - a. Consider on second and final reading - changing retirement benefits.
 - b. Consider on first reading - reclassification request from AO (Agricultural Open Space) to GC (General Commercial) District, located on Maple Street & Berry Lane & set a public hearing for January 13, 1983, at 9:00 a.m.
 - c. Consider on first reading - reclassification request from AO (Agricultural Open Space) to GC (General Commercial) District, located at 3502 Cedar Street & set a public hearing for January 13, 1983, at 9:00 a.m.
 - d. Consider on first reading - reclassification request from SC (Shopping Center) to GC (General Commercial) District, located at 2166 Lillius & set a public hearing for January 13, 1983, at 9:00 a.m.
 - e. Consider on first reading - reclassification request from RS-12 (Residential Single Family) to GC (General Commercial) District, located at E. S. 11th & Judge Ely Blvd. & set a public hearing for January 13, 1983, at 9:00 a.m.
 - f. Consider on first reading - reclassification request from AO (Agricultural Open Space) to GC & O (General Commercial & Office) District, located on Curry Lane & set a public hearing for January 13, 1983, at 9:00 a.m.
 - g. Consider on first reading - amendment to the Plumbing Code & set a public hearing for January 13, 1983, at 9:00 a.m.
6. Resolutions
 - a. Requesting that the State assign a cognizant agency for the City of Abilene.
7. Request to Advertise
 - a. Loaders - Backhoe & Trailers for Shop Division.
 - b. Ditching Machine - Parks Division.
 - c. Uniforms- Fire Department.
 - d. Sewer Pipe - Sewer Division.

REGULAR AGENDA

8. Public Hearing
 - a. Consider on second and final reading - Ordinance setting rates and approving settlement for West Texas Utilities Company.
9. Ordinances
 - a. Tabled Item:
Consider on second and final reading - Downtown Redevelopment/Tax Increment District #1 Ordinance.
10. Resolutions
 - a. Concerning improvements of certain streets under the Spring 1983 Assessment Paving Program.
 - b. Concerning Energy Code for New Building Construction.
 - c. Concerning Energy Work Plan for FY 1982-83.
 - d. Consider re-appointment of Municipal Court Judge.
 - e. Consider authorizing T&P Right-of-Way Lease.
11. Other Business
 - a. Consider renewal of Interlocal Tax Collection Contract with Taylor County.
 - b. Report on Raw Water Delivery System.
 - c. Pending and Contemplated Litigation.
 - d. Appointment & evaluation of public officers.
 - e. Discussion of sale or exchange of land in Southwest & Northeast Abilene.

CERTIFICATE

I hereby certify that the above notice of meeting was posted on the bulletin board at the City Hall of the City of Abilene, Texas, on the 13 Day of December, 1982, at 9:00 a.m.

Ruthie Hoeglein
City Secretary

CHAMBER OF THE CITY COUNCIL
CITY HALL, ABILENE, TEXAS

The City Council of the City of Abilene, Texas, met in Regular Session Thursday, December 16, 1982, at 9:00 a.m., with Mayor Elbert E. Hall present and presiding. Councilman Julian Bridges, Councilwoman Billye Proctor, Councilmen Juan C. Rodriguez, A. E. Fogle, Jr., L. D. Hilton and Councilwoman Kathy Webster were present. Also present were City Manager Ed Seegmiller, City Attorney Harvey Cargill, and Assistant City Secretary Kelly Beard.

Invocation by Council L. D. Hilton.

The minutes of the last regular meeting held November 18, 1982 and regular meeting held December 2, 1982 were approved as written. Councilman Hilton moved acceptance of the minutes for the regular meetings held November 18, 1982 and December 2, 1982. Councilman Fogle seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.
NAYS: None.

COMMENDING--
SERVICE AWARDS

Mayor Hall presented three City employees with service awards. Mr. John R. Conely, City Engineer, was presented a service award for 30 years service by Mayor Hall. Mr. George H. McGee, Police Captain, was presented a service award for 30 years by Mayor Hall. Mr. Oscar A. Hoppe, Plant Operator for the Water Treatment Division, was presented a service award for 20 years by Mayor Hall.

Also Mayor Hall presented outgoing members of various boards and commissions with Certificates of Appreciation. Those members were:

Dr. Joel Appleton, Abilene-Taylor County Board of Health
Gail Archibald, Board of Building Standards
Connie Bawcom, Community Development Committee
Charlie Beard, Citizens Energy Council
Vic Bliden, Citizens Energy Council
Penny Boyett, Citizens Energy Council
Bill Braymer, Library Board
Claudia Burns, Carver Neighborhood Planning & Referral Committee
Rev. Robert Giles, Carver Neighborhood Plan. & Referral Committee
George Gonzales, Housing Authority
Edward Hamilton, Public Responsibility Committee
Lewis Harrell, Goodlow Relocation Assistance Committee
Bob Hart, Parks and Recreation Board
Charles Hill, Abilene Higher Education Authority
Rev. C. C. Hines, Goodlow Relocation Assistance Committee
Lula Mae Jackson, Carver Neighborhood Plan. & Referral Committee
Bob Lindsey, Board of Adjustment
Joe Lopez, Board of Building Standards
Michael Mellen, Carver Neighborhood Plan. & Referral Committee
Charles Orrin, Board of Building Standards
Rev. Homer L. Pacely, Carver Neighborhood Plan. & Referral Committee
Bruce Reed, Community Development Committee
Tom Rogers, Community Development Committee
Rev. James Webbs, Goodlow Relocation Assistance Committee
Alice Wright, Library Board
Calvin Featherston, MH/MR Board
Larry Janousek, Citizens Energy Council
Raymond McDaniell, Jr., Civil Service Commission
Hazel Reed, Carver Neighborhood Planning & Referral Committee
Kenneth Deckard, Goodlow Relocation Assistance Committee

Councilman Bridges moved passage of the consent items with the exception of 7a. Councilman Rodriguez seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.
NAYS: None.

5. Ordinances

a. Consider on second and final reading - changing retirement benefits.

AN ORDINANCE AUTHORIZING AND ALLOWING, UNDER THE ACT GOVERNING THE TEXAS MUNICIPAL RETIREMENT SYSTEM, "UPDATED SERVICE CREDITS" IN SAID SYSTEM FOR SERVICE PERFORMED BY QUALIFYING MEMBERS OF SUCH SYSTEM IN THE EMPLOYMENT OF THE CITY OF ABILENE, AND, ESTABLISHING AN EFFECTIVE DATE FOR SUCH ACTIONS.

EMPLOYEE BENEFIT
TML CHANGING
RETIREMENT
BENEFITS, 2ND
READING
APPROVED

b. Consider on first reading - reclassification request from AO (Agricultural Open Space) to GC (General Commercial) District, located at Maple Street & Berry Lane & set a public hearing for January 13, 1983, at 9:00 a.m.

ZONING RE -
AO TO GC AT
MAPLE & BERRY LN
1ST READING
APPROVED

AN ORDINANCE AMENDING CHAPTER 23, PLANNING AND COMMUNITY DEVELOPMENT, SUBPART E, ZONING, OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES, AS DESCRIBED BELOW; DECLARING A PENALTY, AND CALLING A PUBLIC HEARING.

c. Consider on first reading - reclassification request from AO (Agricultural Open Space) to GC (General Commercial) located at 3502 Cedar Street & set a public hearing for January 13, 1983, at 9:00 a.m. Planning & Zoning Commission denied the request, but it was appealed.

