

NOTICE OF MEETING

SPECIAL WORK SESSION OF THE CITY COUNCIL

to be held

JULY 11, 1983, AT 1:30 P.M.

in the CONFERENCE ROOM at the ABILENE CIVIC CENTER

Agenda

1. Traffic Signal Report
2. Discussion of Capital Improvements/Bond Program.

Adjourn

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 8 day of July, 19 83, at 1:00 o'clock P.M. P.M.

Dee Beard
CITY SECRETARY

CITY COUNCIL, CITY OF ABILENE, TEXAS
CIVIC CENTER CONFERENCE ROOM

The City Council of the City of Abilene, Texas, met in a Work Session on July 11, 1983, in the Civic Center Conference Room in Abilene, Texas. Mayor Elbert E. Hall was present and presiding with Councilman Julian Bridges, Councilwoman Billye Proctor-Shaw, Councilmen Juan C. Rodriguez, A. E. Fogle, Welton Robinson, and Harold Nixon. Also present were City Manager, Ed Seegmiller, and Assistant City Secretary, Kelly Beard.

Mr. Seegmiller started the Work Session by saying the purpose is to discuss the upcoming bond issue. One of the items for further consideration is Abilene's traffic signal system. Mr. Seegmiller introduced Mr. Wayne Kurfees, Director of Traffic & Transportation, to conclude the discussion on the traffic signal system study begun at the City Council Retreat held June 14-16, 1983. Mr. Kurfees reviewed briefly several points he brought up at the Retreat and then turned the presentation over to Mr. Fred Orcutt and Mr. H. Nathan Yagoda, representatives of KHC Systems, Inc.

Mr. Orcutt said the Council commissioned KHC to make a study of the traffic signal situation with the intent that improvements could be made and defining what those improvements were, whether or not they were feasible, and if they were, to come up with a functional scheme for accomplishing them. The primary objective is improving traffic operations in Abilene. Other objectives of the study include: (1) the reduction of air pollution costs by automobile emissions, (2) the reduction of gas consumption, (3) the reduction of impact of equipment malfunctions on traffic, (4) the implementation of a system that would accommodate future changes in the state of the art without making major changes in the signal system hardware, (5) the provision of a system that would facilitate traffic planning and traffic engineering tasks through the provision of data collection, if appropriate, and (6) the provision of a system which maximizes the utilization of the manpower assigned to traffic, engineering, and maintenance functions in Abilene.

After a study of Abilene's traffic system, the KHC study group came up with five sound, cost-effective alternatives rated on the basis of economy and satisfying objectives. Mr. Orcutt discussed features of the most attractive alternative.

The concept of the alternative is built around a digital computer at a central location, probably City Hall. That computer would communicate via City-owned telephone lines with a communications unit at the intersection. That communications unit would communicate with the existing traffic signal controllers or new ones where the existing controllers are old and need replacing. The communications unit would also communicate with a loop of wire in the pavement sensitive to the passage of vehicles and which sends that information back to the computer. Based on this information, along with other predetermined information stored in the computer, it could then decide which is the best of the traffic signal timing plans to implement at any given time of the day. It is very simplistic and, at the same time, very effective.

Mr. Orcutt pointed out one of the significant benefits of this system. In the present system there is a master controller somewhere out on the street which sends information to the controller and the controller does what it says. There is no feedback, because the master controller does not know what is happening, so it cannot react. Under the alternative system, there are two types of feedback: (1) there is the information from the vehicular traffic sensed by the detectors and is fed back to the master controller to help it understand what timing plan to implement at any given portion of the day, and (2) the status of the traffic signal control equipment is also monitored by the central computer to accurately pinpoint failures. Also, the information would be fed directly to the maintenance shop so they would know instantaneously not only that something has gone wrong, but, to the level that the system can diagnose itself, they would have some clues as to what to look for when they go out to repair the controller. The feedback is a very important feature. Mr. Orcutt said Mr. Yagoda would speak briefly on the economics involved in implementing this alternative and some of the other benefits which would be accrued.

