

REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF SAN ANTONIO HELD IN
THE COUNCIL CHAMBER, CITY HALL, ON
THURSDAY, FEBRUARY 10, 1977.

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The meeting was called to order at 7:00 A. M., by the presiding officer, Mayor Lila Cockrell, with the following members present: PYNDUS, BILLA, CISNEROS, BLACK, HARTMAN, ROHDE, TENIENTE, NIELSEN, COCKRELL; Absent: NONE.

77-9 Mayor Cockrell said that this early meeting had been called with the intent of recessing the meeting so that Council members could attend a hearing in Austin relating to Senator Lombardino's bill to repeal a bill passed by the last legislature dealing with payment of sick leave to firemen and policemen.

Councilman Billa said that he felt that Senator Lombardino had made a full commitment to repeal that law and that he felt it to be unnecessary for the Council to delay its meeting which was scheduled today. He stated that because of the firm commitment made by Senator Lombardino, he would not make the trip.

Councilman Hartman moved that the meeting be recessed until approximately 1:30 P. M. The motion was seconded by Councilman Pyndus and was passed and approved by the following roll call vote: AYES: Pyndus, Billa, Cisneros, Hartman, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Black.

77-9 The meeting recessed at 7:05 A. M. and reconvened at 1:35 P.M.

77-9 The invocation was given by The Reverend Claude W. Black.

77-9 RESOLUTION OF RESPECT - MS. ISABEL BAZAN

Mayor Pro-Tem Henry Cisneros recognized Mr. Mike Sexton, Library Director, and invited him up to the podium. Mayor Pro-Tem Cisneros then read the following Resolution:

RESOLUTION OF RESPECT

WHEREAS, life came to a close for Isabel G. Bazan on February 7, 1977, and

WHEREAS, she had been on the staff of the San Antonio Library System for 35 years, and

WHEREAS, she served with distinction in many and varied assignments and her expertise will be sorely missed, and

WHEREAS, she served as Chief of the San Antonio Main Library since October, 1972 and left an indelible impression on all of her fellow workers who will always carry fond memories of her, and

WHEREAS, in her passing the City of San Antonio has lost an extremely valuable employee and a loyal friend, NOW,
THEREFORE:

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:

February 10, 1977

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SECTION 1. That this Council, on behalf of City officials and employees, as well as the citizens of this community does hereby express profound regret on the occasion of the death of Miss Isabel G. Bazan.

SECTION 2. That this Resolution be spread upon the minutes of this meeting and a copy thereof delivered to the bereaved family.

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On roll call, on motion of Dr. Cisneros, seconded by Mr. Billa, the Resolution was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Hartman, Rohde, Nielsen, Cockrell; NAYS: None; ABSENT: Teniente.

Mayor Cockrell presented the Resolution to Mr. Sexton and asked him to deliver the resolution with the Council's condolences to the bereaved family.

77-9 The minutes of the Special Meeting of January 27, 1977 and the Regular Meeting of February 3, 1977, were approved.

77-9 The following Ordinance was read by the Clerk and after consideration, on motion of Dr. Nielsen, seconded by Dr. Cisneros, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Hartman, Rohde, Nielsen, Cockrell; NAYS: None; ABSENT: Teniente.

AN ORDINANCE 47,659

REVISING FILING PROCEDURES FOR CANDIDATES
FOR CITY COUNCIL.

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77-9 PUBLIC HEARING ON THE PROPOSED ANNEXATION OF
90.454 ACRES KNOWN AS THE INGRAM MALL SITE

Mayor Cockrell declared open the Public Hearing.

Mr. Gary Davis, Principal Planner, displayed a map of the area being considered. He said that the Planning Department had prepared a cost-benefits analysis of the proposed annexation and distributed copies to the Council. It indicated that the net revenue from Ingram Mall to the City would be about \$3 million in the first five years. The Planning Commission had recommended approval of the annexation.

Mr. Ralph Langley, attorney for Mel Simons, the developer, said that his client had been the developer of Windsor Park, which is an extremely successful venture in San Antonio. He has developed 40 major shopping malls in the United States. He urged approval of the requested annexation.

Mr. Bill Graves, architect for the project, showed drawings of the proposed project and explained some of its features. In answer to Council questions, Mr. Graves said that plans were included in the project for bus stops.

Mr. Bob Ziegler, Construction Manager for Melvin Simon and Associates, thanked everyone on City staff for their efforts and help on the Windsor Park project.

Mrs. Helen Walter described the very bad drainage situation at Windsor Park where there is an open dirt ditch which is full of garbage and pests. She complained bitterly about the situation.

Reverend Black discussed the fact that Council was making plans to extend bus service to this mall but the Eastside still waits. He said that perhaps the larger malls have a negative impact on other areas. He felt that some guidelines are needed to determine size of malls and the economic feasibility.

Mr. Langley reviewed the studies that have already been made and outlined the general market area for the mall.

Mr. Teniente pointed out the great financial benefit it would bring to the Northside Independent School District.

Mr. Raul Rodriguez said that large malls tend to force small businesses to quit.

Mr. Karl Wurz said that cost for City improvements in this area will fall on taxpayers of San Antonio. If there is any way to spread cost to smaller surrounding cities, it should be done.

Mayor Cockrell declared the public hearing closed. She then reviewed the economic benefits that will accrue to the City and the new jobs to be created.

77-9 The following Ordinance was read by the Clerk and after consideration, on motion of Mr. Billa, seconded by Mr. Pyndus, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Hartman.

AN ORDINANCE 47,660

GRANTING A PERMIT TO THE TEMPLE OF PRAISE
TO HOLD A BONFIRE ON THE EVENING OF
FEBRUARY 12, 1977, AT 1620 PINN ROAD.

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77-9 Item No. 2 of the agenda being a proposed lease agreement with the San Antonio Conservation Society was withdrawn from consideration at the request of the City Manager.

77-9 The following Ordinances were read by the Clerk and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Hartman.

AN ORDINANCE 47,661

NAMING THE NEW WESTSIDE YWCA THE LAS PALMAS YWCA.

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AN ORDINANCE 47,662

MANIFESTING AN AGREEMENT WITH HARBENITO RADIO CORPORATION (KQXT) TO EXTEND THE PRESENT AGREEMENT FOR USE OF SPACE ATOP THE TOWER OF THE AMERICAS FOR AN FM RADIO ANTENNA AND RELATED TRANSMITTING EQUIPMENT.

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AN ORDINANCE 47,663

AUTHORIZING THE CITY MANAGER TO ENTER INTO A STANDARD PROFESSIONAL SERVICES CONTRACT WITH HARRY JEWETT ASSOCIATES TO PROVIDE PROFESSIONAL ENGINEERING SERVICES AND PREPARE PLANS AND SPECIFICATIONS FOR THE CASTLE HILLS FOREST UNIT I OFF-SITE SANITARY SEWER MAIN; AND APPROPRIATING THE AMOUNT OF \$6,100.00 FOR SAID CONTRACT.

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AN ORDINANCE 47,664

AUTHORIZING THE CITY MANAGER TO EXECUTE ADDITIONAL AGREEMENTS WITH THE PARTICIPATING AGENCIES SPECIFIED IN CITY ORDINANCE 46368, DATED MARCH 4, 1976 (ESTABLISHING PERIOD 4 OF THE METRO SAN ANTONIO COMPREHENSIVE NUTRITION PROJECT); INCREASING THE AGENCIES ALLOCATION OF FUNDS TO PURCHASE ITEMS FROM REPROGRAMMED FUNDS; AND AUTHORIZING A REVISION IN THE PROJECT BUDGET.

