

City Council Chamber, City Hall, Tuesday, October 3, 2000

A Regular Meeting of the Houston City Council was held at 1:30 p. m. Tuesday, October 3, 2000, with Mayor Lee P. Brown presiding and with Council Members Bruce Tatro, Carol M. Galloway, Mark Goldberg, Jew Don Boney, Jr., Rob Todd, Mark A. Ellis, Gabriel Vasquez, John E. Castillo, Annise D. Parker, Gordon Quan, Orlando Sanchez, and Carroll G. Robinson; Mr. Paul Bibler, Senior Counsel, City Attorney's Office, Mr. Richard Cantu, Director, Mayors Citizens Assistance Office; Ms. Marty Stein, Agenda Director present. Council Member Bert Keller absent on city business. Council Member Chris Bell absent on personal business.

At 2:05 p.m. Mayor Pro Tem Boney recognized Council Member Todd for the first presentation. Mayor Brown, Council Members, Galloway, Vasquez, Parker, Sanchez and Robinson absent. Mayor Pro Tem Boney presiding. (NO QUORUM PRESENT)

Council Member Todd invited Al Whiley and Pam Fernandez to the podium and stated that they brought an element to the athletes in the Houston area and presented each a proclamation for committing to the principals of fair play and good sportsmanship and for countless hours of hard work and dedication which led to their many accomplishments earning them national acclaim in their being selected as members of the 2000 US Paralympic Cycling Team; wishing them continued success and proclaiming Tuesday, October 3, 2000, as "Al Whiley and Pam Fernandez Day". Mr. Whiley and Ms. Fernandez thanked the Mayor and Council for the recognition and for all their supporters and stated that they would do their best to bring the Gold from Australia. Mayor Pro Tem Boney stated that their victory was well deserved and hard earned and congratulated them. Mr. McCoy Mclemore of Houston 2012 Foundation appeared and stated they had an opportunity to present many young Houstonians as Olympians and this was the last two of this year; that everyone was impressed with what Sydney had done, but even more encouraged that Houston could do the same thing because the spirit in Sydney was here today. Council Members Vasquez, Parker, Sanchez and Robinson absent.

Council Member Ellis stated that he was filling in for Council Member Bell and had a presentation to make on his behalf and he wanted to thank the sponsors of the Smoke Detector Alert Program 2000; that for the previous eight years the program was provided and through the efforts of the Houston Firefighters Burned and Crippled Children's Fund and other corporate sponsors present today they had installed hundreds of smoke detectors and invited all present regarding this program to the podium. Council Member Ellis presented proclamations relative to Fire Prevention Week, for dedication of enhancing public awareness and alerting all to the dangers; that the non profit Fire Protection Association had been the official sponsor of Fire Prevention Week since its inception and this year its observance would be held during October 8 through October 14, 2000, and it would be observed by coordinating the distribution and installation of smoke detectors at no charge to senior citizens, the handicapped and low-income persons; that the city commended all those who contributed to the program including Kroger Food Stores, Reliant Energy, Entex, HL&P, Eller Media, Houston Firefighters Burned and Crippled Children's Fund, State Farm Insurance, Houston Parks and Recreation Department, Houston Fire Museum and Epic Special Events; and read and presented a Proclamation proclaiming October 8 through October 14, 2000, as "National Fire Prevention Week". Council Member Vasquez absent.

Council Member Galloway invited Dr. Ford of the Houston Community College Northeast Campus to the podium. Dr. Ford stated that on behalf of the Houston Community College Northeast she thanked them for the opportunity to remark on the successful partnership between the City of Houston and the Houston Community College Northeast School to Careers Program and introduced all present with an overview of the program, The School to Careers Advisory Committee and Chair, the Acting Chancellor, Dr. Charles Cook; Mr. Dave Lindsey and Ms. Bobbie McDonald, the Director of the Program. Dr. Ford stated that the School to Careers Program had influenced now over 6,000 young students in the northeast sector of Houston and was so successful it should be implemented citywide; and thanked Mayor Brown, Council Member Galloway, Mr. Tom Rolan and Mr. Lionel Castillo for their support and efforts and presented plaques to all for that support and commitment. Council Member Vasquez absent.

At 2:21 p.m. Mayor Brown called the meeting to order and Council Member Todd led all in prayer and in the pledge of allegiance. Council Member Vasquez absent.

Mayor Brown requested the City Secretary call the roll. Council Member Keller absent on city business. Council Member Bell absent on personal business. Council Member Vasquez absent.

Council Members Quan and Tatro moved that the minutes of the preceding meeting be adopted. Council Member Keller absent on city business. Council Member Bell absent on personal business. Council Member Vasquez absent. MOTION ADOPTED.

Mayor Brown requested the City Secretary to call the list of speakers.

Council Member Todd moved to suspend the rules to hear Mr. Hans Marticiuc out of order, and was seconded by Council Member Parker. All voting aye. Nays none. Council Member Keller absent on city business. Council Member Bell absent on personal business. Council Member Vasquez absent.. MOTION 2000-1200 ADOPTED.

Mr. Hans Marticiuc, 1602 State Street, Houston, Texas, 77007 (713-237-0282) appeared and stated that after what took place in Council a couple of weeks ago regarding taxes he was concerned at the possible ramifications and impact on public safety as well as for Houston Police Officers; that what was frustrating was they had friends on both sides of the issue who would not intentionally hurt them, but there was no doubt that Houston officers were caught in the crossfire; that \$16.00 savings a year for the average taxpayer was very little, but \$16,000,000 yanked out of the available budget could have a huge impact on the short and long-term availability for the Houston Police Department to provide necessary police service to its citizens; that over the last two budget cycles the police fleet was cut in half, rather than the necessary 800 police cars each year they had received 400; and Mr. Marticiuc's time expired.

Mayor Brown asked that Mr. Marticiuc continue; and Mr. Marticiuc stated that police vehicles were sitting at various patrol stations and were not running because of lack of parts due to tight budget restraints; that in addition to the overtime program it would take officers off the street and there would be a reduction in the targeted area programs; that there were 5,400 Houston police officers and an authorized strength of 5,700 and they

had pushed back and rescheduled the next police academy class three times because of budget restraints and when competing for the very best police recruits they had to take a back seat to Dallas, San Antonio and Austin with a huge pay disparity and the problem would be compounded after the first of the year when older officers would leave; that in 1998 Houston police officers received the largest pay increase in the history of the department, but because of 20 years of neglect it still did not catch them up to cities previously mentioned and in the meantime San Antonio agreed to a new contract of 12% over four years and Dallas set aside its differences to approve a 13.4% increase over the next 12 months; that Houston's recruiting applications were down and how would they compete when the base pay of a 20 year Houston officer and a 15 year Dallas officer differed more than \$10,000 a year; that \$16,000,000 Council was so bent on throwing away could go a long way in resolving disparities; that they would be at the bargaining table again in November and he was fearful they would be going back 20 years with the repeat of low pay, low moral and rising crime rates and in times of rising prosperity they should not be having budget problems, but instead should have money set aside for future issues; that Houston already had one of the lowest tax rates in the country and maybe the reason for budgetary problems was that low tax rate; that as elected Council Members and Mayor their responsibility was to resolve today's issues and prepare the city to move ahead into the future, they were not elected to bring partisan politics to a forum which had no room for it, but unfortunately he would guess that was what term limitation brought; that they received promises from Council Members running as candidates to not allow that to happen when looking for an endorsement, but they seemed to have forgotten those commitments; and urged them to do the right thing for the citizens and the officers as well as the other city employees. Council Member Vasquez absent.

Upon questions by Council Member Sanchez, Mr. Marticiuc stated that currently police vehicles were sitting instead of being repaired and out in the street and he would get numbers for him; that the last academy class was supposed to have started in August and it had been rescheduled three times. Council Members Vasquez and Parker absent.

Council Member Boney stated that he would like a copy of Mr. Marticiuc's statement and information on police pay comparison with other Texas cities adjusted for cost of living differences and also information on police retirement because that was an issue; and thanked Mr. Marticiuc for working with him and other Council Members; and the point he focussed on was not cutting taxes to consider raising salaries of police and fire and he wanted to underscore that point so that they would not be distracted by other issues. Council Members Vasquez and Parker absent.

Council Member Robinson stated that he agreed with Council Member Boney, he did not want to be distracted; that one thing he wanted to make clear in his understanding was that he had pointed out they should raise taxes and he wondered if there was any information on budget expenditures and priorities in the other communities, he had made the correlation they were able to give a raise because of the high tax rate; and Mr. Marticiuc stated that he was not necessarily correlating those cities tax rate compared to Houston's, but in looking around the country those with higher tax rates were not having the same problems as Houston, but he would check on data for him. Council Member Robinson stated that with the \$27,000,000 of unanticipated expenses even if there was no property tax cut on the table there was still that amount that would have to be fit into the budget. Council Members Boney, Todd and Vasquez absent.

Mayor Brown stated that they had worked together and done a study which showed the Houston Police Department was woefully underpaid compared with the state as well as national police departments and as a result of that they were able to get one of the highest salaries in the history of the city; and upon questions, Mr. Marticiuc stated that still had not corrected the problem as they were still 8% to 9% behind other cities and that was three years ago. Mayor Brown stated that to have a quality police department there were three things needed, 1) to be adequately staffed, 2) have good equipment and 3) to adequately pay police officers to compensate them for what they did; and upon questions Mr. Marticiuc agreed and stated that was needed and relating to the salary component they were not where they should be; that they used to have 2,000 to 3,000 applicants per class and now they were lucky to have 1,200 this year. Mayor Brown stated that needed to be corrected to make sure they were competitive; and thanked Mr. Marticiuc for coming. Council Members Boney, Todd and Vasquez absent.

Ms. Faye Walker, 13719 Sweetgum, Houston, Texas 77396 (281-442-2431) appeared and stated that she was owner of Amber's Airport Cab as well as Amber's Limousine Service and the president of the Taxicab Association and present today to request that Council allow them to transfer their limousine permit; that all industries were allowed to transfer their permit and she hoped her children and grandchildren would be allowed to take over her company, they could take over her taxi company but as it stood now they could not take over her limousine company and that was unfair; that she realized they tried to stop illegal solicitation at the airport by making all get a stretch and she was in favor of a stretch, however, she would put the big stretches out of business as she would charge \$50.00 and they charged \$275.00; that if high fines were placed on solicitation maybe it would stop but if they all put out stretches it was going to hurt others; that another problem was space if there were 200 stretches there would be total chaos as it took up two spots; and asked that they take her comments into consideration. Council Members Boney and Todd absent.

Mr. Michael Holt, 37350 Blueberry Hill, Conroe, Texas, 77385 (281-444-8294) appeared and stated that he owned Triple A Taxi and Airport Car Services and utilized town cars and was present because of proposed wording in the ordinance an example was that it said they could not have personal affects in the front seat but there were transportation investigators who cited drivers for having a car seat in the front seat claiming that was a personal affect; that there were also investigators who cited town car drivers because someone would approach them while they were standing at the airport waiting for a customer, they called it solicitation; that minor wording in the ordinance seemed to have unexpected affects such as on page 28, paragraph c it stated that the only passenger a limousine driver could pickup was someone deplaning so where they excluding people who missed flights, cancelled flights or those who just saw family members off; that the ordinance on page 20, paragraph f, it also stated to have another vehicle added to the limousine license you had to go through the whole application process which meant you had to have a background check, sometimes people got stuck on the little things whether that was meant or not; etc., that Ms. Walker was right saying there already was no parking at the airport and if stretches were added there would be no parking; and asked Council to reconsider and maybe apply such regulations to new companies and slow down the permit process. Council Members Boney and Todd absent.

