

REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF SAN ANTONIO HELD IN
THE COUNCIL CHAMBER, CITY HALL, ON
THURSDAY, MARCH 3, 1977.

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The meeting was called to order at 9:30 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:

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77-12 The invocation was given by The Rev. Spiro Pieratos,
St. Sophia's Greek Orthodox Church.

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77-12 Members of the City Council and the audience joined in the
Pledge of Allegiance to the flag of the United States.

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77-12 Consideration of the minutes of the meeting of February 24,
1977, was postponed for one week.

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77-12 PRESENTATION OF CITATIONS TO MEMBERS OF
THE COORDINATING COMMITTEE FOR THE MAYOR'S
PRAYER BREAKFASTS.

Mayor Cockrell presented Citations to the following persons:

Dr. Louis Zbinden--1976 Chairman and 1977 Member of Committee
Rev. Jimmy Allen--1976 Member of Committee and 1977 Chairman
Bishop Patrick Flores--1977 Co-Chairman
Rabbi Amram Prero--1977 Co-Chairman
Rev. Don Baugh--1976 and 1977 Member of Committee
Rabbi David Jacobson--1976 Member of Committee
Father Albert Benavides--1976 Member of Committee
Rev. Claude Black--1976 and 1977 Member of Committee
Canon David Veal--1977 Member of Committee
Col. Joseph McShane--1977 Member of Committee
Rev. Don Anderson--1976 and 1977 Member of Committee
Dr. P. S. Wilkinson--1977 Member of Committee
Rev. Lavalle Lowe--1977 Member of Committee

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The Citation read as follows:

THE CITY OF SAN ANTONIO
(State of Texas)

Hereby Presents This

CITATION

IN SINCERE APPRECIATION FOR

OUTSTANDING SERVICE TO THE COMMUNITY

AS A MEMBER OF THE

COORDINATING COMMITTEE FOR THE

MAYOR'S PRAYER BREAKFASTS

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RICHARD MORALES CASE

Attorney Ruben Sandoval on behalf of the Richard Morales family and himself thanked the City Council for their support on the Richard Morales case.

RESOLUTION FOR E. M. S. WEEK

Mayor Cockrell read the following Resolution:

A RESOLUTION

No. 77-12-12

EXPRESSING THE CITY COUNCIL'S DEEP APPRECIATION TO ALL OF THE PERSONNEL OF THE EMERGENCY MEDICAL SERVICE FOR THE CONTRIBUTION THEY HAVE MADE TO THE HEALTH AND SAFETY OF THE CITIZENS OF SAN ANTONIO AND EXTENDING BEST WISHES FOR CONTINUED SUCCESS.

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

Mayor Cockrell stated that the City Council has under serious study the recommendation of the E. M. S. Advisory Committee for additional funding to train additional personnel as E. M. S. Technicians. Other Council members also concurred with this recommendation.

Mayor Cockrell presented the Resolution to Fire Chief I. O. Martinez. Also present for the presentation were: Chief Roger Penrod, Director of E. M. S.; Administrative Officer Captain Alejandro Vargas; and E. M. S. Technicians John M. Huber and Robert Kyrisch.

BOYS CLUB

Mr. Sam Jorrie, President of Boys Club, and Mr. Ed Narro, Executive Director, presented tickets to each Council member to the Golden Gloves Tournament and invited them to attend. He stated that proceeds of the Tournament will benefit Boys Club. He also thanked the Council for the previous support given Boys Club.

DISCUSSION OF THE GAS SETTLEMENT

The Clerk read the following Resolution.

A RESOLUTION

No. 77-12-14

APPROVING THE FEBRUARY 28, 1977, RESOLUTION OF THE CITY PUBLIC SERVICE BOARD APPROVING THE JANUARY 24, 1977, SUMMARY FOR SETTLEMENT AND REORGANIZATION PLAN FOR LO-VACA GATHERING COMPANY, COASTAL STATES GAS PRODUCING COMPANY, COASTAL STATES GAS CORPORATION, OSCAR S. WYATT, JR., AND THE CUSTOMERS OF LO-VACA GATHERING COMPANY, AS THE BASIS FOR SETTLEMENT OF THE CONTROVERSIES AND LITIGATION BETWEEN COASTAL STATES GAS CORPORATION AND SUBSIDIARIES AND OSCAR S. WYATT, JR., AND THE CITY OF SAN ANTONIO AND OTHER CUSTOMERS AS THEREIN DESCRIBED.

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Mrs. Beatrice Gallego, President of COPS, stated that the citizens of San Antonio will not benefit from the settlement of the suit. They are also opposed to the use of local revenue sharing funds for relief of rates charged by the City Public Service. She urged the Council to delay action on the Resolution until a meeting is set up between the Governor, the Railroad Commission and the Texas Legislature.

The following discussion took place:

MAYOR LILA COCKRELL: Thank you. I'll be happy to tell you what contacts have been made relative to an invitation to attend a public meeting here. Some of the contacts were made by Mr. Berg and Mr. Biggs, and I, myself, have made another contact. I have reached the Governor, and he states that due to the press of official duties in Austin, he is unable to accept an invitation to come to San Antonio. He would receive a delegation from the City Council and the City Public Service Board to meet with him, and this would be very similar to the suggestion made by Dr. Cisneros that following our setting an example by deciding what type of plan we wish to adopt that we go to the State and review with them a number of suggestions we have for State involvement. And the Governor has indicated that he will be very happy to receive a delegation from the City Council and the City Public Service Board to sit down to discuss these issues.

Now, I'd like to call on Mr. Berg if he would be kind enough to come forward to just state the contacts he made relative to the availability of any other of the persons we mentioned coming to San Antonio. Contacts have been made, as I understand it with Mr. Berg, with the Lieutenant Governor, the Speaker of the House, and the members of the Texas Railroad Commission, and it is my understanding that each of those persons said either that the press of official duties would not permit them to come, or, in the case of Railroad Commission members, some question as to their legal involvement in coming to meet outside of their own stated palce of meeting. Is that correct, Mr. Berg?

MR. TOM BERG: That is correct. This was done immediately after the public hearing, and they support your request that a delegation be received in Austin and they said by all means.

MAYOR COCKRELL: Fine, thank you.

MRS. BEATRICE GALLEGO: This is before anything is signed.

MAYOR COCKRELL: No, Mrs. Gallego, it's not.

MRS. GALLEGO: This is requesting a delay. That is what we're asking for.

MAYOR COCKRELL: I understand you request.

MRS. GALLEGO: It sounds like you're taking a different direction from what the citizens are requesting--we're asking a delay and we're asking for this...

MAYOR COCKRELL: At the public meeting I made a commitment to extend invitations to these officials. The invitation had been extended by me and, also, Mr. Berg, as representative of the City Public Service Board. The invitations were not accepted to come to San Antonio but we do have indication that they will receive a delegation and those invitations have been all extended, as I promised. We cannot have a public meeting here because the invitations were not extended--not accepted rather.

MRS. GALLEGO: But what we're asking, this is before any action is taken, such as today.

MAYOR COCKRELL: No, the action that was promised has been taken in the invitation having been extended. But the Council, today, has not stated that it will refrain from action on the pending settlement and that's the decision that will be forthcoming today.

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The following representatives of COPS also spoke in opposition to the Resolution approving the gas settlement at this time. They demanded that the Governor and the Railroad Commission be present at a public hearing and that the State provide relief for the high cost of utility bills. They stated that citizens cannot afford the high cost of fuel, and urged Council to delay passage of the Resolution:

Mrs. Domingo Siller
Mr. Guadalupe Alcoces
Mrs. Clare Etta Williams

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MR. GLEN HARTMAN: Madam Mayor, I would like to respond briefly on this very frustrating issue, if I may, and I promise to keep it short. I think the frustrations of this particular issue are sort of reminiscent of the three ants who were floating along on a log down the river and each of the ants thought that he was driving. I think the situation here is one that, perhaps, is about as frustrating as any public official can ever see, that is the case, we have a settlement, or we have a situation where, I grant you, we are not really going to address the main problems that we face. This settlement is not going to bring down the price of gas --no way--and we shouldn't even kid ourselves into thinking that we are one of those ants driving that log for we can do that for the price of gas is something that is going to be going up and up and up--not because of anything that is done here or even relates to this contract or, for that matter, anything that is done at the Texas Legislature. We are reaping the benefits--or the agonies, I should say--of the lack of a national energy policy and that's the only way that the price of gas is ever really going to be addressed.

Secondly, this settlement doesn't really do anything to address the matter of the supply of gas. True, we talk about the gas search program, but the gas search program doesn't really deal with the supply of gas rather the source of a supply and even that is, I think, conjectual.