ZONING RE -
AO TO GC AT
3502 CEDAR STREET
1ST READING
APPROVED

AN ORDINANCE AMENDING CHAPTER 23, PLANNING AND COMMUNITY DEVELOPMENT, SUBPART E, ZONING, OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES, AS DESCRIBED BELOW; DECLARING A PENALTY, AND CALLING A PUBLIC HEARING.

d. Consider on first reading - reclassification request from SC (Shopping Center) to GC (General Commercial) District, located at 2166 Lillius & set a public hearing for January 13, 1983, at 9:00 a.m. Planning & Zoning Commission denied the request, but it was appealed.

ZONING RE -
SC TO GC AT
2166 LILLIUS
1ST READING
APPROVED

AN ORDINANCE AMENDING CHAPTER 23, PLANNING AND COMMUNITY DEVELOPMENT, SUBPART E, ZONING, OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES, AS DESCRIBED BELOW; DECLARING A PENALTY, AND CALLING A PUBLIC HEARING.

e. Consider on first reading - reclassification request from RS-12 (Residential Single Family) to GC (General Commercial) District, located at ES 11th & Judge Ely Blvd., & set a public hearing for January 13, 1983, at 9:00 a.m. Planning & Zoning Commission denied the request and it was not appealed.

ZONING RE -
RS-12 TO GC
AT ES 11TH &
JUDGE ELY BLVD
DENIED BY P&Z

f. Consider on first reading - reclassification request from AO (Agricultural Open Space) to GC & O (General Commercial to Office) District, located on Curry Lane & set a public hearing for January 13, 1983, at 9:00 a.m. Planning & Zoning denied the request, but it was appealed.

ZONING RE -
AO TO GC & O
AT CURRY LANE
1ST READING
APPROVED

AN ORDINANCE AMENDING CHAPTER 23, PLANNING AND COMMUNITY DEVELOPMENT, SUBPART E, ZONING, OF THE ABILENE MUNICIPAL CODE, BY CHANGING THE ZONING DISTRICT BOUNDARIES AFFECTING CERTAIN PROPERTIES, AS DESCRIBED BELOW; DECLARING A PENALTY, AND CALLING A PUBLIC HEARING.

g. Consider on first reading - amendment to the Plumbing Code & set a public hearing for January 13, 1983, at 9:00 a.m.

CODE -
PLUMBING CODE
AMENDMENT
1ST READING
APPROVED

AN ORDINANCE AMENDING CHAPTER 8, "CONSTRUCTION REGULATIONS" ARTICLE IV, "UNIFORM CODES AND OTHER REGULATIONS," DIVISION 4, "PLUMBING", OF THE ABILENE MUNICIPAL CODE, BY AMENDING CERTAIN SECTIONS AS SET OUT BELOW; PROVIDING A SEVERABILITY CLAUSE; AND DECLARING A PENALTY.

6. Resolutions

- a. Requesting that the State assign a cognizant agency for the City of Abilene.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, REQUESTING THAT THE GOVERNOR'S OFFICE ASSIGN A STATE COGNIZANT AUDIT AGENCY FOR THE CITY OF ABILENE, TEXAS.

AUDIT -
STATE TO
ASSIGN A
COGNIZANT
AGENCY FOR
CITY

7. Request to Advertise
a. Loaders - Backhoes & Trailers for Shop Division.

Mr. Bernard Huett, Purchasing Agent, said the City has a format that the bidders follow to guarantee parts and a guarantee buy-back for each year for 5 years. Since the economy is a buyer's market, the City can probably save money by using the guarantee buy-back system.

Councilwoman Webster moved to advertise for bids for the loaders, backhoes, and trailers for the Shop Division. Councilman Fogle seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.
NAYS: None.

REQUEST TO
ADVERTISE -
LOADERS FOR
SHOP, DITCHEI
FOR PARKS,
UNIFORMS FOR
FIRE. ALL
APPROVED

- b. Ditching Machine - Parks Division.
c. Uniforms - Fire Department.
d. Sewer Pipe - Sewer Division.

Mr. Harvey Cargill, City Attorney, presented the ordinance for consideration on second and final reading setting rates and approving settlement for West Texas Utilities Company. He said on September 13, 1982, WTU filed an application for \$20.4 million. On September 16, 1982, the Council suspended the proposed increase for 120 days. The Council also authorized the City's joining with other cities before the Public Utility Commission case. There were three steering committee meetings held, two in Abilene and one in San Angelo. On December 6, 1982, a detailed, technical explanation of the settlement was made to the representatives of the cities. As to the settlement itself, discussions and arguments with WTU, the USAF, and the PUC staff were held in Austin on November 23, 24, 29 and 30. The settlement is approximately half of what was requested initially. The increase can be attributed to construction costs, plans, money, interest or finance costs and increase in cost of doing business for WTU. The Staff recommended that the settlement be approved.

Councilwoman Proctor asked what the difference was between the terms "company" and PUC "staff". Mr. Cargill said that the PUC in Austin appoints staff members. Those individuals work in economic development, accounting, engineering, and legal. The PUC has a hearing examiner who has heard the case and who has been appointed by the PUC. The PUC acts as judge. The staff is not independent because it is answerable to the PUC, however, they do make recommendations by examining filings before the PUC. In this particular case, the City preliminarily agreed on many of the details with WTU.

Councilman Bridges asked what the term wheeling charge meant and how much the charge will be. Mr. Cargill said wheeling charge means buying power from another company. That buying power could add up to \$2 million as is set out in the settlement agreement. He said hopefully it would not be that much.

Councilman Rodriguez asked how the increase would affect the residential areas. Mr. Cargill said it would mean a 5 percent increase over what residences are paying now. Councilman Rodriguez asked if the 5 percent increase was half of what WTU was asking. Mr. Cargill said that is correct, and even if the City tried, he did not think the amount would be lowered by the PUC. Also, the City has no desire to place WTU in a position where it will not be able to provide service to the citizens.

Councilman Rodriguez asked when WTU could be expected to return and ask for another increase. Mr. Cargill said he would not be surprised to see WTU back by March, April or June. He said the reason WTU will be back is because it is building new plants.

Mayor Hall opened the public hearing on the settlement for WTU.

Mr. Holman King, representing WTU, said that WTU favored the approval of the settlement.

Mayor Hall closed the public hearing after no one else wished to speak.

Councilwoman Webster moved passage of the ordinance setting the rates and approving the settlement for West Texas Utilities Company.

Councilman Hilton seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.

NAYS: None.

WTU RATE
INCREASE SETTLE
MENT OF \$10.1
MILLION
2ND READING
APPROVED

AN ORDINANCE APPROVING RATE SCHEDULES TO BE CHARGED BY WEST TEXAS UTILITIES COMPANY IN THE CITY OF ABILENE, TEXAS, PROVIDING FOR SCHEDULES, CONDITIONS, SEVERABILITY; REPEAL OF CONFLICTING ORDINANCES.

Councilman Bridges moved to remove from the table the Downtown Redevelopment/Tax Increment Ordinance. Councilman Rodriguez seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen

Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.

NAYS: None.

Mr. McDaniel presented the Downtown Redevelopment/Tax Increment Ordinance for the Council's consideration on second reading. He said the public hearing was held on December 2, 1982. The reason the public hearing was held but the second reading vote was not taken was because the board had not been appointed.

Councilman Rodriguez said the Council had asked if additional area could be considered in the district. He understood that additional area could be added, but once the ordinance had been passed, no additional area could be considered. Mr. McDaniel said that was correct because once the ordinance has been passed with a map defining the area the zone is fixed until it is complete. However, the Council could make another zone with a little overlap into the original zone. He said the borders could be changed before the second reading as long as it was contiguous. Once the ordinance is passed on second reading and the board appointed, the zone will be in place and cannot be changed.

Councilman Rodriguez asked why the area from N. 8th north on Plum Street, east on N. 10th and then south on N. Treadaway was included in the area. Why was the zone not squared off instead of making an L-shape. Mr. McDaniel said because the downtown area already has quite a lot of public owned property (City/County), the Staff felt that by bringing into the zone all of the public property, combination of those lands may be possible and the City would not have to buy the property.