Mr. Yagoda said in assessing the benefits available to Abilene for modernization there are several considerations. One is the improved traffic operations. Different systems provide different levels of capability and solutions to the

problems that exist. All of the systems, to varying degrees, provide feedback as to what is happening and how the equipment and the system are performing. Some of the systems make life easier for the staff which, in terms of citizen benefits, means that it is more likely that the timing in the streets will be current, because there is a burden associated with maintaining current timing plans. If it is made easier, it is more likely to get done. Almost all of the systems proposed do some monitoring which tends to minimize the effect of malfunctions, because the systems have capability for recovering from certain types of error; therefore, the overall impact is reduced. Most of the systems provide some automation in the data collection process. One needs data about what is going on in order to properly set up a system.

In looking at the benefits and comparing these with the costs, the study found the most cost-effective solutions tended to be on the order of 11-1. In economic terms, that means for every dollar spent there is an \$11 savings. What it means in terms of the repayment time is that the money expended for a system modernization will be recovered from saved losses within a year. The fully expanded system, city-wide, would run somewhere in the area of \$4.2 million. A reasonable first phase, where a good portion of the benefits could be achieved, would run about \$2.5 million. If the first phase works out and the funding is available and the City desires to go forward, the fully expanded system can be implemented. If, for whatever reason, there is not money available, the first phase can stand on its own. Mr. Yagoda presented a map of the City indicating signalized intersections which would be brought into the system in the initial phase. The downtown area has been left out because there is an existing system; therefore, that part of the City could be brought on subsequently.

In assessing the improvement opportunities, the study discovered that there are presently about \$400,000 of needs which are relevant even if nothing is done with regard to the signal system. Abilene does not have presently an adequate complement of test equipment to function properly. Abilene is short service vehicles. The shop facilities are not adequate. There are certain vulnerabilities for pedestrians which should be addressed.

The economics of signal systems are rather dramatic. For example, a population center with a population of around 100,000 people has approximately 150 signalized intersections, or one signal for every 600-700 residents. With 100,000 residents, there are approximately 60 million vehicle/miles of travel. That corresponds, by today's consumption rates, to about 40 million gallons of gasoline per year. In economic terms, that is more than \$40 million of hard currency spent in driving around. Some substantial portion of that is wasted at stopping at signalized intersections. The waste in out-of-pocket money generally comes from gas which is consumed, wear and tear on the car, and from accidents which result--the more often traffic stops, the more likely there is to be a rear-end collision.

Abilene has about a \$4 million savings available in reduced gasoline costs. This can be converted to a daily savings of \$12,000; and for the Phase I intersections, \$6,500 a day.

Abilene's initial investment of \$2.5 million in a signal system would have a city-wide effect on most of the motorists. He pointed out that Barrow Street's widening is 2 1/4 miles at a cost of approximately \$2.5 million. It has a lesser effect in terms of the daily life of most of the citizens. Physical construction tends to be relatively expensive and less cost effective than a signal system modernization project.

In terms of schedule, the project in Abilene would take about 27 months from the time the design is commenced. That would produce a work flow which goes from the start of design to completion of the Phase I construction.

Mr. Yagoda showed a slide presentation depicting some of the systems which have been built as a graphic representation of what a signal system physically looks like from the component hardware aspect.

Mr. Kurfees emphasized that this system could be utilized to better manage the flow of traffic on the streets, especially in surveillancing errors with the traffic controllers. The main advantage of the recommended system is an automatic loading and timing plan.

Mr. Yagoda said Abilene's signal system is behind in technology. The bottom line is that the citizens are now spending a greater proportion of their income than they need to for the gasoline used to drive around. That is the opportunity of the decision with which the Council is faced. He emphasized what the study discovered, as Mr. Kurfees had suspected, is that the dollars being wasted are so significant that a signal system project would pay for itself in one year in hard dollars. He explained why he places so much emphasis on the term hard dollars. When one studies the benefits of a project, it is conventional not only to look at the hard dollars spent, but the dollars spent for wear and tear in accidents and time wasted in stopping and starting. The benefit ratio is between two and three times as great as the hard currency.