There is, of course, the moral question that has been introduced into this thing from way back and that is the matter of Oscar Wyatt and his role in the issue. But the moral issue side, let us not delude ourselves into thinking that we are really doing anything about either supply or price.

This is a settlement that is offered to this City. It does provide some compensation, all be it very small in proportion to the total amount sued for. To settle an issue that actually, in terms of addressing the real problems is unsettleable by us, or that matter, by the State Legislature. True, the Legislature can do some things to address the problem, but at best, they're really picking at the fringes and that is where we have got to recognize where this all about. I am as agonized as you are about the matter of where we are, but I realize and I would hope that all of the community would realize, that there is just more about this problem than we are in a position to do anything with. So, I think that the settlement offers a very partial termination of a battle that has been seemingly endless and which nobody who has looked at it can really see any reasonable expectations for.

I intend to vote for the settlement for the simple reason, and with the condition that the rate relief plan that Dr. Cisneros has put forward be initiated, and I also have a second strong feeling that the headquarters be located in San Antonio, but I am going to vote for it not with the expectation of solving the problem but rather, hopefully, putting an end to a long and pointless controversy.

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March 3, 1977
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Mr. Henry Munoz, Jr. spoke against the hiring practices of the City Public Service Board and asked the City Council to take corrective action against the discrimination at the City Public Service Board.

Dr. Nielsen stated that the documentation presented at last week's meeting was referred to City Public Service Board's officials.

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Mr. Frank Cortez, Community Relations Director for Radio Station KCOR, presented a recording of a program taped March 1. He stated that the majority of listeners were opposed to settlement of the suit. He also stated that some listeners had suggested a referendum election so that voters could decide the issue.

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Mr. W. G. Conway, spoke on behalf of the San Antonio Manufacturers Association. He stated that they wanted to go on record that any and all monies received in the settlement be refunded to all utility users on a strict pro-rata basis. If the above suggestion is not followed, the San Antonio Manufacturers Association urged that the money be set aside in a special account and both principal and any interest be used for power generating facilities.

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The following discussion then took place:

MAYOR COCKRELL: Let me get just the gist of it. You want the refund to go on a pro-rata basis to all classes of utility customers and be in the nature of refunds on utility bills, or just how do you project that?

MR. CONWAY: That's right, if anybody paid one dollar or a thousand dollars, the refund would be made according to any person who pays a utility bill, any person or business or anybody.

MAYOR COCKRELL: The intent of the City Public Service Board is that the--as benefits are received--payments coming in, that they will go out in direct credits on the fuel accounts to all categories of customers and they will appear in a notation on the individual bill as a credit. Yes, sir, Dr. Nielsen.

DR. D. FORD NIELSEN: The one exception is, I don't think there's been any specific addressing of your request that additional monies or whatever be set up on a reserve account for construction. Mr. Berg is here and I don't think that's...

MAYOR COCKRELL: That alternative is not one that is to be--going to be considered--at this time...

MR. TOM BERG: It's been rejected.

MAYOR COCKRELL: It's been rejected. The position of the City Public Service Board is that all monies and benefits that come in will go in direct benefit to all categories of consumers and will apply directly on the fuel account of their monthly bill. All categories, yes sir, the attorneys have pointed out that this is the proper and legal way to proceed. Mr. Pyndus.

MR. PHIL PYNDUS: With reference to that request that it be handled on a pro-rata basis to all users, as I understand, there's a resolution this morning for relief to a certain class of users and that's residential only, and I think...

MAYOR COCKRELL: That does not pertain, however, to the benefits of the settlement, that's a different plan.

MR. PYNDUS: Well, I think this has...this certainly has a connection because his approach is to all users, and I support that approach.

MAYOR COCKRELL: Yes, Mr. Berg, would you like to come up and just verify the fact that the City Public Service Board has passed a resolution.

MR. BERG: Yes, as the Mayor has pointed out, Mr. Pyndus, these are two separate things that have nothing to do with each other. Mr. Conway and people are addressing themselves to the settlement question only. All monies received will be directly a credit to each individual bill. It will go directly against the fuel adjustment. So, for example, if the fuel adjustment--let's say-- is \$30.00 a particular month and the credit was \$20.00, your net fuel adjustment would be \$10.00, all monies will be used that way, no monies will be used for capital improvements or anything of that sort.

MAYOR COCKRELL: Thank you, Mr. Billa.

MR. BOB BILLA: Mayor, there's no clarification in all the discussion whether those people that have terminated their accounts are going to receive any benefits.

MAYOR COCKRELL: It will only be to on-going accounts.

MR. BERG: That has been discussed a great many times over the past couple of years, Mr. Billa. It's just an impossible, impractical thing to go all over the country looking for people.

MR. BILLA: I don't want to do that, but I don't see it, anywhere, how they define people who are...

MR. BERG: People who are now connected to the system.

MAYOR COCKRELL: Mr. Teniente.

MR. TENIENTE: Madam Mayor, it seems that the discussion, as in regard to the settlement, has already been basically approved by Council in an informal session. The question I would have is again in line with the refund to all rate payers. I'm wondering, and I'll ask this to our attorney, I guess, as to whether we could not just limit this to just homeowners, rather than all rate payers because the commercial and industrial-people accounts would eat a big bunch of the settlement because they're the largest users. I'm wondering if this is legal, or not, to just narrow it down to just homeowners.

MAYOR COCKRELL: Could I call Mr. Jon Wood first, the City Public Service Board Attorney, who I know has researched this for the City Public Service Board and let him make his comments and then see if our City Attorney's Office concurs.

MR. JON WOOD: Excuse me, my name is Jon Wood. I'm the Attorney for the City Public Service Board. Mr. Berg has been very much in favor of trying to do something like that as you have suggested, Councilman Teniente. We have researched it. It is our opinion, that since the damages suffered for which we're suing in this law suit have been suffered by all classes of customers, that the benefits received from either a trial or a settlement of the law suit should, and merit to the, benefit of that same group, in other words, all classes of customers; and to do otherwise with the benefits of the settlement would be discriminatory.

MR. TENIENTE: Would it be discriminatory in your opinion? That's what I'm asking.

MR. WOOD: Yes.

MAYOR COCKRELL: Is that concurred in by the City Attorney?

ASSISTANT CITY ATTORNEY LOUIS GARCIA: Yes, Madam Mayor.

MAYOR COCKRELL: Thank you. All right. Thank you very much for your comments. There was a student person registered earlier and I was not sure if it was relative to the gas settlement or something else. Mr. Richard Page. It may have been relative to another issue. I know. Now, Mr. Rodriguez is registered; but I don't know if it's on this item or another. Mr. Slaughter, you were going to be on another issue? Fine. Then, Mr. Mike Morrow wishes to be heard.

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Mr. Mike Morrow spoke in favor of the gas settlement and urged the Council to take action in favor of settling so that the City can proceed to other urgent matters.

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MAYOR COCKRELL: Thank you very much. That concludes the persons that I had registered to speak. And, at this time, we're open for any Council action. I have two hands. All right, Mr. Pyndus.

MR. PYNDUS: First of all, I think there is some misunderstanding with reference to help from Austin. Some citizens asked that we force the Governor to do something, and I would like to state that the mess that we are in now was created in San Antonio, and we have to take action to get out of the mess.

I would also like to say that this City Council has been advised by our attorneys that this settlement in which I moving to approve, and I so move, is in the best interest of our City, and I do think that we should not fool ourselves as Glen Hartman has spoken to you. What we have in this settlement is a new gas company which is not controlled by Oscar Wyatt. Oscar Wyatt has been relieved of thirteen million dollars in stock by this settlement. We have received a gas search program to provide for new gas at discounted prices. The City's eight million dollar debt to Lo-Vaca has been written off, and City Public Service Board has been relieved of this payment. The new company headquarters will be located in San Antonio. There will be an elimination of costly court litigation that could drag on for years and possibly, very possibly, reduce the current financial resources of Lo-Vaca and Gas Corporation. It should be pointed out that neither settlement or bankruptcy will guarantee a check to rate payers. Neither settlement or bankruptcy will guarantee reduction in gas prices. However, proper settlement will prevent rates from escalating as rapidly as they have in the past. It has been stated by our attorneys that this settlement package will return to our City more than we can expect through additional litigation or bankruptcy. All benefits received by the City Public Service Board under this settlement must be used to relieve the overburdened rate payers and, inasmuch, as no cash money will be realized, the City must reduce--the City itself, this City Council--must take action to reduce its share of its take on the pass through charges, and I would move for adoption of the Resolution.

MAYOR COCKRELL: Dr. Nielsen.