Councilman Rodriguez asked if the zone could have been established by going north on Orange Street to N. 10th then east on N. 10th to N. Treadaway. That would have included Woodson School. Mr. McDaniel said even though the Council is limited on how much residential area can be included in the zone, the area Councilman Rodriguez referred to would probably not put the amount of residential area over the limit.

Councilman Hilton said one of the selling points to the other taxing entities was that if the area was developed within the zone, the surrounding areas should improve also and may become taxable. If the area is too large, that vantage point would be taken away.

Mayor Hall asked if the zone size could be changed before the second reading. Mr. McDaniel said the attorneys had told him that minor changes could be made as long as the zone is contiguous with the proposed zone.

Councilwoman Proctor asked how the boundaries for the zone had been set. Mr. Seegmiller said through several meetings with people from the downtown area, the Planning Staff put together several alternatives based on the criteria used for the disinvestment zones and blighted areas. Councilwoman Proctor said she agreed with

Councilman Rodriguez in that it looked like the zone could have been more square. Mr. McDaniel said the west side of Butternut is good property and should be left out of the zone to obtain the investment outside the zone, whereas, the east side of Butternut is not that good. Also, the Staff wanted to include the new bank building on S. 7th. The County Staff felt that the area between Locust and Treadaway was prime for development anyway and they wanted to see that area left out of the zone. The City Staff felt that it was important to take in all of the City property around the traffic circle such as Grimes Treatment Plant. All of the City property such as Grimes, the Civic Center; County property such as the courthouses, the jail; and AISD property such as Woodson School were all taken into the zone because they are all public properties. He said part of the area on the west side of Butternut are churches which it should not matter whether those churches are in the zone or out because they are tax exempt.

Mr. Seegmiller said it was important to have a mix of areas that can develop both on the outside of the zone or on the inside and that there be as much development occur on the outside of the zone as on the inside of the zone. He said the purpose of the district is not to increase the value in the district, but to enhance it to grow as much on the outside as inside the zone.

Councilman Rodriguez said the area east of Locust Street may be prime for development but is the area just north of N. 8th also prime for development. Mr. McDaniel said that property is not prime unless something develops south of N. 8th Street in the zone. Councilman Rodriguez said he was concerned that if the zone did develop and that particular area does not develop, it will still be close to the downtown area and it may need some type of enticement to develop. He said just because the district is developed, that does not mean the area north of N. 8th will automatically develop.

Mr. George said there may be other tools available that may be more appropriate than a tax increment district in that area. The tax abatement program and a few other programs are available for residential areas which would apply to that area north of N. 8th.

Mr. Seegmiller said one of the recommendations from the downtown redevelopment panel was to consider residential development along the fringes of the downtown area.

Mr. McDaniel said as far as the property owner is concerned, it makes no difference if the property owner is in the zone or out. If something were to develop just south of N. 8th like a hotel, the area north of N. 8th would still develop as peripheral to a large hotel whether it is in the zone or not.

Mayor Hall said the property which is in the zone is the property on which the Council will freeze the values of the tax as of January 1, 1983. The property that the Council would hope to improve in value will provide increments available for funding. Monies available through the zone will be spent on developments of public facilities within the zone that will increase the tax base.

Councilman Fogle said the boundaries of the zone were developed with some purpose so it is important that the Council select properties valuable to the zone and not place properties in the zone that are not important to the area because the more properties placed in the zone, the more detriment it will mean to the other taxing entities.

Councilman Rodriguez said some of the properties north of the proposed zone have not shown any signs of improvement for a long time. He thought that perhaps the zone could include both sides of Pine Street to N. 10th.

Mr. Seegmiller said the zone could include the area between Cedar Street and N. 10th.

Councilman Hilton said if the area between Cedar Street and N. 10th was taken into the zone, there could be a problem with the tax abatement program. He thought there should be areas left so programs such as the tax abatement program could be used. He also said more development may be realized through tax abatement than would be realized through addition into the tax increment district. Unfortunately, both the tax abatement program and the tax increment district cannot be used since the tax increment must be used to fulfill the purpose of the district.

Councilman Bridges asked if the Central Business District encompassed all of the proposed zone. He asked if once the Council votes on a particular area, will zone changes continue to be approved by the Council. Mr. George said the zone changes will not be automatic--they must continue to be approved by the Council. He said the tax increment would not affect the existing zones. Councilman Bridges asked if residential areas were taken into the zone, those areas could be redeveloped as residential but could not automatically be developed as commercial or some other zone. Mr. George said that was correct.

Mr. Seegmiller said the Council could add some more area to the zone or could wait until another time to develop another tax increment district in the area between Cedar Street and N. 10th or could use the various tools available could be applied to other areas. The Planning & Zoning Commission has asked for a study group on the historical district. The Planning & Zoning will present the Council with a historical district concept soon.

Councilman Rodriguez asked when the City will be ready to use the tax abatement program. He said Pine Street needs to be revitalized and he would like to see some type of encouragement for development in that area. Mr. George said the areas on the peripheral of the proposed zone to the west may be used as a historical preservation district.

Mayor Hall asked Mr. Cargill if the Council could vote to see if it wanted to change the zone boundaries and then pending the outcome of that vote, vote to accept the zone. Mr. Cargill said the Council could consider to change the zone and vote on that and then vote on that change or the proposed zone. He said one of the Council members could make a motion to change the zone boundaries.

Councilman Rodriguez moved that the zone boundaries be changed to include the area north of N. 8th between N. 10th and Cedar Streets. However, the motion died for lack of a second.

Councilwoman Webster asked if the Lamar School was a public owned building. Mr. McDaniel said Lamar School is privately owned.

Mayor Hall nominated 15 persons as members of the Tax Increment Board. He said the appointments are for two years and after one year, the Board may be abolished by the Council and the Council may assume the position of Board members. He said the Board will probably be abolished after the Board has completed a plan for the development of the district. The Council must nominate a Chairman who will in turn nominate a Vice-Chairman. The nominees are:

Raymond McDaniel, Jr. - Chairman	Frank Puckett
H. C. Zachry	Jim Tittle
O. Henry (Mike) Young	Mrs. Victor (Sara Hudman)
Downing Bolls, Sr.	James Fleming
Syd Niblo	Jesse Harris
Walter Johnson	Lee Underwood
Glen Churchill	Adolfo Gonzales
Mel Richards	

Councilman Hilton moved passage of the Downtown Redevelopment/Tax Increment District as shown on Exhibit A and accept the Mayor's nominations to the Tax Increment Board with Raymond McDaniel, Jr. as Chairman.

Councilman Fogle seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.

NAYS: None.

DOWNTOWN REDEVELOPMENT/TAX INCREMENT DISTRICT & BOARD MEMBERS
2ND READING
APPROVED

4777

PROVIDING FOR A REINVESTMENT ZONE AND AUTHORIZING A HEARING
IN CONNECTION THEREWITH AND PRESCRIBING OTHER MATTERS RELATED
THERE TO.

Mayor Hall asked if the Railroad Right of Way Beautification item could be considered next. He asked Mr. Seegmiller to brief the Council on the Railroad Right of Way Beautification.