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AN ORDINANCE 47,665

ACCEPTING AN AWARD OF \$179,098.00 IN FEDERAL TRANSITION QUARTER FUNDS GRANTED BY THE GOVERNOR'S COMMITTEE ON AGING FOR THE CITY'S METRO SAN ANTONIO COMPREHENSIVE NUTRITION PROJECT CURRENTLY IN OPERATION; APPROPRIATING FUNDS AND AUTHORIZING THE EXPENDITURE OF SUCH FUNDS; AND AUTHORIZING THE EXECUTION OF AGREEMENTS WITH SITE AGENCIES FOR THE PURCHASE OF EQUIPMENT AND THE ACCOMPLISHMENT OF MINOR RENOVATIONS WITH GRANT FUNDS.

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AN ORDINANCE 47,666

AUTHORIZING OPERATION OF THE FOURTH YEAR (PERIOD 6) OF THE METRO SAN ANTONIO COMPREHENSIVE NUTRITION PROJECT COMMENCING MARCH 1, 1977 AND ENDING FEBRUARY 28, 1978; APPROVING A BUDGET THEREFOR AND APPROPRIATING FUNDS, APPROVING A PERSONNEL COMPLEMENT AND AUTHORIZING EXECUTION OF AGREEMENTS WITH PRIVATE AGENCIES FOR OPERATION OF SERVICE SITES; AND ACCEPTING A GRANT OF \$1,298,056.00 FROM THE GOVERNOR'S COMMITTEE ON AGING FOR FUNDING OF THE PROJECT.

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77-9 The following Ordinance was read by the Clerk and after consideration, on motion of Mr. Billa, seconded by Mr. Pyndus, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Hartman.

AN ORDINANCE 47,667

ABOLISHING TEN POSITIONS OF POLICE OFFICER IN THE POLICE DEPARTMENT.

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City Manager Tom Huebner said that during the month of March he will be reviewing budget requests and the 10 positions eliminated by this Ordinance may be restored.

77-9 The following Ordinances were read by the Clerk and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: None.

AN ORDINANCE 47,668

APPROPRIATING THE SUM OF TWO THOUSAND AND NO/100 DOLLARS OUT OF STREET IMPROVEMENT BONDS, 1970, FUND NO. 409-02, PAYABLE TO THE COUNTY CLERK OF BEXAR COUNTY, TEXAS, SUBJECT TO THE ORDER OF THE DEFENDANTS NAMED IN CONDEMNATION CAUSE NO. C-1240 IN SATISFACTION OF THE JUDGMENT OF THE COURT FOR ACQUISITION OF THE FEE TITLE TO CERTAIN REAL

CC385

PROPERTY NEEDED FOR THE TWENTY-FOURTH STREET
IMPROVEMENT PROJECT.

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AN ORDINANCE 47,669

APPROPRIATING THE SUM OF SIX THOUSAND FIVE HUNDRED
AND NO/100 (\$6,500.00) DOLLARS AND AUTHORIZING THE
PAYMENT OF ALL COURT COSTS OUT OF FUND NO. 62-009,
INDEX CODE 500512, IN FULL AND FINAL SETTLEMENT
OF PLAINTIFF'S CLAIM IN DAMAGE SUIT CAUSE NO. 76CI-
6228, IN THE 57TH JUDICIAL DISTRICT COURT OF BEXAR
COUNTY, TEXAS, STYLED ANTONIO GONZALES VS. THE CITY
OF SAN ANTONIO.

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AN ORDINANCE 47,670

APPROPRIATING \$4,500.00 OUT OF FUND 63-010-010,
INDEX 494856 FOR SATISFACTION OF JUDGMENT IN
CONDEMNATION CAUSE NO. C -1234.

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AN ORDINANCE 47,671

MANIFESTING AN AGREEMENT WITH ITT TERRYPHONE
CORPORATION AND GRANTING A LICENSE TO SAID
COMPANY FOR THE INSTALLATION AND MAINTENANCE
OF COMMUNICATIONS CABLES ACROSS CERTAIN STREETS
AND AN ALLEY FOR THE PURPOSE OF PROVIDING
COMMUNICATIONS BETWEEN FACILITIES OF CERTAIN
PRIVATE COMPANIES.

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AN ORDINANCE 47,672

AMENDING ORDINANCE NO. 39612, DATED JUNE 24, 1971
TO EXPAND THE AREA OCCUPIED BY THE CITY WATER
BOARD FOR THE OPERATION OF A CONSOLIDATED DATA
PROCESSING CENTER.

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77-9

SELECTION OF BOND COUNSEL FOR PARKING GARAGE

The Clerk read a proposed ordinance retaining McCall, Parkhurst
and Horton as Bond Counsel for the sale of Certificates of Obligation
for financing the Arena Expansion Project and the River Bend Parking
Structure and the sale of additional General Obligation Drainage Bonds
(1974 Series) and repealing Ordinance No. 45988.

Councilman Teniente stated that there is already a contract
with a local firm for the parking structure. He also stated that Mr.
Richard Harris, the attorney, should have been advised of this ordinance
so he could appear before Council and discuss this matter. He asked
that this item be withdrawn from consideration or that Richard Harris
be substituted as the bond attorney.

Mr. Carl White, Finance Director, stated that there is an
existing contract with Richard Harris which was entered into prior to
the last General Obligation Bond Sale. Mr. Harris was retained for the
parking structure. Since that action was taken, there has been one bond
sale and reported on the problems with that particular bond sale.

In response to Mr. Teniente, Mr. White stated that the problem
with the bond sale was created by the Bond Attorney and has documentation
to support his statements.

Mr. Teniente again indicated his desire to have Mr. Harris present for discussion of the Ordinance.

With Council's concurrence, Mayor Cockrell asked that Mr. Richard Harris be contacted and invited to discuss this matter with the Council.

(Later in the meeting, the following discussion resumed as follows)

MAYOR LILA COCKRELL: All right, at this time we'll ask City staff to proceed.

MR. CARL WHITE: Looks like this is my day in the barrel. Anyway, I don't really know where to begin this whole situation.

MAYOR COCKRELL: First of all, perhaps, maybe we should start - you have furnished us with a packet of information which Council members have read.

MR. WHITE: I might start off by giving a little bit of history on the thing. Since I've been with the City, which dates back almost 20 years now, I've been involved in at least probably 40 bond sales including the City Public Service, the City Water Board.

The only time that we've ever been late with the delivery of the bonds was only on one occasion. That happened with the last G. O. Bond Sale that we had. When I got to investigating the reasons for that, I found that in my inquiry that there were some problems relating to the work that the bond attorney had done. I will not - I rather not get into, unless the Council desires, the specific details which could be done. I can only say this.