DR. NIELSEN: I would like to second that, and say that it is true that we have met our so-called bottomline for the gas settlement with Coastal States. I have been for negotiating the settlement over the past two years because I felt that it was in the best interest of all the citizens of San Antonio. It's true that the true benefits of settlement will total approximately 84 million. Because of our delay, we have seen the Lo-Vaca system lose many long-term supply contracts because of their inability to compete for the gas and causing the City to have an occasional curtailment and rapidly rising energy costs. Other gas-producing states, such as Louisiana and Oklahoma, had an intra-state rate of from 30 to 40 cents--30 to 50 cents cheaper than the intra-state in Texas. This was primarily due to the many independent bidders of gas other than the pipeline companies. Tremendous amounts of gas that was bought from a spot basis by Lo-Vaca is no longer available on a long-term supply contract. Our delay has given the inter-state pipeline companies,

due to the recent national emergency and the National Gas Emergency Act, the opportunity to compete with the Lo-Vaca system for long-term contracts, that the system is presently trying to--buying on-the-spot purchase basis. Houston bought two major packages of gas that were available in west Texas because of the concern of Lo-Vaca's inability to pay for the gas. I estimate that our delay in negotiating this contract settlement has cost the citizens of San Antonio at least 30--24 to 30 million dollars per year in additional costs. This estimate is based on the fact that we are paying about 40 cents for 1,000 cubic feet of gas more than we could have contracted gas for two or three years ago. In addition to this cost, by negotiating the settlement earlier, we would have the benefit of Lo-Vaca headquarters in San Antonio approximately two years ago, which would have added another roughly 50 million dollars in circulation in San Antonio based on the theory of dollar turned seven times in the economy.

I am supporting this settlement because I feel that if we don't settle now, it will probably cost the citizens another 60 or 70 million dollars over the next two years in additional costs. The 84 million dollars that we will receive is really a lesser amount of dollars compared to what we would have saved the city in the past and in the future plus the assurance of many long-term gass supply contracts that are now available.

Madam Mayor, we have either reached the bottom line that we've been working on for the last several years, or we have not, I think it's important that a vote be taken. We do have two other serious matters--really not rate relief but some sort of concern that's been expressed. I offer minutes of the Council Meeting of March 29, 1975, when most of the present Council were not present, a very lengthy study. Mr. Krellwitz is here, he was Vice Chairman of it. He had recommended some specific things that we need to pursue and let's get on with it, Madam Mayor.

MAYOR COCKRELL: Thank you. We have a motion and a second. Dr. Nielsen has read a number of factors into his supporting statement that I don't think necessarily all of us would concur in; but, in terms of some of his allegations regarding the cost of delay, I feel very strongly that the fight that has been waged by this City Council in insisting a substantive addition to the settlement package and in raising the total overall benefits to all customers of over 100 million and, specifically, to San Antonio of 25 million dollars have been very substantial. In addition to which, we have been working very closely in harmony with other customers attempting to get a unified approach to this bottom line package. Dr. Cisneros.

DR. CISNEROS: Madam Mayor, the discussion this morning has been very honest and very practical. That is to say, we've dealt with the unpleasant, unpretty realities of the situation. It's been a discussion that's focused on intractable situations.

Intractable situation 1--we're dealing with an adversary that's very powerful, and it's not likely that we're going to get a better settlement.

Intractable situation 2--we're dealing with a statewide gas problem to which we have not been able to get broad attention of the major leaders in the State. We have not been able to get the attention of the Governor or the Legislature or the Railroad Commission to deal with the problem of the price of gas.

Intractable situation 3--we're dealing with a national situation, one in which there are laws of supply and demand in play. As the supply continues to contract, we find situations where price rises but we've not dealt sufficiently with.

Intractable situation 4--which is that the family budget and the ability to pay of people in San Antonio is now stretched to a limit.

We have not dealt with the situation that we, as a City government, dating back to 1975, I guess, was when this was rampant and even before that, have taken a good line relative to rate relief and taken a good line relative to stabilization of price, and taken a good line relative to trying to deal with the problem of the consumer, and we have not actually put a plan into being.

I would like to, if it takes a substitute motion, but if not, then just verbally now, to direct the discussion of this Council to what we are going to do by virtue of a rate-relief plan. We have not finished our work on the settlement, on stabilization, on dealing with San Antonio's gas problem until we have dealt with that equally difficult situation which is how we are going to provide meaningful, meaningful rate relief to the consumer.

Now, I did pull together a plan, or what I hoped was the outline of a plan, and tried to get Council concurrence that this was a policy direction in which we wanted to move. We did get that direction and the staff has worked on outlines. But, Mayor, I hope that we as a Council, either this morning or in some subsequent session, will deal with the specifics of what we are going to do-- no more talk, no more vague plans, no more commitment, no more resolutions--but a plan that is going to commit municipal resources in the interim and that over the long term other resources as we can get them to deal with the rate-relief plan that is meaningful. The simple fact of the matter is that there are people that we can no longer turn our backs on. It is easy for a public official... we all go home to our homes somewhere above the medium income of the City to situations in which we don't have to deal with the problems of those people in this town who simply cannot pay. We have got to find some way to help them. And, if we don't do it now, then the powers that be in San Antonio will not understand the sense of urgency unless we tie it to this settlement.

MR. HARTMAN: Madam Mayor.

MAYOR COCKRELL: Just as a matter of procedure, I want to clear up this particular point. I, for one, just speaking as one individual voting member of the Council at this point, am strongly inclined and wish to support a proposal along the lines you state. The question is, whether or not you feel that we are prepared today to approve a package. Is it in the shape necessary, or would some sort of a pledge at this point to work toward this in the next few weeks...

DR. CISNEROS: Well, there are a couple of reasons why it is not in the shape yet. One of them is that it uses vague language--like the City Council is committed in principle to substantial relief--that we need to somehow either tighten up or set in motion the process by which it will be tightened up.

Secondly, it says something like the best form of such relief should be studied and determined and we are now to the point where we have to make decisions. This ought to be a decision day not a day for further study and such.

Finally, I understand the concerns that we most all have and Dr. Nielsen has been the most articulate in addressing them-- that we not use municipal funds which, hopefully, could be put to some better use than redistributing them in a relief package. So, we need the time, if you will, to go and get money that is available in the federal government and in the state government, if properly approached, to put together a relief plan. My hope would be that we could tie this matter up because my sense of it, and I am not--this is not an aspersion on the Council, it is just an aspersion on the way things have happened in San Antonio in general, lately, is that the moment that we get the urgen matter that everyone is focusing their attention on settled, it is going to be very difficult to put a plan together that will be in operation by...

MR. HARTMAN: Madam Mayor.

MAYOR COCKRELL: Mr. Hartman.

MR. HARTMAN: I would concur wholeheartedly with Dr. Cisneros on

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the point that we must make these two pieces of the same action. I have the same fear that if we deal with the urgent problem, there is a tendency to forget about those perhaps lesser urgent problems. We have got, my vote will be on the basis that the two are tied together because we--and I think in terms of a specific figure, Madam Mayor-- I think that we have a plan that has been developed, that has at least a good solid essence of what we are about...now the fact that we may have some minor fine tuning, I think we can recognize...we are talking in terms of shooting in terms of a period of about next October or November to apply this. I think, also, Madam Mayor, that a point that has been discussed with regard to tying this rate-relief package to a 10,000 cubic foot average use would be appropriate, but I do think and, I will state, that my vote for the settlement...that my vote for the settlement will be tied to the fact that we address the rate-relief problem.

MAYOR COCKRELL: Mr. Rohde.

MR. ROHDE: Mayor, I want to spell my position out clearly, In my view, any modification or adjustment in City Public Service Board rates, and I want to emphasize "any", should not be done without a public hearing. Public hearings on rate matters have long been a standing policy of this and previous City Councils. Also, the Texas Public Utilities Commission, in my opinion, has jurisdiction over rates of City Public Service Board by virtue of state law. I feel the issue today only should be the approval or disapproval of the Coastal States Gas Corporation with Oscar Wyatt, Jr., settlement with the people of the City of San Antonio. I feel that I will support some type of relief to disadvantaged rate payers at a later date, after public hearings are held properly.

MAYOR COCKRELL: Dr. Nielsen.

DR. NIELSEN: One of the difficulties this Council has had from time to time is being able to discern the lifting of the serious policy priorities, certainly there is a healthy amount of politics involved in that--but we really have a problem separating serious policies from politics. I think there is no question but, beginning in 1974 to this present time, some serious work has gone on in this very serious matter of some kind of--whether you call it support in a subsidy or whatever for those particular persons in serious financial problems with their utility bills. It is not that nothing has been done--it is just that we have run into some roadblocks. We are getting close, but I still recommend to this Council, that in terms of serious policy, that the first thing to be done is to get on with this settlement. For one thing, unless we do, we are going to be sitting here for the next several years talking about the same size pie and how we are going to cut it up and one of the critical things we have got to do is to get that pie...inaudible...an energy availability cost competitiveness is critical in that matter.

