

REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF SAN ANTONIO HELD IN
THE COUNCIL CHAMBER, CITY HALL, ON
THURSDAY, FEBRUARY 13, 1975.

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The meeting was called to order at 8:30 A. M., by the presiding officer, Mayor Charles L. Becker, with the following members present: COCKRELL, SAN MARTIN, BECKER, BLACK, LACY, MORTON, O'CONNELL, PADILLA; Absent: NONE.

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75-9 The invocation was given by The Reverend Fred Scheffel, Good Shepherd Lutheran Church.

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75-9 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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75-9 The minutes of the meeting of February 6, 1975, were approved.

75-9 CENTRAL CATHOLIC HIGH SCHOOL STUDENTS

Mayor Becker recognized three Central Catholic High School government students who were present to videotape the City Council meeting. He welcomed them to the meeting and invited them to visit again.

75-9 CLASS FROM THE BEXAR COUNTY SCHOOL FOR DEAF

Mayor Becker recognized and welcomed a class of eight students from the Bexar County School for Deaf who were accompanied by their teacher, Mr. Michael Mann. Mr. Mann was also going to videotape the City Council meeting. Mayor Becker invited them to come and visit again.

75-9 TESTIMONIAL TO MR. WILLIAM "NEMO" HERRERA

Dr. San Martin stated that he had invited Mr. William "Nemo" Herrera to the meeting today on the occasion of his 75th birthday. He read a Testimonial outlining his accomplishments as Coach and Teacher for forty-three years which was signed by all members of the City Council.

Mayor Becker and Dr. San Martin then presented Mr. Herrera with a Citation which reads as follows:

CITY OF SAN ANTONIO
(State of Texas)

Hereby Presents This

CITATION

to

WILLIAM "NEMO" HERRERA

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nsr

IN RECOGNITION OF AN OUTSTANDING CAREER AS AN ATHLETIC COACH SPANNING FORTY-THREE YEARS DURING WHICH TIME HIS TEAMS WON TWO STATE BASKETBALL CHAMPIONSHIPS AND ONE BASEBALL CHAMPIONSHIP. HIS GREATEST CONTRIBUTION IS THE INFLUENCE HE HAS HAD ON YOUNG PEOPLE WHO ARE NOW FURNISHING LEADERSHIP TO THE COMMUNITY.

ON THE OCCASION OF HIS 75TH BIRTHDAY, A GRATEFUL CITY GOVERNMENT EXPRESSES ITS BEST WISHES FOR CONTINUED SUCCESS, HAPPINESS AND GOOD HEALTH.

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The members of the City Council joined in congratulating Mr. Herrera.

Mr. Herrera thanked the Council for this recognition and stated this would be a highlight of his life. He introduced former students who were in the audience for this special occasion.

75-9

MR. NEIL PURTHA

Mayor Becker recognized and presented Mr. Neil Purtha with a Special Meritorious Certificate for heroism in saving the lives of two persons, which reads as follows:

IN RECOGNITION OF HEROISM IN ACCOMPLISHING THE RESCUE OF MR. ARTHUR RODRIGUEZ AND MRS. MARY GARVKE ON FEBRUARY 6, 1975, FROM A BURNING RESIDENCE AT 11131 RENDEZVOUS.

HIS COURAGE AND RESOURCEFULNESS SAVED THESE PERSONS FROM CERTAIN DEATH. HIS WILLINGNESS TO RISK HIS OWN LIFE TO SAVE THE LIFE OF ANOTHER PROVES HIM TO BE POSSESSED OF THE HIGHEST DEGREE OF BRAVERY AND FEARLESSNESS.

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Members of the City Council joined in congratulating Mr. Purtha who expressed his appreciation to the City Council for this recognition and award. He also stated that he felt this award was not necessary as any citizen would have done the same had they been in that position. Nevertheless, he would treasure this award for the rest of his life.

75-9

ENGINEERS' WEEK POSTER CONTEST

Mayor Becker called on Mr. Stephen Hannon, representing The Bexar County Chapter of the Texas Society of Professional Engineers.

Mr. Hannon stated that each year in connection with Engineering Week the local chapter sponsors a high school poster contest. He announced that the winners were present, and asked Mayor Becker to make the presentations.

Mayor Becker congratulated the winners and presented the awards as follows:

- First Award - Daniel Martinez
Burbank High School
\$100 Savings Bond
- Second Award - Homer Martinez
Lanier High School
\$50 Savings Bond
- Third Award - James Madison
Judson High School
\$25 Savings Bond.

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75-9

O'BRIEN AND GERE REPORT ON CPSB

The following discussion took place:

MAYOR CHARLES L. BECKER: Now, we move on to the presentation by the firm of O'Brien and Gere, who will report this morning on various matters that they've been investigating for the City Council. We have Mr. Adam Kubik and Mr. Jack Alfon. So whichever one would like to make a presentation well, would you please come forward, sir.

MR. ADAM KUBIK: Mr. Mayor, Members of the City Council, I will briefly report on the several matters which are under study by our firm. Then Mr. Alfon will make a presentation of the study which was a review of the application for rate increase by Southwestern Bell. We are doing basically two things for the City of San Antonio. We're in the process of making a review of the second phase of the rate structures and operations of the City Public Service, and I would first briefly report on that.

We have submitted so far three such completion reports on the study of overhead on the feasibility of CPS entering into the gas supply system and on the reserve policies of CPS. We are currently engaged in several major tasks, one of them has been just completed insofar as analytical work is concerned, the formal report will be presented briefly upon the load forecast of the City Public Service. Following will be a report on the capital program which is necessary to establish the validity of before - the consideration can be given to the second step of rate adjustment. While also doing several other major studies which are related to these capital program determinations, one of them is the review of the commitments by City Public Service for coal supply and another one is the review of the construction arm of the City Public Service. These are the two major investigations and the reason they are major is because the sums of money involved are very large. So, any efficiency that is gained for any deficiency that perhaps might fail to be gained, might have a large effect on the total cost of electricity and gas in the future.

Regarding the coal supply, we have met so far in two meetings, one in Denver and one in Dallas with the energy consultants to the City Public Service, the Boyd Engineering Company with a contractor for coal

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supply, the Sun Oil Company, This investigation is concerned with CPS plans to purchase coal for their future coal fired plants from deposits in the Powder River area in the State of Wyoming, which is a major undertaking both in the development of those deposits and in development of the transportation agreements and arrangements to get the coal from Wyoming all the way to Texas. These studies are in progress. We have no conclusion at this point to report. The one thing that I can say is that there are some environmental difficulties because recently the Sierra Club has filed an action - a class action requesting that Tri-State Environmental Impact statement and this action by the Sierra Club is now under consideration by the courts and there is a possibility that if a directive is made of the three state environmental impact statement is directed to be prepared, there may be some delay in the development of those fields.

Regarding the construction arm review, we have had the City Public Service prepare a report of their own on it, which is for our review, it's quite a large document, perhaps, about an inch and a half thick with a lot of detail. We're in the process of reviewing it, and we expect that in about six weeks, we will be in a position to report to the City Council on it. At eleven o'clock this morning, I expect a telephone call from our people in Syracuse who are working out the final schedule for the completion of the review of the coal supply situations at City Public Service, and I will report the date on which we will be ready to submit that report to City Council before noon. So, that substantially completes my presentation of the overall picture of the studies that we're engaged in. Now, I would like to have Mr. Jack Alfone, our managing engineer in charge of the rate design and development, to step to the microphone and make a brief presentation on the review of the Southwestern Bell's application for a rate increase. I'll make just one little statement in this connection, due to the last minute printing difficulties, we do not have the formal report with us. We will have that report in about one week. We did prepare, however, a two-page summary which Mr. Alfone will present and after the presentation, we will make the summary available to members of the City Council and if they supplement also to the representatives of the press.

MAYOR BECKER: Thank you, Mr. Kubik. Thank you, sir.

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75-9

O'BRIEN AND GERE REPORT ON
SOUTHWESTERN BELL STUDY

(Councilman Alvin G. Padilla, Jr., was not present during the following Southwestern Bell rate hike discussion.)

The following discussion took place:

MR. JACK ALFON: Mr. Mayor, Members of the City Council, I have before me here a summary of the findings of O'Brien and Gere in reviewing the application of the Southwestern Bell for a telephone rate increase. As you well know, O'Brien and Gere was authorized by this Council to review the Southwestern Bell application in

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September of 1975. In reviewing the filing of the Southwestern Bell application, we followed the customary rate review practices which are used by most state regulatory commissions. These practices were as derived by the Federal Communications Commissions. The review of the Bell application was made on two distinct bases, the first being the basis of fair value. The reasoning behind fair value review as number two, this is the method that was utilized by the Southwestern Bell in their application. The second basis for review was basis of original cost. This review was made basically for comparative purposes because the majority of the regulatory commission throughout this country, including the Federal Communications Commission, do use the original cost basis for reviewing a rate telephone problem.

The principal findings of the O'Brien and Gere review are as follows: to the original application of Southwestern Bell, O'Brien and Gere made two adjustments. The first was the adjustment to include the effect of the City Public Service gas and electric increase that was authorized by this Council last June of 1974. Southwestern Bell had omitted including the effect of the increase in gas and electric prices. The second effect was the effect of reducing the working capital requirements of Southwestern Bell due to the pre-payment of telephone bills by its subscribers. I might also add that the net effect of these two adjustments were essentially approximately cancelled one another out.

The second finding of O'Brien and Gere is that an adjustment to the rate of return was made on the basis of comparison with recent rate increases granted by other regulatory commissions including the FCC for comparative purposes. The basis - the finding is as follows; effective the rate of return was to reduce the overall revenue requirements as applied for by Southwestern Bell by approximately \$500,000. The adjustment was further made to the rate increase allocations between the customer classes of subscribers. The effect of this adjustment was to reduce the amount or requested rate increase to residential customers by approximately \$900,000. In particular, I might point out that in the case of two distinct residential customers, that being the two-party and four-party class, our findings of the cost of service study indicate that there should be no increase at all to the two-party and four-party customers. As Mr. Kubik mentioned, the formal report is in the process of being prepared right now, and it will be submitted before this Council in approximately one week. That essentially pretty much concludes the summary of the findings of our review. I have this handout for the City Council members and with your permission, I will also provide copies for the press.

MAYOR BECKER: All right, sir. Okay. Anyone have any questions of Mr. Alfon?

DR. JOSE SAN MARTIN: Mr. Mayor.

