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Dear Client:

**After Tuesday's election Texas is more Republican than ever, while Austin remains solidly Democratic. Also Austin has slammed the door on urban rail for years, and the next Austin mayor, as well as the makeup of the next Austin City Council, will be finally decided during the Christmas shopping season. Here's what you can look for.**

Texas and Austin are almost precisely polar opposites in party politics. **Even as the GOP cemented its 20-year absolute control of all statewide offices, Austinites voted two-thirds/one-third for Democrats over Republicans in straight party voting.** You can accept this continuing fact of life for the foreseeable political future. Nothing in a careful analysis of Tuesday's state and local vote totals gives any hope to the "other side" for a near-term change.

Another fact of life that will not change: **you won't be asked to vote again on urban rail anytime soon. Tuesday's vote was not a squeaker. It was a shellacking.** Just because the urban rail proposal contained money for roads, don't fall into the trap of thinking the 57% that voted to kill the measure also wanted to curtail development of roads. The voters were smart enough to see that road spending was added to the urban rail issue as a sop to increase votes for rail.

Now what? On transportation? **Roadways are getting more crowded every day with the influx of residents.** Frustrations and your driving delays are increasing. (One wag suggested it may not be long before the masses grab pitchforks and march in the crowded streets.)

So, who will take the lead on improving mobility? One possibility is well-known road advocate County Commissioner **Gerald Daugherty**. In an election night interview on KOKE-FM, **Bob Cole** pressed Daugherty – who led the successful anti-urban rail effort – to see if Daugherty would lead the admittedly-difficult effort to improve roadways. (Actually, Cole put it rather indelicately asking "**Gerald, will you be the horny salmon swimming upstream to spawn action on roads?**"). And Daugherty indicated a willingness to step up.

Daugherty is the lone road advocate on the soon-to-be-reconstructed Commissioners Court. **Would he be joined by a new mayor or any of the nine brand-new councilmembers?** Good question. Check out the next item, where you get insight and perspective on the all-important December runoffs.

**A new Mayor and 9 (of 10) people who have never served on the Austin City Council will be making decisions on your future for the next couple of years. But before you can assess them, they have to go through a runoff election. Here's what will influence that election.**

First of all, you can figure turnout in the runoff election 12/16/14 will be low. **No statewide races and no urban rail will be on the ballot to generate additional interest. And politics will compete for attention with Christmas shopping and family holiday plans.** (Guess where politics falls on this top-of-mind scale!)

So the question is: who will vote? Let's dispel a myth right away. Runoff candidates are not likely to pick up votes from supporters of defeated candidates, who will probably go around muttering "**the hell with it. My guy didn't win. So why should I support either of these two turkeys?**" Or something like that.

This leaves the supporters of the two candidates who made the runoff. And the candidates will do all they can to get them back to the polls one more time. **The candidate who has the most success identifying and motivating their original voters will likely be sworn into office in January 2015.**

Given that, there was an interesting twist that could have affected the race for mayor, but failed to materialize. You'll recall the current City Council is made up of members who all live within walking or biking distance of the Central City. **Central City-focused voters have turned out in droves in the past. Criticism of this was one of the driving forces that led to the creation of single member districts guaranteeing council members would come from *all* areas of Austin.**

Follow along now. One of the most spirited runoff battles could have pitted two incumbent Council members – **Kathie Tovo** and **Chris Riley** – who are Central City favorites. Riley withdrew. So a brisk campaign that could have increased Central City turnout will not occur. The intriguing question is what impact the **potentially-lessened turnout of these activist voters has on the mayor's race.**

Now, a quick note about Texas political figures. There will be a lot of talk about **Texans who may be running for president** – Gov **Rick Perry**, Sen **Ted Cruz**, as examples. But what about a Texan who might show up as a **GOP VP candidate**? Newly-elected Gov **Greg Abbott**, for instance. Far-fetched? Think about it. A GOP presidential nominee from, say, the Midwest or Northeast, might want to balance the ticket with a Texan. **Abbott, personally disabled, and having a Hispanic wife and mother-in-law, could expand the appeal of such a ticket to minorities.** Long-shot? Oh, yeah. But, hey, stranger things have happened.