MAYOR COCKRELL: Mr. Pyndus.

MR. PYNDUS: Mayor Cockrell, you have been one of the five that insisted that we go to court on this matter, and you have been one of the five that insisted on a better settlement bottom line, and now we have reached the point of making a decent settlement. We have all the advice of...we have all the rhetoric that we can stand. There have been five people on this Council, under the leadership of Mayor Cockrell, that insisted that we go to court, and we had leverage against Lo-Vaca and she has been one of the five that insisted on a better bottom line, and this morning we have reached the time that we have got to put that bottom line into effect. We are not in this situation alone. We have other cities waiting for our decision on the settlement.

Now, I do not wish to tie the proposal or resolution that Dr. Cisneros has proposed with this contract settlement. It is a separate issue--a very important, urgent issue--and I think it should be handled separately. The settlement or the rate relief that you mentioned, you put together in two weeks and you had two years, when this Council came on board, it was our promise to the people that we would handle the high utility bills, and now we have finally reached the point where we are going to settle this contract and you want to

delay it or slow it with a proposal that is not well-thought out, it only applies to residential individuals--it does not apply to all, and I do not think it should be included in this settlement agreement this morning.

MAYOR COCKRELL: Mr. Billa.

MR. BILLA: I am very happy to see this morning that nearly everyone on the Council recognizes the real culprit as I have been talking about since I have been on the Council. We have all come up with all sorts of gimmicks and so forth, and the real culprit has been the price of gas, it can't be addressed on the local level.

Now, I have been for the settlement simply because I think once something goes for so long and the amounts get so astronomical, there's no way that you can realize the amounts involved in the suit why then some other solution should be reached. But, it has troubled me that I think that now we are getting to a point where we think we have to rush into this because it seems like a political expedient thing, and we are not really resolving the real issue by going for the settlement today.

But relating or tying in a rate-relief program with the settlement, I think, is unreal. I think there is plenty of time to address this question if we are going to exercise the method as outlined in the Resolution that we ought to face the question forthrightly and not get the utility involved in giving preferential rate treatment or something of that nature, but rather recognize that what we have paid for utilities because of the Railroad Commission's action has really been the going rate for services that we paid for.

I mean, one issue is whether Lo-Vaca is violating their contract and the other issue with me is that the Railroad Commission, a duly elected body and supposedly has authority to regulate the price of gas, authorized the interim rates. I feel that even though as burdensome as it has been I've just paid the going rate for utilities, and we need to address the problem from now on--from this day forward. I think that we ought to either--I would personally like to delay action on the Resolution approving the settlement for thirty days until after the election so there's not this bit of emotionalism and irrational thinking that goes on in trying to resolve it before--it seems it has become a political thing--I am not sure that the benefits that would accrue to the City by a delay now because I think we have reached the point where the amount that supposedly is collectible are impossible and people who have delved into this thing and the data that I can analyze convinces me that the settlement does benefit the City more than continued litigation, because the only persons really benefitting now would be the attorneys.

What I am really trying to say is that I would move for a delay of it if I could get a second until after the election so that you don't have the political and emotional issues involved and not tied into--even addressed--the rate relief now because I think that it ought to come out of a general fund--if rate relief is needed and that utility cannot meet its own expenses it ought to be what it really is--a form of welfare or subsidy for those citizens that can't meet their obligations because what we are proposing is really telling citizens again, you can't manage your own affairs, we're going to help you manage them.

MAYOR COCKRELL: Rev. Black.

REV. CLAUDE BLACK: Madam Mayor, I think that it is appropriate that we take a look at the resolution on rate relief, in this sense--that whether we pass this resolution or not, some kind of relief is going to have to be provided for the citizens of this community. That's a reality. We are faced with that now. We are not just simply faced with it as a result of the settlement. We are going to be faced with it with or without the settlement. No matter what the situation is, we have had an escalation in the cost of utilities at a point where it has gone beyond the ability of many citizens to handle their utilities.

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Now, I think that this resolution, while it does not spell out in any great detail, it does create a commitment and, I particularly, as I discussed in the session, I am particularly interested in that facet of it that says the City Council of the City of San Antonio is committed because I feel that it is not just simply that we are going to simply say that, well, the Railroad Commission or other bodies did not respond properly. That within the framework of our own fiscal responsibility that we are going to institute a program that provides for rate relief. Now, the matter resolving the ultimate rate relief is not going to be a fixed matter, it is going to be a dynamic matter. It's going to be a matter that the other Council will be working on long after it's in session. We are not going to come up with a magic rate-relief formula. The Council that will be elected will be working on rate relief and possibly through the entire session that they are there. There just aren't those simple answers to it, and for that reason, I think that what we have said in this resolution, while it is not as defined as clearly as I would like to see, but I don't see...I see it as..making a commitment to move toward--to achieve rate relief. It is appropriate that we should deal with it in terms of the resolution itself.

MAYOR COCKRELL: I would like to just take an informal feel here at the moment. Dr. Cisneros, the present condition of that resolution, if it were passed today, would you feel that it would be a major start toward addressing the problem.

DR. CISNEROS: It certainly would be a step, Mayor, but I would like to see us act on a program instead of just terms of studying and determining something. I know what is going to happen...the revenue sharing money is going to be spent up and then, that's one more option, for a rate-relief program. And the next Council's going to try to educate itself relative to the first 300 kilowatt hours and that is going to take a while. It seems, knowing enough about the way government works, and it is not just here but everywhere, they react when their back is up against the wall and this is an opportunity to get a rate-relief package by getting some people to work real hard here in the next period of time.

MAYOR COCKRELL: Are you saying that you feel that you cannot act on the settlement until the rate-relief package has been completed?

DR. CISNEROS: That is what I said Monday.

MAYOR COCKRELL: All right. I am going to speak to the City Council at this time. The City Council has worked all this term of office--on first, pushing the lawsuit and then working for a settlement. We are at the point where our bottom line has been met, and we are facing a tough decision, tough because of the fact that even though we know that this settlement is the best settlement that we are going to get, and even though we know that if we don't take this settlement that the alternatives of the continued litigation are just going to bring worse problems to our City. We understand that many of our citizens are upset about it, and we sympathize with their feelings. Oh, yes, we do, we sympathize with our feelings. But the fact is, it is not right for us to fail to act or to do the wrong thing just under pressure. Now, this Council came to a decision. It came to a decision on a bottom line. It came to a decision saying that we felt this settlement had met the bottom line. It came to a decision saying it would act today, and we are facing a decision. Now, I have always wanted to work as closely as possible with citizens in the community. There comes a time, though, when as a responsible, elected official, you have to say, I have to have the courage to make this decision even when there are citizens who will hold it against me if I make what I think is the right decision, and I have to go ahead and do it.

Now I just will say that I am committed to a rate-relief plan, had it been completed today, and there is a resolution pending, I would be willing to vote today on the plan, it was made clear that we were going to vote today. An I think if this Council now does not carry through on its responsibility, I will feel very, very sorry that individual members of the Council were not able to abide by their commitments.

MR. HARTMAN: I think there is a point of clarification that is necessary and let me see if I understand precisely what is being said. The resolution that is before us, I would like to ask Dr. Cisneros, if he would, on his position with regard to the resolution again.

MAYOR COCKRELL: I would be willing to vote for this resolution if that is what it takes to get this thing moving, but I think we have to move today.

MR. HARTMAN: I am still trying to get clarification, in other words, Henry, do you have any, what problems do you have with the resolution wording?

DR. CISNEROS: I want to see a rate-relief program enacted.

MAYOR COCKRELL: That could not come within the next week or two weeks, could it? When would it come?

MR. HARTMAN: What we are looking for, and I have the same concern Dr. Cisneros has with regard to a firm commitment, and whatever wording doesn't accomplish that in the resolution, then let's put it in. But I want a firm commitment. To me, the resolution seems to be reasonably firm and...inaudible...So, I would like to see the resolution combined with the settlement action. Now whatever tightening up we do on the resolution, let's do it but I want to see the two tied together, and I want to see us commit ourselves.

MAYOR COCKRELL: All right. Can you suggest wording?

MR. TENIENTE: I think that I would possibly be the individual that would have to vote against the combination of plans because I am for a rate-relief plan and there is no possible way that I could vote for a combined plan because I am not supporting the settlement. I think the thing that I have got to do is include some other aspects that have to be considered, not only legally but, perhaps, the conservation of energy, and I am talking about a pilot plan--the pilot program--that can be presented to the housing committee that could work through the committee for proper insulation of homes in some certain areas of the CDA area that we could possibly use as a pilot program--insulation of homes that could save as much as 50%--as much as 25 to 50%--and we could do it anywhere in the CDA area, obviously District 7 doesn't have that much of the CDA area so it would have to be in 4, 5 or 6. I am not lobbying for that for any other reason. I think that has to be part of the plan...