Mr. Seegmiller said Mr. H.C. Zachry has been working as the Chairman of the Chamber of Commerce's Centennial Committee. He said Mr. Zachry and the City Staff has been working with T & P Railroad to renegotiate the right of way lease. For many years, the City has had a lease with the Railroad for the beautification that is presently along the right of way. In order to expand the beautification project over the next few years, the City has had in the Capital Improvements Plan funds set aside to accomplish that project. He said the Railroad has agreed to a lease presented to the Council to extend the lease to I-20. That will give the City sufficient right of way to beautify the entrance to the City on West Hwy 80. The Railroad is allowing the City to plant trees in the right of way in the lease. Railroads normally do not let cities plant trees along a right of way, however, the Railroad has said that the City always goes through with whatever it said it would do especially with the work done on the beautification. The Railroad uses the example of the City of Abilene throughout the Country along their right of way. He said there will be safety comes built into the right of way so the trees will not be planted against an intersection so good vision will be available for oncoming traffic.

Councilman Hilton said the lease called for a change of between Sayles and Pine to Pine and I-20. He wanted to make sure the lease was clear in that it included the area between Sayles and Pine. Mr. Zachry said the lease was worded so that City will lease the property from Pine Street all the way to I-20 including the property from Pine to Sayles presently under lease. Councilman Hilton also wanted to point out in the lease that the right of way beautification runs west from I-20.

Mr. Zachry said if the Council approves the lease, he and the other members of the Centennial Committee pledges to secure the funds necessary to develop the right of way so that right of way could be pleasing to the eye and a contribution to the City. He wanted to commend the Railroad for their cooperation.

Councilman Bridges moved adoption of the oral resolution for the extension of the lease with the T & P Railroad for the right of way beautification. Councilman Hilton seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.
NAYS: None.

Mayor Hall commended Mr. Zachry and the other members of the Centennial Committee for the work they did with the Railroad.

Mr. John Conely, City Engineer, presented the resolution authorizing the proposed Spring 1983 Assessment Paving Program. He said Franklin Street, Walnut Street and N. 16th Street are streets which petitions have been turned in requesting to pave. He said Vogel Street is a long stretch of gravel street that has been considered in the past a problem. Under the proposed Assessment Program, the Staff is proposing only to pave half of it. The east end of the street has a low cost housing unit and the City Attorney has advised the Staff not to contract work where there is proposed assessment and Community Development work under the same contract. The Staff decided to divide the work into a phase in which the City would pass an assessment on and follow up as soon as plats have been filed on the low cost housing area. Then the Staff would follow up later with a CD contract under which the paving would be paid for.

Mr. Conely mentioned future work and David Wright, Finance Director has listed \$200,000 available for that work. He said the proposed list of future work includes Russell Street, Oak

PARKS-
RAILROAD
BEAUTIFICATION
LEASE EXTENSION
ORAL RESOLUTION
APPROVED

Street, Grand Street, S. 19th, China Street, S. 2nd, Poplar Street, and Old Anson Road & Vogel Street. He said letters of request for paving had been submitted to him on Bob-O-Link and Catclaw Drive. He said those two streets were in a developing area and the developers have asked the City to pave the streets through assessment. The estimated cost of the work on the two streets is \$46,000.

Mr. Conely said an Exhibit A will be attached to the resolution, however, it was not available for the Council since it was being filed at the Courthouse to put people on notice that paving was being proposed on the streets which will constitute a cloud on the title of the streets. He said the City Staff currently sets the proposed assessment rate according to a resolution passed two years ago which set the procedure for establishing assessment rates. However, in the past, the City has had trouble getting the appraiser to testify to the enhancement that would amount to near the rate set by the resolution. So, the appraiser will set the rate of the assessment. He said the proposed assessment has been set up in an area that is similar in economic status. Most of the homes are lower cost homes and the appraiser usually has difficulty in establishing the enhancement to the property.

Mr. Conely indicated on a map the unpaved streets in Abilene. He also pointed out streets that have been platted but have never been made. He said all of the proposed streets were located in the northern section of Abilene. He said Vogel Street runs from an alley adjacent to Mockingbird Lane to the property line of the CD project which is about 200 feet west of Catclaw Creek. He said the Staff considered paving on to the bridge at Catclaw Creek but there would be some problems with adjusting funds for the assessment.

Councilman Rodriguez asked how much it will cost for Vogel Street up to the bridge. Mr. Conely said the Staff has estimated the project to be \$135,000 with Vogel Street costing approximately \$75,000 based on past assessment programs.

Councilwoman Proctor asked if the rest of the paving of Vogel Street will be accomplished with Community Development funds. She asked when that would occur. Mr. Conely said the paving will have to wait until the low cost housing project has been platted. Councilwoman Proctor asked if paving Vogel Street partially will create a problem until the CD funds are available. Mr. Conely said streets have been paved block by block before without problem.

Councilman Bridges asked if there was a portion of Vogel Street that still would not be paved even after the CD funds came through. Mr. Conely said paving half of the street is all that is covered under the CD fund appropriation. The south half of Vogel Street will not be covered by CD funds, but he thinks something else can be worked out to have that half paved also.

Councilman Bridges asked if Mr. Conely felt sure that the City could pave all of Vogel from Old Anson to Mockingbird Lane. Mr. Conely said the City can pave the street by picking it up next spring in the assessment program.

Councilman Rodriguez asked how much it would cost to pave to the bridge on Vogel Street. He said that Mr. Conely mentioned paving up to the boundary line of the low cost housing project which is 200 feet west of the bridge on Catclaw Creek. He was concerned that the City may be piece-mealing Vogel Street. He said he would like to see Vogel Street paved all the way to the bridge. Mr. Conely said approximately \$6,000 would have to be spent to include the bridge. Councilman Rodriguez said even through the low cost housing project property line extends to Catclaw Creek, there would probably be no improvements to the area 200 feet west of the bridge.

Councilman Bridges said he would also like to see the bridge on Vogel Street be included if it was not too costly to do so.

Mayor Hall asked if Councilman Rodriguez intended to use CD funds to pave all of the north side of Vogel Street or if he intended the street to be paved without assessment to the north side property owners. Mr. Conely suggested including the bridge in the assessment program and the City can defer the final decision

on the assessment cost until the public hearing. At that time, the paving could be assessed or the City could elect to pick up the cost like it would for an intersection.

Mayor Hall said he understood Mr. Conely to say Leave Vogel Street north side paving and the housing project area to the CD program and amend the resolution by including all of the south side of Vogel Street and the remainder of the north side in the assessment program leaving a final decision as to the amount of assessment if any to be done at the public hearing. Councilman Rodriguez asked if Mr. Conely would explain what was meant by the north and south sides of the street.

Mr. Conely said each side of the street was either assessed or the low cost housing project would pay for its portion of the street. That would mean that the housing project would have only the north half of the street to consider and the City would have the south half of the street which normally is assessed. Councilman Rodriguez asked if eventually the City would have to pave the south half anyway. Mr. Conely said yes or the City could do the paving at the same time.

Mayor Hall asked if the proposed resolution could be amended to include the bridge and put it in the approved assessment program with the amount of the assessment to be determined as usual at the time that the project is completed. Mr. Cargill said that could be done.

Councilman Rodriguez moved approval of the resolution calling for the proposed Spring 1983 Assessment Paving Program with the amendment to include the 200 feet to the bridge on Vogel Street in the Assessment Program. Councilman Bridges seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.
NAYS: None.

STREET IMP.-
SPRING 1983
ASSESSMENT PAV-
ING PROGRAM
APPROVED

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, AUTHORIZING THE CITY ENGINEERING DEPARTMENT TO PREPARE PLANS AND SPECIFICATIONS FOR THE IMPROVEMENTS OF PORTIONS OF THE HEREINAFTER NAMED STREETS.

UNIT I - 36' WIDE STREET F/C TO F/C

Vogel Avenue - Alley East of N. Mockingbird to bridge at
Catclaw Creek.