The problems facing the Council are (1) does it want to raise the money necessary to undertake a project of this sort, and (2) is it prepared to go forward and invest that money in this type of a project--is it of significance to the community.

Councilman Fogle said it is important that the study be in sufficient depth so that calculations can be made on actual experience so the Council can then have confidence in the statements made. Mr. Yagoda said that all the data used to analyze Abilene's conditions were based on measurements made in Abilene.

Mr. Kurfees answered a question raised by Mayor Hall on the breakdown of the \$400,000 figure. He said \$210,000 would be for expansion of the shop. About \$70,000 would be for additional equipment and vehicles. About \$15,000 would be for test equipment, and the other \$70,000 would be for improvement of pedestrian service features, such as pedestrian call buttons.

Mayor Hall asked if the option of this system is part of the item under consideration for the bond issue, as far as the total figure is concerned. Mr. Kurfees said \$2.5 million would bring 83 intersections under centralized control, and then monitor some of the other intersections which are currently coordinated with conventional equipment. Phase I would have the price tag, with contingencies, of \$2.5 million. The system could be broadened by utilizing City crews as time permitted.

Councilman Nixon said when the Buffalo Gap area was redone, the signal information was laid into the streets. He questioned if the new system would make that obsolete. Mr. Kurfees said the signals there are traffic actuated signals. Any modern system put in would have the capability of controlling pre-timed signals or actuating signals with the computer control, so it could just tie in. Instead of having simple mutual coordination rods, the signals at Robertson could be coordinated with the signals at the Freeway. During certain times of the day they would be presumably under centralized computer control. The mutual coordination equipment there now would remain in place as a back-up timing. The system there now cannot be expanded; it can only coordinate two pieces of control equipment. When the need comes in the very near future to signalize Buffalo Gap with Rebecca, there would be no way to coordinate it with the signals at the Mall, whereas with the more modern system some of the detection information could be utilized. A computerized system would take information from the detectors in the various areas of the City and enable the system to select the most appropriate cycle lengths and timing plans for the various sub-areas as traffic patterns change during the day. With the new system, Phase I would take in Buffalo Gap Road at the Mall, one of the two most critical areas right now with the probability of becoming the most critical area in the future. No action was taken at this time on the traffic signal system study.

The discussion was then directed toward the City's Capital Improvement Program needs. Mayor Hall took time to make comments regarding bond issues. Previously, the Council has been finishing up and implementing things that the previous Council planned and asked the voters to provide money for, and then set aside the money for the present Council to work with. He said it is incumbent on this Council to provide ways for the voters to express their wishes regarding needs that the City has. If the Council likes some projects and thinks they are timely and thinks the voters should have a chance to express their judgment on them, then a bond election is called. There is a problem in that the Council has been looking at many items for about 12 or 15 months, had things narrowed down, had the City Manager to set priorities, and then it was decided not to call an election in the spring but to call it in the fall. In the meantime, the Council acquired two new members who have to be involved in that, so a lot of the

items must be reviewed to gain expression from these people. Mayor Hall expressed his concern that whatever bond issue is offered should not be offered half-heartedly. He added that the Abilene Independent School District also will be holding a bond issue election. The question arises as to whether both bond issues should be voted on at the same time or at different times; or should either the School District or the City Council postpone its issues. These are among the things the Council has to discuss and decide. He urged the Council members to keep all this in mind while reviewing the bond issue list, because decisions will have to be made shortly.

Mr. Roy McDaniel, Assistant City Manager for Fiscal Resources, said in January of this year the bond issue list totaled \$74,364,000. At that time the Council asked Mr. Seegmiller to prioritize the items and reduce the total to within the \$48 to \$49 million dollar range, which was done on March 1, 1983. The July 11, 1983, list shows a \$1,286,000 change in the total. This basically reflects these monetary changes: (1) an additional Courtroom, (2) the communications and management information system for the Police Department, (3) funding changes under Public Works for bridges and rubberized railroad crossings, (4) the computerized signal system and new shop facility for Traffic & Transportation, and (5) additional money requested for the Library based on the final report given to the Library Board. The present issue list totals \$50,931,000.