MAYOR COCKRELL: Dr. Cisneros, you don't foresee any way that you could tighten up that resolution today. I'm eager to move on it today.

DR. CISNEROS: I understand you are, Mayor, and I understand the comments relative to commitments such as you directed, and I take all of that very, very seriously. I have had problems. Mr. Centeno has raised some very real problems but my main movement forward on this thing has been that I attended those meetings. I was with you at the Governor's--Attorney General's Office--when we sat down and we said this is going to be the bottom line and on the Attorney's best word they said this was the bottom line and we said, okay, if we get there we'll settle and everything else. But, there is another commitment, too, and that is to doing what is the right thing by the people who are getting hurt, and I am trying to balance off both conflicting, if you will, commitments. But, let me say this, I am not sure whether the resolution is the right vehicle. I would much rather prefer to see an ordinance enacting a program. That would be the relief program that I am after. A resolution committing the Council is not the enactment of a program.

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MAYOR COCKRELL: I would like to recognize Mr. Miller. Mr. Miller would you comment on, one of the citizen's comments, and I think that needs to be clarified, is that we could really wait until June 30, and there is no particular reason to make a decision today. And I would like for you to comment on why we have to make some kind of decision.

MR. BILL MILLER: I would be happy to, Madam Mayor, Councilmen. I think you are going to have to make a decision today on the settlement, or I think you are going to have to forget the settlement. That's my honest, realistic appraisal of the situation.

MAYOR COCKRELL: Would you state why you feel that way, Mr. Miller?

MR. MILLER: I feel this way because San Antonio has taken the lead. The Mayor and the City of San Antonio and with the full advice of the Council and the full information of the Council at every stage of negotiations since the July settlement was rejected, and I would like to take this opportunity to say that, in my judgment, it has turned out, this Council and the people who urged the rejection of that settlement did the right thing and the settlement has been greatly improved. But these negotiations cannot go on indefinitely. Consideration of this settlement plan cannot go on indefinitely. This matter was originally set about a month ago. It was put off about a month and that slowed the momentum of the settlement so far as the other cities are concerned. Nevertheless, that was probably the advisable thing to do. And it has produced an atmosphere for rate relief, and rate relief plans have been designed in the meanwhile. So, that was an advisable thing to do. But you cannot keep on doing that. And that is the reason I say to you quite frankly, quite frankly, that if you do not bite the bullet on the settlement today; my own best judgment is that the momentum will be lost; the leadership will be lost, and it will be a great disservice, not only to the citizens of this community but to the state, in my humble judgment for what it may be worth.

Now that doesn't mean that this is an insurmountable problem. I don't think you have an insurmountable problem. I think you have an easily surmountable problem, and I believe that Mr. Hartman was groping for that a moment ago, when he was asking Dr. Cisneros if there--you could not make changes in this proposed resolution that would make it more definitive and more binding on the fact that you would be committed to rate-relief. It's reasonably binding now, but language changes could be made, well, let me address myself to that, Dr. Cisneros. The reason that it's not more binding was to leave the Council with some flexibility for action on what might ultimately-- you might ultimately decide what you wanted to do. If you had, if you knew exactly what you wanted to do in the way of rate relief, if this Council knew exactly what it wanted to do in the way of rate relief and could put it in a resolution today, sure put it in the resolution and pass that resolution. It's only because some of you may not know or may not be satisfied with exactly what rate relief you want to put in that it was put giving you flexibility at the same time permitting the Council so that the ratepayers would know, so the ratepayers would know that they were going to get rate relief, and there are further changes in the language. It will improve in this regard, and I would suggest for one thing you take out "in principle", you could take out the word "in principle" and say the City Council, the City Council of the City of San Antonio, is committed to substantial relief for its residential gas consumers during the winter months. In the next line, in the next section, you could take out "should" and you could say that the best form of such relief "will or shall" be studied and determined and some language here that I think you may have overlooked, Dr. Cisneros, in time to be effective during the winter months of 1977-78. Now, that language was put in there is advisably to avoid any further delay in the consideration of the exact form of that rate relief.

MAYOR COCKRELL: May I ask if the alterations along that line would be acceptable to a number of the members of the Council? Mr. Hartman.

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MR. HARTMAN: I would like to say, first of all, that Mr. Miller has indicated, I think, for moving in the direction that we're talking. I would also add, and recommend that, in order to make sure that we are committed to a specific time of action, I would add, Section Four that would read as follows: "That the City Council will enact an ordinance not later than March 31, 1977, establishing a specific rate-relief plan within the periment set forth in this resolution."

MR. MILLER: I would see no objection to that, I think it would be highly appropriate.

MR. HARTMAN: I said March 31.

MAYOR COCKRELL: All right.

MR. HARTMAN: You know, to give us the end of this month to have a specific ordinance embodying a rate-relief plan and taking out the "in principle", I think this will do, this will accomplish what we're after.

MR. BILLA: Who are we trying to satisfy, the citizens or ourselves?

MR. HARTMAN: We're trying to do the right thing.

MAYOR COCKRELL: Let me, yes...Fine, thank you, very much. Yes, I understand. At this point, Yes, Mr. Pyndus.

MR. PYNDUS: Mr. Miller, in the change, sir, you said the Council is committed to relief of the residential customers, does this preclude relief to the small business people--customers. It does not preclude that.

MR. MILLER: No, no, it does not. It does exclude them but the commitment would be to the residential customers.

MAYOR COCKRELL: Just a moment. I want to ask everyone to get quiet.

MR. PYNDUS: Thank you, sir.

MAYOR COCKRELL: Mr. Hartman.

MR. HARTMAN: If a motion is in order, I would like to ask, I'm sorry.

MAYOR COCKRELL: There is a motion and a second, but it depends on what type of motion. Yes, a Resolution approving the settlement.

MR. HARTMAN: I would make a substitute motion, Madam Mayor, that we adopt the resolution--this is on the commitment, the rate relief within form as it exists in addition to the changes that Mr. Miller has made and with the addition with this Section 4 that I...

DR. CISNEROS: Could we hear the changes again?

MAYOR COCKRELL: Mr. Miller, would you read those changes once more?

MR. HARTMAN: And with the Section 4 added.

MAYOR COCKRELL: Excuse me just a minute, would you come up again to the mike so we can have it on the tape.

MR. MILLER: In Section 1, you would strike out "in principle" so it would read that the City Council of the City of San Antonio is committed to "substantial relief" and so forth.

In Section 2, you would strike out the word "should" and you'd substitute "shall" and you also would keep in mind that the fact that it has to be done in time to be effective this winter which is already in there.

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And, then, Section 4 would be as Councilman Hartman has suggested.

MR. HARTMAN: Madam Mayor, I think with these changes we get out some of the conditional tense, plus the fact that we establish the perimeter of 1,000-10,000 cubic feet per month. In Section 1 and Section 2, we state that there could be further refinement as to best ways of relief in order to be effective during the winter months of 1977-78. Section 3 establishes the specific amount of money and Section 4 would then commit this Council to enacting a specific ordinance that would establish the rate-relief plan withing the perimeter set forth. So, to me, that would tie it down to a specific plan of action, and I would like to make a substitute motion, Madam Mayor, that those changes be incorporated and this be adopted.

REV. BLACK: I second that.

MAYOR COCKRELL: It has been moved and seconded that the Resolution be substituted, committing the City Council, the City of San Antonio, to substantial relief for residential gas consumers, as a matter of intent, it would be your intent that, if this passes, then we would then next consider the original motion as a new motion. All right, with that clarification...so what we are now doing is substituting for first consideration the motion on the relief program.

MR. HARTMAN: That is correct, Madam Mayor, in my viewing, this then we will have committed this Council to positive action on the rate-relief area once having accomplished that, then I will feel free to proceed with the approval...

MAYOR COCKRELL: All right, there is a motion and a second, may we, yes, I think Dr. Nielsen had his hand up, I failed to recognize him.

DR. NIELSEN: That's quite all right now, Mayor, I'll have my say in a moment.

MR. PYNDUS: Clarification, please, out of the motion that I made and was seconded by Dr. Nielsen--the motion was made by Dr. Cisneros on rate relief.

MAYOR COCKRELL: No, there was no motion by Dr. Cisneros.

MR. PYNDUS: You and your substitute motion, did it receive a second?

MR. HARTMAN: Yes, Rev. Black.

MR. PYNDUS: And it's--how it would amend my original motion again, please.

MAYOR COCKRELL: It is a motion by substitution, and it is substituting this other resolution for first action prior to the action on the settlement.