Mr. Robert Hayes, 7457 Harwin, Suite 392, Houston, Texas 77036 (713-785-2490) appeared, presented information to Council Members and stated that he and the two gentlemen with him were with "The Three Gentlemen's School of Etiquette"; and the packet presented was a proposal which they thought would help serve the Houston community in a better way dealing with juveniles and youth offenders; that they had a program and were proposing that each month 20 to 40 probationary youth offenders age 13 to adult go through a one week training period to build character, self-esteem and positive behavior; that prices were included in the packet and their focus was to turn young men into gentlemen and to assist in changing attitudes from negative to positive; that they presented credentials and lately were working with HPD's Pal Program and they would be on the news Thursday at 5:00 on Channel 11 working with Pershing Middle School; that they had been in business two years and were looking for assistance in educating youth. Council Members Boney and Todd absent.

Mayor Brown stated that Mr. Donald Hollingsworth, on his staff, was in charge of youth programs and he would be in touch with him and suggest direction for them. Council Members Boney and Todd absent.

Council Member Sanchez stated that the city had no jurisdiction over the sentencing of probationers or the conditions of probation assigned to them and suggested that he contact Harris County District Judges or the Director of the Harris County Community Supervisions and Corrections Department and if he would contact his office he would help him. Council Members Boney and Todd absent.

Mr. Ralph Dickinson, 3502 McKean Dr., Houston, Texas 77080 (713-462-4675) appeared and stated that he was present on behalf of the Binglewood Civic Club; that as they understood it the city's bike trail program would be affecting both Clay Road and Blalock, there would be bike lanes on both sides of the street and it would reduce the drive lanes to ten feet wide and someone did not do their homework very well because there was heavy commercial traffic on those streets; that commercial trucks measured nine feet and six inches mirror to mirror and that left six inches clearance between the curb and the truck and the truck in the next lane; that if two commercial trucks were side by side there would be six inches clearance between mirrors provided they could drive within three inches of the curb; that 600 homes in the area were grossly affected by the possibility of accidents being caused by trucks not able to stay within their ten foot lane, no commercial truck could drive that safely; that he wondered how many of the Council had looked at the Ford Motor Company and Firestone and the liability they were enduring as a result of not taking care of their customers when they knew there was a problem and he wondered how much liability the city would incur if they put ten feet lanes in where commercial trucks were required to use them and people were hurt; and urged that they not put themselves in that position and to not put the residents in that position. Council Members Boney, Todd and Vasquez absent.

Mayor Brown stated that Mr. Wes Johnson was present and he would ask that they meet with him to get the details and it would be followed up on. Council Members Boney, Todd and Vasquez absent.

Council Member Tatro stated that he had a copy of a letter he had sent to Mayor Brown on September 9 requesting that Clay Road be removed from the program and he would appreciate Mr. Dickinson's continued efforts to help rectify the situation on

Clay Road, Blalock and other streets that needed to be brought back to their safe twelve foot lanes. Mr. Dickinson stated that it was possible to widen the streets if part of the esplanade and curb was taken out it could still be twelve feet lanes with bike lanes, but he did not think that was in the budget. Council Members Boney, Todd and Vasquez absent.

Upon questions by Council Member Quan, Mr. Dickinson stated that he had not heard of any hearings regarding the bike trails. Council Member Quan stated that citizens have not been aware this was going to happen and they were being taken off guard; that Clay was a very commercial road and he would like hearings for citizens to give their input and he thought they were flirting with disaster as pointed out. Council Member Vasquez absent.

Mayor Brown stated that he would like to point out that all of this started in 1994/1995 and there were meetings all over the city long before the current Council was present. Council Member Vasquez absent.

Council Member Sanchez stated that he was glad the Mayor brought up that point; that Council had repeatedly heard this was sprung on citizens and no one had been aware of it when in fact there was adequate publication of hearings and a number of people had attended; that some citizens may not be aware but that no way forced the city to reconsider its application through the Federal Transportation Authority for money applied for and he needed to emphasize they were under very strict standards by the EPA to reduce emissions; and he felt there was a sense that somehow those who chose to commute by bicycle did not have a right to the right-of-way when in fact bicycles were like any vehicle and had as much right to the right-of-way as automobiles and he would remind his colleagues that it was unwise to suggest they needed to be relegated to bayous and byways and parks and sidewalks which were made for pedestrians. Council Members Boney, Vasquez and Parker absent.

Council Member Robinson stated that if there was a chance of hurting a bicyclist or crashing into another car it made no sense to say they had the plans ten years ago so go stripe the streets and so be it if someone gets injured; that he did not think anyone was saying bicyclist did not have the right to use the road, but that if circumstances had changed it was better to be safe than sorry and he wanted to be on record for wanting to be safe and he felt that was the concern Council Members were raising and he felt it should be heard and examined. Council Member Sanchez stated that he was sure it was not just going out and striping lanes and he would suspect that the city working with the Texas Department of Transportation and Federal Transportation Authority had strict guidelines and would suspect a number of well qualified traffic engineers did studies and measurements in comparison to federal and state standards, but agreed if there was an error it should be corrected though he would doubt that the entire right-of-way would be wrong. Council Member Robinson stated that traffic engineers would tell you now the way highways were laid out in this state in many instances could be safer if striped differently and TxDOT was not the model agency to hold up and say they did everything right.

Council Member Quan stated that with due respect at the recent TTI Committee Meeting Mr. Rolan came before Council and said that 14 miles were being reconsidered because they did not comply and he wanted to make sure that when Public Works was

going into neighborhoods to look at bike lanes they let people know what was going on; that hearings were held years ago, but he would like people to know what was going on today.

Mr. Dwight Burton, 3721 Seabrook, Houston, Texas 77021 (713-748-2119) had reserved time to speak, but was not present in Council Chamber when his name was called.

Ms. Jane Cahill, 2112 Lubbock, Houston, Texas 77007 (713-250-5853) appeared and stated that she was the first vice president of the Old Sixth Ward Historic District and present to say the Old Sixth Ward Neighborhood Association would host its annual Victorian Tour of Homes on Sunday, October 15, 2000, from 1:00 p.m. to 5:00 p.m. and seven homes would be open to the public; and presented invitations to the Mayor and Council and a special invitation to the City Secretary as one of the houses to be showcased was the family home of Ms. Margaret Westerman who for 40 years served as City Secretary in Houston. Council Member Ellis absent.

Mayor Brown thanked Ms. Cahill for coming and for the invitation. Council Member Ellis absent.

Ms. Gladys Yvonne Carter, 5034 Pershing, Houston, Texas 77038 had reserved time to speak, but was not present in Council Chamber when her name was called. Council Member Ellis absent.

Mr. R. J. (Bobby) Taylor, 3107 Sumpter, Houston, Texas 77026 had reserved time to speak, but was not present in Council Chamber when his name was called. Council Member Ellis absent.

Mr. William Beal, 4718 Boicewood, Houston, Texas 77016 (713-633-0126) appeared and stated that he was present to ask Chelsey Clinton to be his wife; that the Clinton's had his letter and he was ready to come home; that it was up to Bill as he was asking him first. Council Members Ellis and Castillo absent.

Mr. Augustine Castillo, 1103 Erin, Houston, Texas 77009 (713-697-4253) appeared and stated that he was back again regarding the sidewalk problem in Houston; that they were getting new sidewalks and having the same problem; that Denver Harbor got new sidewalks and were having the same problem; that companies were parking on the sidewalks and half the street and he would ask that tickets be issues when sidewalks were blocked. Council Members Ellis and Castillo absent.

Mayor Brown stated that Assistant Chief Dennis Richards was present and he would ask that he meet with him at this time, follow-up and then get back with him. Mr. Castillo stated that they had been going through this and continued to go through it and he would like to know how to get a billboard or something stating no parking on the sidewalks; and Mayor Brown stated that he brought the problem to Council's attention and Chief Richards would work with him to see how best to address the problem. Council Members Boney and Ellis absent.

Mr. Ray Bush, 1719 Bethlehem, Houston, Texas 77018 (713-682-0789) appeared and stated that as requested by over 1,700 petitioners they were asking once again for

no abandonment of Del Norte Street and no abandonment of either side of the drainage ditch of Roslyn Road; that they wanted no misunderstanding, they wanted their neighborhoods protected as they were; that they wanted no compromise, no bridge, no variance and no abandonment; and read a letter from the Department of the Interior stating that the property was inspected in September and determined migratory birds were using the area; and Mr. Bush's time expired. Council Member Ellis absent.

Council Member Tatro asked that Mr. Bush continue; and Mr. Bush continued reading from the letter stating that the Law Enforcement Branch of the US Fish and Wildlife Service did not have the responsibility or the technical expertise to determine wetland areas or review environmental assessments and endangered species surveys and for that reason the letter he wrote was forwarded to the Ecological Service Branch in Clear Lake, Texas and the responsibility of enforcement for clean water fell under the jurisdiction of the U. S. Army Corp of Engineers; that the Law Enforcement Branch would monitor the area for violations of the Migratory Bird Treaty Act and the Endangered Species Act and for those two laws the primary time of concern would be when construction began particularly during the breeding and nesting season and anyone clearing trees or doing construction work during that time must have a permit from the service. Council Member Tatro stated that he supported any efforts against the building of a bridge over Rosslyn; that they had been trying to set up a meeting with him and the property owner on the south side of the ditch to go over the abandonment issues; and Mr. Bush stated that no residents wanted abandonment or variances. Council Member Tatro stated that was a good point, one of the things they were requested to do was to remove it from future considerations and abandonment was the only legal recourse constituents did have; that without abandonment it would remain city right-of-way and a builder could come in the future and put the road in without any Council action; that there would be another civic club meeting on October 10 and they would go over some procedural aspects, but they wanted to get done what they needed to get done and from now into the future abandonment and preventing it was what they were trying to work on. Mayor Brown and Council Member Ellis absent. Mayor Pro Tem Boney presiding.

Mr. David Schovajsa, 4800 W. 34th, Houston, Texas 77012 (713-956-6662) appeared, presented a packet and stated that he was president of the Limousine Association of Houston and his purpose in being present today was to fulfill a promise made to the Mayor and Council to provide a list of items in the ordinance provisions to which they objected and that was included in the packet presented; and he would urge Council to seriously consider their matters. Mayor Brown, Council Members Ellis and Castillo absent. Mayor Pro Tem Boney presiding.

Mr. James Partsch-Galvan, 1611 Holman, Houston, Texas 77004 (713-528-2607) appeared and stated www.galvan.org and www.noarena.com were the only two information endowed web sites the citizens had to know the election cycle; that with the downtown traffic and the budget a disaster the last thing they needed was to build a new arena and then have to pay for it; and he also supported reducing the drinking age to 18. Mayor Brown, Council Members Ellis and Castillo absent. Mayor Pro Tem Boney presiding.