MAYOR BECKER: Yes, sir.

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DR. SAN MARTIN: Mr. Alfon, I'd like to ask you the following question, sir, and I suppose that you have had sufficient time to delve into the financial structure of the telephone company by now, is that correct, except that the report is not printed?

MR. ALFON: Yes, sir.

DR. SAN MARTIN: Now, I'm going to ask you some questions here, and I would list them as three major areas, and then I'll ask the individual question within each area. Now, did your study of the financial structure of the Bell Telephone Company include the following items; the profitability measurers, the wage measure and the asset structure measure? And on the profitability measures, I'd like to give you the following headings; number one, the return and assets; number two, the return on invested capital; number three, return on equity; number four, pretext margin; number five, effective tax rate.

Now, under wage measure, I'd like to ask you just one question, sales per employee, that is, the sales divided by the number of employees expressing in thousands of dollars or whatever figure you want to.

Under the third category, asset structure measure. The first one is assets per employees, which is the total assets divided by the number of employees also expressed in thousands of dollars. Number two, the net plant to assets, net plans such as percentage of total assets. Number three, cash to assets. Cash as a percentage of total assets. Number four, current ratio. Current assets divided by current liabilities. Number five, capital expenditures ratio. The ratio of capital expenditures, to net plant at the end of the previous year. Number six, depreciation and amortization to net plant. Number seven, net plant to gross plant. And eight, debt as preferred equity.

MR. ALFON: And the last one, Dr. San Martin.

DR. SAN MARTIN: Debt and preferred to equity. Debt plus preferred dividend by common equity. Now, if there is any comments that you would like to make as to the desirability of either including or excluding any one of these items that I have mentioned from your study of the rate structure, sir, and I'd like your comments at this time. On any one of the items.

MR. ALFON: Can I comment on them as you call them off. I think I've written them down here. On the profitability, you had a return on assets, return on capital, equity.

DR. SAN MARTIN: Return on invested capital, right. Return on equity.

MR. ALFON: We have reviewed the return on invested capital and return on common equity, and that is what was used for making up the derivation of the authorized or what we feel to be a fair and reasonable return on the facilities or the investment of Southwestern Bell and the local San Antonio metropolitan exchange. So, yes, we did review the return on capital, invested capital and return on common equity, the aspects of it.

The pre-tax and the effective tax rate, my comment to that, Dr. San Martin, is that basically, no, we have not. Basically, what we have done there is to utilize the taxes as recorded on the books of the telephone company as the tax rate that was authorized and paid - that is, that was authorized and paid. It was not our finding to determine what tax structure should be paid. Basically, these are the taxes that they are paying right now and those are the taxes that were included in the review of the rate structure.

DR. SAN MARTIN: You didn't feel that the pre-tax margin with the income divided by the net sales would have any significance on the one year exchange basis?

MR. ALFON: I missed the question, sir.

DR. SAN MARTIN: I said, on the pre-tax margin on a one year basis, the change from one year to another?

MR. ALFON: Basically, Dr. San Martin, in a review of this form and in the review of any great filing, be it telephone, gas or electric, one of the main fundamental principles is that the expenses as recorded on the books are utilized and no judgment is given as to whether or not the tax structure is valid, is too high, is too low, that is something that has been decided between the tax equalization board, if there is such an entity within the state, to determining the tax rate that the utility would pay. Basically, the rate analyst only takes the taxes as they were paid and uses those for determining what profit margin the utility should earn.

The ratio on the wages, the sales per employee again, sir, no, we have not looked into that either.

DR. SAN MARTIN: Let me interrupt there. I think the basic reason for my asking this question is to make absolutely sure that there is not a surplus of employees in the organization. In other words, you get the ratio of the wage measure or sales per employee, you can tell if you're not overloaded with either administrative personnel or any other kind of personnel. I think it's a very significant measure, in my opinion. Now, I'm not a rate analyst, but I think that the City needs to know this particular item.

MR. ALFON: I agree with you, sir, that this is a margin, a guideline for a determination of what form of efficiency at the utility is operated under.

DR. SAN MARTIN: It varies on the overall financial structure.

MR. ALFON: Basically, also, too, that a study of this sort would entail very similar to what O'Brien and Gere was performing with the City Public Service, which is a review of their efficiency and which was over and above the review of the rate application itself. This is a more in-depth study of determination of the - like we're doing with CPS, the review of the efficiency and the operating practices of the City Public Service.

MAYOR BECKER: If I may offer this comment, Mr. Alfon, Dr. San Martin, these type of figures are used in the industry that I'm in. They are used in the industry that Mr. Morton is in, and we all have some tools that we go by and devices to measure efficiency. There's one thing though that must be remembered with the application of these figures. It varies from area to area due to the composition of the buildings in the City, for example. The efficiency of the number of employees in New York City would be totally different from that of San Antonio. That city is composed largely of high-rise buildings. This city is composed largely of one and two-story structures, and so forth. So, they must be tempered, you know.

DR. SAN MARTIN: I realize that. I just wanted to make sure that these particular items that I have mentioned had in one way or another, briefly or thoroughly, at least been looked at.

MAYOR BECKER: Right. I just wanted to point out that.

DR. SAN MARTIN: I realize that, sir.

MR. ALFON: Mr. Kubik would like to address the Council for a minute, too, on some of these questions.

MR. KUBIK: Mr. Alfon stated a minute ago that many of these questions are addressed actually to the review of the efficiency of the utility company and they do. They parallel very closely the kind of in-depth investigation which we're performing with the efficiency of the City Public Service. Now, when the study was authorized, the study with the Southwestern Bell rate application was authorized in September of '74, it was not authorized on the basis of the company efficiency study, it was authorized by the Council only on the basis of reviewing the rate application on its own merits, using procedures which are commonly utilized in proceedings involving rate applications, which is basically balancing the expenses of record versus the revenues of record and justifying the earnings of the company on the basis - what capital return is needed to satisfy the bondholders and to provide the utility company an opportunity to issue common and preferred stock at the rates which the investors are willing to purchase that stock at. Basically, what the rate of return is for any utility operation is the cost of money. So, what we've done in this case, we have validated the rate of return by calculating the probable cost of money for the Southwestern Bell allocated rate based on the San Antonio exchange. We have also compared the rate of return, so calculated, to the rates of return which have been granted other telephone companies in other states which are regulated, utilizing methods which are generally accepted by state regulating commissions, as derived from the methods adopted by the Federal Communication Commission. Now, in proceeding to this type of efficiency study for the Southwestern Bell, I believe it would be necessary to go beyond the limits of the San Antonio exchange because there are many elements of the plans and expense which are corporate items, which are allocated. In other words, it would be inconceivable or difficult to imagine that a measure in efficiency could exist just in the San Antonio area without being reflected throughout more of the corporate structure. And, this would be a large and complex undertaking to conduct such a study, but it could be conducted if the City Council so desires and authorized additional scope.

DR. SAN MARTIN: May I ask a question, Mr. Kubik?

MR. KUBIK: Yes, sir.

DR. SAN MARTIN: You don't feel - I realize fully that the type of questions I've been throwing at you are really related to the overall efficiency of the system. Would you say that the overall efficiency of the system, if it's poor, it would be reflected in a higher rate request?

MR. KUBIK: The rate request - I'm glad you asked this question because again, many of these items are addressed to in detail in the report, which we will submit in a week, but we have condensed this presentation to basically what's on the two-page summary. We have tried to indirectly measure the efficiency of Southwestern Bell but by comparing its rates, its rates of return and its earnings with other telephone companies, which are regulated by states and who are the approvals for rate - or rather the request for rate increase are reviewed and approved under much more formal proceedings than required in the state of Texas, which is not a regulated state. We have found that generally the rates and the rates of return compares pretty much on a common basis with other states. We have taken - I don't recall now how many - 17 states, I'm sorry, 17 cities of approximately similar metropolitan size as San Antonio, we have avoided cities with markedly different characteristics, much larger or much smaller, and we have compared the rates. In general, we found a pretty good correlation.

DR. SAN MARTIN: Let me follow my point a little bit further, Mr. Kubik. In your - I realize that an investigation of this type would probably take longer, but I think they are pertinent to the report that you are giving us. Now, in your study there, were you able to find, if you had checked some of these things, don't you think you would have found perhaps the possibility of improper expenditures on the part of the Bell Telephone Company, that might lead to perhaps a higher request,

a higher increase in the rate request, expenditures that would not be usually attributable to the overall operation of the utility?

MR. KUBIK: Now we have reviewed the Bell filing on two bases - I'm sorry, I'm not referring to the two bases which Mr. Alfon spoke about, we reviewed it on the basis of two sets of data. The original data supplied with the rate application to the City Council, which was rather general. We later generated additional data requests, which was quite extensive. We have received this material and we will review it, I believe, in about three or four meetings with Bell personnel, both here and in Dallas. We found that the information provided follows the uniform system of accounts prescribed for telephone utilities, even though in the state of Texas they don't have to use it, but since that company also operates in regulated states, I imagine they use the uniform system in that fashion. We did not find any major obvious discrepancies of their accounting system and their records-keeping system from those which are commonly accepted in other states. That is not to say that we have performed an in-depth validation of Bell's records and accounts. This was not within the scope of the review authorized by the City Council. If such an in-depth validation were required for one reason or another, it would be a matter of an exhaustive audit by a team of auditors or a firm of auditors retained for that purpose.

DR. SAN MARTIN: Let me go a little bit further. I don't think you have really answered my question yet. You said there were no obvious discrepancies. Were there some that were obvious?

MR. KUBIK: I'll refer that question to Mr. Alfon because.....

DR. SAN MARTIN: Okay.

MR. KUBIK: He looked at the numbers in detail.

DR. SAN MARTIN: Yes, before you do that, Mr. Kubik, let me just kind of qualify my remarks by giving you an example that I think is pertinent to this particular discussion and there was a time when the San Antonio Transit System was privately owned and in checking the efficiency system - the efficiency quotient of that particular company, we found that there was a \$10,000 contribution to the Dallas Symphony. Now, in my opinion, that is an obvious misapplication of funds from the fare box, the people that pay to ride in the Transit System. Obviously, that had to be discontinued. Now, my question is, and I'd just like a simple yes or no - did you find any obvious payments of any kind, of any sort, that in your opinion could not be justified as a proper expenditure of the Bell Telephone system.

MR. KUBIK: I'll ask Mr. Alfon to answer that.