The Council members discussed the funding changes concerning street costs. Mr. Bob Whitehead, Director of Public Works, explained the \$320,000 estimate for Arnold Boulevard came from the estimate with the State Highway Department. The City is under contract with the State Highway Department to extend Arnold Boulevard. The State is doing the design work; the City's portion of that contract, when it reaches that point, is to furnish the right of way and install the curb and gutter. Installation of curb and gutter will be paid through the City's portion (\$320,000). The growth around Dyess AFB, plus the potential museum and the traffic which that will generate, is a necessary project in that area. The City's portion (\$320,000) reflects 15 to 20 percent of the total cost. The County is also participating through the County's portion, south of Dyess AFB down to U.S. 277.

Rebecca Lane is essentially the extension of Arnold Boulevard from U.S. 277 to Elm Creek where Rebecca Lane is now widened, just to the east of Catclaw Creek. This would be the extension of Arnold Boulevard to make a thoroughfare around the community. One of the biggest traffic problems is the intersection at Buffalo Gap Road at the Mall. Putting in this thoroughfare will provide tremendous relief. This is one of the justifications for the State using Farm to Market Road monies to extend Arnold Boulevard, based upon the City's desire to connect it with Rebecca Lane and make a ring through that portion of the community.

The City is improving one of the bridges being built with present bond dollars, the bridge at Rebecca and Elm, which will be built to the 64-foot width to accommodate this extension.

Antilley Road will be extended to the new bridge at Elm Creek, from Buffalo Gap to Elm Creek.

Councilman Rodriguez questioned the figure increase from the previous bond issue list. Mr. Whitehead said originally Public Works just looked at the street costs. The figure has been updated to include inflation and utility adjustments involved in the street renovations. Mr. Seegmiller added that special assessments also changed the street costs estimate. Council had requested that the figure put in for special assessments be changed, so it is costing the City more and the citizens less.

Mr. Seegmiller explained the prioritizing procedure. The Directors participated in the prioritizing sessions and their input was used. The other factor was based on the value returned on dollars spent in the bond issue. Value means what is most important to the citizens, such as the Fire and Police issues. Streets were felt to be more significant; because if streets are not improved and overlaid, more manpower and equipment is needed for maintenance. It is less expensive to maintain a properly paved street as opposed to a gravel street for long-term benefits. The City is trying to reach a point where deterioration will be significantly reduced.

Councilwoman Proctor-Shaw asked for an explanation of the criteria used to determine how much of the bond issues funds would be used for Public Works for street maintenance, graveling, bridges, etc.

Mr. Seegmiller answered that it was based on what conditions might be over the next several years, such as danger to or hardship on the citizens, or deterioration. He added there is another value to be considered as well. It is not just the physical layout of a community that makes up its foundation. One of the jobs of the Council is that it should zealously create an interest in jobs and provide an economic base for Abilene, such as the Civic Center has done. Improvement of the park system would generate a significant increase in leisure time spent by the citizens in Abilene. That is a whole area of the community which the Council needs to be sensitive to--providing for stability of the community and developing interest in Abilene itself.

Mayor Hall summarized the prioritization discussion. He said the Council will have to start with what things it can offer the voters and leave out those which can be postponed and not hurt the City, impair tax base growth, or must be dealt with later at a greater expense to the City.

Mayor Hall called upon Mr. Bill Minter, Chairman of the Library Advisory Board, to highlight the Board's report. Mr. Minter said the Library Advisory Board requests a work session with the Council to discuss details of the report. He pointed out that the Board's report lists \$3,457,000 as the Library's improvement figure, while the master plan lists \$3,485,000. The difference reflects figures which were not available on the telephone system when the preliminary recommendations were made to the Council. The Board will be meeting again next week to make a few decisions before arriving at exact figures, such as the continuation of the Pickard Branch, which the master plan recommends spending \$122,000 to upgrade the facility, or to close out the branch. However, the Board has expressed some reservation about decreasing service in this manner. Also, the Board has to study the report more before making recommendations on the Bookmobile and get input from County officials. A meeting has been set up with representatives of the School District to discuss the Pickard Branch.