UNIT II - 30' & 28' WIDE STREET F/C TO F/C

N. 16th Street - Grape Street to Mulberry Street (30')
Walnut Street - Sandefer Street to University Blvd (30')
Franklin Street - Grape Street to Hickory Street (28')

Mrs. Penny Boyett, Energy Coordinator, presented the resolution adopting the Energy Conservation Code for new building construction. She said the Citizen's Energy Council recommended that the Energy Conservation Code be adopted as a voluntary compliance minimum standard building code. She said the code was developed as ASHRAE Standard #9075 by the American Society of Heating, Refrigeration and Air Conditioning Engineers. The code was then codified for the Department of Energy into the model code for energy conservation by several organizations of building and code officials and building inspection administrators. The code was brought to the City's attention by the Century II Task Force and later by the Citizen's Energy Council in the Abilene Energy Management Plan. The code was studied by a technical review committee of 19 members who looked at a revision of the north Texas area by the North Central Texas Council of Governments. The Committee studied the code over a period of five months and made the recommendation that the code be adopted as a voluntary compliance code, which means that a builder could elect to follow the code or not follow the code. If a builder decided to abide by the code, recognition of compliance would be stamped on the building permit. However, if the builder decided not to abide by the code, no mention would be made of his non-compliance. The code and recommendation has been reviewed by the Citizen's Energy Council, the Board of Building Standards and the Strategies for Responsible Growth Technical Review Committee and all have recommended that the code be adopted as a voluntary compliance code.

Mr. Jack Connor, member of the Technical Review Committee of the Citizen's Energy Council, said there was nothing in the code that the Committee could find that involved safety such as electrical or fire codes. Since the 780 or 650 Federally decreed temperatures have been relaxed, it did not make much sense to the Committee to add restrictions when persons were allowed to go back to 720 for air conditioning and 740 for heating. He said no one on the Committee disagreed that if the code was put into effect it might be too restrictive and too costly to build. Also, the Committee felt that by offering the code to the Council as a model code, it will be ready for anyone to use as a guide to build an energy efficient home. Eventually, restrictions will probably be set again for heating and cooling and when that happens, the code can be made mandatory.

Mayor Hall commended Mr. Connor for his participation on the Technical Review Committee of the Citizen's Energy Council and the other members on the Committee.

Councilman Rodriguez said the home owners will probably realize themselves that energy conservation is important as prices of fuel continue to go up. He said by voluntary compliance of the Energy Conservation Code, new methods of energy efficiency will become standard tools for conservation. He also feels that the Energy Conservation Code will become mandatory.

Councilwoman Webster said there are numerous people who would like to build an energy efficient home but are not aware of how to do it. With the code available to them as an educational tool will be a tremendous asset to the citizens.

Councilman Rodriguez suggested that educational material be made available for the public in building energy efficient homes.

Councilwoman Proctor said the buying public will eventually demand energy efficient homes in the future because of the tremendous fuel costs. She also commended the members of the Committee for their work.

Councilman Rodriguez asked Mr. Bob Fowler, Building Inspections Director, if inspections will be carried out to insure that a home or building is energy efficient. Mr. Fowler said if a builder wants to build an energy efficient home and that he would like to have it registered and recorded as complying with the code, that builder only needs to request. He said the Building Inspections Staff would plan check the structure to be in compliance with the code and inspect it to insure that it was built in accordance with the code. The builder's permit would then be identified that his structure was built and did comply with the Energy Conservation Code. He said the current Staff could handle the extra work load. He said most of the buildings being built today would comply with the Energy Conservation Code--some would even exceed it. He said the only deficiency the builders seem to have now is that they are still over sizing some of the equipment. He said the larger, professionally designed structures such as high rise builders are generally designed by people very conscious of building operating costs. Also, the homes are being better insulated, caulked and sealed. He said the builders are becoming more energy efficient minded because the market is demanding that they become that way. He said he is in favor of the Energy Conservation Code because it establishes the City as being in support of energy conservation, it will establish a guideline document made available to the public, and it will help persons building homes or other structures that need information.

Mr. Seegmiller said if a structure is going to be an energy efficient structure and has been built according to the Energy Conservation Code, the City Staff needs to make sure that the structure is inspected and labeled so on the building permit so the builder can certify to the consumer that the structure is energy efficient.

Councilwoman Webster moved the adoption of the Energy Conservation Code for building construction on a voluntary basis. Councilman Rodriguez seconded the motion. The motion carried as follows:
AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.
NAYS: None.

ENERGY CONSER-
VATION CODE -
VOLUNTARY
COMPLIANCE
APPROVED

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, ADOPTING AND ANNOUNCING THEIR SUPPORT FOR VOLUNTARY COMPLIANCE WITH AN ENERGY CONSERVATION CODE FOR NEW BUILDING CONSTRUCTION.

Mrs. Penny Boyett presented to the Council the proposed 1983 FY Work Plan for the Energy Office. She said the goal of the Energy Office is to save energy and money to benefit the citizens of Abilene both by informing the citizens about ways of conserving energy and also through in house programs designed to help save tax payers' money. In September, 1981, the Council approved the Abilene Energy Management Plan which is a plan with 96 strategies for energy conservation and requested that the Energy Office come back to the Council each year with a work plan with the strategies planned for that year. She said this year's work plan included 30 strategies primarily from the Energy Management Plan. Some of the strategies are: 1) Adding energy conservation measures to the City building codes; 2) a water conservation plan; and 3) the application of a grant. She said the grant relates to the strategy concerning municipal operations to continue to help building managers run their buildings at optimal energy efficiency including annual building audit and workshops as needed. She said said the City has the opportunity to do that through a technical assistance grant that is being offered by the Texas Energy and Natural Resources Advisory Council. She said she will apply for the grant to do an engineering study on City Hall which would research energy conservation measures that would be most practical to make City Hall more energy efficient. The grant is small with a 50/50 match and the City's portion could probably be taken in in-kind services and would probably be approximately \$4,500. The request for the grant can be included in the motion to approve the resolution.

The Energy Work Plan includes projects with the Planning & Community Development Department, Traffic & Transportation, Transit, Parks, and the Water Utilities. A number of programs being implemented by the Planning & Community Development area as home energy surveys and the community as a whole in distributing information, presenting work shops and finding as many ways as possible to inform the public of energy conservation means.

Councilman Fogle moved approval of the oral resolution adopting the proposed FY 1983 Work Plan for the Energy Office and authorization to apply for the technical assistance grant. Councilwoman Webster seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.
NAYS: None.

ENERGY WORK
PLAN FOR FY
1983 & AUTHOR-
IZING APPLICA-
TION OF GRANT
ORAL RESOLUTIO
APPROVED

Councilman Fogle asked if the City could provide the necessary funds for the grant through contribution of services. Mr. Seegmiller said the City should be able to do that. Mayor Hall said the Council is only approving the application of the grant, not the expenditure of funds for it.

Mayor Hall said the City Charter requires the reappointment or the appointment of the corporation court judge every two years. It is time for the Council to take that action.

Councilman Bridges moved approval of the resolution reappointing Phillip Wetherbee as the Municipal Court Judge for a two year term. Councilwoman Proctor seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.
NAYS: None.

MUNICIPAL COU
JUDGE - REAPP
PHILLIP L.
WETHERBEE

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, APPROVED REAPPOINTING PHILLIP L. WETHERBEE MUNICIPAL COURT JUDGE FOR A TERM OF TWO (2) YEARS.

Mr. Roy McDaniel presented the tax collection contract with Taylor County. He said that at the time the Pevito Bill went into affect and the City had to be a part of the tax appraisal district, the City also felt that it was advantageous economically to contract with the County for the City's tax collections. The City has completed almost two years with the County collecting its taxes. He said the method has worked very well and almost every entity in the appraisal district has also contracted with the County. He said the item presented to the Council is a renewal of the contract until September 30, 1983. He said one change concerns the time and another change concerns some minor wording in delinquent tax collection area and bankruptcy collection area. Richard Petree, Taylor County Tax Assessor/Collector, collects all of the current taxes for the City and gets paid by the City and the delinquent taxes return to the City Attorney's Office and those taxes are collected by the City. Other entities pay the City a fee for the delinquent taxes collected. He said the process has worked well for the City and he feels that it is much cheaper than having the City's own tax collection office.