DR. SAN MARTIN: Yes, sir.

MR. ALFON: No, sir, we didn't find any.

DR. SAN MARTIN: Thank you, sir.

MAYOR BECKER: Any other questions of Mr. Kubik?

MR. CLIFFORD MORTON: I have some good questions I think as it is last line - are you going to recommend an increase?

MR. KUBIK: We have calculated what we feel would be a reasonable rate of return and a reasonable rate - a reasonable amount of rate increase. Our recommendation will be more detailed in the report which we'll submit in a week.

MR. MORTON: Are you prepared this morning, though, to give us a ball park figure?

MR. KUBIK: Yes, the ball park figure is basically, well, it's actually on that handout, Jack, do you want to - now before we got into this thing, let me state this, that if the City elects to grant the Bell System, the Southwestern Bell rate increase, then these would be the figures which we would recommend. Initially, they requested an amount of rate increase of roughly \$5.7 million. We can validate \$5.228 million of that. In the reports, which we will submit in a week, there will be specific tariffs which are not included here. Now, if for instance, the City Council granted the \$5.228 million, then the tariffs which are in the report would generate that amount of rate - that amount of revenue increase. So, these are the basic two recommendations.

MR. MORTON: Well, essentially, though, what you are saying is this, you're saying that within a fraction of a percent, you are agreeing with the rate application.

MR. KUBIK: Within ten per cent.

MR. MORTON: Yes.

DR. SAN MARTIN: Mr. Kubik, would - I'm sorry, are you through?

MR. MORTON: Yes.

MR. ALFON: Mr. Morton.

MR. MORTON: Yes, sir.

MR. ALFON: Within ten percent, where we do take exception though is in the allocation of the rate increase between the various classes of customers. As you see here on the bottom of the sheet, the original request was for residential increases of approximately \$3,400,000 as per the application. Our recommendation would be the generation of revenues of approximately \$2,500,000 or roughly \$900,000 less than what the application calls for.

MR. MORTON: So, essentially, what you are saying is that you are recommending approximately 75 percent of the requested rate increases for residential customers.

MR. ALFON: As far as residential customers.....

MR. MORTON: You're reducing by 25 percent the rate request for residential customers?

MR. ALFON: Yes, and there will be an increase to other miscellaneous business tariffs.

MR. MORTON: Okay, very good.

DR. SAN MARTIN: Mr. Kubik, would you be able to respond even briefly next week or in the - with your report to the number of items that I have listed and I realize that the kind of questions I ask and I realize that you didn't have the mandate from the Council to go into the efficiency aspects of the telephone company, but would you address yourself as to what possible impact any one of these items might have on the overall application and how it could probably result in a lower rate request increase?

MR. KUBIK: We could make a stab at it, Dr. San Martin, but to address ourselves to each and every question, which you have raised, which are very good questions, in the event an efficiency study of the system were undertaken, this would take much more than one week. As a matter of fact, this would take months and months.

DR. SAN MARTIN: Well, I'm not asking for a specific answer on each and every one of the items that I mentioned, Mr. Kubik, I'm asking for the validity of either including or excluding those questions from what I call could - what I call the probable case of a substantial decrease in the overall rate request increase.

MR. KUBIK: Yes, I think when our final report will be on file with the City Council in one week, there is one other added recommendation in the event the City Council grants the request, which I think indirectly will satisfy the questions which you're asking, Dr. San Martin. We're as aware as anyone, as everyone else, of allegations which have been raised regarding the validity of accounting and records of Southwestern Bell in connection with the situation which has developed following the death of Mr. Gravitt. In the event these things - these allegations were to be proven correct by tribunals or other bodies having jurisdiction, we are recommending in that report that any adjustment to be made to the rate base or to the validated expense, be at that time - should result at that time in correcting these figures which were based on the data as submitted with rollback provisions or refund provisions, so that the Bell Company should be requested by the City Council in the event this would happen to make a refund to the customers.

MR. MORTON: Let's see if I understand what you're saying - are you saying that once we've had an opportunity to review the complete report, your recommendation would be that in case there are findings that are adverse to Bell Telephone Company, as a result of the litigation that is now outstanding, that there be a provision in the rate increase to be conditional and that this rate increase would be refunded to the customers perhaps with interest in case the allegations are proved against the company.

MR. KUBIK: Yes, sir.

DR. SAN MARTIN: Do you think that the type of a study that you performed for the City would be sufficient enough to reveal any improper expenditures by the Bell Telephone Company?

MR. KUBIK: That question is awfully hard to answer because that depends on the type of improper expenditures.

DR. SAN MARTIN: Well, what would you call a proper expenditure, sir, I mean, other than the, you know, the overhead, employees, gas and light?

MR. KUBIK: Okay. Whether the expenditure is proper or improper is normally a matter of an extensive audit of the company's books. We have not performed such an audit. This is not a normal practice in a rate study or a rate proceeding to perform an audit, unless this is included as a part of the authorization to do the rate study. Now, all companies, all businesses, for internal good business reasons, have annual audits and the purpose of those annual audits is to disclose such improper expenditures. We presume that such audits are being performed by the Bell System, whether they are sufficient - these internal audits - whether they are sufficient for this Council or not, I think this is the Council's determination. If an external audit should be performed.....

DR. SAN MARTIN: Let me just go back then to what I think was the original thinking of this Council in asking you to perform this study and I'm not trying to be facetious, perhaps because we don't want to rely exclusively on either internal audits of the Bell Telephone Company alone that we are soliciting your help in trying to perhaps perform an independent and completely unbiased formal accountability. I mean, if we were going to rely only on their reports, then we wouldn't be needing a consultant, we just go by what they told us and then that would be it, but this is, in my opinion, what I think is the main reason why we engaged your firm to bring to us some of the things that you feel are not in line with the internal audits of the company itself.

MAYOR BECKER: Well, may I say something, Mr. Kubik, please, and Doctor, I think in order to determine what you're trying to seek, Dr. San Martin, you'd have to make a total complete investigation of audits of the entire system. Now, I think what Mr. Kubik is trying to say is that his charge and the charge to the firm of O'Brien and Gere didn't encompass this type of activity, you see. I don't know who the auditing firm is that does the annual audit for the Bell Telephone System, I don't know the name of the company, but you would have to literally go over in this instance, hundreds of thousands of items to determine what's proper and what's improper. Now, within the corporate structure of the Bell system, I would imagine those items that are regarded as proper are those items that have received board approval and that's why you have a Board of Directors. So, to do this type of a thing, I think does bring into focus what Mr. Kubik said earlier and that is that it would literally take months to audit every voucher and every item and every set of books and every expense item and all this sort of thing, you know.

DR. SAN MARTIN: May I just comment then, Mr. Mayor, that and again I say this in all candor and with respect to your firm and the ability of your firm to do that, and I don't have any question that we have picked the best one but it seems that even a superficial checking of some of those vouchers according to testimony of witnesses under oath has already revealed without an internal audit or without an extensive study of several months that there were some improper expenditures of Bell Telephone Company funds, and I don't think it took that much of an internal audit to reveal that there are some vouchers that were considered to be an improper expenditure. And this is the type of thing that I'm addressing myself to, Mr. Kubik. I'm not trying to be facetious, I'm not trying to ask you to do more than you're contracted to do, I'm just asking questions because I think that you have clarified in a way the situation by saying if anything is found improper later on, it can be refunded to the citizens, but I feel very, very strongly that this Council has an added responsibility at this particular time to make sure that these things are brought up and put up on top of the table before any decision is made because this is not an ordinary rate increase request, it's a request which is tainted with charges founded or unfounded of improper expenditure of company funds and company funds comes from the pockets of the people who use the telephone system and for that reason, I feel that this Council must at least bring these questions to the forefront.

MR. KUBIK: I agree with everything you're saying, Dr. San Martin. I'd like just to put it in the chronological time context. This study was authorized sometime in September, I forget the exact date. At that time, there were no questions raised at all about any irregularities or whatever in connection with the Bell operations. This aspect of it started sometime after October 17, I believe, which was the time of the death by suicide of Mr. Gravitt. Now, if a significant scope in the depth of the review is required because of these circumstances, I think such a scope should be ordered because I don't have the authority to exceed the scope of the study initially authorized by this Council. In other words, there were similar changes in scope for totally different reasons in the review of the CPS operations, each one of them was approved by the City Council, directed by the City Council by ordinance. That is the way it has been done and this is the way this one would have to be done.

DR. SAN MARTIN: All right. Let me ask you one question then, Mr. Kubik. Do you feel that what you have done for the City of San Antonio up to now, including the report next week is what this Council should have, do you think that we have enough information to make a decision or a rational, honest decision as to the request of the telephone company? Do you think we are in a position, do you think we have all the information that this Council should have?

MR. KUBIK: Probably not, under the circumstances.

DR. SAN MARTIN: Under the circumstances, we don't have the information.

MR. KUBIK: Probably not.

DR. SAN MARTIN: And your report of next week will not have it either.

MR. KUBIK: Now, I think I will refer back to the language which I used just a while back. I said, in the event the City Council elects to grant Bell a rate increase and on the basis of this review done as of now, of this scope, in the report which we have there is going to be this language, there is this language quite substantially expanded. These appear to be the findings, but if additional information is needed, then means should be found to procure the additional information.

DR. SAN MARTIN: So you agree that at this time with all the work that you have done, the best we can do is perhaps an approximation or something that we're not really sure is what we owe the citizens of this community.

MR. KUBIK: Of course, all the work that we have done was done on the basis of the scope of the review which follows normal practices.

DR. SAN MARTIN: Well, I realize that.

MR. KUBIK: Now, you do not have normal circumstances here.

DR. SAN MARTIN: That is precisely the reason for my questions, Mr. Kubik.

MR. KUBIK: But I think in order to determine where to go from here, it's still necessary to complete this review in the original basis, see what the initial indications are in order to determine where should we all go from there.

MR. GLENN LACY: Mr. Mayor, I just want to ask Mr. Kubik, did any of your men or employees go into the records themselves or was that just furnished to you as though it were a hypothetical question and said if these facts be true, then would it justify a rate increase or did you go into it like a bank auditor does, they go and they - they may not go through every voucher but they spot check. They go through a few here and a few there and you go into actual records. Did you go into the company itself is what my question is?