Councilman Bridges asked if the basic reason for the increase between the first and second recommendations sent to the Council was just not having more precise information at the time of development. Mr. Minter said those were the first figures worked with. The Board asked Mr. Richard Waters of HPW Associates to formulate his capital improvement recommendations, which he did, and the amount was \$3,180,000. The Board's list which was sent to the Council at that time did not include a proposal for a leased branch facility in northwest Abilene--that explains some of the difference.

Mayor Hall expressed doubt that the Council could include a leased cost in the bond issue; it should be handled as a budget item. The Mayor recounted the history of the Pickard Library and said that he did not read in the report any reduction in library services that area would receive if Pickard were closed. He felt it was not a matter of closing the library, but expanding the services. Mayor Hall asked the Library Advisory Board to give this matter a lot of thought before making a decision.

Mayor Hall called upon Mr. Mike Hall, Director of Community Services, to discuss Park improvements. Mr. Hall began with Redbud Park's cost figure which includes an electric irrigation system to provide for substantial grass coverage. Presently, there is no turf for the baseball teams utilizing the park. The irrigation system would cost \$800,000. Landscaping costs have been listed as \$75,000, which provides for planting trees between the ball fields to create an open-space concept. Paving, listed at \$357,550, adds an additional entrance to Redbud Park off Curry Lane and two connections between 32nd St. to Curry Lane. Other projects are: (1) Playground expansion, \$25,000; (2) additional connecting jogging trails, \$78,570; (3) picnic units, such as barbeque pits, tables, and benches, \$10,000; (4) additional backstops and replacement of old backstops, \$30,000; (5) restroom pavilion type areas, such as the ones at Nelson Park and Cal Young, \$200,000; and (6) lighting some of the parking areas and pavilion areas for security reasons, \$40,000. The total comes to \$1,634,120, which was rounded off to \$1,640,000.

Scarborough Park is undeveloped with only two existing ball fields and a small playground. Proposed projects for Scarborough are: (1) Irrigation at \$192,720; (2) paving roads throughout and parking areas, \$204,750; (3) replacing the playground with a wood one similar to the one at Redbud Park, \$45,000; (4) covered restroom pavilion type areas, \$45,000; (5) multi-purpose courts similar to the design at Carver and Stevenson for playing tennis, badminton or basketball, \$70,000; (6) picnic units located throughout the park with barbeque grills and picnic tables, \$10,000; and (7) planting trees, \$25,000. The total cost for Scarborough amounts to \$582,470, which was rounded off to \$585,000.

Projects at Arthur Sears Park are: (1) Irrigation system, \$168,000; (2) planting trees throughout the park in strategic areas, \$25,000; (3) picnic units, \$4,000; (4) restroom pavilions, \$45,000; (5) multi-purpose courts, \$35,000; (6) renovation of the playground, \$35,000; and (7) a walkover bridge spanning the creek from the recreation center to the ball fields, \$88,000.

The Council discussed the additional annual costs of water to the City budget for the installation of the irrigation systems. Mayor Hall asked Mr. McDaniel what the City charges are for use of its own water. Mr. McDaniel said the City pays the same rates as anyone else--raw water rates or treated water rates.

Councilman Rodriguez felt that the City strives to have good park facilities for its citizens. However, right now he sees a lot of people going to certain parks because these parks have the better facilities. He agreed with Mr. Seegmiller's earlier comment about building facilities closer to neighborhoods and communities so people do not have to go across town for picnic facilities or restroom pavilions. This creates congestion at a specific park. It had been said that the computerized signal system would save citizens dollars. The same is true with renovating the parks, by not making citizens drive additional miles out of their neighborhoods for better parks elsewhere. He felt the Council needs to look heavily at these park improvements in terms of citizen need, even with the additional costs of upkeep for these proposed park facilities.