As a result of that situation that developed at that time, I made a survey, a telephone survey, I don't have the letters to back it up, but I can get letters, I'm sure from four leading underwriters, two in New York. One of them is the largest underwriter in the whole country. Another one in New York and two top Texas underwriters. What I learned from that survey was that if you don't have a nationally recognized bond attorney opinion on your bonds, they are not going to be accepted in the market as well as the ones that have a legal opinion from a nationally recognized bond firm. I was also told that certain underwriters will not bid on the bonds unless they had included in their bid covering opinion. And that simply means that that's going to be added to the interest that we're going to be paying. So, if it's the City Council's desire to have a situation here where we're not marketing our bonds, then the most favorable light, in other words, what I'm recommending to you is what in my opinion is in the best interests of the City of San Antonio. Now that view certainly may not be shared by others.

I sat down with Richard Harris yesterday. We talked about this problem, and I told him that I could not recommend to this Council that we simply go with the local bond attorney for that reason. I told him at that time that what I have also been told is that if it's the desire to develop the local bond attorney and get a national reputation and so forth, so that the opinion is accepted on a national basis without question that the thing to do would be kind of joint venture the thing. In other words, you would have the local bond attorney, the local firm, with a national firm for say four or five bond issues and then you pull back the other firm and simply go with the local bond attorney, the local firm. Now, if that is the desire of this Council, fine. There's no problem with that at all.

MR. RICHARD TENIENTE: I have a question, Madam Mayor.

MAYOR COCKRELL: Mr. Teniente.

MR. TENIENTE: I'm going to ask Carl then that if it is his opinion that the bond attorney at the last sale was late, was it his charge to have had them there or could you blame this on him, could this be blamed specifically on our bond attorney? That's what I want to know because I have been given information that is not, I believe that that's a fact. Not only that you keep talking about a nationally recognized bond attorney, I think we've seen the work that this company has done and I don't know what national is but they've done work out of state; they've done work

in many areas, and I still don't think that this firm can be charged on can be made to be blamed for the delay that was had at that time. I think Mr. Harris can explain that. It was not the bond attorney.

MAYOR COCKRELL: Perhaps we might let Mr. Harris speak to the point of his view.

MR. AL ROHDE: I'd like to hear his statement, Mayor.

MR. TENIENTE: And I don't question your integrity, Carl.

MR. WHITE: I appreciate that. I just want to make one other comment that influences or has a consideration on the recommendation, and that is that the firm in the past has been known, the name of the firm has been Dobbins, Howard and Harris. Mr. Dobbins has retired and has taken his name from the firm. The firm now is Dobbins and Harris. On March 1st, it will be Dobbins, Harris and I shouldn't mention this because this was told to me in confidence. But, anyway, March 1st it will be another name. That the market is a very sensitive institution and just a little change like that may not seem to be material or anything like that but it does have an influence on the sale of bonds. Now, I can get people here that are a lot more knowledgeable than me that will tell you the same thing.

MR. ROHDE: Mayor.

MAYOR COCKRELL: Yes, Mr. Rohde.

MR. ROHDE: I want clear answers on these things. I didn't get Mr. Teniente's answer and I want to add, if he was late, what did it cost the City?

MR. WHITE: I haven't computed it, but I think it cost us the interest on \$20,000,000 of funds.

MAYOR COCKRELL: For what period of time?

MR. WHITE: For one week. The delivery of the bonds were late.

MR. ROHDE: Who caused the problem in your opinion?

MR. WHITE: Well, the Attorney General's staff has told me and one other person with the First Southwest Company that the documents were not filed with them on a timely basis in time for them to act on it for delivery.

MR. TENIENTE: Is it up to the bond attorney to file this?

MR. WHITE: Well, they're....certainly, they're.....

MR. TENIENTE: Okay, I have a letter here that is dated October 4, 1976 in that same transaction that says, that's signed by Mr. Harris, "bear in mind the City saved \$630,000 by the purchasers desiring to handle the bonds in this manner." And it goes on prior to that describing which way the man wanted to handle.....

MR. WHITE: I can address that question, I really.....

MAYOR COCKRELL: May I, may I ask.....

MR. WHITE: I don't want to get into an argument here. That's the problem.

DR. NIELSEN: Madam Mayor, we do have some.....

MAYOR COCKRELL: Dr. Nielsen.

DR. NIELSEN: We do have some certain opinions, interpretation of fact, etc. I just have one question I'm going to ask both of you all. How do you define national firm.

MR. WHITE: One that is accepted by the national underwriters without question. In other words, it's accepted by them without any question at all. They do not ask for a covering opinion or include a covering opinion in their bids.

MAYOR COCKRELL: Thank you. Mr. Harris, may I ask if you would like any comment or statement at this time. Since this issue does involve cancelling of your contract and awarding the same to another party.

MR. RICHARD HARRIS: Thank you, Madam Mayor. Yes, I would. I agree with Carl. I don't think it's the intention of either of us to hassle the matter. It's just - it appears that we have agreed to some extent to disagree. I have the highest opinion of Carl, and we have no - I hope no personal grievances between the two of us. You might recall that the allegation was made, I think, on perhaps October of last year. A statement was made before Council about my knowledge that some of the papers were late in getting returned to the Attorney General. This, Madam Mayor and members of the Council, I just simply must disagree with that wholeheartedly.

You might recall that when the drainage bond issue was sold, I think it was June of last year, I don't recall the exact day, that we had a very successful sale. At that time everybody was in the highest of spirits and was completely delighted. It did not appear at that time that there was any difficulty in selling the bonds based on our firm's legal opinion. Twenty million dollars of bonds were offered for sale, and bids were received from many, many major underwriters. I would venture to say that you, I think we had five or six bids, I don't recall the exact number. But if you would examine the syndication behind those bids you will find many, many, many of the leading national institutions were involved. And they were relying upon our opinion. You might further recall that about a week after the successful bidder purchased the bonds that he came, that they came to the conclusion that perhaps, they might have some difficulty in selling some of the bonds because of the low interest rate that they bid and they came back to this Council and requested that the Council agree to permit them to refund a portion of the \$20 million. Specifically to refund one million one hundred fifty thousand dollars, of bonds into one million dollars worth of bonds. Thereby, saving the City \$150,000 principal plus the interest and difference in maturities. The Council, after consulting with their financial advisor, fiscal agent and their other, Director of Finance, Mr. White, felt that this would be advantageous to the City and which it certainly was. And agreed to do so. But this occasion my being required to package a completely different and second bond issue which involved, in essence, a duplication of the entire work that I had to do on the first one. And having had advance notice of the first bond sale I came and had all the work done in advance. The papers were all prepared, and, we had no difficulty in getting this work done. It did take some more time first of all, it was probably two weeks after the bond sale before I got all the information even to commence work on the refunding bonds. So that did occasion some delay on my part, and it occasioned some delay on the printer of the bond's part and everybody else's part. But with reference to the \$20 million bond sale which we're having - I had the papers to the Attorney General in plenty of time. All of my work was done. Everything was in the hands of the Attorney General that he needed to completely approve the bond with the exception of the printed bonds from the printer. After this statement was made last fall, I heard about it. I was completely shocked, and I asked for an opportunity to respond, which I did to the members of the Council. And finally, I went and talked with Mr. White and opened my files to him completely, let him go through the letters, showed him where I mailed all the papers at that time he seemed that he was completely satisfied that I had occasioned of no delay. And we signed a joint statement which was sent back to the Council stating that apparently there had been some misinformation of parties and this matter was resolved. And I thought at that point and time that the matter was satisfactorily resolved once and for all, and I frankly am shocked and surprised to hear it mentioned again.