MR. KUBIK: Mr. Lacy, let me answer it in general questions is what we normally do because we do have standard procedures for it. When we start reviewing a new rate filing, we go through the records and usually those records are improperly kept or poor or incomplete, it becomes obvious pretty soon. Now, if we come into this kind of situation and that often happens, frankly, on very small systems that do not have enough staff, they do not have enough accountants or bookkeepers or knowledgeable people in the utilities work to maintain proper records. So when that happens, we bring it to the attention of our client and say if we're prepared to complete filing on this basis, it may be inaccurate. We had no, as Mr. Alfon stated, we had no reason to believe that this is the case. In other words, there was nothing wrong with the completeness of these records, their compliance with accepted practices in order to find out whether the entire are valid or not, whether they have a factual basis for them or not it is necessary to go into this audit that Mayor Becker was talking about has taken months and months, it would. In other words, there are no half measures here.

MR. LACY: Did you take spot check?

MR. KUBIK: You mean to take spot checks into the vouchers and so on?

MR. ALFON: Councilman Lacy, there were some instances where we did request the Southwestern Bell people to provide the details and the valuation of certain plant equipment, as an example, there were three telephone exchange buildings in this City of San Antonio which we requested back-up data on to check the validity on what they had posted on their books.

MR. LACY: Their employees furnished it to you, rather than any of your people going in physically and digging it out themselves.

MR. W. J. O'CONNELL: I had a question, of course, it's pretty obvious that you've been reading in the paper about what's been going on with Bell and the criticism leveled at it. Do you believe that the City of San Antonio can afford to look to the system that is a complete system to answer the questions? Do you think it's financially proper for the City of San Antonio's size to take a look at the full picture because you mentioned it's beyond San Antonio, we're looking at? Do you think it's proper for us to go into that?

MR. KUBIK: I think this is a question probably which most major cities are facing right now. I may not be completely up to date on reading the Texas Press but to my knowledge, as far as I know right now, none of the other cities yet have taken action.

MR. O'CONNELL: Right, what I'm asking is that a system - that you need to look at a system, you need to look at Texas as a whole and of course, I don't believe in that case, San Antonio can afford to look at Texas as a whole.

MR. KUBIK: I don't believe so either.

REVEREND CLAUDE BLACK: Mr. Mayor, I don't know that this is a question necessarily to the consultant as much as it might be to our City Manager or someone. Now, it seems to me, if I understand, there's been some consideration given to the low-income persons in terms of the rates here with no increase as far as the two and four party line customers. But also there seems to be a transfer of some responsibility for the increase to other aspects of our community. Now we've had business concerns and institutions in our community, who've been greatly distressed in the rise of the utility rates and I would like to just know the impact, if it's possible, of the kind of rate increase that is anticipated on those other customers that might be either businessmen and the other individuals of this community because that could have - while I am greatly concerned about the low income person I also recognize that there has to be a balance in the community and if you start putting all of this then you also have problems. So, I would just like to know before voting on this the kind of impact this rate increase is going to have in terms of your business enterprise just as, well, as I'm concerned about the relationship it has to the low income person. I think that it's important that we know that.

MAYOR BECKER: I wish that everybody in the United States had that concern is all I can say because there are certain elements within the nation today that are doing the dead level best to destroy the institutions such as the Telephone Company and whether we like it or not and I'll say it again, I said it some time ago, we still have the best telephone system of any country in the world. You can pick up the telephone and dial direct to any place in the United States, instantly. You can also pick up the phone and dial direct to almost any place in the world, instantly. Now, any of those of us who have traveled to any extent at all and have had to use the telephone systems in foreign nations, I can only say that it can take anywhere from one day to one week to place a long distance call to the United States. It can also take you one whole day to place a call just from one city in that country to another city in the same country. So, we should consider some of these things, too, while we're talking about all this, you know. Mrs. Cockrell.

MRS. LILA COCKRELL: Yes. I'd just like to comment on my reactions on what has been said this morning. I think it was proper, of course, for us to hear this report we had as a Council had authorized a consultant and I certainly needed to hear the report that was given. What I have heard this morning simply reinforces a very strong feeling that I have had and that is that regardless of the merits or demerits of this specific rate increase that there is another issue here that the Council needs to keep in mind very, very clearly and that is the public attitude toward government, the public's confidence in government and in its institutions. I feel that if it would be necessary to pass a rate increase that would have a clause in it that would state that if we find out that the facts are such that we shouldn't have given this increase in the first place we will try to work out some way of having you refunded your money. I think if we are having to pass the rate with that kind of a clause in it we are contributing to public lack of confidence in the whole process. I feel that this at this particular time additional allegations are still being made I just simply feel that we are not in a position to make a final judgement, and I really feel that the Council should defer any action until more time has passed, more of the allegations have been made and that all of the alleged information or facts have been made public and that it can be reviewed more carefully at that time.

MAYOR BECKER: Mr. Reed - where did that letter go. Mr. Reed of the telephone system here has requested an opportunity to appear before the City Council next week, February 20, 1975, and I think that he should be extended an invitation to appear before this Council if that's his desire. So,

DR. SAN MARTIN: May, I comment on that, Mr. Mayor?

MAYOR BECKER: Yes, sir.

DR. SAN MARTIN: From what Mr. Kubik and Mr. Alfon have said we will not be getting that report until February 20, 1975, ourselves. I think that we should have at least one week to study the report and that the telephone have one week and perhaps have Mr. Reed come back on the 27th after we have all had at least a week to review the report.

MAYOR BECKER: Well, here's what I have in mind, he's appearing here, Doctor, that is that we have an opportunity to ask him certain questions that are pertinent to this matter such as how long do you think this litigation, he may not be able to give us the answer to this, but how long do you think this litigation may endure in trying to find the complete determination of these allegations. Is it going to go on for months, is it going to go on for years, what's going to be the case. I think that's important to this situation if we try at least to get an expression from him on that. Not to act on this report next week, but just

MR. MORTON: Mr. Mayor, if I may, I would like to make a couple of comments.

MAYOR BECKER: All right, sir.

MR. MORTON: First, of all, I would hope that Mrs. Cockrell is not getting herself in a position to where she is saying that this rate request could not be acted upon until the entire appeals process is completed. I do not want

MRS. COCKRELL: No, I realize that's too long.

MR. MORTON: Okay, well, let's make sure that that impression is not given because - and I don't want to ask Mr. Reed how long this might take. I would suggest that this question be directed to our City Attorney. I know it's very popular with Ma Bell, there's no question about that, and I'm not going to be her advocate. On the other hand I think that we have a responsibility to her as well as to her customers to make sure that we have continued service in this City. So I think that the question we should be addressing is this, it seems to me that Mr. Kubik is saying that what Dr. San Martin should be asking for might cost more than the value of the City Public Service to get. But he has indicated to us that because of peculiar circumstances that surround this particular rate increase that there should be a greater degree of care and perhaps a more comprehensive study than what we have asked for originally versus what Dr. San Martin has asked for and so my question will be this, could you recommend to us what additional steps you think we should take before we could act on this rate increase?

MR. KUBIK: Mr. Morton, I would like to think about these specific steps. I have not thought about it so far and I would like to report on it to the City Council, well for the next meeting, either by letter or in person.

MR. MORTON: Wonder if you could include in that letter or report in person the approximate cost of what these additional steps would be.

MR. KUBIK: I will include both the scope and the cost. One has to come from the other.

MAYOR BECKER: We're going to accept Mr. Reed's invitation or request to appear here next Council meeting which will be the 20th. It may be, as you like, it may be that you would care to be here at the same time. I can't answer that, Mr. Kubik. I'll let you be the judge of that.

MRS. COCKRELL: Mr. Mayor, I think that also we should ask Mr. White to report to us on the possibility of the City of San Antonio joining some of the other cities in a proposed study that is going to be conducted, as I understand it, by the Texas Utility Advisory Commission

and just at least give us the details of what is to be covered in that study of the Southwestern Bell and just what advantages there might be and what information might be expected and also the scope and the time involved and possibly this alternative is something the Council would like to consider at least.

MAYOR BECKER: Fine. Mr. White? Is Carl White in the audience? You heard Mrs. Cockrell's remarks, would you care to comment on them, please?

MR. CARL WHITE: Yes, sir. The Texas Utility Advisory Council that is a part of the Texas Municipal League has engaged a firm, I think the firm has been selected, I'm not really sure, they were considering six proposals.

The purpose of the study was to study the separation practices in the State of Texas and by this we're talking about the equipment that is used in the local exchange for long distance. In other words, the equipment that's installed here that is used for activities other than for the metropolitan exchange and also the allocation of revenues in that area, the interstate long distance calls and so forth - the separation practices. This study is estimated to take 60 days and there are a number of cities and the City of San Antonio has indicated an interest, we'll have to come to City Council for approval, of course. The City of Dallas, the City of Houston, cities of Fort Worth and some of the other cities have already appropriated money. We don't know what the cost is and our position has been to wait to see what the cost is and then appropriate the money. It will cost the City of San Antonio approximately \$5,000. That's an estimate. It's not a costly study, but the allegations have been made that the separation practices in Texas that Southwestern Bell follows are not consistent with what is done in other states and whether this is true or not only this study will tell us. I think that's something the Council would like to have or would need before any decision is made on the rate - this particular rate request.

MR. MORTON: What are we talking about in terms of dollars?

MR. WHITE: In terms of dollars for the study?

MR. MORTON: Yes.

MR. WHITE: The figure that I've seen is somewhere between, I think, the low proposal was - I'm not sure which one they selected but it's somewhere between \$40,000 and \$60,000. Now, Mrs. Cockrell, you may have some later information on that.

MRS. COCKRELL: No, I didn't have those figures. The final recommendation hadn't come in.

DR. SAN MARTIN: Was this done by all the cities or just one?

MR. WHITE: No, that's statewide study and what the intent is is to prorate those cities that want to participate in the study will be asked to pick up their pro-rata share based on population, that's right. It was estimated to cost a penny and a half per population and now it looks like it's going to be less than a cent per population.

REVEREND BLACK: I didn't get how long you said you thought that study would take.

MR. WHITE: Sixty days. Now, that's 60 days from, well, probably, I don't know that the contract's been signed yet so it's 60 days from whenever the contract is signed but it's eminent, it's within the next couple of weeks or so.

MAYOR BECKER: Does anyone have any other things to question Mr. Carl White? All right.

MRS. COCKRELL: Well, I think one thing to determine would be, you know, to what extent this would be helpful to the Council and as a factor in being able to make a decision or what other types of information would be necessary to the Council. So, I think perhaps that we might ask the consultant, Mr. Kubik, in making his final recommendations to the Council to review just briefly the scope of what this proposal is and make any comments, if he would care to, on whether it be something that the Council could find of value.