MR. PYNDUS: I would like to speak out against that motion. Now, Mr. Hartman, we've had two years for this rate relief, and I feel I'm being a little pressured and stampeded with this request at this time. For the last two years, I had repeatedly stated that we should not take as much monies from the City Public Service Board as the City has. Even speaking against an increase in the City budget, and I think at this moment when we have a settlement that we fought so hard to get passed and on the table and a bottom line to take this and endanger that settlement is not dealing with it squarely, and I speak against the motion and I certainly stand for rate relief for the customers but this is not the way to do it at this time.

MAYOR COCKRELL: Mr. Hartman.

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MR. HARTMAN: I would like to respond to that, Mr. Pyndus, I don't see where in the world this resolution would in any way endanger the matter of the settlement. What I'm saying, I want this Council to commit itself to a rate-relief package first, and having accomplished that, I will then be prepared to vote for the settlement. I think that's very simple. The two do not hurt each other, it is a matter of sequential action.

MAYOR COCKRELL: All right, Rev. Black.

REV. BLACK: I want to speak in behalf of the substitute motion. Now, the substance of all that the citizens said with reference to any settlement or non-settlement has been to address some remedy to their problem and to my problem, to our problem of rate. This is the substance of it. You can talk about all of the implementation and all of that but the substance of all of the concern is try to address the rate relief. It seems to me that it's only proper that inasmuch as their concern for rate relief has been tied to the settlement that we would, likewise, this morning as a responsible Council, tie our action to that settlement--not tying it in a sense that you don't have two separate actions, but tying this Council in terms of its interest, in terms of its concern, in terms of its response to the citizens of this community with the substantive issue being rates, and so we're saying not just simply that the state government is going on record--we're saying this Council is going on record to address rate relief. And I think that's important, and I certainly think it ought to be supported by itself.

DR. NIELSEN: I disagree rather vigorously, Rev. Black. What's happening, very candidly, is we're finding a critically expedient opiate fiscally irresponsible. Nobody's really taking a hard look at what this does to our fiscal system for the next year, and I trust that the Manager has had a brief moment to do it, and we're separating--we're failing to separate again, very clearly, policy from politics, and I just disagree.

MAYOR COCKRELL: All right, at this point...

REV. BLACK: There is no higher priority in this community in terms of fiscal responsibility than some remedy to the rate relief of utilities--and there's no higher priority.

DR. NIELSEN: We cannot do it by being fiscally irresponsible with the budget.

MAYOR COCKRELL: We do have a resolution that is pending. I'll read the caption:

A RESOLUTION

No. 77-12-13

COMMITTING THE CITY COUNCIL OF THE CITY OF
SAN ANTONIO TO SUBSTANTIAL RELIEF FOR RESIDENTIAL
GAS CONSUMERS DURING WINTER MONTHS, TO BE
FINALIZED FOR APPLICATION DURING THE
WINTER MONTHS OF 1977-78, AND TO BE NOT
LESS THAN \$5.1 MILLION.

* * * *

MR. HARTMAN: Madam Mayor, with the changes...

MAYOR COCKRELL: With the changes that have been added, by the maker of the motion and seconded, as outlined by Mr. Miller...

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DR. CISNEROS: Madam Mayor, in its present form, the resolution may not result in rate relief. The reason is this, that the revenue sharing discussions are now underway and the March 31 decision is going to be upon us and, unless we take action, action--that's what I said, that's what I asked for Monday morning, and City Manager, knows that I called him from Fort Worth to talk about what they were doing to put together the plan--the program. Unless we take action, we're going to find that that March 31 action plan, Glen, that you asked for in this Section 4 is going to be inadequate. And it's not going to happen, and it's not going to happen because it's not going to be possible because things are going to be eaten away before it ends, that's why I've insisted that we have to tie it. Let me just ask you this, what force does this resolution have the day after that vote on March 31st, or whatever the date is, when the plan that was proposed fails, for example, fails to get five votes, then the resolution--the commitment--the rest of it has no force unless there is something being held up until the rate relief comes and that's the problem. That's why--we've talked publicly and privately about my position on the settlement, and I am for the settlement; however, I want this rate-relief package, and, if it takes an ordinance that the City hereby rescinds its take--exemption of the first 14%, and, if it takes an ordinance that says the City hereby lops off 2.6 of the 14% to set up the program, that's what it is that I'm after...

MR. HARTMAN: Madam Mayor, I'd like to say...

MAYOR COCKRELL: Mr. Hartman.

MR. HARTMAN: Madam Mayor, Dr. Cisneros, I'm fully sympathetic with your concern. I would state once again, that Section 4 which I proposed adding--we are stating that we are committing ourselves to enact an ordinance putting into effect the specific rate-relief package. Now the only reason that we cannot enact the ordinance today is simply the fact that the final minor, and I do say "minor", refinements that are necessary to put in that ordinance cannot be done today.

MAYOR COCKRELL: I think we have batted it around. I think we have had time to count noses on both issues. The first issue is on the substitute motion that would handle this first and, if this gets five votes, then it would be the intent of the maker of the motion to handle the second one. If this fails, then we vote immediately on the first ordinance. All right. The Clerk will call the roll.

DR. CISNEROS: No.

REV. BLACK: Yes.

MR. HARTMAN: Yes.

MR. ROHDE: I pass for the moment.

MR. TENIENTE: I vote yes for rate relief in realizing that there have to be modifications in the proposal.

DR. NIELSEN: No.

MAYOR COCKRELL: Yes.

MR. PYNDUS: No, and I'd like to state that I think to bring it up at this time is a little bit ridiculous, and it's a very nice thing to want a rate relief after you've been in office for two years, particularly when we had a budget before us of the City for a record \$136 million, and I beseeched this Council to reduce that budget. The only thing we're providing is five million dollars at this moment, and it's done with the plan that's not clearly defined and one that I did not approve of, and I think to bring it up at this time is sheer politics. It has nothing to do with good business judgment. I vote no.

MR. BILLA: Mayor, I have to vote "no" for nearly the similar reasons. I just don't like the introduction of this now and voting "no" is not saying that I'm against rate relief. I've been for rate relief, but we don't pursue it in a forthright, straight-forward manner telling the citizens exactly how we're going to accomplish it and still not reducing the regular City budget, this involves a 14% that the City gets from the City Public Service Board. Why, I'm perfectly willing to allocate any portion of that to give it back to the ratepayers and, however, this Council can do it according to the Charter. Now, the Charter does address to this and says that we can provide relief for those persons that are oppressed and I'm willing to go with it on that basis, but I don't want to get involved in it now.

MAYOR COCKRELL: Mr. Rohde, you had...

MR. ROHDE: Mayor, I shall vote "yes" with the statement that I shall vote "no" on the original motion of the settlement.

MAYOR COCKRELL: All right. The motion carried. We are now open to a motion to approve the gas settlement. All right. No, no, this was a substitute, this was passed--the substitute passed. We now are back to a new motion.

MR. HARTMAN: Madam Mayor, consistent with what I stated earlier, the fact that I think this Council has now reasonably addressed and tied itself to addressing the rate-relief problem and that having been accomplished, I will now move on the second motion that is to approve the settlement.

MR. PYNDUS: I second it, if it takes a second.

MAYOR COCKRELL: All right, it has been moved and seconded that the resolution whose caption has been read earlier approving the settlement be approved. The Clerk will read the roll.

MR. BILLA: Yes

DR. CISNEROS: No, I believe it should be predicated upon a rate-relief package.

REV. BLACK: Yes.

MR. HARTMAN: Yes.

MR. ROHDE: No.

MR. TENIENTE: No.

DR. NIELSEN: Yes.

MAYOR COCKRELL: Yes.

MR. PYNDUS: Yes.

CITY CLERK: Motion carried.

DR. NIELSEN: Madam Mayor, may we move very quickly to the third resolution. I've spoken to Mr. Wood. I would request that, in Section 1 which reads "City Council of the City of San Antonio fully supports and endorses the move of the headquarters" to add three words "and principle offices of the new company to San Antonio, Texas." Mr. Wood says there is no problem legally with doing that. It just tightens it up to principle office.

MAYOR COCKRELL: May we have that caption read?

The Clerk read the following Resolution:

A RESOLUTION

No. 77-12-15

EXPRESSING THE SUPPORT AND CONSENSUS OF
THE CITY COUNCIL THAT THE HEADQUARTERS
OF THE NEW COMPANY UNDER THE JANUARY 24, 1977
SUMMARY OF SETTLEMENT AND REORGANIZATION
PLAN BE MOVED TO THE CITY OF SAN ANTONIO.

* * * *

MAYOR COCKRELL: Motion seconded. Any discussion? Yes, with the amendment. Those in favor say "aye", any opposed, "no".