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Now, with reference to the certificates of obligation which was principally the matter in question here, you might recall the first opportunity I had the pleasure of serving this Council was with reference to these same certificates. I was requested by the Council through the City Attorney's office back in the - I don't recall - early fall of 1975, to do some legal research directed toward advising this Council what alternative means of financing were available for off-street parking facility and also my recommendation as to the means to be employed. I did this work, I submitted a letter of opinion to the City Attorney who disseminated it to the Council and the staff recommending that joint that Certificates of Obligation secured by revenue, both revenues and tax be employed which is the method that has subsequently been adopted. Thereafter, Mr. White recommended that, well, I'm sorry, thereafter I was requested to submit a proposal to the Council setting forth what the legal cost would be to handle the legal work in connection with handling the financing of the off-street parking facility through the issuance of the certificate of obligation. I did submit a proposal at the request of the City. I heard nothing with reference to my proposal and then to my surprise, I read in the paper that Mr. White had recommended a Dallas firm. This Council decided that that would be a better, best considered in closed session which they did, and two weeks later rejected the recommendation and directed that I be employed. At that time in November of 1975 the ordinance - the Council passed an ordinance which accepted my proposal and employed me to commence the legal work directed towards the issuance of these particular certificates. And I have worked off and on on this matter since that time waiting for final Council decision to actually determine the amount in terms of the issues.....inaudible.... And then I - last Saturday I received in the mail a letter advising me that my written contract was going to be cancelled. I might add I was rather surprised and substantially shocked, completely disappointed.

MAYOR COCKRELL: And did you have any conference with the Finance Director of the City?

MR. HARRIS: Yes, I talked with Mr. White, Friday, which the same statement was made concerning the opinion, the change of the firm name and all of that. Now, I told Mr. White the name of the firm which he treated in confidence, and which I appreciate, but it is not a matter that is confidential. As of March 1, 1977, the firm will be known as Dobbins, Harris and Gonzales. Mr. Oscar C. Gonzales will become a partner with the firm and that will be the name at that time. I certainly don't think that it's going to hurt our bond opinion at all. Anymore than it did 10 or 15 years ago when the old firm of Dobbins and Howard became Dobbins, Howard and Harris. I am delighted to say that the addition of my name did not completely destroy our reputation.

MR. ROHDE: How many bond issues have you made so far and the amount?

MR. HARRIS: Well, it would be difficult to say. This is not a new area of specialization for our law firm. Our firm has been engaged in bond counsel for 30 years.

MR. ROHDE: But I mean how many have you handled?

MR. HARRIS: Have I handled?

MR. ROHDE: Yes, that's what I'm - it seems like you're here the target, not the firm.

MR. HARRIS: Well, I'm - I understand that to be true completely, Mr. Rohde, I.....

MR. ROHDE: What is your personal experience?

MR. HARRIS: My personal experience, I worked on hundreds of bond issues.

MR. ROHDE: With the attorney general and everything else?

MR. HARRIS: Well, almost all bond issues.

MR. ROHDE: Did you take care of the whole ball of wax?

MR. HARRIS: All bond issues must be approved by the Attorney General. There are some rare types of financing that do not - the bonds perse have to be approved by the Attorney General.

MR. ROHDE: Is this the first time your firm's been questioned on the handling of the issue?

MR. HARRIS: Yes. Well, the first time in 20 years. I'll say that. What Mr. White says about a bond firm is true to some extent. In other words, why are municipal bond attorneys, municipal bond attorneys instead of any attorney being a municipal bond attorney? It goes back to the question of the chicken and the egg. And that's this - in order to sell the bond, you do have to have a recognized opinion from a recognized bond attorney. So, needless to say, a bond attorney is not going to get bond work unless his opinions are recognized, and if his opinions are not recognized, he won't get the work, if he doesn't have the work, he'll never get a recognized opinion. Our firm has had an opinion that's been recognized for many years. And I don't agree with the statement that the bids that you get on the bonds is either higher or lower depending upon how much they like the bond attorney. Either the bond attorney is recognized or the bond attorney is not recognized. If he is recognized, then the purchases of the bond look to the security behind the bonds. If he is not recognized, they just won't bother about it.

MAYOR COCKRELL: Now, let me just clarify one thing. You said that you had personally handled hundreds of bond issues. Were they - in handling them that was through your present firm?

MR. HARRIS: Yes, I've been with my present firm for 15 years.

MAYOR COCKRELL: Thank you, sir.

DR. NIELSEN: I asked Carl the definition of national bond attorney and I think you heard what he said. What is your definition of nationally recognized bond attorney?

MR. HARRIS: My opinion of a definition of nationally recognized bond attorney is an attorney who can sell bonds on a national market in reliance upon his firm's bond opinion.

DR. NIELSEN: What about cover letter? He said cover letter.

MR. HARRIS: He said covering opinion. What I could understand that would be that people would not buy the bonds unless you would furnish a covering opinion by some other, say a New York firm or something like that.

DR. NIELSEN: One last thing then, as quickly as you can, could you tell us in the last two or three years who else you have on nationally recognized basis worked for in terms of selling bonds either around here or anywhere in this area.

MR. HARRIS: Bexar County, Northside School District, Bexar County Hospital District. I'm sorry we haven't sold bonds for the last two years but we do represent them. At the present time I am handling the election for the San Antonio Independent School District on a forty nine million dollar bond election. Victoria County.

DR. NIELSEN: Is that being done without the cover opinion?

MR. HARRIS: Well, of course, this is just a stage of work on the election is being called. All of these other bonds, of course, we sold without a covering opinion, I doubt if any of our bonds have been sold with a covering opinion the last twenty years.

MAYOR COCKRELL: I'd like to go back to one of the points and that's relative to the issue of whether or not any portion of the work was late or not late and so forth.

MR. HARRIS: Yes, madam.

MAYOR COCKRELL: And would you just review your position on that issue for us.

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MR. HARRIS: My position is that the work with reference to the 20 million dollar bond issue was done. Before this Council could sell the bonds, the work was all done. That as soon as the sale was conducted, I submitted the papers to the appropriate staff members to get the necessary signatures. And as soon as all of these came back to me I expeditiously as possible they were submitted to the Attorney General that there was no documentation, on my part, that was late; that would cause a delay of delivery of the bonds.

MAYOR COCKRELL: How long was it in this process of when you were needed to submit them to the Attorney General, what period of time was involved.

MR. HARRIS: Well, honestly, I don't know. But you see after I submit the papers initially I have some continuing responsibility that I have to do back and forth. For example, one thing I would do is submit a copy of the proposed ordinance authorizing the issuance of the bonds to the printer because that contains the form of the bond itself and things of that nature. When that is received, the printer sets up type, sends back the proof which I review and send back so there are some continuing matters that I do during the innovating period, the exact number of days I don't know but as soon as I got all the papers back from the City I did submit it.

MAYOR COCKRELL: And there was two different issues, two different parts of the situation.

MR. HARRIS: Yes, the 20 million dollars was issued first was submitted first and later the million dollar refund proposition as a completely separate approvals by the Attorney General.

MAYOR COCKRELL: Then did they arrive at the Attorney General's office simultaneously, or did the first one arrive first and then second one or what.