Finally, a light-hearted question? How long do you think it will be before newly-elected Lieutenant Governor **Dan Patrick** is referred to in casual conversation as "Lieutenant Dan," after the **Gary Sinise** character in the blockbuster movie, *Forrest Gump*? The name is still being used. Sinise fronts a band that has played Austin called "Lieutenant Dan's Band."

**Storms that danced around the Austin area this week served as a reminder that power outages may become more frequent as we move toward the winter season. Austin has a concentration of businesses heavily dependent on reliable electricity, more so than in many metros.**

This comes with the territory for a high tech-oriented economy. **Austin's semiconductor companies, software design and gaming studios are examples.** Also there is a multitude of **data centers and Internet-based businesses.** Many of these operate 24/7 and depend upon reliable electricity and excellent power. And, of course, they employ thousands of residents.

It can be a big deal when power is interrupted for businesses – especially for long durations. Residences may have the a/c out, or no lights, or the food in the fridge spoils. **But when a business is without power, it can be a big hit to productivity and the bottom line -- not to mention a customer problem.** So, what is Austin's record compared to the rest of the nation?

The latest numbers provided by Austin Energy (AE) indicate the **Austin average for frequency and duration of power outages is about half what happens nationally.** AE reports the industry standard is 1.0 outage per customer per year and the duration is 90 minutes. **In Austin, the outage annual tally is 0.57 per customer and the duration is 45.25 minutes.** These figures reflect both commercial and residential incidences.

So what does Austin Energy do to keep its numbers about half the national average? Well, it spends big bucks. In two important areas.

First of all, AE invests more than \$75 million each year to **maintain and operate its distribution and transmission system.** It spends an additional \$100 million in **capital improvements, such as building new substations** to meet the power requirements of the fastest-growing metro area in the nation.

Secondly, it invests heavily in tree-trimming. Tree-trimming? Yep. **A major cause of power outages, especially during powerful storms, is tree limbs coming into contact with power lines.** The utility spends \$11 million each year to prune trees along an average of 400 miles of power lines on 12,000 properties. And for the 13<sup>th</sup> year in a row AE was recognized nationally for its tree policies.

Austin area residents and businesses love their trees. In fact, a **local non-profit organization called TreeFolks just passed the million-tree milestone in its free giveaway program.** It provides free trees if residents agree to maintain and care for them. Builders and developers also know that an investment in trees enhances the value of new projects.

Incidentally, **Austin wasn't always a heavily-treed area.** If you take a look at some really old aerial photos of early Austin, you are immediately struck by how few trees dotted the landscape "back in the day." **Now much of the metro is practically an urban forest.**

**The struggles of the Texas Longhorn football team are well-documented as the Horns re-build to compete again for a national championship. But a not-so-public effort is underway to elevate the game-day entertainment experience to a championship service level.**

“The reality is that the entertainment world is changing, and we must change with it,” Men’s Athletics Director **Steve Patterson** recently wrote to season ticket holders. **“This requires us to take a hard look at the way we do things. Everything we do is being evaluated.”** Like what, Steve? “Our initial focus is to enhance three key areas: **customer service and interaction, game experience and event presentation**, and building relationships with the Longhorn Nation through our **new service and retention team.**”

The Disney Institute – those who maintain “the happiest place on Earth” – was brought in to advise on everything **“from the walk from your tailgate or your favorite concession order.”**

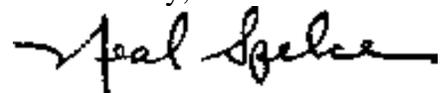
**“We also realized that our game presentation – the elements you see on the videoboard or during on-field productions – required some necessary innovation and improvement,”** noted Patterson. So he brought in the person who oversaw game entertainment for national pro basketball, to “explore new implementations to ensure Texas remains on the cutting edge in every category.”

**“Finally, we are introducing our Texas Athletics Service and Retention team,”** he added. The personal service consultants will work with fans on “ticket renewal assistance, process additional tickets, aid in parking fulfillment (and) handle any item related to your Texas Athletics account.”

As Patterson put it: **“We call this Texas Hospitality.”**

**Dr. Louis Overholster** has some advice for the new Longhorn coaching staff during this year’s losing season: “Don’t talk about your troubles. Eighty percent of the people who hear them don’t care and the other twenty percent are glad you are having trouble!”

Sincerely,



Editor/Publisher