AYES: Pyndus, Billa, Cisneros, Black, Hartman, Teniente, Nielsen, Cockrell.

NAYS: None.

ABSTAIN: Rohde.

ABSENT: None.

MAYOR COCKRELL: The motion is carried. Mrs. Gallego.

MRS. GALLEGO: I would like to make a statement, you just got through telling all the people here in San Antonio to go to hell. Money versus people, and the money lined you up and COPS has lined up the voters. Your credibility, too, shot to hell. That's how we feel because we requested--you sold an election in politics and that's what it is. Politically, a decision was made, the citizens requested way in July and the delay and up to now, you can't tell us that the Governor and the Railroad Commission have nothing to do with it. Mr. Hartman can't sit there and tell us that the State can't do anything to help us out. Politically, this is all done politically, and you just got through telling us, just go to hell and go pay your bills, and that is exactly what we've been doing, paying our bills. It's a decision between heating and eating and that's what we're doing.

MAYOR COCKRELL: Thank you, Mrs. Gallego.

MRS. GALLEGO: The decision was made behind closed doors. Yes, it was.

MR. HARTMAN: Madam Mayor, I just want to respond to Mrs. Gallego. I would like the courtesy of permitted to respond. I think we all know who in the State government can or cannot do anything about it. We are not in the position, however, to demand that the Governor come here or that we hijack him and bring him to San Antonio. That is not the point. I think the point is as I stated in my opening statement--the matter, the problem with regard to the gas situation, the gas price and the gas supply is not a local problem and it's not a state problem; it is a national problem.

MAYOR COCKRELL: All right, thank you very much. We now will have a five minute recess.

77-12 The meeting was recessed at 11:40 A. M., and reconvened at 11:50 A. M.

The Clerk read the following Resolution:

A RESOLUTION

No. 77-12-16

URGING OUR CONGRESSMEN AND SENATORS TO SUPPORT IMMEDIATE ENACTMENT OF ADDITIONAL PUBLIC WORKS FUNDS AND AMENDMENTS TO ELIMINATE THE INEQUITIES OF THE PREVIOUS BILL.

* * * *

Councilman Cisneros explained the Resolution. He stated that the Resolution urges congressional support for enactment of the additional public works funds and the amendments that will govern project selection so as to guarantee that San Antonio will get a larger share of the benefits under the Public Works Act.

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

77-12 The following Ordinances were read by the Clerk and after consideration, on motion made and dully seconded, were each passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Hartman, Rohde, Teniente, Cockrell; NAYS: None; ABSENT: Black, Nielsen.

AN ORDINANCE 47,734

AUTHORIZING THE CITY MANAGER TO EXECUTE FIELD ALTERATION NO. 2 IN THE AMOUNT OF \$10,652.44, TO THE WAGNER AVENUE STORM DRAINAGE PROJECT 68C CONSTRUCTION CONTRACT.

* * * *

AN ORDINANCE 47,735

AUTHORIZING THE PAYMENT OF \$13,172.33 TO THE SAN ANTONIO RIVER AUTHORITY AS CONSTRUCTION AND ADMINISTRATIVE OVERHEAD COSTS FOR UNIT 5-3 OF THE APACHE CREEK PROJECT.

* * * *

AN ORDINANCE 47,736

APPROPRIATING THE SUM OF THREE THOUSAND TWO HUNDRED NINETY-THREE AND NO/100 (\$3,293.00) DOLLARS OUT OF DRAINAGE IMPROVEMENT BONDS, 1974 FUND NO. 42-001005, INDEX NO. 505,636, PAYABLE TO THE COUNTY CLERK OF BEXAR COUNTY, TEXAS, SUBJECT TO THE ORDER OF THE NAMED DEFENDANTS IN CONDEMNATION CAUSE NO. C-1377 IN PAYMENT OF THE AWARD OF THE SPECIAL COMMISSIONERS AND FOR PAYMENT OF THE COURT COSTS IN SAID CAUSE FOR THE ACQUISITION OF A PERMANENT EASEMENT TO CERTAIN REAL PROPERTY NEEDED FOR THE HILDEBRAND AVENUE DRAINAGE PROJECT NO. 37.

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AN ORDINANCE 47,737

ADOPTING A NAME FOR A CERTAIN NEW CITY PARK LOCATED AT 1500 SALTILLO STREET. (St. Timothy Park)

* * * *

AN ORDINANCE 47,738

AUTHORIZING EXECUTION OF A LEASE AGREEMENT WITH PERRY SALINAS D/B/A PERRY'S LATIN QUARTERS FOR OCCUPANCY AND USE OF A PORTION OF THE BEAUTIFIED RIVER WALK AREA ADJACENT TO THE SAN ANTONIO RIVER IN CONNECTION WITH A RESTAURANT OPERATION.

* * * *

AN ORDINANCE 47,739

ACCEPTING THE PROPOSAL OF WALKER PROCESS COMPANY TO FURNISH THE CITY OF SAN ANTONIO PUBLIC WORKS DEPARTMENT WITH REPLACEMENT PARTS FOR HEAT EXCHANGERS AT THE LEON CREEK WASTEWATER TREATMENT PLANT, A SINGLE SOURCE OF SUPPLY ITEM, FOR A TOTAL OF \$12,288.50.

* * * *

AN ORDINANCE 47,740

ACCEPTING THE LOW QUALIFIED BID OF BEKINS MOVING AND STORAGE COMPANY TO FURNISH THE CITY OF SAN ANTONIO WITH THE TRANSPORTING OF APPROXIMATELY 405 VOTING MACHINES FOR THE CITY COUNCIL ELECTIONS AT A PRICE OF \$17.25 PER MACHINE.

* * * *

AN ORDINANCE 47,741

PROVIDING FOR THE ESTABLISHMENT OF A SYSTEM OF FISCAL NOTES FOR ORDINANCES THAT REQUIRE THE EXPENDITURE OF NON-BUDGETED CITY FUNDS; THAT REQUIRE ANY NEW LOCAL TAX, FEE, LICENSE CHARGE, OR PENALTY; OR THAT REQUIRE AN INCREASE OR DECREASE IN ANY EXISTING LOCAL TAX, FEE, LICENSE CHARGE OR PENALTY.

* * * *

77-12

THE FORT SAM HOUSTON GATEWAY NEIGHBORHOOD PROJECT ADVISORY COMMITTEE

The Clerk read the following Ordinance:

AN ORDINANCE 47,742

ESTABLISHING THE FORT SAM HOUSTON GATEWAY NEIGHBORHOOD PROJECT ADVISORY COMMITTEE, AND PRESCRIBING ITS MEMBERSHIP, DUTIES AND FUNCTIONS.

* * * *

Mr. F. A. Kirkpatric spoke in favor of the Ordinance.

Mr. Gil Murillo, Social Planner and Chairman of the Fort Sam Houston-Government Hill-St. Patrick's COPS organization, asked the Council to investigate new planning processes such as the citizens participation mini-planning commission concept representing particular districts that is used in the City of Portland, Oregon.

He stated that because the City of San Antonio does not have a legitimized instutionalized planning structure, the membership of this committee will be strictly on political lines. For this reason, he asked the Council not to take action on appointing members to this committee until after May 1, 1977.

Rev. Black stated that the boundary line which Mr. Murillo had proposed was discriminatory because blacks were left out of the designated area.

Mr. Hartman spoke about the make-up of the Committee.

Mrs. Jo Anne Murillo, Area Leader for the Government Hill-St. Patrick's COPS organization, also asked that the committee members not be appointed until after May 1, 1977.

Mr. Lupe Alcoces, COPS, also asked that the Ordinance be delayed until all groups concerned have an opportunity to discuss this matter and come up with a possible compromise. He urged Councilman Hartman to set up a meeting.

Mr. Joe Gamblin, representing the Greater San Antonio Chamber of Commerce, urged the Council to approve the Ordinance. He stated that the Chamber feels that the advertising details can be worked out at a later time.

Mr. Hartman suggested that the proposed Ordinance be approved as written, and that the Council provide some good advertising--public relations--time to acquaint people in their neighborhoods with this Ordinance and give people an opportunity to consider people as their representatives to this committee. He also suggested postponing the appointments to the committee for six or seven weeks. He then moved to approve the Ordinance. Mr. Rohde seconded the motion.

Mayor Cockrell stated that the next Council could not be committed and suggested that appointments be made in the latter part of April.

After further discussion, the Council concurred that the appointments be made in a 30-day period and that the City Manager make the designation as to what staff will be responsible for the advertising in the neighborhoods.

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

77-12 The meeting was recessed for lunch at 12:30 P. M. and reconvened at 2:45 P. M.