MAYOR BECKER: I'd also like to request that Mr. Kubik, Mr. Alfon, bring with them or Mr. Reed, annual report of operations of the entire Bell Telephone system and also the annual report for the Southwestern Bell system. I'd like to see what the annual revenues are, what the total invested capital is on a nationwide basis, as well as the San Antonio and southwestern area.

REVEREND BLACK: Mr. Mayor, I think the real problem was described as our consultant was questioned and that is, that traditional methods for investigation are being used at a time when conditions are not traditional and it makes it extremely difficult unless the consultants can supply what I would call non-traditional information to deal with this problem in a positive and in an effective way. It's extremely difficult to go on record saying, well, we're going to make an increase when you have indicated to us that the only information and yet all of the newspapers have carried all kinds of information as to how that matter has been manipulated and it places the Council in an extremely difficult position to be responsive and be responsible unto the citizens of this community if the consultant finds itself in a position not to bring in what I would call non-traditional information. I don't know how to tell you, I have no way of analyzing how to do that, but I'm just simply placing the problem in perspective.

MAYOR BECKER: Well, of course, Mr. Kubik and Mr. Alfon are certainly not in a very comfortable position with what's transpired since they were given this assignment. I would only say, however, that we must remember one thing and that is that up to this point, many of the things that we've read, many of the things that we've heard in the radio, and the TV and all the news media, have been allegations. They have not been proven in a court of law, and this is the important thing. We cannot prejudge, we cannot by association say without equivocation that certain officials of the Bell Telephone system and so forth and so on are guilty of all these so-called allegations until they've had a chance to defend themselves in a court of law.

So, I think that to act hastily in either fashion is not fair. It's not fair to either the Telephone Company or the citizens of the City of San Antonio and that this once again is one of these times when temper and judgement and all of that sort of thing should be extremely guarded because we can get carried away with news items about many things. So, one thing that I've given out here this morning and this isn't on the same subject, it's just as important to the City, perhaps even more so, over the long future of San Antonio. I had it xeroxed for the Council members and gave copies to Mr. Alfon and Mr. Kubik, an article that appeared in the San Antonio News editorial section last night and that's with reference to a lignite plant that's going to be developed by the Brazos Electric Power Cooperative down in the Christine Tilden area, and we have quite a responsibility in that area, too, I might add because we're talking about energy for the City and future requirements of energy, we're talking about the charge that we've given to the firm of O'Brien and Gere to investigate the lignite potentialities of using lignite that's found and in the State of Texas. We're asking them to develop the facts requisite to making the proper assessment of bringing coal which is really a misnomer because it's bituminous lignite is what the U. S. Geological Survey describes it the deposit in Wyoming, all the way from Wyoming here. Now, we're talking about something in the neighborhood over the next 20 years perhaps an expenditure for energy just the raw materials of four - in excess of four billion dollars. Now, if you think the rate increase is something to really concern yourself about,

I submit to you that the expenditure of four billion dollars worth of coal is also something to concern yourselves about. So if Mr. Kubik, I don't know whether he's still there, but Mr. Alfon, when did Mr. Kubik say that the engineering firm of Gates would be able to provide us with this information, do you recall exactly when?

MR. ALFON: Mr. Mayor, Mr. Kubik has a conference call established for 11 o'clock today, with the Gates Engineering firm which is reviewing the coal contract so, he left to go talk to the phone and he will have an answer by that time.

MAYOR BECKER: Oh, I see. Fine.

MR. O'CONNELL: Mr. Mayor, I'd like to say something. I'm not trying to be smart alec or anything but before Christmas I reported the same project down in Tilden and told you that the shovel had been bought and the arrangements had been made, and it's been some time ago. I know it just came out now, but I told you that once in my letter.

MAYOR BECKER: Right. I recall that, Bill. We can't take our eyes off of really any of these responsibilities that we're charged with.

DR. SAN MARTIN: That is correct, Mr. Mayor. I'd just like to recall also that some time back there was a group of citizens here from the Basic Industries, Inc. local citizens, including Mayor McAllister, who brought to the attention of this Council the possibility of investigating this particular type of fuel. I remember distinctly that Mr. Tom Berg stood right on this podium, and he said there was no way that we could get it or use it and I think that this thing should be brought to the attention of the City Public Service Board because I think their thinking has got to start perhaps changing if not a significant turn around, at least they ought to be taking another look at this particular thing. I brought the editorial with me, but I'm glad that you brought it up.

MAYOR BECKER: Well, you can rest assured, Doctor, that they are being encouraged to look upon this lignite thing with more interest than they've displayed in the past because hauling that stuff from Wyoming it's quite a haul. Now,

DR. SAN MARTIN: Mr. Mayor, I'd like at this time and I must apologize for intruding in the order of the agenda, but I need to leave the Council for a speaking engagement at the Bexar County Hospital in 15 minutes, and I'd like to bring up two things which I think are of a very high importance. One is that not too far back a couple of weeks ago, this Council, I feel, made a very strong commitment to establish two things. One of them was a lifeline rate by the City Public Service Board of either 300 or 350 kilowatt hours, and I thought that that was the consensus of this Council was that we wanted this and so far the only thing that we have gotten from CPS is that it is not feasible, it is not possible. I don't believe that we asked them whether it was feasible or possible. I believe we asked them to set such a lifeline rate, and we didn't ask them whether they were going to recommend it or not. I read that some of their reports at their meeting is that they're just not going to do it, and I feel that I think this Council should clarify whether we really meant that that's what we want. I thought we had meant - we had said that.

MAYOR BECKER: All right, sir. The subcommittee as I understand it, was formed by Mayor McAllister of the Energy Committee that's dealing with that subject. Those recommendations are going to be made to the Energy Committee at large by that subcommittee, and they in turn will be transmitted to the trustees of the City Public Service Board. Please rest assured that just because we haven't had any response to it yet is no sign we won't have one.

DR. SAN MARTIN: Well, I think that what we did, Mr. Mayor, is we pretty well said it had to be and it was going to be, it was not a question of as to whether CPS wanted it to be or not, and I think that perhaps we didn't make the wording strong enough to indicate that we had made a decision to have that. So, I will certainly defer to your comments that this subcommittee of the overall committee is working on it.

75-9

KELLY FIELD JOBS

The following discussion took place:

DR. SAN MARTIN: The other item I'd like to bring up before I leave, Mr. Mayor, is that two weeks ago I introduced a motion asking the support of the City Council and the Chamber of Commerce in addressing the problem of the reduction of jobs at Kelly Field and other military installations. I believe the motion also included that this Council take whatever steps it felt necessary to take in order to work with the community leaders and perhaps even send a delegation to Washington to speak to Congressman Gonzalez and our senators, and I would like to see if this particular motion has been implemented. I really don't know where it is right now.

MAYOR BECKER:(Inaudible).....

ACTING CITY MANAGER GUERRA: The motion was passed that we set up a meeting, that was it, but the meeting has not been set.

DR. SAN MARTIN: Yes, the intent of the - I believe I said we can start tomorrow in setting up this meeting and two weeks later we still have not implemented that motion. I think that the more time we lose in presenting a unified, solid front to Congressman Gonzalez, as a support of his efforts to prevent a loss - the further loss of positions at military installations. I think we need to make our concern known, and I think we need to engage the support, not only of the Chamber, but also of our business and labor leaders, to get together with us and at least make our presentation in one way or another.

ACTING CITY MANAGER GUERRA: Well, if you all will give me a date when you want the meeting set up, we'll try to set it up for you.

MAYOR BECKER: Let's try to set it up now.

ACTING CITY MANAGER GUERRA: All right, sir.

MAYOR BECKER: So, if you have your calendars with you. We have energy meetings going on practically.....

MRS. COCKRELL: We also have the Community Development that has to have another hearing - another meeting right away, too.

MAYOR BECKER: Yes, we have that. So, how would you feel about.....

DR. SAN MARTIN: Mr. Mayor, may I suggest that perhaps you and another member or two of the Council serve as a subcommittee of this Council to work with the Chamber, maybe that will facilitate the setting up of a meeting, rather than have the entire Council.

MAYOR BECKER: Well, okay. If that's what you wish, we'll go ahead and do it like that.

ACTING CITY MANAGER GUERRA: All right, Doctor. We'll get with the Mayor and whoever else.....

75-9

MAMA PATROL - REQUEST OF COLONIAL
HILLS ELEMENTARY SCHOOL P.T.A.

Mrs. Cockrell made the following statement regarding the above caption:

Mr. Mayor, I had an item to bring to the attention of the Council and this has been brought to our attention on behalf of the Colonial Hills Elementary School and the Parent-Teacher Association and it brings up a matter of discrimination. And it refers to one of our ordinances of the City and requests that we have an amendment to this ordinance. It has been brought to our attention that in setting up the standards for the school crossing guards that the ordinance reads, "Members shall be women of good moral character and above the age of 21 years." In several of the schools apparently there have not been women available to fill these positions, and it has been brought to my attention that, at least in this case, that there is a person qualified, except that it is a man and not a woman, and they are asking that we remove the word "women" and put the word "person" and that by doing so, that any qualified person may be there to look after and protect the children in crossing the streets. And it seems to me that this is important and in some cases, there are - we are not seeing to the welfare of the children when there is not a woman available who fits the bill of the ordinance. So, I feel that any discrimination of this type should be removed from our ordinances, and I would like to ask that our City Attorney prepare this in its proper form and that it be placed on the agenda for next week. If that meets with the Council's concurrence.

MAYOR BECKER: All right, does that generally coincide with the thinking of the Council? Fine. Okay.

75-9

LIEN ON BUILDINGS DEMOLISHED

The following discussion took place:

MAYOR BECKER: Now, there's one other item before we go into Citizens To Be Heard, and I don't know who was going to introduce this today, but it's laying before me here, a resolution urging the legislature to enact legislation providing for placing liens on property to cover the costs for demolishing dangerous structures. "Be it resolved by the City Council of the City of San Antonio: Section 1. The 64th Texas Legislature is hereby urged to adopt legislation, which will allow cities to place liens on properties to cover the cost of demolishing unsafe, dangerous structures, which have existed on the property in which the owners refused or neglected to demolish," and so forth.

ACTING CITY MANAGER GUERRA: That came out of the working session on Community Development.