At 3:13 p.m. upon motion by Council Members Vasquez and Tatro the City Council recessed until Wednesday, October 4, 2000 at 9:00 a.m. Council Member Keller absent

on city business. Council Member Bell absent on personal business. Mayor Brown, Council Members Ellis and Castillo absent. Mayor Pro Tem Boney presiding.

City Council reconvened in the City Council Chamber at 9:00 a.m. Wednesday, October 4, 2000, with Mayor Lee P. Brown presiding and with Council Members Bruce Tatro, Carol M. Galloway, Mark Goldberg, Jew Don Boney, Jr., Rob Todd, Mark A. Ellis, Bert Keller, Gabriel Vasquez, John E. Castillo, Annise D. Parker, Gordon Quan, Orlando Sanchez and Carroll G. Robinson; Mr. Al Haines, Chief Administrative Officer, Mayor's Office; Mr. Anthony Hall, City Attorney; Ms. Martha Stein, Agenda Director and Ms. Karen Kelley, Agenda Office, present. Council Member Bell absent on personal business.

At 8:31 a.m. the City Secretary read the descriptions or captions of items on the Agenda.

At 9:20 a.m. Mayor Brown called the meeting to order. Council Member Bell absent on personal business. Council Members Boney, Vasquez, Parker and Robinson absent.

MAYOR'S REPORT

9:00 A.M. - REPORT FROM CITY CONTROLLER AND THE CITY ADMINISTRATION REGARDING THE CURRENT FINANCIAL STATUS OF THE CITY including but not limited to, a revenue, expenditure and encumbrance report for the General Fund, all special revenue funds and all enterprise funds, and a report on the status of bond funds - was presented.

Ms. Sylvia Garcia, City Controller, stated that it was the monthly financial report for August 2000 and was the third month of the current fiscal year and would be addressing most of her remarks as to the General Fund, that with regard to the last fiscal year their estimates continued to indicate that the fiscal year ending fund balance for FY2000 was at \$69.4 million, that it completed the fiscal year at an estimated \$10.6 million below the \$75.5 fiscal cushion or excess reserve balance, that the \$69.4 million represented the 6.5% rather than the 7.5% fund balance mandated by City Council, therefore they did not project any excess reserve fund balance at the end of the prior fiscal year, that with regard to revenues of the current fiscal year the General Fund revenue projections had been adjusted in four categories and they had reviewed those projections and revised them this month in the property tax area, sales tax area, electric franchise fee and other franchise fees, most specifically the cable television franchise fee, that with regard to the property taxes they had made an adjustment using the effective tax rate of 64.671 cents per hundred dollar valuation and that was consistent with the Council action of a couple of weeks ago, that in the sales tax area the amount had been adjusted utilizing the conservative number of 4.74% gross rate based on the preliminary CAFR numbers for sales taxes for last year as indicated by Dr. Barton Smith, that as they would recall from the report he set out a range of 4.74% up to about 6.5% and they had selected to use the most conservative figure and go with 4.74%, that in the electric franchise area they had made an adjustment based on the numbers received from Reliant Energy due to increased fuel factor rate increases and they had used that number and it would include a upward in revenues of about \$4.1, they had also adjusted on the expenditure side corresponding to the extra expenses they expected the departments to experience, that

in the cable television franchise area they added \$2 million to the revenues which reflected the \$1 million from two cable companies which Council action they took about a month and a half ago, that they continued to use the conservative approach for all forecasted revenues and additional revisions would be considered and they would continue to monitor all their revenues very closely, that under the expenditure side as indicated they had added an expense with regard to the general government about \$2.6 million to reflect the additional expenses for all the departments due to the fuel factor increase, that it was the only area where they changed anything on the expenditure side, everything else had been left at zero and their adjustments became apparent or they worked through with F&A on any adjustments they made on expenditure side and would reflect those as they happened and one last note, she would urge the Mayor and Council to work together to formulate a plan to deal with the \$37 million which they felt would be lacking toward the end of the year when they would consider that and with the adjustments they made today, including the property tax rate factor they saw they would have a projected shortfall of \$10 million, that they also identified about \$27 million through a press release that they sent out last week indicating some unexpected, unbudgeted and unanticipated expenditures, that both of those combined added up to \$37 million which was a huge number of excess expenditures over revenues for the General Fund, that they thought it was a serious matter which deserved a lot of time and attention and the sooner they put a plan together, working together to address the issues the better the taxpayers would be served. Council Members Boney, Todd, Vasquez, Castillo, Parker and Robinson absent.

Ms. Sara Culbreth, Acting Director F & A, stated that Finance and Administration had also prepared the monthly Operating and Financial Report for the month ended August 31st which was the second month of the FY2000, that for all funds they had projected both revenues and expenditures at budget, that she would however like to briefly discuss some issues on the General Fund specifically, that as noted on page 7 again they had remained their projections at budget for both revenues and expenditures, that as the Controller pointed out there were some areas specifically, that they had not revised their projections on property tax pending the final establishment of a property tax rate and once that was done their projections for property tax would obviously be revised, that on sales tax they had submitted and released the report prepared by Dr. Barton Smith on the sales tax report and modeling that they contracted with him for, that the report did indicate that there would be a range on sales tax and his range was projected, based on the model, of \$328.7 million to as high as \$333.4 million and that was a range of 4.7% growth on the conservative end to a 6.24% growth on the higher end, that their projection continued to be at budget which represented a 5.8% growth or \$332 million, that on electric franchise they continued to hold their projection at budget, and as the Controller indicated there had been a fuel factor increase added to the electricity bills which would generate additional revenue essentially for the General Fund and that was estimated based on Reliant numbers to be about \$5.8 million, however that would be offset with higher than budgeted expenditures for electricity cost of 3.4 which would yield a net increase to the General Fund of \$2.4 million, that on the cable franchise they had not revised their budget they had received, as the Controller indicated, \$2.0 million from the two cable franchise agreements previously approved by Council, that they had not revised that projection however because they were just two months into the fiscal year and had not received a full first quarter payment from the cable franchise companies, therefore it was her position that it was too early to back off of those projections, that on the expenditure side they remained on budget pending

establishment of the tax rate. Council Members Boney, Vasquez, Parker and Quan absent.

Council Member Robinson stated that he wanted to thank Mr. Al Haines and Ms. Culbreth for the presentation yesterday to the Fiscal Affairs on the second item in terms of their overall strategy and would hope that they maybe they could get some of the outlines of the direction they intended to move in terms of the \$27 million and or the combined number of the \$27 million and the property tax cut so they would have a little clearer idea, that Mr. Haines had mentioned sometime between the 10th and the 20th and wondered if there was anyway they could maybe see something a little earlier, and Mayor Brown stated they would work on it. Council Members Boney, Vasquez, Parker and Quan absent.

Council Member Tatro stated that he continued to point out over several months that the document they had in front of them was the monthly financials and that was a document that people would refer to now and would refer to in months to come, that continuously it was things that went out to bond holders and people who watched the financial status of the City and had significant concern about statements made today and yesterday by the administration, in press releases, regarding expenditures and revenues and the fact that they were not footnoted and were not explained or detailed in any letter within the financial statement that they were provided today, both on the expenditure side and the revenue side, that the F&A Department stated additional revenues, but they were just stating them, and when they had a lot of people looking at the financial status of the City, that they issued press releases and General Fund revisions at Tuesday's Fiscal Affairs meeting and failed to even footnote or attach them to the financial document and that caused him great concern, that they could look at it three or four months from now and people could go back to the official and wham it could just sneak up on them and all of a sudden and unless they attended the Council meetings and heard statements from the administration regarding the unanticipated or unbudgeted revenues or expenses they would be outside the loop and he did not think it was beneficial for bond holders and taxpayers to be outside the loop when looking at official City documents and the City's financial position, that he was not sure how it affected their disclosure rules if at the same time they had the monthly CAFR for the budget being presented to Council and Council being asked to accept the numbers and they had the administration proposing in Tuesday's Fiscal Affairs meeting a set of numbers different to the tune of a net affect of almost \$8 million dollars and was not sure how they could balance it and how they could accept that document today as the City's financial position when tomorrow, if history repeated itself, they could have another press release or another set of financial numbers coming from the administration and would ask Council Members to look at some of the detail provided to Council at the Fiscal Affairs meeting, that his concern was that the financials or press releases or estimates were sort of like the Texas weather, if they did not like them wait a minute and it would change, that it was not healthy for them and not healthy to accept the report without making some adjustments and did not know what those adjustments were, but did have a significant concern about the history and documentation they were passing forward. Council Members Boney, Vasquez, Parker and Quan absent.

Council Member Keller asked if the property tax projections were based on the August projections that they received on the tax roll and Ms. Culbreth stated that her projection was still at budget based on estimates provided to them with the 5 year

forecast from Harris County Appraisal District in mid April, that they had not revised their numbers based on the new certified values pending the final establishment of a property tax rate, and Council Member Keller stated he believed that especially the commercial real estate assessment from the Harris County Appraisal District, as recent as April, would show an increase and did not know if they had included or projected that value and did they have an idea of the value of that recent increase in commercial property assessment, and Ms. Culbreth stated they had received their actual certified roll and the numbers they used to develop the budget in April and May were based on the projections provided by HCAD, that they did receive certified values in August and had since received one supplement and had not however revised their property tax revenue number pending the final establishment or setting of a tax rate, but they had received revised values and in some categories those were up. Council Members Tatro, Boney, Vasquez and Parker absent.

Ms. Garcia stated if he looked at page 2 where they indicated all the areas where there was a variance of a million dollars and more between their numbers and F&A it indicated that they did use the numbers as they received them from the tax assessor, that he had done an analysis recently for all the taxing jurisdictions, that they used those numbers and then plugged in the effective tax rate, and Council Member Keller asked why they had a difference of \$3.3 million which was 50% to F&A's number and 30% to the Controllars number on a TIRZ reimbursement payment, and Ms. Garcia stated that they used the numbers that were given to them by Planning and Development and those numbers were simply plugged into the overall analysis in the property tax area and until somebody showed her the documentation and the assumptions and projections made differently, those were the numbers they would use, after all they came from the Planning and Development Department who oversaw and provided all the workings that lead up to all those applications and knew those numbers best. Council Members Boney, Vasquez, Parker, Quan and Robinson absent.

Ms. Culbreth stated that in determining and projecting the property tax revenues for the budget they also estimated an impact of the incremental payments that would be shifted to the TIRZ from their property tax, that their budget included a projection of \$6.4 million for the tax incremental payments made to the TIRZ, that yesterday the Controllars office indicated that in their numbers, their revised projections for property tax, they had included a payment to the TIRZ in the amount of \$9.8 million, that at the time they made their projections again those were based on estimated values that they received from HCAD and applied a factor for contested payments, that they had since received revised numbers and once again as the tax rate was established they would revise their property tax numbers and that revised property tax numbers would include a revision also for the TIRZ payments and would go up to \$7.9 or roughly \$8 million that they would estimate the impact that the TIRZ would have. Council Members Goldberg, Boney, Vasquez, Quan and Robinson absent.