77-12 CITIZENS TO BE HEARD

MR. JESSE R. DIAZ

Mr. Jesse R. Diaz spoke about the relocation of the Kelly Field National Bank to Leon Valley, Texas. He asked that the City Council pass a resolution protesting the moving of the bank outside the City limits. He further stated that the City of San Antonio and the Edgewood Independent School District will lose taxes.

Councilman Teniente suggested that this resolution be taken under consideration. Councilman Cisneros asked that the resolution be considered at next week's meeting.

Mayor Cockrell asked for information as to the appropriateness of the resolution and asked the staff to review this matter, and report back to the Council.

MR. RICHARD PAGE, JR.

Mr. Richard Page, Jr., a student of University of Texas at San Antonio, introduced several members of the student body at the University of Texas at San Antonio. He said that they are concerned about budget cuts at the state level which will mean a loss of funds and a loss of faculty. He asked if the Council could take some action to prevent this from occurring.

MR. MICHAEL TIDWELL

Mr. Michael Tidwell, Student Council President, also spoke of the budget cuts at the University of Texas at San Antonio, and asked for help from the Council.

Mayor Cockrell stated that she would be agreeable to sending out letters from her office, stating the importance of the University to the City.

Mr. Pyndus stated that the liaison man in Austin be made aware of this matter.

MR. KARL WURZ

Mr. Karl Wurz stated that he was sorry that his father had not lived long enough to see the school bond issue defeated. He then read a Letter to the Editor which was not printed in the newspaper. He also stated that it is wrong to say that a vote against the bond issue was a vote against children. He asked that the City Council reconsider positions taken in supporting bond issues.

MR. RAUL RODRIGUEZ

Mr. Raul Rodriguez, 709 Delgado, spoke against the issuance of a Citation to Reporter Debra Weser and asked that it be rescinded.

MR. MARTIN SADA

Mr. Martin Sada stated that he would like to discuss the budget and the Fire Department with the City Manager.

Mr. Huebner asked Mr. Sada to contact his secretary for a definite appointment.

MRS. JAN SIMS

Mrs. Jan Sims, representing the League of Women Voters, asked that the City Council approve a resolution next Thursday asking the State Legislature to appoint an interim study committee to implement and study methods for use of the land over the Edwards Aquifer yet protecting it from degradation.

Mayor Cockrell asked that the information be given to staff for financial implications and a report be made to the Council.

Mrs. Sims stated that the resolution must be on the Texas Legislature Agenda by March 15 and that the City Council adopt the resolution on the 10th of March at the latest.

Mr. Hartman stated that, if action is not taken during this period, it will be 1979 before it can be addressed again before the Legislature.

MRS. JOYCE ALBAUGH

Mrs. Joyce Albaugh read a prepared statement in opposition to the Urban Mass Transit Authority Plan-counterflow bus lane on Alamo Plaza. (A copy of her statement is filed with the papers of this meeting.) She stated that the Daughters of the Republic of Texas have not endorsed this plan and cannot endorse it until they meet on May 14, 1977, at the State Convention.

MR. DON BRASWELL

Mr. Don Braswell, President and Co-Owner of House-Braswell Company, read a prepared statement to the Council informing them of a newly chartered non-profit organization--The Basic Construction Organization. (A copy of Mr. Braswell's statement is filed with the papers of this meeting.)

77-12 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: Billa, Black, Rohde, Teniente, Cockrell; NAYS: None; ABSENT: Pyndus, Cisneros, Hartman, Nielsen.

AN ORDINANCE 47,743

AWARDING DEPOSITORY CONTRACT FOR CITY FUNDS.

* * * *

AN ORDINANCE 47,744

APPOINTING ONE REGULAR MEMBER AND ONE ALTERNATE MEMBER TO THE MAYOR'S COMMISSION ON THE STATUS OF WOMEN. (FOR TERMS ENDING NOVEMBER 24, 1977.)

* * * *

Ms. Carol Jansen appointed as a regular member.
Mrs. M. F. Raforth appointed as an alternate member.

77-12 GROWTH SKETCH PUBLIC HEARING

The following discussion took place:

COUNCILMAN TENIENTE: I have one item, Mayor, because next week is a very important week insofar as City business is concerned and, that is, the presentation of the Master Plan, and I was hoping that we could possibly hold that portion of the meeting in the evening for various reasons. There are several people that I've talked to in my neighborhood who would like very much to be present. I also know there are other ideas that could be presented at an evening meeting and also at a place where it could house more than what we have here, and I think citizens, basically are of the most important things possible, for them to make it. If a vote is necessary, then, of course, we would have to come back here.

MAYOR COCKRELL: I want to advise the Council. I have now received four or five letters from organizations and I was just going to share that with the Council requesting that we have an evening public hearing of some kind. We could have that Thursday evening if that is your pleasure and then--we do not necessarily have to take action that night. Council might wish, if there are a number of persons to be heard, to review the comments and then schedule it for final action following that--is that agreeable?

00100

MR. ROHDE: I'd like to request for the Council that they consider for the rest of the month and, especially for April 2, that we keep Thursday's agenda as short as possible. I'd like to see the Council try to arrive and complete their business at least by 3:00 o'clock in the afternoon. I think that the City Manager certainly can control this in many ways with the help of the Council. But, and I say it for a reason, the City Election is on and that the people want to hear the candidates and staying here until seven or eight o'clock in the evening on Thursdays is a little bit too long and then try to make meetings. I know that I get tired, and I'd like to hear the Council consider that and reach some decision.

MAYOR COCKRELL: All right. First of all, may I ask, is it agreeable with the Council if we schedule an evening meeting Thursday evening? We've had a request now from four or five major organizations asking that this be done.

MR. HARTMAN: Madam Mayor, I'd certainly have no objection. I think this is a very important item, and the point is that it will have to be, of course, enacted here in the Council Chamber. I think it's, perhaps, one of the most important items we've come up with in two years. I'd like to see it well aired and I hope totally objectively.

COUNCILMAN TENIENTE: I say even then if it's inconvenient to Council to come back that same day to ratify it, that's fine, but at least it would afford the other citizens that wish to be heard to have an opportunity to be heard.

MAYOR COCKRELL: Seven o'clock would be fine, then we'd get through earlier and, may I do this? We will have been in session most of the day, do you think it would be fair if we set a total time limit of three hours that would be 7:00 until 10:00, and then set one hour and a half for those favoring and one hour and a half for those opposed, if that's the way it comes out.

MR. HARTMAN: In fact, even an hour for each, I would think would certainly be adequate.

MAYOR COCKRELL: The only reason I said that is just because I've had letters from five organizations. It depends on how many speakers show up, but I would say...

CITY CLERK: How about staff time?

MAYOR COCKRELL: Staff time--I guess we would have to have the presentation first--so that would take some of the time--so maybe an hour and then an hour for each side. We'll make that announcement then. We'll start at seven o'clock and the first 30 minutes will be staff presentation--staff and Planning Commission presentation of what is involved, of what the background is, what hearings were held, how they developed the plan up to this point, so that all the background can be given and then we will hear an hour from those persons generally favoring and an hour for those persons generally opposing.

CITY MANAGER HUEBNER: I have just been advised that the Convention Center is not available.

MAYOR COCKRELL: All right, could we get the Municipal Auditorium? All right, fine.

Mayor Cockrell asked for a status report on the foot patrols in the downtown area.

City Manager Huebner stated that he has spoken to Chief Peters about this matter, and Chief Peters has agreed to reassign officers to the foot patrol in the downtown area.

Mayor Cockrell urged that the foot patrols be re-instated because she feels they are necessary for the revitalization of the downtown area.

77-12 The Clerk read the following letters:

February 25, 1977

Honorable Mayor and Members of the City Council
City of San Antonio, Texas

Madam and Gentlemen:

The following petitions were received in my office and forwarded to the City Manager for investigation and report to the City Council.

February 18, 1977

Petition submitted by C & S Terrazo Company, requesting the City take immediate action on drainage and street repairs on Seale Road.

February 24, 1977

Petition submitted by Mr. George L. Johnson and other citizens requesting the City take immediate action on street repairs on West Clower Street, from San Pedro Avenue to Blanco Road.

February 24, 1977

Petition submitted by Mr. Bill Keresztury for Garrett Brothers Builders, requesting permission to construct an eight (8) foot fence on property at 1430 and 1434 Plumeria.

February 24, 1977

Petition submitted by Mr. J. M. McIlvain, McIlvain Homes, requesting permission to construct an eight (8) foot fence on property at 1422 and 1426 Plumeria.

/s/ G. V. JACKSON JR.
City Clerk

* * * *

There being no further business to come before the Council, the meeting was adjourned at 3:45 P. M.

A P P R O V E D

Lila Cockrell

M A Y O R

ATTEST:

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

March 3, 1977
nr