Mayor Hall asked if there is a different contract for the appraisal services. Mr. McDaniel said no, that the appraisal services are set out by law so there is no contract involved. The appraisal district is a separate entity.

Mr. Seegmiller said the City does contract with the County.

Councilwoman Proctor said it seemed that the City had a problem with coming up with the exact amount of monies that were going to be acquired in establishing a tax base. She asked if that problem had been settled. Mr. McDaniel said establishing a tax base is part of the appraisal process but Abilene had less problems with that than did most cities across the Country. He said some cities still do not have their tax rolls.

Mr. Cargill said TWL is working on a bill change that will require the tax assessor/collector of the appraisal districts to get the tax rolls out faster. Right now, a date is set and as soon thereafter that is practical, the tax assessor/collector sends out the tax rolls.

Councilwoman Proctor asked if the City will have an appraisal contract also. Mr. McDaniel said the City does not have to contract for the appraisal because the law regulates that. A contract would serve no purpose.

Mr. Seegmiller said the problems with the appraisal districts may have been with the law or with the process in place prior to the new law and the inability of many of the jurisdictions to make the transition. He said so far Abilene has been able to work the problems out with the appraisal district.

Councilwoman Webster asked if this will be the first year that the City will be working on the book collections other than the firm in Austin. Mr. McDaniel said the City Attorneys have handled the City's delinquent collections all along. The City wants to continue to handle those collections. The contract called for the City to continue to handle its collections, the AISD's, and the Water District's. Then those entities would pay the City through the County for that service. Because of the way the print outs come now, it is easier for the City Attorneys to continue the collections for those entities than to delete certain entities.

Mr. Cargill said McCurey and Huey filed a real property tax suit and they are adding the City, AISD, and Water District in their pleadings--the City is reciprocating by collecting personal property while they are collecting real property and the City is filing bankruptcy claims and getting paid on those claims for the County and the State because it is not feasible for those entities to follow bankruptcy claims.

Councilwoman Webster moved the approval of the contract with Taylor County for the tax collection. Councilman Hilton seconded the motion.

The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.

NAYS: None.

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TAX COLLECTIC
CONTRACT WITH
TAYLOR COUNTY
APPROVED

Mr. Dwayne Hargeshelmer, Director of Water Utilities, presented Mr. John Cook of Freese and Nichols who reported on the raw water delivery system. Mr. Hargeshelmer said in the 1979 bond program there was some money allocated to make improvements in the raw water delivery system. When the hot summer of 1980 was over, the Staff found that as the City was trying to develop a raw water delivery system, it realized that the City was solely dependent upon the Hubbard water supply to meet the peak day demands. Hubbard was not able to produce the water because of mechanical problems. After the Staff studied the problem, it realized that if the water line from Hubbard Lake broke, the City would be very vulnerable. Freese and Nichols was hired in the summer of 1982 to look at a raw water delivery system to save money, time and effort.

Mr. John Cook said Freese and Nichols intended to review the City's historical water requirements and conduct some field tests to verify the friction factors. An analysis was prepared of the raw water delivery system to determine the ultimate hydraulic capacity. Recommendations were made for expanding the capacity of the pump station by the addition of equipment. Also, an estimate of the cost was made.

Mr. Cook indicated on a table shown on the overhead projector the historical population growth. That is the base for estimating water requirements. The forecasted population growth plotted in the report submitted by Freese and Nichols on page 3 gives an idea if population forecasts are reasonable. On page 4 of the report, the City's use of water and other outside customers' use has been tabulated. Also, the average and peak day water consumption factors have been tabulated. Mr. Cook said in beginning of 1970 regarding the peak demand, it has been characteristic of the City's water demand to remain constant from 1970 through 1973. In 1974, the demand jumped drastically, but leveled off around 1975. In 1978, there was a very high demand of water, but the highest demand of water was in the summer of 1980 during the very hot, dry year.

On page 5, Mr. Cook said the peak days climbed steadily upward. He said a factor that was used to forecast peak requirements was the ratio of peak to average day. There has been a decline in the average of peak to average days. He said Freese and Nichols are not forecasting the maximum recorded ration of peak to average. If peak requirements can be reduced the City could see a substantial savings. The City's water requirements have been projected based on a factor of 2.52. That factor is not as high as the City has experienced in the past, however, it is higher than what has been experienced since 1978.

On page 6, Table 3, Mr. Cook said looking at 1982 from the 1978 study, there has been an increase in the average rate. The peak rate will be about the same in 1985 but will be expected to increase in the future. He said in the four year period between 1978 to 1982, Freese and Nichols has felt that it will be necessary to plan for higher peak rates. That is why Freese and Nichols has been cooperating with the City Staff for a water conservation program to try to minimize the trend.

He said the existing raw water supply system is shown on page 8, Figure 3. He said the City's primary supply comes from the Ft. Phantom Hill connection with Hubbard Creek Reservoir. He said there are four large 500 horse power pumps at Ft. Phantom Lake with a little over three miles of 45" pipe line followed by a parallel section of 45" and 30" pipe line to the Northeast Water Treatment Plant and Grimes Booster Pump Station. There is about a half mile between the pipe line and the Northeast Plant take off. There is a booster pump boosting to Grimes Booster Pump Station with five miles of pipe line from the Grimes Booster Pump Station to the Grimes Water Treatment Plant. He said the present system capacity is approximately 52 MGD. He said the City has the potential of having a short fall on raw water delivery system capacity in 1985.

On page 10, the report discusses some alternate plans for increasing the capacity of the delivery system. The project was begun with the idea that the most likely alternative was a booster pump station. He said Freese and Nichols investigated the ways to meet the increasing needs of raw water delivery. Because of the increasing power costs,

Freese and Nichols changed their preliminary thinking very substantially. He said the Staff met with Freese and Nichols and the power company to find what the reasonable power rate increases were. He feels that the Council needs to be aware that the meetings have a different strategy for meeting the City's needs than was initially apparent.

Mr. Cook explained each of the alternatives of raw water delivery systems. Alternative 1 showed the addition of a 45" pipe line from Fort Phantom Lake and Hubbard Creek Reservoir to the Northeast Water Treatment Plant and the Grimes Booster Pump Station. Also, Alternative 1 showed a proposed new Grimes Booster Pump. He said Alternative 2 showed a 36" pipe line to be added. Alternatives 1 and 2 required the replacement of the equipment that is in the Fort Phantom Hill Lake Pump Station so that the pump station will run more efficiently and so it will meet the peak water requirements. Alternative 3a called for a new booster pump station with 1 pump to be located at the junction of the 30" and 45" pipe line. In Alternative 3a, the pump station would be an outdoor installation and would be a little more economical than Alternative 3b which called for an indoor installation.

Mr. Cook said the higher the power rate, the more the City should minimize the friction resistance in the raw water delivery system. The larger the raw water delivery system is the more capital investment must be made, however, less money will be spent later on power. Mr. Cook said that Mr. McDaniel mentioned the power escalation rate. Freese and Nichols has assumed that the power would escalate at an annual rate of 10 percent. Those rates would accumulate to be excessive or extreme. In 1985, the kilowatt hourly rates are expected to go from 9¢ to 60¢. The power company advised that 20¢ to 25¢ will be the maximum amounts. He said for a 20 year pay out, a 45" pipe line will be the right selection. He said the alternative that Freese and Nichols recommends, Alternative 1, has a very high power capacity and it will meet the City's maximum requirements through 2005. The lower initial cost Alternatives 3a and 3b, will not go all the way to the 1985 water requirements and there would be a substantial reduction in capacity if equipment problems arise.