Council Member Todd stated that it had been brought to his attention that the special sheet that was handed out on Tuesday by Mr. Haines might need to be included within the actual monthly financial report, that he was given a copy of the SEC rules on financial disclosures and as they knew municipal issuers were subject to mandated continuous reporting and that included non official and non documents but also press releases and anything basically that an investor would reasonable need to rely on in making a decision, that since they had a judiciary duty essentially to their bond holders

his question was whether or not under the mandated and continuous reporting requirements of the exchange act they were required to release that sheet and did not know if the Controller had any comments on that or if the administration did and that he had brought it up that morning with the administration and did not know if they had a response to that. Council Members Boney, Vasquez, Parker, Quan and Robinson absent.

Ms. Garcia stated that obviously they thought it was important to let the taxpayers know what the current state of the fiscal affairs of the City were which was why they made their adjustment with regard to the tax rate and plugged in all the appropriate numbers, that personally and professionally she thought it was important that taxpayers, bond holders, investors and people who watched the City's finances particularly with regard to the bond responsibilities they had, that they would know the current status of the City's fiscal affairs, that she thought that presenting a report that said one thing and the official documents that were placed on the web page that were received by bond holders and investors throughout the Country and then have a separate piece of paper that said something differently was not being fair to everyone. Council Members Boney, Vasquez, Parker and Quan absent.

Council Member Castillo stated that there was a lot being made about nothing and wished that people would stick to the issue and that was the report. Council Members Boney, Vasquez, Parker and Quan absent.

Council Member Todd reclaimed his time and stated that it was germane to the issue because they were going to be asked to make a motion to approve the report and if they had to make a motion to include that sheet in the report, and Council Member Castillo stated that was one opinion, that he was chairing the meeting and unfortunately Council Member Tatro left before Mr. Haines made his presentation, that Mr. Haines was extremely clear that he was going to begin a discussion to answer some of the questions about what some of the reductions and some of the revenue projections might look like and he stated that he had a discussion aid, a worksheet was what he called it, and he passed it around and stated he was sorry that Council Member Tatro was not present to hear the discussion and obviously if Council Member Tatro had been present he would have heard that it was a worksheet, that they were going to go into a discussion and look at some possible scenarios, that he did not believe that the monthly financial operating report had to, ought to or was required to have work product that was in process, that those were scenarios that had not been accepted, that the Controller's report for example, acknowledged the effective tax rate which the Council had not adopted or ratified yet, and Council Member Todd stated that his question was that the law was that they were required to release press releases and information contained in "all source of publicly released documents" and since the worksheet was something that was handed out in a public meeting, and in fact he was present when it was handed out to the media, that he saw the Chronicle get a copy of it on Tuesday, and Council Member Castillo stated that it would also mean that the scribbles that he made on his pad and everybody else on the Council table would have to be included in the book, that it was not handed out to the media, it was handed out to Council Members very explicitly and it was identified as a worksheet, and Council Member Todd stated he saw Matt Schwartz get a copy and that was not some sort of a privileged internal document it was clearly something that was handed out and did not understand how they could say anything to the contrary, and Council Member Castillo stated that it was a political statement and

thought that the monthly financial report was the status of the City as of a given date and that was what was on the table at this point, that the Controller for example in her report also mentioned some possibilities both on expenditures and revenues and none of that was footnoted and no one was raising any cane about it. Council Members Boney, Vasquez and Robinson absent.

Council Member Ellis stated that he was going to address the property tax revenues, that they had gone through it yesterday and would like to rehash it today, that Council Member Keller had some questions and was unsure whether or not the PTS values had been included in each of their projections and asked Ms. Culbreth if based on her property tax assessment if she used the 8609 one billion for property values and Ms. Culbreth stated yes, that was correct, and Council Member Ellis asked if the 1.687 billion as they knew as PTS in uncertain values that they had been told by the tax collector that they would be receiving in the fiscal year 2001 that had not been included either at the .665 per 100 or the .64671 and Ms. Culbreth stated their projection for property tax revenues was based on estimates of taxable values provided to them by HCAD in their 5 year forecast in April and that projection simply projected and provided them taxable values at the time, and Council Member Ellis stated that it did not include the additional amount, and Ms. Culbreth stated she could not say that because they gave them an amount for taxable values and that implied that there was an element of certified roles, and Council Member Ellis stated that with all due respect she had seen the PTS values, and Ms. Culbreth stated yes she had and he had asked her if her projection included that and she was stating that her projection had not been revised from budget and had explained how she determined her projection for the budget, and Council Member Ellis asked Ms. Garcia that in her projections in the monthly financial statement had she included the PTS values. Council Members Boney, Vasquez, Quan and Robinson absent.

Ms. Garcia stated that she had said it yesterday that they had used the combined values and had looked at all of them and it was included, and that yes she had backed out \$9.8 million for TIRZ expenses which was different from the number that had been used, that F&A and theirs was based on the numbers that were given to them by the Planning and Development Department who oversaw that area, and Council Member Ellis asked Ms. Culbreth if 6.5 was backed out for the TIRZ in the initial budget property tax revenues, and Ms. Culbreth stated yes, in the development of the projection for property tax revenues in the budget. Council Members Boney, Todd, Vasquez, Quan and Robinson absent.

Council Member Ellis stated that at this time he would like to address Mr. Haines worksheet, and Mayor Brown stated if it was related to the monthly financial report, and Council Member Ellis stated that Mr. Haines worksheet did adjust numbers that did affect the monthly financial report. Council Members Boney, Todd, Vasquez, Quan and Robinson absent.

Council Member Castillo stated that he would like to hear from Mr. Haines, that they had been talking about his work product and it did not have any impact on the report that was handed out, that in fact it was a separate agenda item to talk about the budget cuts. Council Members Boney, Todd, Vasquez, Quan and Robinson absent.

Council Member Ellis reclaimed his time and asked Mr. Haines that in reference to his worksheet, that they knew that they were backing \$6.5 million for TIRZ expenses and also knew they were using .665 and were not including the PTS values and on his worksheet that produced \$562 million was he including PTS, that he knew they had adjusted for TIRZ expenses. Council Members Boney, Todd, Vasquez, Quan and Robinson absent.

Mr. Haines stated that when he put the worksheet together yesterday morning a few minutes before the Fiscal Affairs Committee meeting he incorporated both the accounting for PTS as well as adjustments for the TIRZ impact and disclosed it to them and to the Fiscal Affairs Committee meeting on Tuesday morning, and Council Member Ellis asked assuming they adopt the effective tax rate his projection would be \$562,455,000 and Mr. Haines stated that if they noted on the top of the column it was dated the 10th of October and that was the effective date if nothing was done, if there was no affirmative action taken by City Council the scenario that they would then follow would be to go ahead and reduce their property tax forecast by \$10.9 million to \$562,455,000. Council Members Boney, Todd, Vasquez, Quan and Robinson absent.

Council Member Castillo yielded his time to Mr. Haines, and Mr. Haines further stated that as Council Member Castillo, who chaired the Fiscal Affairs Committee, stated the purpose for the worksheet and the presentation to Council yesterday was based on assumptions that had not yet materialized and that was an important statement and distinction to make between what the worksheet disclosed as opposed to what was in the monthly financial report, that they had made a conscious decision to do that and the reason they made that decision was very simply to suggest that if there was not action taken by Council between now and the 10th of October or if there was action taken to affirm a tax rate of .64671 that there would be an impact to the budget and that there would have to be a consideration for budget cuts and if those scenarios played out, based on those assumptions which they did not have nor would he recommend they be incorporated in the monthly financial report because they had not yet taken place and there could be decisions made between now and that time that may have an impact or a bearing on the monthly report, therefore again to underscore the point, it was not intended to be an official document, that if they would recall after some of the Council Members left the room they actually suggested that they make notes on the margins that would suggest a certain scenario or certain type of sequencing of events that would take place, but it focused primarily on expenditure reduction issues and that was all. Council Members Vasquez and Quan absent.

Council Member Ellis stated that they kept talking about assumptions and so forth on the worksheet and he agreed that all revenue projections were based on assumptions and that was their point, that if they had those assumptions and they were using a process then they felt that possibly they should be disclosed during their financial report, that all their revenue projections were assumptions, that he just wanted some clarification, and Mr. Haines stated that he was perplexed at his question because the disclosure in the monthly financial report was predicated on activities that took place during the first two months and what modifications might be made to those, that what they got in the worksheet yesterday was a what if set of assumptions, what if the Council decided to do something different, what if there were changes made prospectively, not during the months of July and August, that they also stated that should the Council make those decisions they would definitely incorporate those modifications in the monthly

financial report, but would suggest that while there were assumptions always made in budget projections he did not want to walk out on a plank that had not been invented yet, and Council Member Ellis asked if he would also agree that if they did amend the budget that Council would have input at that time on revenue projections and expenditures and so forth, and Mr. Haines stated that if the budget was amended, absolutely. Council Members Vasquez and Quan absent.

Council Member Tatro stated that there were a couple of things that were not what if and knew that Mr. Haines wanted to speak to expenditures, but he wanted to talk about the revenue side and the statements made yesterday that were not indicated in either the letter by the head of Finance and Administration or in the monthly financials or the \$5.8 million in electrical franchise fees that they stated were going to be there and increase and also the \$3.4 million in cable franchise fee revenue increases that were also not reflected or not footnoted in the budget, so they may talk about what ifs on the expenditure side and clearly what ifs on the expenditure side change, but on the revenue side he thought they were being very disingenuous in not presenting a snap shot of where they knew they were and that was his concern, that the last sentence in Finance and Administration's letter was that they would continue to evaluate all revenues and expenditures for trends and would inform City Council if their projections changed, well Council did not want to get it in a press release, he thought they should be documented and footnoted about the what ifs but did not think the revenues were what ifs, that they quite succinctly stated an increase and did not think it was a good policy to continue not to reflect those in the monthly documents. Council Members Vasquez and Quan absent.

Ms. Culbreth stated that she indicated that those were projections and that their electrical franchise projection could potentially increase based on projections from Reliant and she had given a range of that and indicated what they believed that to be a \$5.8 million but that was a potential increase, that there were other issues evolving around the fuel factor increase as she indicated yesterday as well as was on the news last night and this morning, that it was likely to change, that the snapshot in time was actual year to date at this particular point and time, that the rest of the numbers were simply projections, there had not been sufficient trends developed yet that would suggest to her that she needed to back off of her sales tax revenue nor back off of their increase via an absolute amount on their electric franchise at this point, and Council Member Tatro stated that they knew for a fact that the cable franchise was going up \$2 million, and Ms. Culbreth stated that she knew she received \$2 million but what she did not know that if by the end of the year there would not be other factors that had played into the businesses of the other cable franchises that could suggest that those revenues would in fact drop, that she did not have anything to substantiate that at this point, that she had acknowledged that yes they did receive the \$2 million and that was reflected in the financial statements in the year to date numbers, but she had nothing to suggest at this point that her collections in total for the end of the year was going to in fact exceed what she budgeted, that based on information she had right now it could potentially exceed that and she would agree to that, but not by the end of the fiscal year, that with regard to disclosure she could not, as the Finance Director, sit there today and leave the impression that they did not make full disclosure to their bond rating agencies, when they are about to go to market for a bond deal they release an official statement that had full disclosure up to the minute that they release, that in fact that was why they were holding a deal at this time, waiting on the outcome of the tax rate so that they could

make full disclosure of the activities that were going on as it related to finance and could be disclosed in that official document. Council Members Vasquez and Quan absent.