Mayor Hall questioned the lighting for security reasons at night. He said Councilman Robinson had reports of problems in the parks at night, especially elderly people not feeling safe going to the parks in the late afternoon or night. Mr. Hall said he was not aware of any major problems or citizen input. However, any time there is a large area, such as a large park, people sometimes congregate there later at night. The reasoning behind his lighting request was when there is a recreation area or park off a complex, such as Nelson Park, or ball field complex, such as Nelson and Redbud, there are a lot of participants leaving those areas late at night. Citizens feel better about coming into a parking lot that is lighted rather than a dark one.

Councilman Robinson said at Will Hair Park there were citizen complaints about a lot of drinking and dope smoking. Mr. Hall said generally in that type of situation, Parks will get in touch with the Police Chief for his assistance in correcting whatever problem exists at that time. Mayor Hall asked if there was an ordinance prohibiting alcoholic beverages in the parks, and if this was one of the problems. Mr. Hall said there was an ordinance. There have been several incidents with Johnson Park where people attempt to drink; however, when the situation is made known to the Parks Department, the Police Department or Lake Patrol is contacted. The Police Department also assists in matters when Little Leagues complain of drinking by adult members of baseball teams in the parks. The Police Department includes the parks as part of their routine surveillance; Abilene does not have a Park Police unit as some other cities do. Also, there are curfews set on the parks.

Mr. Homero Gonzalez, President of Civic Abilene, reviewed the project description for the Civic Center. This includes an Exhibit Hall of approximately 20,000 square feet; a Banquet Room of 10,000 square feet; a large, centrally located catering kitchen to serve both the new and old banquet areas, two meeting rooms to accommodate 200-300 people, and a dual air-conditioner. The proposed area would come around where the parking lot is now on property already owned at no additional cost to the City.

Mayor Hall asked if the expansion would reduce parking space. Mr. John Dechant, Civic Center Manager, said there are 750 spaces across the street;

they would lose only 36 spaces. Councilman Fogle hoped they would continue allowing the City's goal of buying property to expand the parking on this particular block, as the property becomes available and prices sensible.

Mayor Hall asked where the motivation to expand the facility had come from and if there was strong grass roots support. Mr. Gonzalez said because they have been keeping records by hand, they do not have accurate figures to answer this question. However, many conventions have been turned away because there has not been adequate room to supply their needs. Mr. Dechant added the Civic Center is functioning at 89% utilization, and they have started midnight conversion crews to fit in as many events as possible. He pointed out that the average conventioner spends \$60 per day in Abilene, which totals out to \$5,217,000. Right now, the Civic Center is faced with the problem that it cannot physically go any further. They work on a five-year plan and try to manipulate with local organizations and out-of-town visitors. However, at the current percent of usage, they are running out of space.

Mayor Hall felt they are only covering half of their expense while doubling the usage and would lose twice as much money. Mr. Gonzalez said the reason is because they are at half right now is that they did not come up with new rate studies to ask Council's permission to raise the rates. Prior to that there was a 70% return. However, while they are bringing this kind of money (\$5,217,000) into the City, and they only have to make up 25%, that more than adequately covers it. Mayor Hall felt the Council would be interested in the revenues coming closer to meeting expenses.

Mr. Dechant commented they had a tremendous blow to the budget two years ago when the Civic Center had been operating on a special rate with the utility companies, which was less than 1¢ per kilowatt. As of two years ago in January, the regular commercial rate increased to 3¢ or 3.7¢ which tripled the utility bill. The Board felt it was unfair to pass the triple rate increase on to the consumer. However, last year they did raise their rates, and the Civic Center is projecting a steady increase in revenue. Councilman Fogle asked if Abilene's rates were competitive with other cities. Mr. Dechant said the rate study shows Abilene is about 80% lower than all of the public meeting facilities in Texas.