Mr. Cook said Alternative 1 will have a \$2.8 million construction cost with the lowest equivalent annual payments which will pay for all of the raw water pumping costs and all of the capital costs of the alternatives worked together. Alternative 2 at the payback period set at 30 years has a larger initial capital investment, and Freese and Nichols felt that the wisest choice for Abilene would be Alternative 1. Alternatives 3a and 3b both have lower initial costs, but the extra energy costs of operating the systems off set the savings over a 20 or 30 year period.

Mr. Cook said Freese and Nichols recommends Alternative 1 with the construction of a 45" parallel pipe line from the Fort Phantom Hill Lake Pump Station to the 45" and 30" junction and replacing the pumping equipment with four new pumps that have higher capacities to meet peak demands through the year 2005 at 85 MGD. One of the pumping units would have a variable speed drive so that the City may vary the water flow. The construction cost would be approximately \$2.8 million with the total cost of the Alternative 1 at \$3.256 million.

Mayor Hall asked what Freese and Nichols expected from the City Council during the session. Mr. Seegmiller said the Staff would like to present the recommendations for the alternative and to explain the City's current finances as to the amount of money the City has as opposed to what the Staff would like to recommend. He said the Staff would like to see the Council make a decision on the alternative so work could begin.

Mayor Hall asked if the Council directed the Staff as to which alternative they preferred, would that bind the Council to a contract to proceed with the engineering work. Mr. Seegmiller said the Council's decision would not have to be a binding contract.

Mr. McDaniel said basically the City had been operating with the big booster pump station proposed would be the best method. When the Staff started looking at the power costs, they realized that the big booster pump station may not be the best method.

If the power costs continue to increase at an average of 10 percent over the next 20 years, then the Alternative 1 will be the best solution. Out of the bond proceeds, approximately \$1.3 million is available for the project. Based on the time involved, the engineering design, the bid letting, the delivery time on materials, the project will probably take two years before final payment is due. He felt that if the City authorizes the engineers to design the system that it wants, then bids would be taken and a firm figure would be set out and the City could find the best way of financing the project. Earnings could be accumulated from operations and interest earnings from the \$1.3 million on hand. If the power cost estimates are accurate, the City would need to raise another \$1 million or \$1.5 million in the next 12 to 24 months.

Mayor Hall asked if the City would be able to finance the project without a bond issue. Mr. McDaniel said the project could be financed without bonds. However, other projects involving the water system will probably require bonds and the Council may later decide that financing the raw water delivery project and the floodwater management project through bonds may be the best method.

Mayor Hall asked if the Staff had other figures in hours that were based on the 10 percent average increase in power costs. He said there has been some change in interest costs along with difference in price of oil and gas. He asked if the projection was more pessimistic than warranted. Mr. McDaniel said the 10 percent compounded interest for 20 years is equivalent to going from 9¢ to 60¢. He said after talking with the power company, 10 percent may be low for the first 5 to 7 years, however, once their major construction is over, they hope the increases level off.

Mayor Hall asked if the 10 percent projection would change the choice of alternates or would the whole plan based on the 10 percent projection. Mr. McDaniel said if the City assumes much lower than 10 percent, then another alternative may be more attractive. If the City should assume something higher than 10 percent, Alternative 1 would become very attractive. He said if the City assumes around 14 or 15 percent compounded annually, the City would be spending more for power than would be spent for the whole City budget. He said the 10 percent was the best guess of the Staff, the power company, and Freese and Nichols. He said if the City is low on the percentage, then the City is still safe with Alternative 1. If the City is too high on the percentage, then another alternative could be more attractive, but not that much more attractive.

Mayor Hall asked if there was some immediate reason for the Council to make a decision at the meeting. Mr. Seegmiller said there was no reason for a decision to be made at the meeting. Mr. Cook said Freese and Nichols completed a study for the Tarrant County Water District which involved a very large expenditure for tunneling between their water treatment plant and Benbrook Reservoir. He said the project will cost approximately \$40 million. He said Tarrant County has also elected to use a 10 percent escalation rate and an 8 percent discount rate. He said the discount rate affects the present worth factor. All of the future payments will be reduced by the present worth of them. He said there will be about a 2 point difference between the cost of inflation and the cost of power.

Mr. Seegmiller said the 10 percent will be sort of an averaging factor and the City is experiencing what other cities have experienced over the last 5 years. Mayor Hall asked what has the increase of the power cost been in the past 5 years. Mr. Hargesheimer said the City's kilowatt costs have been doubling every five years. Ms. Diane Bishop, Assistant to Mr. Hargesheimer, said WTU received an 11 percent increase in water pumping. WTU has already told the Staff that they will come back before next summer to ask for another 11 percent increase. Mr. McDaniel said compared to the power costs of 5 years ago, the power costs of today have doubled. If today's power cost was divided by 5, a 20 percent simple rate is averaged. Mr. Hargesheimer said the power company, starting with 1985, is projecting 9¢ per kilowatt hour. That 9¢ will be there before 1985, because of the power company's construction. The 9¢ will probably be achieved by 1984. He said the

City is paying approximately 6¢ per kilowatt hour, whereas, 5 years ago it was 3¢. He said within the next 18 months to 2 years, the City can expect to pay 9¢ which is about 20 percent a year.

Councilman Fogle asked when the construction of the power company would be completed. Mr. Hargesheimer said construction would continue until around 1987 to 1989 for complete conversion to coal. He asked if the escalation increase will be due to inflation. Mr. McDaniel said the increase will probably be based on normal operating costs rather than fuel costs.

Councilwoman Webster asked if the Council decides on the Alternative 1, will the City have the capacity to treat the water. Mr. Cook said the City will not have adequate treatment capacity and between the present and the year 2005, the City will have to add a 80 MGD treatment capacity. Mr. Hargesheimer said based on the present consumption, the City does not have adequate water treatment capacity that would treat the water volumes projected. The reason the raw water delivery system must be enlarged and improved is because of the peak demand periods. He said presently the treatment capacity is about 55 MGD.

Mr. Cargill said according to the report made by Touche Rose for WTW on chart 13, the construction work in progress between 1980 and 1984 will be increased 5 times or from \$27 million to \$150 million.

Mr. McDaniel said the life of the system in Alternative 1 has been estimated at 75 years as opposed to the shorter life of Alternative 3a.

Mr. Cargill said the cost of the power will not go down--it was explained to him that the 10 percent in the Fort Worth area mentioned was after the big increases of about 30 percent per year. Even though the initial increase is 11 percent, there will be 3 or 4 increases per year. Once past the 5 to 7 year period, there should be some leveling to about 10 percent.

Mayor Hall asked what the City's prior costs were before the settlement with WTW. Mr. Cargill said the cost per kilowatt hour has been 6¢, however, the new rate will be about 6.6¢.

Councilman Hilton asked if the cost of Alternative 1 as to the capital cost had been broken down. Mr. Cook said roughly the cost of Alternative 1 would be \$1 million for the pumps and \$2 million for the pipe line. Mayor Hall asked if the City's rate was 6¢ before the settlement, was it 1¢ 5 years ago. Mr. McDaniel said it was 3¢ 5 years ago. Mr. Hargesheimer said last year in the Water Department, \$808,000 was spent for electricity. One year ago, \$497,000 was spent for electricity. Combining the wastewater treatment plant with the above costs, \$1,600,000 was spent on power, whereas, in the previous year, only \$600,000 was spent.