MAYOR BECKER: Right. Now, what's been happening in the past is that the taxpayers, in most instances, have been called upon to pay the cost of the demolition of dangerous structures, nuisances and run-down buildings and edifices that are uninhabitable and many other things that you can say about. We feel that wherever possible, the owner of that property should reimburse the City or bear that cost himself. I don't see where it's fair to the taxpayers generally to be doing this demolition work for people who are able to afford to pay for it themselves. So, that's the purpose of the resolution and I don't - does anyone care to speak to it at this time? George Vann, would you care to make any remarks regarding it? This is one of your Department's functions.

MR. GEORGE VANN: Not any remarks, Mr. Mayor, the - we endorsed it as our Department will endorse the passing of this bill, and I hope that the Council will endorse it. I have not heard from Mr. Garcia whether - I came out of the committee - I think, if I remember correctly, he reported verbally that it had been taken out of committee and accepted.....

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ACTING CITY MANAGER GUERRA: There is a proposed bill of whose wording I'm not quite happy with and Mr. Garcia will work with that subcommittee and try to introduce the kind of wording we think we need with the backing of this resolution.

MR. VANN: We endorse it, too.

ACTING CITY MANAGER GUERRA: The staff supports what you're trying to do with it. I think it would help - it would make our work a lot easier.

The Clerk read the following Resolution:

A RESOLUTION
NO. 75-9-10

URGING THE LEGISLATURE TO ENACT LEGISLATION
PROVIDING FOR PLACING LIENS ON PROPERTY TO
COVER THE COST OF DEMOLISHING DANGEROUS
STRUCTURES.

* * * *

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

SECTION 1. The 64th Texas Legislature is hereby urged to adopt legislation which will allow cities to place liens on property to cover the cost of demolishing unsafe, dangerous structures, which have existed on the property and which the owner has refused or neglected to demolish.

* * * *

After consideration, on motion of Mr. O'Connell, seconded by Mrs. Cockrell, the Resolution was passed and approved by the following vote: AYES: Cockrell, Becker, Black, Lacy, O'Connell; NAYS: None; ABSENT: San Martin, Morton, Padilla.

75-9

CONFLICT OF INTEREST - COMMON CAUSE

The following discussion took place:

REV. BLACK: Mr. Mayor, I know that we are infringing upon the time people be heard, the Citizens To Be Heard, but I would like to see if we could define a procedure dealing with a problem that I think is significant for us. Now, last week, we had Mr. Rosenberg, I believe it was, an attorney, to come as a representative of Common Cause with the issue of conflict of interest. Now, it seems to me to ignore that issue entirely and not have it as a matter of discussion of the Council would be negligent. I think it is a significant issue. I believe that there have been persons who have been falsely charged with having conflicts of interest, because we have not had a definition, we have not had a position on it. So, I'm not only thinking about the fact that we need a conflict of interest concept developed in terms of our own community for those persons who may be in violation of that conflict of interest, but I think we need a conflict of interest to also protect those individuals who are overcharged with conflict of interest in areas where I don't think there is a conflict of interest. Now, I would wonder whether or not it would be necessary for us to go through a "B" session on this before we could put it on the agenda, as a matter

to be discussed in and have further analysis of all that would be involved in that particular issue, but I do feel that this Council ought to take up this kind of concern, because of my own - as I said, as I observed - the only experience over these last two years, in terms of persons who have been facing that kind of problem and that kind of issue and that it would be clearly defined by our Council, so that we don't find ourselves, we don't find members of the Council being falsely accused when there is no conflict of interest and that if there is a conflict of interest, that it has been so defined by the action of the Council, that the individuals who sit on the Council know it. And for that matter, for that reason, I would like for it to be a part of the agenda.

MRS. COCKRELL: Mr. Mayor, I think having a "B" session, I think first of all, our City Attorney review for us the Charter provisions in what is involved in our present provisions and then review the proposal as submitted and any changes or any differences that are in the conflict of interest provisions, so that we can have it all before us and possibly the City Attorney's Office can do an analysis of this, prior to the "B" session.

REV. BLACK: Could we have in a "B" session - could we have those persons that have brought this matter to our attention to, at least, give us their point of view on it, along with the City Attorney, on this in a "B" session and then possibly, if it is resolved, if it is the decision of the Council at that time, to make it part of the agenda, then we can do so in terms of any action that we might take. But, it seems to me that it needs to, at least, have been seriously considered by this Council, because I do think it's a matter that comes before this Council in which there are no real guide lines to determine whether or not there is a conflict of interest.

MAYOR BECKER: I think that you have an excellent idea. I could only add this. I don't think it will prevent a Council person though from being falsely accused. That, I don't think it will prevent, you know, because that seems to be the order of the day. Now.....

MR. ALVIN PADILLA: Mr. Mayor.....

MAYOR BECKER: Yes, sir.

MR. PADILLA: May I take a moment of personal privilege to speak on this, because I have been one of the Council members that I feel have been falsely accused. First of all, I would like the press and the minutes to reflect or the press to take note and the minutes to reflect that I was out of the room during the entire O'Brien and Gere discussion. I don't know what the newspapers are trying to do, but it may be well for them to note that at some future date. I'd like to recap for just a few moments, because I have gotten many phone calls, some people in criticism, some people in support, because of the various things that have been said in the paper over the past few weeks. I'd like to recap and I'd like to share with you what, in fact, transpired.

As this Council knows, when the phone company first spoke of filing an application for increasing their rates in an executive session, I apprised this Council of the fact that my company does do business with Western Electric. I was asked several questions, primarily by the City Attorney, Mr. Reeder. After answering these questions, Mr. Reeder gave me the opinion and, of course, the Council was present, that I did not have a conflict of interest. I, nevertheless, insisted that I would stand disqualified from any action on the phone

company rate increase, because I did not want any citizen in the future to have to wonder about my objectivity, were I to find that, based on the facts, I had to support a rate increase. I didn't want anyone to have to wonder, did Councilman Padilla, in fact, vote his convictions or did he perhaps vote his personal interest. I'd like to clarify one thing that to some people may be important, perhaps not to others, I do not do business with Southwestern Bell. I do not have a legal conflict of interest, according to the City Attorney. However, I do do business with Western Electric, who is known to me, and was pointed out by me, that they are corporately related to Southwestern Bell. For this reason, I disqualified myself. I did not have to. Having disqualified myself, I have consistently, and all the way through, refused to participate.

I'd like to point out that I see no difference in my action of disqualifying myself, no inconsistency, with the practice that has been followed by members of Councils for many years, when they feel that they have a business interest or that someone may wonder about their ability to be objective on a particular issue. I think the people of San Antonio should realize that in any situation there are consequences to all of us that must be paid. I think that if the people of San Antonio choose Council-Manager government and choose to have part-time Council members, then it is highly unrealistic to expect these people to not engage in employment or in a business of some sort. I think it is highly unrealistic to expect a member of the Council to turn down work for his business that he needs to make a living. I think it is very realistic to expect a member of the Council to not compromise himself or the interest of the people of San Antonio. On this point, I am entirely satisfied that I have acted in the best interest of the people of San Antonio, because I have not participated to any extent in the Southwestern Bell rate application matter, and I do not intend to participate. I think Paul Thompson pointed out that this may be very true, but then he went on to pick on me a little further and he said, but in the past Councilman Padilla, words to this effect, has been a screaming consumer advocate. I don't know that I could call myself a screaming consumer advocate, but I have tried to be a consumer advocate. However, in the telephone company rate matter, since I am disqualified, I cannot out of necessity act, either as an advocate for the consumer or as an adversary to the phone company or an advocate to the phone company, I must stay completely out of it.

I wanted to make these statements, Mr. Mayor, because I have kept my silence for the most part. I do thoroughly resent, and I'd like to point out, that I acted entirely properly. I'm completely satisfied of that. I acted on an entirely timely basis and I thoroughly resent the implication that was strongly suggested by the headline, "City Dad Padilla Linked to Ma Bell." This article appeared approximately three months after I told the Council and subsequently the press published the fact that I had disqualified myself and yet the whole article was treated by the San Antonio Evening News in the context that we opened the door and, lo and behold, there stands Councilman Padilla with his arm in the cookie jar. This was not the case and I think I should make note of it. Had I disqualified myself after the Paul Thompson story, I think perhaps the story would have more substance.

REV. BLACK: Mr. Mayor, I still would like to know when we could have this "B" session on this matter. When do you see that we can? Because I do think that it's an important matter, not just only for the kind of situations that I think we face, but I think in the light

of all the general political atmosphere that we find ourselves in and, nationally and statewide, that the local Councils need to deal with this kind of issue. Can you indicate to us?

ACTING CITY MANAGER GUERRA: I've discussed it with Mr. Finlay, and we suggest two weeks from today. There is state law and, of course, there's the Charter, and there is the matter of interpretation, so we'll try to deal with those issues.

MR. LACY: Mr. Mayor, I just - inasmuch as Mr. Padilla has commented about his position, of course, I followed in the headline, and it made it look like still another Councilman was linked to an irregularity or a wrongdoing, while serving on the City Council. I merely wanted to point out that for a number of years prior to my being on this Council, that I had represented Southwestern Bell in a few matters and they have been negligible and at that time we did ask, at some meeting prior, we did ask Mr. Reeder what he thought about the situation and in my particular case, he did not think there was a conflict of interest.

In talking to Paul Thompson, when he talked to me, of course, I was very prompt to say that if I thought that there was any possibility that there would, in fact, be a conflict of interest, that I certainly wouldn't want to put myself out on a limb and be voting for something where it could be said that I had to do it, perhaps for the favor of continuing law business, and it has been so negligible that I don't think it's hardly worth commenting about, but at any rate, I did want to comment on the fact that I did business for Southwestern Bell before and during periods of time that I didn't have anything to do with them. So, it seems like this \$20 a week, we almost have to cut ourselves off from the little law business that I get, you know, from a corporation, in order to serve on the Council, that I will still say that if it does appear that we take another look at it and if Mr. Reeder thinks there's any possibility that there is any truth to the fact, any conflict of interest, of course, I will have to abstain.