Councilman Nixon asked for a breakdown of where the \$5,000,000 is spent in Abilene. Mr. Gonzalez said Linda Higginbotham, a Civic Abilene Board member, is compiling some in-depth studies on that. Councilwoman Proctor-Shaw commented the study shows hotels, food, customer products, and how much conventioners purchase each day. In one way or another, it is returned to the community and the citizens, who are eventually going to profit from it. Every convention is going to bring money into the community. The Chamber of Commerce would be definitely supportive of this, particularly, ACUB, the restaurants, and everyone else who has an interest in the City. She realized that the Civic Center does not support itself. She questioned if the parks, Library, or other things supported themselves, but these are things a city owes its citizenry to provide. She said Mr. Dechant could say how many local groups want to use the facility, and he has to be very careful that he allows equal time for the groups in town as well as the groups from out of town.

Councilman Bridges commented that conventions provide jobs. Councilwoman Proctor-Shaw said statistics show tourism probably brings in more money to the Abilene community than any other large industry.

Councilman Fogle said they are going to have to depend on local groups to support this bond issue and do their own campaigning. Councilman Bridges said the Council could not emphasize too strongly that not only do these individual groups need to support their own projects, but the Council needs to put together some strong media packages, information facilities, live presentations, overhead, or whatever to present in 20-30 minutes to civic clubs or any group that will invite them, Staff members as well. The press will carry it many times, but they need a tremendous promotion if this bond issue is to pass.

Mayor Hall said the City is not permitted to spend any money to promote a bond issue. This support will have to come from the citizens. However,

the Council has time to inform the public as to what it is they plan to spend their money on and why. He hoped that today's session would bring some public comment from newspapers and electronic media, and maybe they would be hearing from the citizens.

Mayor Hall said the Council needs to choose a date for the bond issue election. He felt Saturday would be a good day and fall a good time--somewhere around September 17, 24, or October 1. The Council should remind the voters that there are going to be two bond issue elections. The School District will probably begin organizing its campaign after school starts. Mayor Hall felt there should be five to six weeks between the two elections.

Mr. McDaniel gave an explanation of bonds. For many, many years it was traditional to look at 20-year bonds. When high inflation hit three or four years ago, nobody wanted 20-year bonds, because there was a penalty for anything over 16 years. The bond issue package is predicated on a 16-year bond. Right now that appears to be about the best ballot the market wants and the rapidness with which they can pay it back. Market conditions could change in the next year or two, and the City could conceivably go with an 18-year bond or it may have to go shorter.

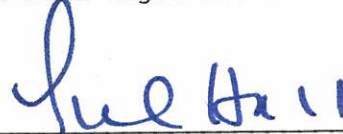
Mr. McDaniel said that it will take roughly a 21¢ tax rate increase to service the whole bond issue package. If the City went to the 21¢ tax rate increase next year, that would start building a surplus. If the City did not sell any bonds for the next ten years, the present rate would be dropping. The City would be paying off what is now using the 11¢ for. The City would be using that savings plus the 10¢ plus interest earnings on a surplus built up to equalize out to the 27-1/2¢ that it would take, if it were raised a couple cents a year. This has been done before. The 1979 issue was sold on this basis. The tax rate was raised 6¢ in 1980 to fund all of the 1979 issue all the way through.

Councilwoman Proctor-Shaw had not understood that two bond issues could run concurrently. She asked Mr. McDaniel if what he meant was, technically, that if all of the bond issues could be passed, it would be a 16-year bond and the City would sell some each year for 12-1/2 years, and five years from now the City could go in and do another bond issue and be selling those. Mr. McDaniel said yes, the City is still paying on 1950 bonds--25-year bonds sold in the 1950's for 3¢.

No decision was made at this time to present a bond package to the voters; however, the Mayor called for a special meeting of the Council to be held July 29, 1983, at 10:30 a.m. to consider a bond issue election.

There being no further business, Mayor Hall adjourned the meeting.


Assistant City Secretary


Mayor