Council Member Parker stated she was a little surprised at the discussion they were having around the table, that they seemed to be in a circular argument, that Council had asked that F&A give them everything they knew about the current situation and then they were saying if they gave them all the different scenarios and the what ifs and lay it all out for them, then they would turn around and criticize them for giving all the information that they asked for in the briefing, that they could not have it both ways, that she knew they would like to, they were politicians they wanted to have their cake and eat it too, but they could not, they had asked to be included in the process and kept informed and there was not way for F&A to do that without providing all of the different perimeters, that budgets were a moving target and the MOFAR was a static document.

Council Member Robinson stated he agreed with Council Member Parker because he had asked for the permutations and did not want the permutations to confuse the monthly report but just wanted to be clear because he thought that the presentation in Tuesday's meeting was what he had been looking for and wanted to hear and one of the things he wanted to make clear was that they had to accommodate the \$27 million in the worksheet, that about \$16 million was what he would call hard certainties and the worksheet did not necessarily reflect that and Mr. Haines was working on those plans for them and asked if they could see that as soon as possible.

Council Member Parker moved to call the question, seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Bell absent on personal business. Council Member Castillo absent. MOTION 2000-1201 ADOPTED.

Council Member Castillo moved to accept the monthly financial operating report and Council Member Todd stated he had a point of clarification, that in placing the item on the agenda he assumed that the Legal Department had opined that the memo from Mr. Haines did not need to be included within the financial report under the SEC rules. Council Member Vasquez absent.

Mr. Hall stated that Council Member Parker had in a very effective way addressed what was at the core of the issue as he understood it, that as he understood it there was some discussion in the finance community generally to include finance professionals, about whether or not the kind of thing that Mr. Haines did, what he called a worksheet and what some people called potentially a reforecasting of various expenditures and income items, had to in fact be filed in compliance with SEC rules, that he was advised presently with Council was that the issue was not resolved at a conference where it was discussed by professionals two weeks ago, that they needed to know that the issue resolved solely according to them around the question of it being posted on the internet, that was really what it was about and whether or not that constituted essentially a full and formal enough disclosure of that information to require an adjustment in the base documents, that they were told they could remedy that simply by putting a note at the top in bold language that indicated what the document was, that the document was a worksheet that had its purpose, a presentation of a continuous and ongoing analysis, day to day even in some instances, of what the revenue forecast or expenditure plans would be for the City, and if in fact it said that when those were firm enough to make adjustments they would be made, at this point, in the last 15 minutes of having a chance

to contemplate both the facts that were presented and the answer to them, that it would suffice. Council Member Vasquez absent.

Council Member Boney seconded the motion to accept the report and a vote was called. Council Members Todd, Tatro and Ellis voting no. Balance of Council Members present voting aye. Council Member Bell absent on personal business. Council Member Castillo absent. MOTION 2000-1202 ADOPTED.

Council Member Sanchez stated he knew the issue had been disposed of, but he had a question that had to do with the tax abatements reported in the back of the report, that he noticed that there were a number of tax abatements that had been on the books for a number of years and some dated back to 1994 and many of which were in default and had not met the agreement they had with the City and asked if there was a move to bring closure of the abatements more expeditiously to the Council, that he noticed that notices had been issued, that the City had discovered that they were in default, but many of them dated back to 1993 and 1994 and, Ms. Culbreth stated she would have to yield that to Mr. Bill Calderon, that she had not visited with him specifically on their plan or time line in terms of bringing those forward, and Mayor Brown stated that he would have them get a written response to all members of Council.

Council Member Ellis stated he wanted to record a no vote on the last motion and Mayor Brown advised that his no vote would be reflected in the record.

Consent Agenda (Items 1 through 33) were considered as follows:

MISCELLANEOUS - NUMBERS 1 through 4

2. REQUEST from Mayor for confirmation of the appointment or reappointment of the following to the **HIGHER EDUCATION FINANCE CORPORATION**.
 - Position 2 - **MS. SHARON K. BERRYMAN**, reappointment, for a term to expire January 1, 2002
 - Position 4 - **MR. HARRY D. HOLMES**, reappointment, for a term to expire January 1, 2002
 - Position 6 - **MR. JAMES J. DONATTO**, reappointment, for a term to expire January 1, 2002
 - Position 7 - **MR. JAMES HERNANDEZ**, appointment, for a term to expire January 1, 2002
 - Position 8 - **MR. MICHAEL E. ROME**, reappointment, for a term to expire January 1, 2002
 - Position 9 - **MS. TRACI BRANSFORD MARQUIS**, appointment, replacing **SUSAN GORMAN**, who has resigned, to complete an unexpired term ending January 1, 2001
 - was presented, moved by Council Member Sanchez, and seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1203 ADOPTED.
3. REQUEST from Mayor for confirmation of the appointment or reappointment of the following to the **ST. GEORGE PLACE REDEVELOPMENT AUTHORITY BOARD OF DIRECTORS**.

- Position One - **MR. WILLIAM P. GERMAN**, reappointment, representing State Senator Mario Gallegos, to complete an unexpired term ending December 31, 2000
 - Position Two - **MS. B. J. WALKER**, reappointment, representing State Representative Debra Danburg, to complete an unexpired term ending December 31, 2000
 - Position Three - **MR. DON CLARK**, appointment, representing Harris County, to complete an unexpired term ending December 31, 2000
 - Position Four - **MR. TIM MYERS**, reappointment, to complete an unexpired Term ending December 31, 2000, and to serve as Chair for an unexpired term ending December 31, 2000
 - Position Five - **MR. PHILLIP FRANSHAW**, appointment, to complete an unexpired term ending December 31, 2000
 - Position Six - **MR. STUART KENSINGER**, reappointment, to complete an unexpired term ending December 31, 2001
 - Position Seven - **MS. BETH WOLFF**, reappointment, representing HISD, to complete an unexpired term ending December 31, 2001
 - Position Eight - **MR. ANDREW CHOY**, reappointment, to complete an unexpired term ending December 31, 2001
 - Position Nine - **MR. STEVE ROCHELLE**, appointment, to complete an unexpired term ending December 31, 2001
- was presented, moved by Council Member Sanchez, and seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1204 ADOPTED.

4. REQUEST from Mayor for confirmation of the appointment of the following to the **PLANNING COMMISSION**, for terms to expire September 30, 2002
- Position 15 - Judge Robert Eckels, Harris County Commissioners Court, and Mr. Terry A. Anderson, Alternate
 - Position 16 - Commissioner Ed Chance, Montgomery County Commissioners Court, and Mr. Mark Mooney, Alternate
 - Position 17 - Commissioner Grady Prestage, Fort Bend County Commissioners Court, and Mr. Jes Hegemeir, Alternate

- was presented, moved by Council Member Sanchez, and seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1205 ADOPTED.

ACCEPT WORK - NUMBER 5

5. RECOMMENDATION from Director Department of Public Works & Engineering for approval of final contract amount of \$7,418,539.56 and acceptance of work on contract with **TEXAS STERLING CONSTRUCTION, INC** for Construction of 84-inch Water Line along Waxahachie, Lathrop, Corpus Christi from North Wayside to Kress, GFS S-0900-32-3 (9750-1) - 03.44% under the original contract amount - Enterprise Fund - **DISTRICT H – VASQUEZ** – was presented, moved by Council Member Castillo, and seconded by Council Member Tatro. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1206 ADOPTED.

PROPERTY - NUMBERS 7 through 10

7. RECOMMENDATION from Director Department of Public Works & Engineering, reviewed and approved by the Joint Referral Committee, on request from Frank N. Ban of Bisk & Fitch, on behalf of David A. Gresser, for abandonment and sale of a 10-foot wide sanitary sewer easement, located in Lots 1 and 2, Block 3, Replat of Castle Court Addition, Parcel SY1-005 **STAFF APPRAISERS - DISTRICT D – BONEY** – was presented, moved by Council Member Sanchez, and seconded by Council Member Castillo. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1207 ADOPTED.
8. RECOMMENDATION from Director Department of Public Works & Engineering, reviewed and approved by the Joint Referral Committee, on request from Lynda M. Kornbleet, for abandonment and sale of a 10-foot wide utility easement and two 5-foot wide aerial easements in exchange for the conveyance to the City of a 5-foot wide utility easement, located within Lots 11 and 13, Block 3, Pine Wood Estates, James Wharton Survey, Parcels SY1-003A, SY1-003B, SY1-003C and VY1-001 - **STAFF APPRAISERS - DISTRICT G – KELLER** – was presented, moved by Council Member Sanchez, and seconded by Council Member Castillo. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1208 ADOPTED.
9. RECOMMENDATION from Director Department of Public Works & Engineering, reviewed and approved by the Joint Referral Committee, on request from Karen Riddle, Able Permits, on behalf of Jack and Lynn Fields, the property owners, for abandonment and sale of a 14-foot wide utility easement, located within Lots 7, 8, 9 and 10; a 15-foot wide sanitary sewer easement, located within Lot 9; and a 10-foot wide drainage easement, located within Lots 7 and 8, all within Block 4, Deer Ridge Estates, Section One, Partial Replat and Extension, Parcels SY1-006A, SY1-006B, SY1-006C - **STAFF APPRAISERS - DISTRICT E – TODD** – was presented, moved by Council Member Sanchez, and seconded by Council Member Castillo. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1209 ADOPTED.
10. RECOMMENDATION from Director Department of Public Works & Engineering, reviewed and approved by the Joint Referral Committee, to **AMEND MOTION #99-1295, 7/21/99**, previously amended by Motion #2000-240, 2/16/00, to include the conveyance to the City of five water line easements, all located within the Jacob Thomas Survey, A-762, Parcels S99-89A-C and KY1-001A-E - **DISTRICT I - CASTILLO** – was presented, moved by Council Member Sanchez, and seconded by Council Member Castillo. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1210 ADOPTED.

PURCHASING AND TABULATION OF BIDS - NUMBERS 11 through 12

11. **ELECTRO-MEDICAL EQUIPMENT, INC** - \$15,053.50, **EVER READY FIRST AID & MEDICAL SUPPLY** - \$160,746.00, **MEDTRONIC PHYSIO-CONTROL CORPORATION** - \$50,000.00 and **UNITED MEDICAL SUPPLY COMPANY** -

\$175,990.00 for Drugs and Intravenous Systems Part II for Fire Department - \$401,789.50 - General Fund – was presented, moved by Council Member Sanchez, and seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1211 ADOPTED.

12. **TRUCK PARTS SPECIALISTS** for Automotive, Crane Carrier Replacement Parts for Solid Waste Management Department - \$67,000.00 - General Fund – was presented, moved by Council Member Sanchez, and seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1212 ADOPTED.