MAYOR BECKER: Well, of course, I can remember when a certain senator to the United States Congress, from one of the New England States, was proven to be guilty of some wrongdoing with respect to political contributions. The Senate went on record as to the fact that they were going to immediately engage in drafting an ethics law, if you will, code of ethics, a standard to go by for members of the Senate of the United States Congress, United States Senate. This has probably been seven or eight years ago and I don't think they've gotten the first page filled yet, and I really resent the type of things that are thrown around to people that are trying to serve in public office today. It stands to reason that for \$20 a week and \$50 a week, there is no one down here trying to fill his pockets, because in the first place, it would be the poorest place I know of to come to try to do so. And the abuse and the resentment and all this sort of thing that is poked upon a man is unreal, or a lady, for that matter. And if this nation persists in these suits and it seems to be a favorite sport of today to poke your guilt almost anybody and everybody. The only type of person that can reasonably serve on the City Council, without a conflict of interest, would be transients that you would actually gather about here in the marshaling yards or the makeup yards of the Southern Pacific freight yards out here riding the rods from....Florida, itinerant fruit pickers and people like that, winos and all, because they obviously would have no conflict of interest with anything or anybody, except that they've abdicated their responsibilities as members of the human race. Now, most of the people that serve in government today are doing so out of

the sense of responsibility, particularly those who do so for \$20 a week and \$50 a week, such as what the Mayor happens to get in the City. I can assure you that. I wish the finger of scrutiny and the eyes of investigation and all were pointed assiduously and with such great intent upon the members of our government in Washington, as they are the members of the government on the local level. We are here before you people every Thursday and in many other ways, we're before you at other times during the week, and I don't think that you can buy the vote of a single one of us for a lunch or a dinner or a breakfast or even a contract in the business that the man happens to engage in, because I've served with these people here, some of them for two years, some of them for over two years, and I frankly have not found one of them that I could call in my own estimation the type of a person that's corrupted, or they wouldn't be down here. This isn't the place to be corrupt. If you're going to be corrupt, then do it from the outside, don't do it from the inside. There's too many people examining everything we do down here for us to even attempt to practice any type of corruption, thievery, chicanery, or any of that sort of thing. A man would have to be insane to do it.....and that's all I can say. And, I'm glad the press and the news media and everyone scrutinizes, as closely as they do, that's their duty, that's their right. At the same time, I think there should be, though, in a sense of fairness, responsibility for what's said and what's printed about anybody. There should be a preoccupation in the mind of that individual that's going to make that statement, as to whether or not what he's saying has any fact or truth attached to it. And that's where I think we've had a general breakdown in this whole process. People tend to just haul off and make remarks quite often on nothing more than hearsay. Well, I heard from such and such that so and so was a so and so, you know. That sort of thing isn't admissible in a court of law, is it, Tom? All right. Then why should it be admissible in the news media?

All right. Now that we've had Councilmen To Be Heard, let's go to Citizens To Be Heard.

MR. HENRY MUNOZ

The following discussion took place:

MR. HENRY MUNOZ: Thank you, Mr. Mayor, members of the Council. For the record, I'm the "Fox." I represent the working people, the public employees, and I appeared before you last week about happenings at the City Water Board, and you listen to me and passed it on and in this past Tuesday, wink, blink, nod, and wake up Sleeping Beauty, we're at it again. And this time, I'm not going to leave here because I'm going to demand that something be done about this lousy situation, and I say lousy because - this letter, of course, that I sent Mr. Schaefer and copies to the Council instead of sending it through the mail, I thought I'd give it to you this morning:

February 12, 1975

Mr. John M. Schaefer
Chairman
City Water Works Board of Trustees
506 Broadway National Bank Bldg.
1177 N. E. Loop 410
San Antonio, Texas 78209

Dear Mr. Schaefer:

There is great concern amongst City Water Board employee members about terminations, layoffs, and recently there have been reductions in pay.

This is of distress to us because the low income City Water Board wage-earner is the first to get it right in the seat of the pants. It seems to us that if the trustees who make policy want to trim the fat, then they ought to start with high echelon deadweight. What is needed is more stooping and bending and less superintending.

There are approximately 650 employees, about 314 are the blue collar, do-the-dirty work employees. Again, we urge you to cut out the unnecessary contracting and bureaucracy, the waste of taxpayers money. The only sensible way would be to redistribute not only the money but the people. There are too many chiefs and not enough Indians. Managers, Assistant Managers, Directors, Assistant Directors, Inspectors, Supervisors, General Foremen, Foremen, Foremen Trainees of every variety. Salaries in manpower are spent unnecessarily and should be rightly directed to such nuts and bolts people oriented operations as construction and maintenance.

These people could be redirected into job areas that would be more productive to the citizens of San Antonio. As taxpayers, we deserve better and efficient service. This can come only about through better salaries and better working conditions of City employee members.

The payroll of 314 blue collar workers runs approximately \$91,000 per month. The payroll for managers, assistant managers, directors, assistant directors, inspectors, supervisors, general foremen, foremen, and foremen trainees is approximately \$156,000 per month.

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If the City Water Board is contracting out its work, laying off people and reducing salaries of low income blue collar workers, what are seven managers, two assistant managers, 18 directors, four assistant directors, 15 inspectors, 29 supervisors, 10 general foremen, 52 foremen and 7 foremen trainees doing? What are they doing? What are they inspecting?

The above figures do not reflect \$900 per month paid to a Labor Consultant for about two hours work per month and about \$2,000 per month paid to Brooks and Associates for a Public Relations Man assigned to the City Water Board. This is money that's not even here, that's in the General Managers, Mr. Van Dyke's budget.

It is our understanding from our employees, employee members, there is very little or no training, yet a full time Training Administrator is carried on the City Water Board payroll at \$1,100 per month. We strongly urge the City Water Board of Trustees, the City Council members to immediately institute reforms, a good house-cleaning at the penthouse level is long overdue.

Restore the \$10, the \$15, and \$20 a month reductions of the "Little Man" immediately. We take note that the General Manager, and I'm talking about Mr. Van Dyke, he likes to be called General, so, I refer to him as General then, was just granted a \$4,000 raise, and I bet you - you haven't got time or even looked at what he gets on the sideline. Maybe he's got a new car, fellows, do you know that? Do you know that to be sure? He got a \$4,000 raise, did you know that? No, I know you don't but you have to wink, blink, nod and wake up. We can't see this kind of economic justice. We urge the City Council to withhold the \$400,000 that they're asking until the waste of money and manpower is eliminated and the reduction of pay is restored to our employees today, not manana. Ten dollars per pay period is \$20 per month, \$15 is \$30, \$20 is \$40 and I'll be darn how you can sit idle and then wink, blink, and nod and wake up baby, but I.....

You call this justice, I'll tell you what happened, Mr. Mayor, you really missed a humdinger. The General, you might, you think when I'm talking to you, sir, you think I'm lying, I would ask the staff to make a copy, make a copy, they go by position and the wages that they make, please, sir.

/s/ Henry Munoz, Jr.
Business Manager

* * * *

MAYOR BECKER: Facts and figures.....

MR. MUNOZ: It gives the position but who gets in the pants, the little guy, right away. We're talking about here the economy making our tax and these are taxpayers, they work for their money. When it's cold, they're out in the hole. When it's hot, they're still in the hole. There is one superintendent for every man in the hole, and I don't know how many clerks. I'm not against firing anybody, but I'll be damned if I'm going to stand here and say you get \$2,000 a month and this little guy is getting \$264, now he's going to take \$10 less a month. I'll be damned, I'll take you to hell with me before that happens. I have no conflict of interest except that to say, look, this is the taxpayers. This past Tuesday,

Mr. Mayor, you weren't there, and I recall one thing and I wish you had been there and questioned things. I'm asking the Council to take positive action such as when I came before the Council and under new leadership when the General, I mean the Manager, I'm sorry, Mr. Granata wanted to whack the little guy from \$75 to \$100 a month. You said there will be no pay cuts and that's the kind of action we want. I think there's enough money to stop this foolishness.

MAYOR BECKER: Somehow or other, Henry, those meetings over there have been changed to coincide with the same date that my own directors' meeting occurs. Now, I don't know how this happened, but I'm going to have to find out how it happened and that the request that they reschedule the meeting to some other date because I had to change my other old date from my meeting to Tuesday to accommodate some other type of meeting I was having to go to. And anyway, that's why I've been missing those Water Board meetings is because of my own directors' meeting, you see.

MR. MUNOZ: Maybe they did it on purpose.

MAYOR BECKER: Well, I don't think it was that but anyway, I'll find out.

MR. MUNOZ: I do. Mr. Mayor, let me tell you a little of what happened. The General stated that he would not go on record, and I'm going because as I see it, we're trying to attract industry here. We're trying to attract the turista so we can shake them for the yankee dollar. And since we can't have - you can ask for the record, we can't have a proposal I believe that Mr. Guerra, you submitted to them, he refers to you as Cip, I didn't know who Cip was until finally I said, who are we talking about, Cipriano Guerra. We can't have the hotel for 2,000 rooms because I need that parking space right there because this building I think he's mentioned this before, Mr. Mayor, you were there, hold three more stories, you can put public works in there, and the sewage department. This fellow is smoking something, I don't know what it is, but he better get off. I understand that's a Board, this is City Hall. But you better check on it, he's taking some heavy drags on it. But, he absolutely went on record that that's the only reason they wouldn't allow that. Then I want to say that if you can provide parking because we need these two stories where he's going to put Mel right on top. Well, I don't think this is right.

Do you recall, Mr. Mayor, that in one of the conversations they wanted to buy Chavaneaux and they said no, it's 30 years old. The pipes are rusty. It would take us a million dollars and everything else. They have eight junior engineers, eight senior engineers, and I'm not making this pun, they said A & M engineers, Texas A & M, and they said this is the greatest invention and the greatest deal since sliced bread. They're going to buy it. This big thing, I do recall it another deal, they said it was \$250,000, and the letter was read from Mr. Manupelli, I believe is Lackland. The price at the time, Mr. Mayor, was \$250,000. You know what the price is now - \$467,000. I do not only question these people's intelligence, I question their damn sanity because you've been too lax with them. And I just don't see how in the world they made a great discovery, Mr. Mayor, that there is no room for the public to be there. It's a cheering section for the General, the General says, "Is that right, Mr. Shields?" "Yes, sir." "Mr. Toler?" "Yes, sir." "How about the engineers then?" "Yes, sir." Yes, siree - from rabbit to rabbit.

