

City, Occupy Austin protesters try to resolve differences

Austin's Calxeda set to show off new chip, take on Intel

Bohls: Texas vs. Tech could be the new best in-state rivalry

Plan for Fun Fun Fun and more with our November calendar

Today's forecast
Sunny and a little breezy. 81/59
Wednesday: Possible showers late. 84/48
Thursday: Partly cloudy and windy. 65/42
Friday: Sunny. 70/48

Austin American-Statesman

STATESMAN.COM

* FINAL EDITION | Tuesday, November 1, 2011 | \$1.00

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IN THE NEWS

NATO air campaign in Libya is finished

The alliance formally ends its role as protector from the skies, and Libya's leadership council picks a U.S.-educated engineer as its prime minister. **A2**

Nation & World

Lebanese police accuse Syria of orchestrating the kidnapping of Syrian dissidents in Lebanon. **A2**

Law enforcement officials announce the breakup of a drug smuggling ring that moved large quantities of marijuana and other drugs across the Mexican border into Arizona. **A2**

President Barack Obama is pushing drugmakers and federal regulators to do more to address dangerous shortages of critical medicines. **A3**

Privately operated "curbside" buses are seven times as likely to be in a fatal accident as other interstate buses, according to a report released Monday by the National Transportation Safety Board. **A3**

As residents of the Northeast remain without power after a snowstorm, many pass up the usual Halloween traditions. **A3**

The Supreme Court refuses to hear an appeal of a ruling that crosses next to Utah highways to honor fallen state troopers violate the First Amendment's prohibition on government establishment of religion. **A3**

A study finds insufficient evidence that dust and pollution in Iraq and Afghanistan causes lung problems in troops. **A4**

Gov. Rick Perry is stepping up his presidential campaign advertising and planning an aggressive schedule in Iowa, the leadoff caucus state. **A6**

Photos, videos and papers reveal details of the FBI's decade-long investigation of a ring of Russian sleeper agents. **A9**

Metro & State

A new poll assesses how much effect Texas voters think Gov. Rick Perry has had on the state's economic success. **B1**



PolitiFact Texas checks a claim by U.S. Rep. Lloyd Doggett about poverty and hunger in Austin. **B1**

Business

An Austin company will announce today that it is targeting energy management and has made its first acquisition. **B5**

Customers with DirectTV can keep watching Fox-owned networks because the satellite provider and News Corp. have signed a deal. **B5**

Business	B5-7
Deaths	B4
Life & Arts	D1
Sports	C1
Classifieds	D6-8

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STATESMAN INVESTIGATES GOVERNMENT SPENDING

State workers cut while firm spends



David J. Phillip 2008 ASSOCIATED PRESS

A road in Port Bolivar was damaged by Hurricane Ike in 2008. HNTB has seen only 20 percent of infrastructure projects related to hurricanes Ike and Dolly to completion.

Employees' work outsourced to higher-priced contractor

By Brenda Bell

AMERICAN-STATESMAN STAFF

For more than a year before the state canceled its \$144 million contract with an engineering firm it had hired to handle more than \$1 billion in federal hurricane disaster relief grants, state managers warned that the firm, HNTB, had radically overspent its budget and should be relieved of most of its duties.

In the end, it was some of those same supervisors at the Texas Department of Rural Affairs who were fired and HNTB that carried on "full steam ahead," in the

words of one of the supervisors. "Everyone was shocked," recalled a manager who survived the November 2010 purge but later left the department. "Everyone knew then the rumors of HNTB taking over were true."

In February, Rural Affairs Executive Director Charlie Stone laid off his disaster recovery division — about 35 employees, almost all of them earning a fraction of the salaries the government was paying HNTB — and outsourced their work to the contractor. According to HNTB's contracted billing rates, its 14 highest-paid employees charge between \$200 and \$360 an hour for their services, though the highest-paid Rural Affairs employee made \$126,000 a

See SPEND, A4

STATESMAN EXCLUSIVE

AUSTIN FIRE DEPARTMENT

Little change in minority hiring

Almost \$1 million spent on effort to diversify

By Patrick George

AMERICAN-STATESMAN STAFF

The Austin Fire Department has spent close to \$1 million since last year on a process to hire 80 firefighters that resulted in similar or fewer qualified minority applicants and hires when compared with previous years, according to records obtained and analyzed by the American-Statesman. Overall, the City of Austin spent more than \$948,000 on consultants and testing procedures to hire two classes of 40 firefighters each, according to documents obtained through a Texas Public Information Act request.

The process resulted in about the same percentage of minority candidates — or less, in some cases — as previous years, the records show.

The hiring process, which had several high-profile setbacks, was the first led by Chief Rhoda Mae Kerr since she took the reins of the department in early 2009. Kerr was given a mandate by city leaders to diversify the ranks of the Fire Department.

"It's hard to really say, 'Did our recruitment process work?'" Kerr

See HIRE, A9



Rhoda Mae Kerr says economy boosted applications.



Herman Cain Candidate's explanations evolved through the day.

PRESIDENTIAL ELECTION

Cain says he was target of false claims of sexual harassment

By Jim Rutenberg and Michael D. Shear

THE NEW YORK TIMES

Herman Cain, a surprise leader in the Republican race for the presidency, acknowledged Monday that he had been accused of sexual harassment while chief of the National Restaurant Association in the 1990s, but he denied wrongdoing.

Facing the biggest test of his campaign just as it was being taken seriously by the political world, Cain spent the day in a whirlwind of TV interviews and media briefings that were originally supposed to highlight his economic plans but became an exercise in damage control.

Cain maintained that he had been falsely accused and that internal investigations at the association had corroborated that. But his explanations evolved during a day in which supporters rallied against what they called an unfair attack from the media, while others expressed fresh doubts about his campaign.

Cain's shifting explanations and the gaps in the story made it hard to determine the impact of the revelations on his long-term political

See ACCUSE, A6

MIDEAST



Thibault Camus ASSOCIATED PRESS

Delegates cheer the approval of Palestinian membership in UNESCO during the group's 36th General Conference in Paris on Monday.

Palestinians gain UNESCO membership; U.S. cuts funds

International agencies' funding, U.S. influence in jeopardy after vote

By Edmund Sanders and Paul Richter

TRIBUNE WASHINGTON BUREAU

JERUSALEM — The Palestinians' bid for international recognition has won its greatest endorsement yet: full membership in UNESCO.

But the unprecedented decision by the U.N.'s cultural organization to admit Palestine as a member state immediately set off a confrontation between the United States and the United Nations, threatening to strip Washington of influence in several key international agencies while cutting off a major source of contributions to the world body.

See APPROVAL, A8

CONTINUING COVERAGE

HIGHER EDUCATION

Powers: UT didn't seek MyEdu deal

By Ralph K.M. Haurwitz

AMERICAN-STATESMAN STAFF

The president of the University of Texas said Monday that the university didn't seek an unusual partnership with MyEdu Corp., an Austin-based company that operates a website on which students can plan classes, rate professors and exchange comments.

"Would I have had different priorities for that \$10 million?" UT President William Powers Jr. said at a meeting of the Faculty Council, referring to the investment of endowment funds by the UT System Board of Regents in MyEdu. "Yes."

He did not say what his priorities would have been. But Powers made it clear that it wasn't his decision to partner with MyEdu.

"That was a decision of the board. That was not a decision of the campus," Powers said. "We didn't choose to bring this to the campus. It was brought to us."

UT System regents voted unanimously Aug. 25 to invest in the privately held company and to sign on



William Powers Jr. says deal was decision of system board.

See SYSTEM, A4