ORDINANCES - NUMBERS 16 through 31

16. ORDINANCE consenting to the addition of 204.789 acres of land to **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 165** for inclusion in its district - was presented. Council Member Bell absent on personal business. All voting aye. Nays none. ORDINANCE 2000-870 ADOPTED.
17. ORDINANCE consenting to the addition of 14.221 acres of land to **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 304** for inclusion in its district - was presented. Council Member Bell absent on personal business. All voting aye. Nays none. ORDINANCE 2000-871 ADOPTED.
18. ORDINANCE consenting to the addition of 139.3904 acres of land to **HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 358** for inclusion in its district - was presented. Council Member Bell absent on personal business. All voting aye. Nays none. ORDINANCE 2000-872 ADOPTED.
19. ORDINANCE consenting to the addition of 40.903 acres of land to **WEST HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 11** for inclusion in its district - was presented. Council Member Bell absent on personal business. All voting aye. Nays none. ORDINANCE 2000-873 ADOPTED.
22. ORDINANCE approving and authorizing amendment No. 1 to construction Contract No. 0503320 with **JERDON ENTERPRISE, INC** at William P. Hobby Airport, Project No. 498, CIP A-0295, A-0308, A-0310, A-0141, A-0347 and A-0405 - **DISTRICT E – TODD** - was presented. Council Member Bell absent on personal business. All voting aye. Nays none. ORDINANCE 2000-874 ADOPTED.
24. ORDINANCE approving and authorizing a lease agreement between **HOUSTON INDEPENDENT SCHOOL DISTRICT**, as lessor, and the City of Houston, Texas, as lessee, for space in Cesar E. Chavez High School for a Storefront Community Police Service Center - **DISTRICT I – CASTILLO** – had not been received, and the City Secretary announced it would be considered at the end of the Agenda if received during the meeting. Council Member Bell absent on personal business.
31. ORDINANCE appropriating \$26,300.00 out of Street & Bridge Consolidated Construction Fund for and approving and authorizing purchase from **RELIANT**

ENERGY, HL&P, A Division of Reliant Energy, Incorporated, A.K.A. HOUSTON INDUSTRIES INCORPORATED, of an easement for public street and road purposes and the relocation costs for improvements thereon, for and in connection with the Anderson Road Paving Project, located in the 4600 block of Anderson Road; being 1,600 square feet, more or less, out of the C. Uglow Survey, A-819, Houston, Harris County, Texas; Parcel Number AYO-68; CIP N-0644-00-1 - **DISTRICT D - BONEY** - was presented. All voting aye. Nays none. Council Member Bell absent on personal business. **ORDINANCE 2000-875 ADOPTED.**

Items removed from the Consent Agenda were considered as follows:

MISCELLANEOUS

1. **CONFIRMATION** of the appointment of the following to the **ANIMAL SHELTER ADVISORY PANEL OF THE ANIMAL SHELTER ADVISORY COMMITTEE** for two year terms to expire December 31, 2001.

Position One - **DR. MARK D. PURSER D.V.M.**

Position Two - **MR. BURNIS EARL TRAVIS**

Position Four - **MR. SEAN MICHAEL HAWKINS**

Council Member Parker stated she wanted to withdraw her nomination of Dr. Mark D. Purser, D.V.M. for Position One and moved to confirm withdrawal, seconded by Council Member Keller. All voting aye. Nays none. Council Member Bell absent on personal business. **MOTION 2000-1213 ADOPTED.**

A vote was called on Item No. 1, Positions 2 and 4, moved by Council Member Ellis, and seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Bell absent on personal business. **MOTION 2000-1214 ADOPTED.**

ACCEPT WORK

6. **RECOMMENDATION** from Director Department of Public Works & Engineering for approval of final contract amount of \$194,706.93 and acceptance of work on contract with **DEI CONSTRUCTION SERVICES, INC** for Construction of Brays Bayou (Roark Road #2) Force Main Relocation, GFS R-0267-47-3 (4275-37) - 22.12% under the original contract amount Harris County Construction Fund - **DISTRICT F - ELLIS** – was presented, moved by Council Member Boney, and seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Bell absent on personal business. **MOTION 2000-1215 ADOPTED.**

Council Member Keller stated that 22.12% under the original contract amount was music to his ears and probably good for District F also.

PURCHASING AND TABULATION OF BIDS

13. **XEROX CORPORATION** for Lease and Rental of Imaging Hardware/Software from the State of Texas General Services Commission's Contract through the State of Texas Cooperative Purchasing Program for Various Departments - 5

Years - \$2,337,660.00 - General, Enterprise and Building Inspection Funds – was presented, moved by Council Member Boney, and seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1216 ADOPTED.

14. ORDINANCE de-appropriating \$130,000.00 from Contract No. C37116, passed by Ordinance No. 96-1251 with the **METROPOLITAN TRANSIT AUTHORITY OF HARRIS COUNTY**, and appropriating \$130,000.00 out of the Street and Bridge Consolidated Construction Fund for the purchase of Traffic Signal Controllers – was presented. All voting aye. Nays none. Council Member Bell absent on personal business. ORDINANCE 2000-876 ADOPTED.
- 14a. **TEXAS HIGHWAY PRODUCTS CORPORATION** for Traffic Signal Controllers for the Department of Public Works & Engineering – was presented, moved by Council Member Boney, and seconded by Council Member Castillo. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1217 ADOPTED.

ORDINANCES

15. ORDINANCE amending **THE CODE OF ORDINANCES, HOUSTON, TEXAS**, relating to Limousine Services; containing other provisions relating to the foregoing subject; providing for severability was presented, and was tagged by Council Member Galloway. Council Member Bell absent on personal business.
20. ORDINANCE suspending the charges imposed at George Bush Intercontinental Airport/Houston under Section 9-199 of the Code of Ordinances, Houston, Texas; containing other provisions relating to the foregoing subject; containing a savings clause; providing for severability **DISTRICT B - GALLOWAY** - was presented. All voting aye. Nays none. Council Member Bell absent on personal business. ORDINANCE 2000-877 ADOPTED.
21. ORDINANCE authorizing the issuance of City of Houston, Texas, Airport System Subordinate Lien Revenue Bonds, Series 2000A (AMT), Series 2000B (NON-AMT), Series 2000P1 (AMT) and Series 2000P2 (AMT); authorizing the Mayor and City Controller to approve the other procedures and provisions relating thereto; providing for the payment thereof; awarding the sale of the Bonds; authorizing the refunding and defeasance of certain refunded Notes; authorizing the execution and delivery of an Escrow Agreement; authorizing the purchase of Bond Insurance and Reserve Fund Surety Policy; authorizing the form of the Reserve Fund Surety Policy Agreement; authorizing and engaging an Escrow Verification Agent and an Escrow Agent; authorizing a Co-Bond Counsel Agreement and a Special Disclosure Co-Counsel Agreement; authorizing execution and delivery of a Paying Agent/Registrar Agreement; repealing City of Houston Ordinance No. 2000-759; and declaring an emergency - was presented. All voting aye. Nays none. Council Member Bell absent on personal business. ORDINANCE 2000-878 ADOPTED.
23. ORDINANCE approving and authorizing an Occupancy Agreement between the **RIVER PERFORMING AND VISUAL ARTS CENTER, A Texas non-profit corporation**, as occupant, and the City of Houston, Texas, as owner, for space in

the Metropolitan Multi-Service Center Revenue - **DISTRICT D - BONEY** - was presented. All voting aye. Nays none. Council Member Bell absent on personal business. ORDINANCE 2000-879 ADOPTED.

25. ORDINANCE appropriating \$149,422.48 out of Convention and Entertainment Facilities Department Expansion Fund and approving and authorizing lease agreement between **W. P., INC** as landlord, and the City of Houston, Texas, as tenant, for space at 2931 West 12th Street for use by the Fire Department - **DISTRICT A - TATRO** - was presented. All voting aye. Nays none. Council Member Bell absent on personal business. ORDINANCE 2000-880 ADOPTED.
26. ORDINANCE authorizing the City of Houston to accept a \$1,000,000.00 Community Technology Initiative Grant awarded by the United States Department of Housing and Urban Development in connection with the City's Enhanced Enterprise Community; authorizing the Mayor to execute grant documents - **DISTRICTS B - GALLOWAY; D - BONEY; H - VASQUEZ and I - CASTILLO** - was presented, and was tagged by Council Members Parker and Robinson. Council Member Bell absent on personal business.

Council Member Robinson asked to have his tag added to Item 26 and Council Member Boney asked for someone from the department visit his office on Item 26 and Council Member Robinson requested a visit also.

27. ORDINANCE approving and levying assessment for and on behalf of **SHARPSTOWN PUBLIC IMPROVEMENT DISTRICT**; specifying the method of payment and the amount of the annual payment for the first year; making various findings related thereto; providing a severability clause **DISTRICT F - ELLIS** - was presented. All voting aye. Nays none. Council Member Bell absent on personal business. ORDINANCE 2000-881 ADOPTED.
28. ORDINANCE approving and authorizing contract between the City and **LINEBARGER, HEARD, GOGGAN, BLAIR, GRAHAM, PENA & SAMPSON, L.L.P.**, for Collection Services relating to Delinquent Parking and Non-Parking Citations was presented, and was tagged by Council Members Todd and Boney. Council Member Bell absent on personal business.

Council Member Boney requested that someone from the Legal Department visit with him on Item 28.

29. ORDINANCE approving and authorizing contract between the City and **BERLITZ LANGUAGES, INC c/o BERLITZ LANGUAGE CENTER** for Professional Foreign Language Testing Services for the Police and Fire Departments; providing a maximum contract amount - 2 Years with 1 one-year option - \$88,925.00 - General Fund - was presented, and was tagged by Council Member Parker. Council Member Bell absent on personal business. **(Note: Council Member Parker released her tag later in the meeting.)**
30. ORDINANCE approving a service agreement between the City of Houston and **SOUTHWESTERN BELL TELEPHONE COMPANY** and authorizing City's

Purchasing Agent to issue purchase orders in an amount not to exceed \$48,300,000.00 for the purchase of Bundled Local Telephone Services - Central Services Revolving Fund - was presented. All voting aye. Nays none. Council Member Bell absent on personal business. ORDINANCE 2000-882 ADOPTED.

32. ORDINANCE appropriating \$55,000.00 out of General Improvements Consolidated Construction Fund 441 as an additional appropriation to professional environmental consulting services contract with **ENVIRONMENTAL CONSULTING SERVICES, INC**, GFS I-0053-AS-2, (approved by Ordinance No. 1999-1036 dated 09/29/99 and Ordinance 2000-0083 dated 02/02/00 \$44,000.00 - Enterprise Fund - **DISTRICTS C - GOLDBERG; D - BONEY; E - TODD; H - VASQUEZ and I - CASTILLO** - was presented. All voting aye. Nays none. Council Member Bell absent on personal business. ORDINANCE 2000-883 ADOPTED.
33. ORDINANCE terminating contract between the City and **VINSON AND ELKINS L.L.P.** for Legal Services in connection with the Trans-Texas Water Project, Contract #33026 was presented. All voting aye. Nays none. Council Member Bell absent on personal business. ORDINANCE 2000-884 ADOPTED.

The Non Consent Agenda (Items 34 and 35) were considered as follows:

MISCELLANEOUS

34. RECEIVE nominations for Position Three of the **ANIMAL SHELTER ADVISORY PANEL OF THE ANIMAL SHELTER ADVISORY COMMITTEE** for two year term to expire December 31, 2001 - was presented.

Council Member Parker stated she wished to nominate Ms. Kappy Muenzer, Executive Director of Citizens for Animal Protection for Position 3 and stated that her resume had been distributed at the Council table.