Councilman Hilton asked if the City was exempt from demand charges. Mr. Hargesheimer said the City is charged a demand charge but that charge is figured into the rate. Mr. McDaniel said the City gets hurt on the demand charge when the City goes to the Hubbard Creek area because Hubbard Creek is on a different electric system and the City must face a demand charge from that electric system. Mr. Seegmiller said the 10 percent increase is only an estimate--that was not how much the increase has been this year.

Mr. Hargesheimer said last year, the Abilene Treatment Plant was not in service. The City had to pump all of the water that the Abilene Plant could not produce and that cost about \$400,000.

Councilman Hilton asked if the City must change the four pumps or does the City already have adequate pumps to use. Mr. Cook said once the new pipe line is installed, the heads of the old pumps become so low that the existing pumps would not pump efficiently. Since the pipe line will cost approximately \$1.8 million and the pump station costing \$1 million, the pump station will include four new larger pumps with one having a variable drive, new valves and modification to the discharge piping to allow for the increase in the capacity. The estimated life of the pumps is 25 years.

Ms. Diane Bishop said including the energy costs and the capital expenditures to meet the demands of the City's water use, water per capita is also used in the fire insurance rates the City is charged. She said at the last June Retreat, the Council requested a water conservation program. In September of 1981, the Energy Program included a water conservation program. Between the two departments, the Energy Office and the Water Department, an outline has been completed of a water conservation program. She said 9 percent of the water pumped is lost--by evaporation, fire fighting use, leaks, and taps. She said 160 million gallons a month are used for commercial and industrial demands. That figure usually stands year round. The residential areas use approximately 210 million gallons per month. Outside watering uses most of the water especially during the peak periods. The outside areas use on the average 213 million gallons per month. On a daily basis, from 6 a.m. of one day to 6 a.m. of the following day, most of the water is used during 6 p.m. to 9 p.m. She said the City is having a problem supplying the water or getting the water to the customers all at one time. She said the community itself can help to reduce the peak hours and the peak days of the consumption of water.

Ms. Bishop said the 210 million gallons used is not that far out of line with other comparable cities. That figures to be about 60 gallons per day per person. The outside watering uses has been way out of line--normally it should be about 100 to 150 gallons per person per day instead of the 213 million gallons per month. The 213 million gallons figures to be 384 gallons per person per day. She said that figure definitely reflects water wasted.

Ms. Bishop said the City would like to begin the water conservation program with a voluntary approach. She said it is very difficult to get the citizens to understand that it is important to conserve water now when those citizens have just been through a mild summer. She said the immediate goal of the City will be to reduce the peak demands--peak hour and peak day. Later, the citizens will be asked to concentrate on reducing use inside the home, conserving water by landscaping, etc. She said in January and February, the City would like to get the cooperation of the media and various gardening and landscaping experts to help begin the conservation program. She said at the end of the summer, the Staff will run comparison of how the community responded and the use of the water in the past few years. If a volunteer program does not work, she said the Staff has come up with a few alternatives. One alternative may be a rate structure. She said most of the cities that have been involved in water conservation (Dallas, Lubbock, Denver, etc.) have eventually had to use a rate structure. She said the program can be monitored by the City's present Staff in the Energy Office and the Utility Office.

Mayor Hall thought that water conservation on a voluntary basis will probably not succeed--only after a rate structure is set will citizens conserve water.

Councilman Bridges said he would like to see the City take the voluntary approach first. He said Abilene has a lot of community pride and he felt that if the comparison of water wasted in Abilene to other cities was publicized, citizens of Abilene will conserve water.

Councilman Fogle also felt that a volunteer approach was best. Only after trying the volunteer approach should the City take a different stand such as penalties for high useage.

Councilwoman Webster said the Council needs to make a decision on the raw water delivery system proposal. She felt that the power costs will continue to escalate so the best proposal for the raw water delivery system is the Alternative 1.

Councilman Fogle also felt that power costs will continue to escalate and the City's plans for raw water delivery should include means to adapt to those costs.

Councilwoman Webster moved to adopt Alternative 1 as the recommended procedure to solve future water needs and encourage the Staff to begin the engineering design of the alternative. Councilman Fogle seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.
NAYS: None.

RAW WATER DE-
LIVERY ALTER-
NATIVE 1
FREESE & NICH
APPROVED

Mr. Seegmiller said before the Staff starts the engineering design of Alternative 1, it will submit back to the Council a proposal of the costs of the engineering design for approval.

Mr. Hargesheimer said the outside City customers' water consumption averages 2.86 million gallons per day. He said the City is now serving approximately 16,000 persons outside the City limits.

Mayor Hall asked if the outside water supply corporations have a limit as to how much they can receive from the City. Mr. Hargesheimer said in the water supply corporations' contracts maximum limits are set, however, those water supply corporations have not reached their maximum limits yet. Mayor Hall asked at what limits are those water supply corporations' maximum limits set. Mr. Hargesheimer said he did not know exactly--only that the 2.86 million gallons was very close to the maximum limit (possibly 3.2 million gallons).

Mayor Hall asked how much in gallons did the 9 percent of water lost include. Mr. Hargesheimer said the 9 percent figured to be about 400,000 gallons per day.

Mayor Hall said one month, his personal water bill indicated 52,000 gallons used. After checking the lawn sprinkling system, the next bill indicated only 19,000 gallons used.

Mr. Cook said the per capita consumption of water by persons living in the rural areas was not that unreasonable. Mayor Hall asked if the City was actually charging rural customers what the water costs the City to furnish. Mr. Cook said the City wholesales the water to the water supply corporations who in turn retail the water to the customers.

The City Council broke for an executive session at 12:15 p.m.

SETTLEMENT OF
CLAIM IN DEATH
OF TRINA MITCH-
ELLE HOUSE -
AWARDED \$19,200
APPROVED

The City Council reconvened at 1:45 p.m. Mr. McDaniel said a claim that involved the death of a teenage girl when a fire truck collided with her car. He said an agreement has been reached with the family of the girl to pay for the damage to the car, the funeral, and other minor expenses. The total came to \$19,210. He said the Council needs to approve the agreement. The girl's name was Trina Michelle House.

Councilman Fogle moved that the Council ratify the action of the Staff on the settlement of \$19,210 with the family of Trina Michelle House. Councilman Rodriguez seconded the motion. The motion carried as follows:

AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.
NAYS: None.

Mayor Hall said the Council also discussed the evaluation and appointment of various City officials. He recommended the following salary adjustments in the form of a motion to become effective the first pay period in January, 1983.

- City Secretary from \$18,491 to \$19,500
- Municipal Judge from \$28,435 to \$30,500
- City Attorney from \$43,576 to \$46,900
- City Manager from \$54,846 to \$66,300

Councilwoman Webster seconded the motion. The motion carried as follows:
AYES: Councilman Bridges, Councilwoman Proctor, Councilmen Rodriguez, Fogle, Hilton, Councilwoman Webster and Mayor Hall.
NAYS: None.

SALARY INCREA
SES FOR COUNC
APPOINTED
EMPLOYEES
APPROVED

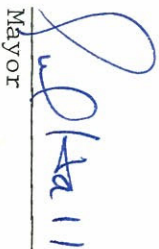
Mr. Seegmiller mentioned that Mr. Bob Gallagher is retiring as Director of the West Central Texas Council of Governments. He told the Council of a reception in Mr. Gallagher's honor that the Council might want to attend.

Mr. Seegmiller also mentioned that City Hall will be closed Friday, December 24, and Friday, December 31, for the holidays.

Mayor Hall said a work session has been scheduled tentatively for January 20, 1983. The time was not scheduled. Mr. Seegmiller said the work session would center around the audit report, sales tax, MH/MR presentation, etc.

Mayor Hall adjourned the meeting at 2:15 p.m.


Assistant City Secretary


Mayor