MR. HARRIS: No, the 20 million dollar bond transcript would have been submitted first, I'm sure.

MAYOR COCKRELL: I see. Mr. Rohde.

MR. ROHDE: In your letter here of October, I noticed it said you went, I personally went to Austin accommodated by the City's financial advisor, who was that person.

MR. HARRIS: First Southwest Company, I drove over - that was to handle the actual delivery of the bonds. Mr. Bob Davis with our office is in Austin so he expedited.....

MR. ROHDE: Is this during the same period that's now in question about possibly being late, is this the same issue?

MR. HARRIS: Yes, this is when the bonds were actually delivered.

MR. ROHDE: Give me a clear understanding about how you saved the City money?

MR. HARRIS: I didn't mean that I saved the City money, I'm saying that the City effected a savings by virtue of the purchaser of the bond purchaser of the 20 million dollar bond refunding a portion of it. That's what accomplished the sale. Nothing that I personally did.

MR. ROHDE: It says "please bear in mind that the City saved 630 thousand dollars by the purchasers desiring to handle the bonds in this manner."

MAYOR COCKRELL: Now, then is Mr. White still here. All right, Mr. White, there still remains some area of possible confusion relative to some of the events. I didn't know if you had some further comment to make.

MR. WHITE: I don't have any.

MAYOR COCKRELL: Mr. Pyndus.

MR. PYNDUS: I'm ready to move the question if it's in order for the Council. I move for the adoption of the ordinance as recommended by our Finance Director. He has stated pretty explicitly that McCall, Parkhurst and Horton are nationally known for the quality of their work. They have the experience with the issues of similar complexity. They're well known and respected in the financial community. They're a broad-based firm fully capable of handling all of the problems associated with full disclosure and FCC regulations and IRS regulations. Their services would be approximately \$18,000. I feel that this Council many times gets into matters that are over their heads, and as such we have to rely on someone that is a part of staff. And certainly he has made the recommendation to us advising this Council that he believes his recommendation is in the best interest of this City. And because of the confidence that I have in his recommendation, I would recommend approval of the ordinance.

MAYOR COCKRELL: Is there a second to the motion?

MR. TENIENTE: I'd like to propose a motion, Madam Mayor.

MAYOR COCKRELL: The first motion has died for lack of a second.

MR. TENIENTE: I'd like to move that Ordinance number 15, be approved with the retaining services of Mr. Harris. Mr. Harris is not only a local bond attorney but a nationally recognized bond attorney. If we would review the bids of the last 20 million dollars bond issue, it would show almost every major financial institution in the United States was included in at least one of the syndicates on that bid. I say if institutions like Chase Manhattan Bank of New York will bid on Mr. Harris' opinion what more do we have to do to call it a nationally recognized bond attorney. I would move that the Council adopt that ordinance.

MR. BILLA: Second.

MR. ROHDE: Mayor, I have a question.

MAYOR COCKRELL: It's moved and seconded that the Ordinance be passed but with the designation of Mr. Harris as the legal consultant. Mr. Rohde.

MR. ROHDE: I feel comfortable in the way that we're heading in this direction, but I'm just wondering that we do not have a fee from Mr. Harris on this issue that's one problem I have. Also, I heard Carl White say that perhaps that this thing could be joint ventured with these attorneys to maybe give the local firm more stature on bond issue participations. I have that problem, should that not be thought about by the Council. I certainly don't want to jeopardize this bond issue in any way for the citizens of San Antonio with the problem that we have here. And I'm just wondering if this should not be postponed a week to see if the two firms cannot come to a conclusion on this to where they can work in partnership for the best interest of the City and to resolve this issue for all parties concerned.

MAYOR COCKRELL: Dr. Nielsen.

DR. NIELSEN: Mr. Huebner, I'm not putting you on the spot, have you had a chance to form any opinion on this? I'll be very candid. A couple of weeks ago, based on Carl's recommendation, I suggested to the Council and the Council concurred at least this one time, we would go with McCall and Parkhurst and very clear the Council understood that we were making a much more serious effort than we ever had before to get a local bond attorney. I'm certainly no attorney. I'm still a little bit concerned about what apparently is a difference of opinion. I don't know if we ever resolved that as to whether or not one... (inaudible)... recognized or not. Mr. Harris spoke eloquently of his experience and background. Are you in any position to help us clarify that one gray area to me, at least as to whether or not there is some question of affecting a good sale.

MR. HUEBNER: I think I can offer you three comments that are worthy of some thought. For whatever reason, if I might just relate to some California experiences. In California, virtually every bond issue, major

bond issue that I can think of was handled by one or two firms. One was in San Francisco and one was in Los Angeles. And they were specialists in bonds, that was their total practice. And, at least according to the bond houses in New York and what have you the people are involved in the purchase and sale of these bonds having one of those two companies opinions in your bonds was worth something in terms of the interest rate. I'm not justifying that situation. I'm justifying that this should be almost a, if you will, a closed circuit, but I'm just saying to my knowledge such a thing virtually does exist in the bond field, in municipal bond field. Secondly, I do know that the bond market is a very sensitive thing ever since the New York situation. It's goosey. It doesn't take much to effect a small percentage on the interest you pay on those bonds. The third thing is that we have a situation here, I think, between our financial management staff and an organization where there's something less than total agreement or trust or whatever you want to call it. That's worthy of some consideration.

MR. HARTMAN: Madam Mayor, first of all, I'd like to thank Mr. Huebner for those very substantive comments and I would gather from what you have stated, Mr. Huebner, that it continues to be management's strong recommendations to retain the firm of McCall, Parkhurst and Horton.

CITY MANAGER HUEBNER: It is my feeling that unless there is a truly compelling reason to select someone else we ought to go with the nationally recognized firm, the real specialist in this area.

MR. HARTMAN: And you would identify this firm as being in that area?

CITY MANAGER HUEBNER: Yes. I would.

MR. HARTMAN: You would not identify the other firm as being.....

CITY MANAGER HUEBNER: It would not appear to be as strong in that field as the - what is it, Houston based firm?

DR. NIELSEN: Dallas.

CITY MANAGER HUEBNER: Dallas.

MR. BILLA: Mayor, the only problem I have is that there is no compelling argument given that gives us a lower interest rate by using the Dallas firm. I would just like to stick with the local firm and honor the contract that we had with them unless we get some stronger reason. I'm sympathetic and certainly would like to go on with Mr. White's recommendation, but I think there are times when we have to make these judgments.

MAYOR COCKRELL: All right, I think we do need to move along very quickly and so.....

MR. BILLA: I would move on the question and have a motion seconded.

MAYOR COCKRELL: We have a motion before us that Mr. Teniente has made for passage of the ordinance but with a substitution of Mr. Harris as the bond attorney. That was the...the original motion did not have a second. This is the main motion at the present time.

MR. HARTMAN: The original motion is to employ the Harris firm?

MAYOR COCKRELL: That's correct.

MR. PYNDUS: I'd like to make a substitute motion.

MAYOR COCKRELL: All right, Mr. Pyndus.

MR. PYNDUS: My substitute motion will be my original motion based on the fact that Council has been additionally advised by our City Manager that the strong choice as mentioned is also his recommended course of action, and I would move that we adopt the resolution or the ordinance as recommended by our financial director.

MR. HARTMAN: I would second that motion, Madam Mayor.