Council Member Boney moved to close the nominations, seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1218 ADOPTED.

Council Member Parker moved to re-post Position One of the **ANIMAL SHELTER ADVISORY PANEL OF THE ANIMAL SHELTER ADVISORY COMMITTEE** that was still unfilled, seconded by Council Member Keller. All voting aye. Nays none. Council Member Bell absent on personal business. MOTION 2000-1219 ADOPTED.

35. **SET A PUBLIC HEARING DATE** to consider the proposed **GATEWAY U.S. 59/MIDTOWN SCENIC DISTRICT** **SUGGESTED HEARING DATE - WEDNESDAY - 9:00 A.M. - OCTOBER 25, 2000** - was presented, moved by Council Member Vasquez, seconded by Council Member Quan.

Council Member Robinson stated he was supportive of the item ultimately, but just had two questions, (1) some folks had raised issues about the criteria standards and he would like some clarification on those, and (2) the outstanding issue on the I-10

relocation and where they were on that as it related to the ultimate disposition of the billboards out there and would like for someone to visit with him on it.

Council Member Vasquez stated he was generally supportive of it as well, but wanted to make sure that residents of the Second Ward were included in the announcements and information sent regarding the public meeting.

A vote was called on Item 35. All voting aye. Nays none. Council Member Bell absent on personal business. Council Member Castillo absent. MOTION 2000-1220 ADOPTED.

MATTERS HELD - NUMBERS 36 and 37

36. ORDINANCE amending **CHAPTER 45 OF THE CODE OF ORDINANCES, HOUSTON, TEXAS**, relating to the Obstruction of Crosswalks and Intersections; containing other provisions relating to the foregoing subject; providing for severability – **(POSTPONED BY MOTION #2000-1033, this was Item 60 on Agenda of August 23, 2000)** - was presented. Council Members Vasquez, Quan and Tatro voting no. Balance voting aye. Council Member Bell absent on personal business. Council Member Castillo absent. ORDINANCE 2000-885 ADOPTED.

37. ORDINANCE appropriating \$2,050,000.00 out of Airport System Commercial Paper Series A, C (AMT), CIP A-0063, \$1,050,000.00 out of Airport Renewal and Replacement Fund, CIP A-0366, \$2,635,202.00 out of Airport System Commercial Paper Series A, C (AMT) CIP A-0392, and \$3,000,000.00 out of Airport System Commercial Paper Series A, C (AMT) CIP A-0416, awarding construction contract to **CHAMPAGNE-WEBBER, INC, TEXAS** on low bid and approving and authorizing professional services contract for engineering testing services with **HVJ ASSOCIATES, INC** in the amount of \$236,000.00 for Airfield Pavement Repair and Drainage Improvements at George Bush Intercontinental Airport/Houston (IAH), Project No. 541 **DISTRICT B - GALLOWAY** – **(TAGGED BY COUNCIL MEMBER GOLDBERG, This was Item 45 on Agenda of September 27, 2000)** - was presented.

Council Member Goldberg moved to amend Item 37, specifically Section 2 of the ordinance changing the contract amount to be awarded and lowering it to \$7,815,051.41 and amending the contract documents to reflect that change and authorize and approve a rider to the agreement, seconded by Council Member Boney. All voting aye. Nays none. Council Member Bell absent on personal business. Council Member Castillo absent. MOTION 2000-1221 ADOPTED.

Council Member Tatro stated that he passed out at the table some of the highlights of the evolution of ROCIP, that this particular contract was the first contract bid under the new evolving ROCIP bid specifications, that he would not be supporting it due to the way it had come about and knew that many Council Members would because it was an important job, that the contractor originally submitted a bid of \$7,869,000 and his insurance credit was \$74,836 which meant that if given the job the contractor would do the job for \$7,944,000, that the contractor's estimated payroll as he submitted in the documentation was \$2,509,000, that the F&A Department did its own calculation on the

very bid documents that were submitted and they estimated from a plugged figure, which he believed violated the City ordinance that they passed in November 1999, and estimated that the contractors insurance credit was \$178,000 and he contended that it was an alteration of the bid, that he had detailed in his handout how they got to the \$178,000 and those were directly out of the bid documentation, then both the City and F&A came in and said they projected the City's cost of insurance to be \$145,000 and each ROCIP contract had come before them he pointed out how the City had calculated what the cost was, that how F&A arrived at their calculation of \$145,000 was detailed in his handout, that if they would add what the City would now pay for the contract and the cost of insurance that the City would be incurring, because they intended to enroll the project in ROCIP, the cost to the City would be \$8,014,000, that he found that the way ROCIP had been handled by the Legal, F&A, Aviation and the administration quite troubling, that (1) the bid specifications plug, the cost of insurance that was in the bid specifications at 2.29 was a plug bid, yet the City's cost of insurance was actually computed on the total payroll of the project, so on one hand they were plugging 2.29 of the total cost of construction yet the City paid based on total payroll, that it was misrepresentative at best of the City's cost of ROCIP, that (2) the bid specification using the 2.29 plug violated the ROCIP ordinance amendment passed in November 1999 and had attached a copy to his handout, that (3) the City's estimated cost on the RCA of \$145,000, the cost of insurance calculated by F&A, did not include the known cost of program administration as detailed in F&A's own best case scenario under the cost of ROCIP, that they had excluded their own administration costs and those were obviously the Hobbs/Apex administration costs, and with that included in the City's actual cost, the cost to the City was over \$180,000 and he had outlined and detailed that in his handout, (4) that with the evolution of this particular contract and with the changing of the way they bid documents, it showed that they would enjoy paying \$70,500 more for the contract than they would have paid if they had just let the contractor furnish his own insurance. Council Members Galloway, Todd and Robinson absent.

Council Member Goldberg stated he would support the item although he tended to agree with Council Member Tatro regarding the 2.29 figure, that it may be flawed or a mistake and was not exactly sure how he substantiated that argument, however the bid specifications did go out stating that if the insurance information was not complete the figure of 2.29 would be submitted, that the only way they could not use that 2.29 figure was to re-bid it which would cause severe delay and end up costing the taxpayers more money in the long run, that he would not like to see the specifications on future projects go out with the either/or 2.29 or if the insurance was not complete, that he understood that the option was put in to remedy the fact that F&A did not feel like they were getting exact figures from the contractors for their real insurance cost, and they were trying to comply with something that Council Member Tatro wanted and that was how did they show whether there was a savings or not, and the only way they could show the saving was to have separate information regarding the insurance costs, and he could not imagine when they passed that idea that they did not think that a contractor who would not want to be enrolled in ROCIP would fudge on the numbers as probably happened in that case, that the consequences that even though the contractor's insurance cost may be lower than the ROCIP program they would enroll it in ROCIP because of the way the bid specifications were set out. Council Members Galloway, Todd, Castillo and Robinson absent.

Council Member Boney moved to suspend the rules to hear from Ms. Mosley, seconded by Council Member Quan. All voting aye. Nays none. Council Member Bell absent on personal business. Council Members Galloway, Todd, Ellis, Castillo and Robinson absent. MOTION 2000-1222 ADOPTED.

Council Member Boney asked Ms. Mosley if in brief she could explain what it was they were doing and why it was consistent with what the majority of the Council voted in terms of establishing the ROCIP program. Council Members Galloway, Todd, Ellis, Castillo and Robinson absent.

Ms. Mosley stated that the problem they were encountering when they were getting bids from contractors they were not getting all of their insurance cost, that one of the main concerns that the contractors had was that most of the time they did not know who their subcontractors were until the bids were due or after that, so they attempted to give them an option and make it somewhat easier for them, that the bid documents that Council Member Goldberg mentioned did make it very clear that if the contractor gave them an insurance cost and they could not verify it then they had not other option than to use the 2.29 in order to get something representative of what that number was, that in the particular item before Council they discovered, after talking with the contractor late last week, that the contractor had not understood the significance of the number to the City, that those amounts to them were not that large in the overall scheme of putting together a bid, but the contractor did not understand that they relied upon those numbers and the situation it got them into, that the item that was before Council to be amended was the difference between the contractor's insurance cost as reported on their bid and the insurance cost including all elements that could be verified, that Council should understand that they relied upon that and it was their attempt to help them mitigate that difference, that according to bid specs they needed to enroll the project or re-bid it, that there was still a \$16,000 difference between the contractor's insurance cost and what the City was going to pay since they relied upon the previous information they did not know that and they had to determine to enroll it, that \$16,000 would be considered a ROCIP cost and they would see that in any reports that they would subsequently give to Council regarding the project. Council Members Galloway, Boney, Todd, Ellis, Castillo, Sanchez and Robinson. (NO QUORUM PRESENT)

Council Member Quan stated he knew the reason Council adopted the ROCIP program but it seemed very taxing on them that every time a project came up they continued to go over the numbers and asked Ms. Mosley if they had looked at any proposals to try to rectify it so they could get a fairer reading on it without having to go through it every time a contract came up, and Ms. Mosley stated that with the conditions that Council put on the pilot, meaning that Council wanted to get bids with and without insurance to insure that they were getting a proper credit with an amendment made by Council Member Tatro, what they had out there was really the only way they could attempt to get new numbers, and if it did not meet with the majority of Council's view of how it should be run their only other option at this point to continue the pilot was to amend the Hobbs/Apex contract, and Council Member Quan asked what kind of amendment was she talking about, and Ms. Mosley stated that not having studied it in depth the one thing they needed was to be able to get good solid insurance numbers from the contractors, that most other ROCIP's around the Country enrolled everybody, they would have to make some type of amendment where everybody would be enrolled or they got the total bid price and still had the option to go in after, separate from the bid

process, to determine the amount of insurance, something along those lines, either enroll them all or fix it so they would not have those limitations, and Council Member Quan asked how they arrived at the 2.29 ROCIP plug, and Ms. Mosley stated they looked to the ROCIP administrators who were experts in the business to come up with an estimate of what they thought was an industry average was for the types of companies they expected to be in the ROCIP and that would cover a variety of worker classifications and not just the type of work they had on that project. Council Members Galloway, Sanchez and Robinson absent..

Council Member Quan stated that they had spoken about possibly accepting the bid without insurance at all and then working with the contractor after they were selected and asked if that would require an amendment of the ROCIP ordinance, and Ms. Wiginton stated that right now the contract stated the bid with insurance and without insurance, so they would have to have a bid and they would have to change that, and Council Member Quan stated he would like to see if they could streamline it so that everybody could see all the numbers up front and very clearly so they would not have to go through such gyrations every time they had a contract at the airport, that he knew how important the contract was but by the same token he was not happy with having to input numbers and question the integrity of some of those companies. Council Members Galloway and Sanchez absent.

Council Member Boney stated that one of the things that the administration had agreed to do was after they got to a certain point, six or nine months, have a full review of the program and issues and flush them out and invite all Council Members to come to that because what had happened was that with each contract that came up which involved ROCIP they went through the whole process and it was more confusing than anything else and he just wanted Ms. Mosley to have the opportunity to put some things on the record. Council Members Galloway and Sanchez absent.