MAYOR COCKRELL: It has been moved and seconded. Mr. Teniente.

MR. TENIENTE: Now we are going to just open it up again. I thought we'd vote the other one down if they didn't so desire it, but it's my estimation that through the services of Mr. Harris last June, we were able to get a better rate on our bonds than we had the previous year. Is that correct, Mr. Harris? Did we get better, I should say, a better sale at that last time. I don't think it was due to your firm, I think it was just the bond market.

MR. HARRIS: In all fairness, I couldn't claim credit for that although I would like to do so. No, we had a favorable bond sale. You look at a bond sale on any given day of any given year, you must compare it to the averages that exist on that time. You can't, in fairness, compare it the same day a year before or a year later but again you compare it to the averages that exist at that time. Whatever governs the market conditions at that time, we did get a bid that was favorable with relation to the bid we got the previous year insofar as the average on that day which I don't presume to take credit for but at least it was a favorable bid which indicates to me that at least we weren't penalized.

MR. TENIENTE: My point is, it's not the firm itself but the market that will establish the.....

MAYOR COCKRELL: All right, we now have the substitute motion which is to approve the original.....

MR. WHITE: May I make one clarifying statement because I'm not sure that this has ever been clarified. And it's my fault - I simply forgot to do so. The finance thing on the parking structure is going to be - is going to have to be delayed. We're going to have to go with the arena first. Then the parking structure financing will be delayed, perhaps, as long as six months. The reason for that being that with the sale of the Certificates of Obligation, you have to have the construction bids. The Attorney General will not approve the issuance of Certificates of Obligation until you have an absolute bid. That is to protect the City from issuing Certificates and then having to come back and issue later additional Certificates of Obligation if your estimate is wrong. In other words, if the estimate of \$5 million happens to be wrong when we get to the construction of the thing and we issue \$5 million, we have to go back for another whatever the amount is.

So, what I'm trying to say is that we're going to have two financings. The parking structure will have to go later. The arena because it cannot wait and we will have construction bids, as a matter of fact, the public works department is going to let construction bids out next week for, you know, 45 days for bidding. Then we will have absolute bids on the construction of the arena. That's when the Certificates of Obligation for the arena will be issued. The Certificates of Obligation on the parking garage cannot be issued until after we've had the bids.

MAYOR COCKRELL: All right. To follow up your discussion, it is my understanding of the fact that the two issues were lumped together in one bond sale and everything was for ease of handling and so forth. Now, you're saying it's going to be two separate issues.

MR. WHITE: What I found out through working with the First Southwest people Monday of this week and they went to the Attorney General's office that the package that we talked about cannot be all one financing. It has to be, because of the law, it has to be two separate items. So, what I'm trying to say is if you want to go ahead with the parking structure like it is, it's going to be later anyway.

MR. ROHDE: Mayor.

MAYOR COCKRELL: Mr. Rohde.

MR. ROHDE: We're getting a little confused but I want to try to stay on the track here. Carl, the fee is \$18,000. Now, that's for both projects. Now, what would be the difference?

MR. WHITE: All right, the fee schedule that the bond attorney has worked off and I ask Richard to correct me if I'm incorrect on this, is a standardized fee schedule used throughout the industry. You're going to pay the same price regardless of which firm you use. That's through the Dallas firm, the Houston firm, New York firm or whatever.

MR. ROHDE: Would it be proper then, for the Council to go ahead and suggest this, that the McCall, Parkhurst and Horton firm get the bond consulting for the arena and that we still retain Harris for the garage. You see anything wrong with that?

MR. WHITE: That's the reason I mentioned that, because that is a possibility.

MR. ROHDE: I'd like to see.....

MR. WHITE: Or you may want to go.....on this other one.

MR. ROHDE: I like to see us amend that and do it that way.

MAYOR COCKRELL: Mr. Teniente.

MR. TENIENTE: Now, Madam Mayor, I'm more concerned and confused because this is specifically the reason Carl brought it up last week is to try to combine it because it was too complicated. And now all of a sudden, it's not complicated. I can't understand it.

MR. WHITE: No, we're still going to have a pretty complicated thing. We're going to have a G.O. issue and Certificate of Obligation.

MAYOR COCKRELL: All right, let me just say, let me advise the Council of a couple of things. We have some attorneys standing by who we need to meet with relative to an executive session item and they can only stay until five and it's an item that we need to get to very quickly. So, I think we need to get this terminated very quickly.

MR. ROHDE: What are we voting on, Mayor?

MAYOR COCKRELL: All right, we now have a substitute motion to approve the recommendation of staff. That is the substitute motion. All right, any further discussion? All right, we'll have a roll call on this motion.

MR. PYNDUS: Yes.

MR. BILLA: No.

DR. CISNEROS: No.

REV. BLACK: No.

MR. HARTMAN: Yes.

MR. ROHDE: Abstain.

MR. TENIENTE: No.

DR. NIELSEN: No.

MAYOR COCKRELL: Yes.

CITY CLERK: The motion fails.

MAYOR COCKRELL: All right, the motion failed. We're back then to the original motion which is to substitute the Harris firm for the firm as recommended by staff.

MR. ROHDE: I'd like to make a substitute motion.

MAYOR COCKRELL: All right, a substitute motion is in order.

MR. ROHDE: That the firm of McCall, Parkhurst and Horton be retained as bond counselors for the sale of Certificates of Obligation for financing the arena expansion project and the firm of Dobbins, Harris and etc. be retained for the sale for the River bend parking structure garage.

CITY CLERK: Mayor, may I make a suggestion that if the Council is going to consider that ordinance, it should be written before it is offered.

MAYOR COCKRELL: Could it be possible or proper to have an informal indication of whether or not this motion is going to be favorably acted upon in which case if it were then the proper ordinance could be prepared.

CITY ATTORNEY PARKER: Yes, Madam. I would also remind you in this particular one you also have the \$20 million G.O. bond sale of the drainage bond, I believe it is also tied up in it.

MAYOR COCKRELL: Did your motion address the \$20 million of the drainage bond issue? Which firm were you recommending?

MR. ROHDE: Madam Mayor, this other.....

MAYOR COCKRELL: All right, just a moment, was there a second to that substitute motion? If there is no second, then it dies for want of a second. We go back then to the main pending motion. Yes, Dr. Cisneros.

DR. CISNEROS: Madam Mayor, I'm in favor of the main motion. But need a clarification on one comment that Mr. White made relative to a potential delay in the parking garage. Did I hear that correctly or is that what he said would be a result of that.

MAYOR COCKRELL: Because, as I understood...all right, would you clarify that?

MR. WHITE: We have to have construction bids before the Certificates of Obligation can be issued on both structures, on both financings.

DR. CISNEROS: So how does that bear on which attorney is involved?

MR. WHITE: I just wanted to mention the fact that there - we've talked in terms of this all being one financing and I don't think I've clarified the fact that it's going to be two.

MAYOR COCKRELL: All right, the question called. This is on the motion which substitutes the Harris firm for the firm recommended by staff.

(INAUDIBLE)

MAYOR COCKRELL: Correct. Clerk will call the roll.

MR. BILLA: Yes.

DR. CISNEROS: Yes.

REV. BLACK: Yes.

MR. HARTMAN: No.

MR. ROHDE: Yes.

MR. TENIENTE: Yes.