Council Member Keller stated it was true that the contractor did not know who their subcontractors were until the last day of the bid, that most contractors if not all were bonded and it was not contingent on the subcontractor that they used, unless the subcontractor had a bad record or something that might adversely affect, that in his opinion it was hog tying the contractors on a simple variable of a component of a bid and they were going to have them focusing too much on that, that it was an example of micro management, and thought they ought to really hammer and negotiate low bids as hard as they could and not specific variable or components of a bid such as this. Council Members Parker, Sanchez and Robinson absent.

Council Member Boney moved to call the question on Item 37, seconded by Council Member Vasquez. All voting aye. Nays none. Council Member Bell absent on personal business. Council Members Parker, Sanchez and Robinson absent.. MOTION 2000-1223 ADOPTED.

A roll call vote was called on Item 37.

ROLL CALL VOTE:

Mayor Brown voting aye.
Council Member Tatro voting no.

Council Member Vasquez voting aye.
Council Member Castillo voting aye.

Council Member Galloway voting aye.
Council Member Goldberg voting aye.
Council Member Boney voting aye.
Council Member Todd voting no.
Council Member Ellis voting no.
Council Member Keller voting no.

Council Member Parker voting aye.
Council Member Quan voting no.
Council Member Sanchez voting no.
Council Member Bell absent on
personal business.
Council Member Robinson voting aye.
ORDINANCE 2000-886 ADOPTED.

Council Member Parker stated that she would remove her tag on Item 29 and stated that it was a bilingual testing contract with Berlitz and her questions had to do with the fact that there were other City departments who used those kind of services on a periodic basis and whether they could be included in the contract and she was assured by the Police Department that they could, that it would standardize the bilingual testing across the departments and outsource it and now that she had that question answered she was in complete support. Council Member Robinson absent.

29. ORDINANCE approving and authorizing contract between the City and **BERLITZ LANGUAGES, INC c/o BERLITZ LANGUAGE CENTER** for Professional Foreign Language Testing Services for the Police and Fire Departments; providing a maximum contract amount - 2 Years with 1 one-year option - \$88,925.00 - General Fund was presented. All voting aye. Nays none. Council Member Bell absent on personal business. ORDINANCE 2000-887 ADOPTED.

Council Member Vasquez stated that he, Council Members Parker and Quan had been working on a good government proposal for Fiscal Reform and Accountability and would like to request that Mayor Brown call and post a special meeting of the Houston City Council for Monday, October 9, 2000 at 9:30 a.m. in Council Chambers to consider their Fiscal Reform and Accountability proposal and stated that his aide was passing the information around the Council table. Council Member Robinson absent.

Council Member Quan stated he knew it had been a very contentious time and a time where it seemed that lines had been drawn in the sand regarding the budget and this was an attempt to try to work out a compromise in the best interest of the citizens of Houston, that neither side would get everything they wanted but that was the nature of compromise and so he asked that all Council Members look at the proposals with an open mind. Council Member Robinson absent.

Council Member Parker stated that as Council Members they seldom tried to get out in front of their colleagues and did not want it to be construed that they were doing that, that this time it was a concern that the three of them had expressed among themselves and they wanted to be very careful to say that the attached Fiscal Reform and Accountability Proposal was something that they hatched and really just began unveiling it yesterday and were not trying to surprise anybody and wanted to give everybody ample time to look it over but they did think it presented not just some tax relief but also a range of fiscal reforms and opportunities to have a real impact on how the City did business.

Mayor Brown stated he appreciated that the three of them had given what appeared to be some very serious thought to an issue that had been occupying most of their time over the past couple of weeks and was supportive and would call a special

meeting of the City Council at their request, and he asked that they consider doing it on Tuesday because Yom Kipper was on Monday and wanted to be respectful to Council Member Goldberg who might want to observe that religious holiday and would call it for Tuesday, and stated that they would post a meeting for Tuesday, October 10, 2000 at 9:30 a.m. in the Council Chambers in Houston, State of Texas.

MATTERS TO BE PRESENTED BY COUNCIL MEMBERS

Council Member Keller stated he wanted to report something that was a possible disaster in his district which was the handling or maintenance of railway crossings, that Mr. Tom Rolan and Mr. Doug Wierzeg had done all they could and Union Pacific had to fix an intersection at San Felipe between Wesleyan and 610, that when they drove over it the actual rails moved which could cause a derailment, that they had put Union Pacific on notice if a train did derail. Council Members Galloway and Todd absent.

Mayor Brown stated he was aware of the problem and would certainly work on what they could do about it. Council Members Galloway and Todd absent.

Council Member Goldberg stated that they would be having a town hall meeting tonight at 7:00 p.m. at Westbury High School for the Willow Water Hole project which could end up being one of the largest parks that the City of Houston had, that also this coming weekend Westbury would be having a festival and part of that money went to benefit the police storefront. Council Members Galloway, Boney and Todd absent.

Council Member Quan wished Mayor Brown a happy birthday and stated that he had a book to present to him on how to deal with difficult people.

Council Member Tatro stated that he had given each Council Member a synopsis of what he called the evolution of the ROCIP bid documents from its inception to last week when they ended up throwing out a bid and had attached 3 particular bids under the different scenarios, and stated that when they passed the amendment in November 1999 they requested that the contractors bid with and without insurance along with some other amendments and it was very clear and specific, that the ordinance was quite clear that if the contractors insurance cost could not be verified he would not be enrolled in the ROCIP program and would be made to furnish his own insurance at the cost of the bid, that they were told today that if they threw out this particular bid it would have to be re-bid and last week they did exactly that, they threw out all the bids and it would have to be re-bid because the administration in the changing of the bid documents, as he believed, to support the ROCIP program, failed to include the cost of insurance in the bid documents and that was a significant issue, that they were the only municipality to require the contractor to bid his job with and without insurance, that all other municipalities estimated what the contractors insurance would have been had he submitted it and that was a very specific point because they would never know what the savings was if they did not ask for his insurance cost and his insurance credit and measure it against what the City's insurance cost was, and asked Mayor Brown to put it on a Council Committee agenda so they could air out the process that had been followed because Council had been kept in the dark as to the process that had been unfolding with the bid documents. Council Members Galloway, Todd and Castillo absent.

Council Member Goldberg asked what would Council Member Tatro do to remedy the fact that they could not verify a ridiculously low insurance number, and Council Member Tatro stated that they would take a step back and look, that they had contractors in all sorts of services, that if a contractor wanted to ridiculously low bid his concrete cost or subcontractor payroll cost were they going to scrutinize that and Council Member Goldberg stated they did not have a pilot program for concrete contracts, and Council Member Tatro stated that when they had the first bid documents it asked for verification and bid documents and cost of general liability, that he believed it was a good starting point and did not know why they moved off that. Council Member Galloway and Todd absent.

Council Member Boney stated he had a point of order and stated he believed they had a posting and time problem in the scheduling of the requested special meeting to consider the compromise and asked Mr. Hall to speak to that and stated it was so important that legally had the opportunity to try to consider the compromise that was offered by Council Members Vasquez, Quan and Parker. Council Members Galloway, Todd and Keller absent.

Mr. Hall stated that following the presentation of the proposal and the comments that were made about it was that the issue was presented to them of whether or not if a Council Meeting were held Tuesday and not Monday, as was suggested in the written proposal, whether or not that would allow Council to act at all on the tax rate question and it was raised by the statutory provision that said that if Council had not acted by the 60th day then by operation of law the effective tax rate was enacted, they believed that it would be reasonably observed that the time would be 12:01 a.m. on Tuesday, which meant that Council then would not have the latitude to consider it on Tuesday, that they would have to do it, in order to satisfy the posting requirements, either on Saturday, Sunday or Monday before midnight Monday.

Mayor Brown stated that it being the case he would reset the date as requested by Council Members Parker, Quan and Vasquez, for Monday, October 9, 2000 at 9:30 a.m. and the only reason for wanting to change it to begin with was to respect a Jewish holiday and wanted to make sure that Council Member Goldberg could be present, but if it was illegal or had no effect then they would just follow the date recommended.

After further discussion by Council, Mr. Hall advised that the legal posting requirements were 72 hours, and based on what the proposed tax rate was there was no requirement to hold a public hearing on the tax rate, that there was a proposed tax rate when Council acted upon it and the one that was now proposed was lower. Council Member Galloway and Todd absent.

Council Member Vasquez stated that this week District H would be very busy, that on Saturday, October 7, 2000 at Northline Mall he would be co-hosting a health fair along with Congressman Gene Green, it would be from 10:00 a.m. to 2:00 p.m., that they would target women, children and senior citizens and all the organizations in attendance would have services for those individuals but they did not need to be a woman, child or senior to attend, that they would offer free HIV and STD testing, immunizations and there would be a lot of activities for the kids, that he wanted to thank the Fire Department, Harris County Hospital District, Mayors Anti Gang Office and

Health and Human Services for their help and support. Council Members Galloway, Todd and Robinson absent.

Council Member Vasquez stated that also on Saturday they were co-sponsoring a community parade for District H Olympic Silver Medallist, Rocky Juarez, a graduate of Jeff Davis High School, that the entire Northside Community was very proud and supportive of Rocky and the parade was scheduled to begin at 2:00 p.m. in front of Jeff Davis High School and would conclude at Moody Park with a victory rally for Rocky and invited all Council Members to attend, and on Sunday their office was sponsoring a salute to Hispanic Heritage with the help of La Rosa, a non-profit organization that helped victims of domestic abuse, that it was a free ballet at 3:00 at the Cullen Theatre of the Wortham Center and would feature Ballet Foklorico Azteca de Houston, a group that preserved Mexican culture and heritage through music and dance, that it was a free, fun family event to experience Hispanic culture. Council Members Galloway, Todd and Robinson absent.

Council Member Vasquez stated that on Thursday, October 12, 2000 he would host a second in a series of Townhall meetings which would be held at Jeff Davis High School from 7:00 p.m. to 8:30 p.m., that they would have representatives from several of the City departments and invited all the Council Members to attend, especially the At Large Members, and thanked Mayor Brown for calling the special meeting. Council Members Galloway, Todd and Robinson absent.

Council Member Tatro stated that to prevent another special meeting being called he requested that the agenda also include the confirmation of the effective tax rate as an agenda item which would literally become a moot point if the first passed, and Mr. Hall stated that it would be illegal because the meeting that the statute required that they hold to confirm a legally enacted tax rate, that they would be confirming something that had not happened yet, that it happened by operation of law which meant that it would not happen until after the 60th day, which would be 12:00 a.m. on Monday, October 9, 2000, so they could not confirm something that had not happened, and Council Member Ellis stated that if that were the case they could amend any motion or item that was before them and adopt a rate which would be 64.671 if so, and Council Member Boney stated he wanted to commend Council Members Vasquez, Quan and Parker for their work and thought that a strong effort was being made by members of Council to try to develop consensus and compromise and wanted it to be kept simple, to look at the compromise and study it and see if they could get 15 votes around that. Council Members Galloway and Todd.

There being no further business before Council, the City Council adjourned at 11:04 a.m. upon MOTION by Council Member Castillo, seconded by Council Member Vasquez. Council Members Galloway and Todd absent. MOTION ADOPTED. COUNCIL ADJOURNED.

DETAILED INFORMATION ON FILE IN THE OFFICE OF THE CITY SECRETARY.

MINUTES READ AND APPROVED

Anna Russell, City Secretary