DR. NIELSEN: Yes.

MAYOR COCKRELL: Yes.

MR. PYNDUS: No.

CITY CLERK: The motion carries.

MAYOR COCKRELL: All right, the motion carried and the.....

CITY ATTORNEY PARKER: We will prepare one if you will just recess.

MAYOR COCKRELL: All right, at this time we do have an important matter that is pending and I'll ask that the Council go across the hall to the executive session.

* * * *

77-9 The meeting recessed at this point and the Council went into an executive session to consider a legal matter. After the executive session, the meeting reconvened in the Council Chamber.

77-9 The discussion resumed as follows:

MAYOR COCKRELL: I think we had an Ordinance to complete from this morning.

The City Clerk read the following Ordinance:

AN ORDINANCE 47,673

RETAINING DOBBINS, HOWARD & HARRIS AS BOND
COUNSEL FOR THE SALE OF CERTIFICATES OF
OBLIGATION FOR FINANCING THE ARENA EXPANSION
PROJECT AND THE SALE OF ADDITIONAL GENERAL
OBLIGATION DRAINAGE BONDS (1974 SERIES).

* * * *

MAYOR COCKRELL: Some of the members of the Council who were quite interested in this are not here. I wonder if they would like to come to the Chamber. Is there a motion?

MR. BILLA: I move that the Ordinance be adopted.

MR. TENIENTE: I second it.

MAYOR COCKRELL: It has been moved and seconded. Is there any discussion?

On roll call, the motion, carrying with it adoption of the Ordinance, was passed and approved by the following vote: AYES: Billa, Black, Hartman, Rohde, Teniente, Cockrell; NAYS: None; ABSENT: Cisneros, Nielsen; ABSTAIN: Pyndus.

77-9 The following Ordinances were read by the Clerk and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: None.

AN ORDINANCE 47,674

RETAINING FIRST SOUTHWEST COMPANY TO ACT AS FINANCIAL ADVISOR IN THE SALE OF CERTIFICATES OF OBLIGATION FOR FINANCING THE ARENA EXPANSION AND THE SALE OF GENERAL OBLIGATION DRAINAGE BONDS (1974 SERIES).

* * * *

AN ORDINANCE 47,675

ACCEPTING THE LOW QUALIFIED BID OF ACME LUMBER AND SUPPLY TO FURNISH THE CITY WITH YELLOW PINE LUMBER FOR A TOTAL OF \$12,705.00 LESS 1% - 10 DAYS.

* * * *

77-9 The following Ordinances were read by the Clerk and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Rohde, Teniente, Cockrell; NAYS: None; ABSENT: Black, Hartman, Nielsen.

AN ORDINANCE 47,676

ACCEPTING THE LOW QUALIFIED BID OF TRAFFIC SUPPLIES, INC., TO FURNISH THE CITY OF SAN ANTONIO TRAFFIC AND TRANSPORTATION DEPARTMENT WITH ALUMINUM SIGN BLANKS FOR A NET TOTAL OF \$9,240.00.

* * * *

AN ORDINANCE 47,677

ACCEPTING THE LOW QUALIFIED BID OF BRADEN WIRE AND METAL PRODUCTS, INC., TO FURNISH THE CITY OF SAN ANTONIO PUBLIC WORKS DEPARTMENT WITH STEEL WIRE MESH PANES FOR A NET TOTAL OF \$5,122.00.

* * * *

77-9 Mayor Cockrell was obliged to leave the meeting and Mayor Pro-Tem Cisneros presided.

77-9 The following Ordinance was read by the Clerk and after consideration, on motion of Mr. Billa, seconded by Mr. Pyndus, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Rohde, Teniente; NAYS: None; ABSENT: Black, Hartman, Nielsen, Cockrell.

AN ORDINANCE 47,678

ACCEPTING THE LOW QUALIFIED BIDS OF AMA ENTERPRISES, COMMERCIAL BODY CORPORATION, FRUEHAUF DIVISION AND HOBBS TRAILERS TO FURNISH THE CITY WITH VARIOUS TRUCK BODIES FOR A NET TOTAL OF \$76,071.43.

* * * *

77-9 The following Ordinances were read by the Clerk and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Black, Hartman, Cockrell.

AN ORDINANCE 47,679

ACCEPTING THE LOW QUALIFIED BID OF LA BARGE, INC., TO FURNISH THE CITY WITH WATER MONITORING EQUIPMENT FOR A NET TOTAL OF \$3,784.00.

* * * *

AN ORDINANCE 47,680

ACCEPTING THE LOW QUALIFIED BIDS OF LITTON OFFICE PRODUCTS CENTERS, WITTIG'S OFFICE FURNITURE AND PAUL ANDERSON COMPANY TO FURNISH THE CITY OF SAN ANTONIO CONVENTION AND VISITORS BUREAU WITH OFFICE FURNITURE FOR A NET TOTAL OF \$10,806.65.

* * * *

AN ORDINANCE 47,681

ACCEPTING THE LOW QUALIFIED BID OF RICHIE ELECTRIC COMPANY TO FURNISH THE CITY OF SAN ANTONIO PUBLIC WORKS DEPARTMENT WITH THE REPAIR AND RELOCATION OF ELECTRICAL SERVICE AT THE RILLING ROAD SEWER PLANT FOR A NET TOTAL OF \$5,405.00.

* * * *

AN ORDINANCE 47,682

AUTHORIZING THE PAYMENT OF \$17,140.00 TO HONEYWELL, INC., FOR THE TEMPERATURE CONTROL MAINTENANCE OF THE TOWER OF THE AMERICAS AND THE CONVENTION CENTER COMPLEX, FOR THE TIME PERIOD MARCH 1, 1977 THROUGH MARCH 1, 1978.

* * * *

77-9 The following Ordinance was read by the Clerk and after consideration, on motion of Mr. Pyndus, seconded by Mr. Hartman, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Hartman, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Black, Cockrell.

AN ORDINANCE 47,683

ACCEPTING THE LOW QUALIFIED BID OF SEAGRAVE FIRE APPARATUS, INC. TO FURNISH THE CITY OF SAN ANTONIO FIRE DEPARTMENT WITH CERTAIN FIRE-FIGHTING EQUIPMENT FOR A NET TOTAL COST OF \$839,935.00; AUTHORIZING PAYMENT OF SAME FROM FEDERAL REVENUE SHARING FUNDS; AND AUTHORIZING A REVISION IN THE BUDGETS OF SAID FUNDS.

* * * *

77-9 The Clerk read a proposed ordinance providing for a 90 day extension of the moratorium on approval of any expansion or establishment of a junk or salvage yard.

Mr. Bill Fore asked the City Council not to approve the ordinance. He stated that the Council can consider each case individually on its own merits.

In response to City Manager Huebner, Mr. George Vann, Director of Building and Zoning Administration, stated that the Planning Commission had instructed him to extend the moratorium so that they can have more time to complete the processing of all the requests made by citizens.

Members of the Council discussed the matter of considering each request on a case by case basis.

Mr. Billa moved to deny the ordinance. The motion died for lack of a second.

Dr. Cisneros then moved to approve the ordinance and approve the 90 day extension. Mr. Hartman seconded the motion.

In response to Mr. Hartman, City Manager Tom Huebner suggested a 30 or 45 day extension rather than a 90 day period.

In response to Mr. Hartman, Mr. Vann responded that if the Council denied the moratorium, it would not slow down the work of the staff and the Planning Commission.

After discussion of the matter, Mr. Hartman withdrew his second.

Mr. Billa moved to deny the ordinance. Dr. Nielsen seconded the motion.

Dr. Cisneros made a substitute motion to extend the moratorium for 45 days. The motion died for lack of a second.

Mr. Billa suggested that the Council deny the ordinance to extend the moratorium and instruct the staff and Zoning Commission to expedite the completion of the study and bring back the recommendation to the City Council.

Mr. Rohde made a substitute motion that the moratorium be extended for 30 days. Dr. Cisneros seconded the motion.

On roll call, the motion failed to carry by the following vote: AYES: Pyndus, Cisneros, Rohde, Cockrell; NAYS: Billa, Black, Hartman, Nielsen; ABSENT: Teniente.

On roll call, the motion to deny the request failed to carry by the following vote: AYES: Billa, Hartman, Nielsen; NAYS: Cisneros, Black, Rohde, Cockrell; ABSTAIN: Pyndus; ABSENT: Teniente.

Dr. Cisneros then moved to extend the moratorium for 45 days. Mr. Rohde seconded the motion. On roll call, the motion failed to carry by the following vote: AYES: Cisneros, Black, Rohde, Cockrell; NAYS: Billa, Hartman, Teniente, Nielsen; ABSTAIN: Pyndus; ABSENT: None.

The motion having failed, the ordinance declaring a six month moratorium was allowed to expire.

77-9 The Clerk read a proposed resolution designating the South Presa Street Project Area and approving the undertaking by the San Antonio Development Agency of the preparation of an Urban Renewal Plan for that area.

Councilman Hartman, the sponsor of the resolution, stated that this resolution is the first step toward the creation of an urban renewal project in the area bounded by Presa Street, Nueva Street, St. Mary's and Dolorosa. It encompasses property that has historical value. The approval of this resolution would provide a mechanism whereby the land could be purchased under the Urban Renewal procedure and developed into an Urban Renewal project for the purpose of re-sale and redevelopment of that property.

Mr. Winston Martin, Executive Director of the San Antonio Development Agency, stated that under state law until such time as the City Council declares an area sub-standard and subject to the renewal law of the State of Texas, nothing further can be done toward a renewal project. This resolution does not set up such a project, nor does it provide funding for such a project. It merely makes the area subject to the Urban Renewal Agency under the State law should Council decide to proceed with this at some future date.

Dr. Cisneros moved to approve the Resolution. Mr. Hartman seconded the motion.

Councilman Teniente asked if the staff had notified the property owners of this action. Mr. Pyndus also expressed similar concern.

After discussion of this matter, the Council concurred that the resolution be postponed from consideration until next week and instructed staff to notify property owners that the City Council is considering placing the Urban Renewal designation on the area, and re-emphasizing the City's concern for the area and interest in maintaining the historic designation character of the area.

Mrs. Nancy Negley, President of the San Antonio Conservation Society, spoke in favor of the resolution.

77-9 At this point in the meeting, discussion of Item 15, hiring of a bond counsel, resumed. See page 5 of these minutes.

77-9 The Council meeting recessed at 4:20 P. M. to go into Executive Session and reconvened at 5:30 P. M.

77-9

CITIZENS TO BE HEARD

MR. RAUL RODRIGUEZ

Mr. Raul Rodriguez spoke of the many years he has been speaking before the City Council and his many experiences over the years. He stated he had wanted to run for the City Council but cannot afford the \$100 cash and asked the City Council to instruct the City Clerk to accept the fee on terms.

Mayor Cockrell stated that Mr. Rodriguez can use the method of filing by petition.

Mr. Rodriguez stated he does not want to ask anyone for signatures because he does not want to be obligated to anyone.

City Attorney Parker stated that this is a Charter requirement and it could not be waived. He said the \$100 must be paid before the person can file.

MR. PAUL JAVIER

Mr. Paul Javier spoke regarding the Transit System. He was protesting the use of City buses to transport newly hired employees to cross picket lines at the Frederich Plant. He said that the buses are shielding the guilty strike breakers. He said they will pursue legal action if the Transit System does not stop this practice.

Mayor Cockrell had requested a legal written opinion which was given to the Transit Board.

City Attorney Parker stated he concurred with all the points in his legal opinion. It is illegal not to supply the buses on request. The same rule of law applies to Charter service. Transit is a public utility and must be available to anyone on call.

Mr. Rudy Rodriguez also joined in the protest of the use of Transit System buses.

HEALY-MURPHY LEARNING CENTER

Sister Boniface thanked the City Council for allocating \$55,000 of CDA funding to the Healy-Murphy Learning Center for the purchase of the Salvation Army park land adjacent to Healy-Murphy Center to be used as a recreation center and athletic field. The amount allocated is not sufficient to complete the purchase. The balance needed for purchase of the property is \$25,000. Additional funds needed to improve the property are \$20,000. She asked that the Council allocate \$45,000 additional.

The matter was discussed by Council members and it was agreed that this item would be given consideration when the Revenue Sharing budget is brought to the Council.

CATALPA-PERSHING DRAINAGE PROJECT

A group of citizens appeared to speak before the City Council protesting the commencement of construction of the Catalpa-Pershing Drainage Project without prior review by pertinent board and committees of the City and other interested groups. They asked that this project be delayed until it has been reviewed properly. Representatives of the River Road Neighborhood Association urged the Council to cancel this drainage project until a full exploration of alternatives can be conducted. They also said that removal of three earthen dams in the existing flood channel could resolve most of the flooding problems that the new drainage ditch is designed to handle. Members of the Conservation Society also urged more environmentally sound methods of building the drainage ditch which could prove to be cheaper. The following persons spoke:

- Mr. Arthur Veltman, Jr., member of the Executive Committee of the River Corridor Advisory Committee
- Mr. Lanny Sinkin, member of the River Road Neighborhood Association
- Ms. Linda Hardberger, President of the River Road Neighborhood Association
- Mr. Joe Stubblefield, Engineer
- Ms. Nancy Negley, President of the San Antonio Conservation Society
- Ms. Bernadette Briscoe, President of the Alta Vista Association
- Mr. Larry DiMartino, Vice Chairman of the Fine Arts Commission
- Ms. Cathy Powell, representing the Area Policy Council

* * * *

Dr. Cisneros stated that he had called a special meeting of the Executive Committee of the River Corridor Advisory Committee. There were basically three main options available: (1) proceed with the project as it was proposed; (2) proceed with project with major modifications; and (3) stop the project. Seven to one members voted in favor of continuing the project with modifications. Dr. Cisneros further stated that an engineering expert from University of Texas at San Antonio had some real alternate design ideas which the Council could give consideration to. He suggested that a committee meet with the contractor and work out possible alternatives.

Councilman Hartman questioned the need for the project and asked for a re-examination of the merits of the project.

After much discussion, the Council concurred that the City Manager negotiate a pause with the contractor and the Chair would appoint a committee to consider alternatives to the project.

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There being no further business to come before the Council,
the meeting was adjourned at 7:45 P. M.

A P P R O V E D

Lila Cockull

M A Y O R

ATTEST:

G. V. Jackson Jr.
C i t y C l e r k