You just wonder how, what's going on? Let's vote on it. There goes Mr. Wink, Blink, Nod, - wake up, both eyes, fella. They're going to destroy us. Mr. Mayor, I've said too much. I've said too much, but how am I going to go to the little man today on pay day and tell him that he's been raked. How am I going to tell him that he is going to take \$15 less \$20 less. What's he going to tell his wife. Is this progress? They're killing the roots. They killing the roots that's made this City great. The worker, the little guy, he's not a beggar. Some of them have two jobs, and I'll be darn how we can stand here, please, sir, before I get too emotional, what are you going to do about it? What's the Council going to do about it? I don't want to postpone it and study it, hell, it's right here, let's get the record. That's enough dinero. I'll tell you what they took and Mr. A. C. Rogers was Director of Construction, made him the Director for Key-punchers and that's how much wisdom this guy has got and he only gets \$2,500 a month.

MAYOR BECKER: I'll be in contact with Mr. Schaefer no later than this evening.

MR. MUNOZ: Can I assure my members that this Council is doing something about the reduction in pay?

MAYOR BECKER: Yes, sir. I'll be in contact with Mr. Schaefer no later than this evening.

MR. MUNOZ: Because that \$10 worth of frijoles we need real bad. Or who knows, they might have to use that \$10 to pay their high utility bills and this is just not in the books.

MAYOR BECKER: I'll see what Mr. Schaefer says, Henry, and.....

MR. MUNOZ: Please give us some positive action within the next pay day.

MAYOR BECKER: As rapidly as possible. I don't quite understand this myself.

MR. MUNOZ: I don't like to come down here and hear myself talk since I've got better things to do. I've got to keep my members happy and shake a few hands because I'll assure you one thing, I don't have any conflict of interest, I am a candidate and I'm going to be sitting up there. I assure you, I'm positive of that. And, I've already had it checked out, and I've had the Attorney General of Texas and he says no, there's nothing wrong.....(inaudible) to people because my only contract when somebody owns my contract and that's our international in Washington, and it's owned jointly by the local in Washington. I had to get their permission. I'm still an employee of the local. They agreed to pay my salary for six years and whatever money is going to be paid to me, I have to give it to the local because they're paying my salary. I have an eight year contract, I've got five more years to go. So, I'm safe and I thought that I'd throw that in because I have no..... I think that you ought to consider that the growth of the City, its entire growth of little people coming down to spend money is depending on what they earn. And they know better, people essentially want to work for what they earn.

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You said something that I liked very much without divulging how old I am. You mentioned something about as a youngster, the triple CCC's while I happened to be one of those guys who signed up because modern day recruiters lie sometimes to recruit people, and I was told that if I went in, they were going to pay me \$16, I would keep \$4 and the rest was sent home. That was the agreement and they were going to send me to - they were building a new park in Mathis, Texas. Only when we got on the train. It didn't go to Mathis. I would up in Ogden, Utah, and I had never seen snow. And I think he lied to me, I was lonesome for my mother and my father, but I'll never forget it because they gave me a very good set of boots, the old Cavalry boots, and it had a funny pattern. Well, in Laredo, I had never seen snow, and we had put them on in the train and I'll never forget I walked backward from the train to the office looking at the little pattern. So, I know what you're talking about, Mr. Mayor. Thank you.

MAYOR BECKER: Henry, thank you very much. I'll call Mr. Schaefer tonight.

MRS. COCKRELL: Mr. Mayor, there are a couple of points that I think we should just ask for them to give us information on so we'll have the information. And one is the allegation about the subcontracting out of certain work that has eliminated positions, and I would just like to be advised as to just what this is. And then also what the reduction in pay was to some of the lower paid employees. I think we should be advised why that was not brought to our attention.

MR. MORTON: On that same subject, I really think that what Henry is saying is about three or four things. See if I read it, first of all, you're asking for justification for reduction in pay of blue collar workers. Number two, you're asking for justification for the reduction in number of blue collar workers as a result of subcontracting that would normally be done by the City Water Board employees. I think on that subject what we should be asking for is the relationship in dollars on work that is done by subcontracting versus in-house. You are also asking for justification of supervisory and management personnel in relationship to total blue collar labor. Offhand, one way that you could justify that if you had this proportionate amount of work that was subcontracted out. So, that's the reason for the first question. I would also like to ask though it's just a statement here, I would just like to ask for a justification for \$2000 a month spent to a PR man. I'm really not concerned whether it's in-house or outside. I feel that they have captured customers so there's really no reason to sell that - the need for using their services. And I would like to ask, I happen to know that Mr. Schaefer's in the hospital so he may not be here next week but in two weeks, I'd like to have a report from him or Van Dyke.

MR. PADILLA: Mr. Mayor, may I add to that? The figure of \$900 per month to a consultant for as stated here, I don't know whether it's correct or not, but it's stated here that he works two hours a month. I'd like to have some information there. Relative to the alleged reduction in pay for hourly workers, I would like to determine whether their pay rate has been cut or whether they have, in effect, taken a pay decrease because of less work. For instance, cutting so many hours a week from their work schedule. I wouldn't want somebody to come in and say no, we haven't cut anybody's salary but the people are actually taking less money home because they don't work 40 hours. Those are the two points I'd like clarified.

MAYOR BECKER: Let's determine whether or not Mr. Schaefer will be able to be here next week with Mr. Van Dyke and if not, ask Mr. Van Dyke to be here next week with answers to these questions.

MR. PADILLA: One other point, Mr. Mayor, that I omitted. On the executive raises, I'd like to know what they were because I really did not know about this. Mr. Munoz did call me yesterday, and that's when I first learned of it. I haven't seen anything published about it and I haven't read it in any minutes. I may have missed it.

MR. RAUL RODRIGUEZ

The following discussion took place:

MR. RAUL RODRIGUEZ: I scarcely can understand what Mr. Munoz is so surprised about. He should know by now that us little people are for kicking around. Who else could they kick? Now, as a slight comment on the City Water Board situation. I remember that when they were across the street in the red brick building and I heard rumors that they were planning to build the Palacio building to move to. And it seemed to me suspicious and unbelievable that they would want to move to a separate building and I questioned the need for this move to this building and the expense, the money spent for it. So I intended to go over to the building to see what they had and why they really needed the building. To be able to do this, that was during the McAllister days, I asked City Councilwoman Lila Cockrell for a letter to authorize me to give me some authority going to the City Water Board and inspect as a citizen. She promised to send it to me, it's been about three or four years ago, and I'm still waiting for it. Do you remember?

MRS. COCKRELL: No, sir, I'm sorry, I don't remember.

MR. RODRIGUEZ: I remember. I remember many things. Now, this, I'm sorry that Councilman San Martin left because when he was questioning Mr. Kubik about the improper or obviously undue charge that the telephone company might have on its books and he said he couldn't find anything. I left some leaflets on your desk, double spaced, and if you look at one that says, "Yes, you the San Antonio City Council must not let Oscar baby wriggle off the book. Pursue the \$150 million lawsuit". If you look at the bottom of it, there is a paragraph in there which relates to it. It says, "the contributions and donations the utility companies make are charged expenses. In 1973, Southwestern Bell contributed \$980,000 to civic and charity organizations in Texas. Dallas Power and Light Company donated some \$500,000; TESCO, I don't know what that is, TESCO gave some \$400,000. Such donations improve the image and the political clout, political clout of companies and their executives. Texas Utility Company has made more than 3.5 million dollars in contributions in 1973. Of the \$14½ million spent on advertising "good work" approximately 70 percent was charged to rate payers. Now here's the kicker here. Rate payers also foot the bill for club dues in country clubs, athletic clubs and other businessmen's organizations. Southwestern Bell subscribers paid \$96,473 for membership fees and dues in 1973. I have a little comment there while Old Raul and others like him can hardly afford the 40 cent beer.

Now, I wonder how in the name of creation, Mr. Kubik and O'Gere and all those people couldn't find this and notice that it was improper or completely out of place. This is only one of a number of cases in which the power and light companies, and gas companies and telephone companies rob the public. They're obviously rascals and this company of rascals seems to be the rule and not the exception. To obviate or to deny the possibility that the press might accuse me of making up these cases, I took them from the Texas Observer published in Austin, Texas. It's the issue of February 14, 1975 and they were gathered together by a gentleman by the name of Jack Hopper, who is a consulting economist for the Texas Senate subcommittee on Consumer

Affairs and the legislative Ad Hoc group on utility regulation. They also have taken data from a book titled "Some Aspects of the Economics Performances of Private Electric Utility Companies in Texas", which is a doctorate dissertation in Austin, 1969. And another one written by Ken Manning and Mike Morrison, entitled "Regulation of Telephone and Electric Utilities in Texas". It's printed by Texas Public Interest for such group in Austin, in 1972. The examples I put in here are only part of the ones that are most interesting, which I hope the Council looks at because, for a change, instead of kicking the little man around, they have a chance of kicking a big crook around, and I mean Oscar Wyatt. I bring to them and I've finagled around to try to bring this to attention to strengthen your intention or your purpose in defending us against this man and others like him and not dropping the \$150 million lawsuit. This is the chance that we have to get back at these people who have been robbing us for so long and, as Mrs. Cockrell said, people lose trust in government, well, what else can you do when something's wrong and they're not corrected.

MAYOR BECKER: Raul, may I say this to you, sir, we're not trying to let anybody off the hook.

MR. RODRIGUEZ: I hope you aren't.

MAYOR BECKER: What we're trying to do is get the \$150 million back plus in another means and still have the corporation survive so that we don't have a situation here where San Antonio has no supplier of gas, you see. So whether you get it out of a court of law by some judgement or you can get it in some other sort of means if it equates to the same thing, I think that's what we're interested in. Wouldn't you say that would be a fair statement to make?

MR. RODRIGUEZ: I hope you can do it someway because either way the gas is still in the earth.

MAYOR BECKER: I understand.

MR. RODRIGUEZ: And if - whether he goes broke or not, we can get it. If we have to get it by force, well, we'll get it by force. We don't have to freeze to death or doing this - while the gas is there. One thing that I would like to bring to your attention is that this committee on energy which I was named together with a bunch of millionaires and very wealthy people, I'm well, let's see, I hope it's not a rubber stamp group. Only three or four or five poor people are in it. We're out-balanced, outvoted in anything we try to do. I hope that it really is used to go into the matters that are really and honestly for the benefit of the whole City. Wherever millions of dollars are involved, naturally ethics take a hell of a beating, see. It's natural, see. Maybe if I was a millionaire and I was in the position, then maybe I'd do the same thing. I don't know.

MAYOR BECKER: Raul, let me ask you this. There's about 28 members of the committee. Now I don't believe that you could get 28 people there from all walks of life and all of them be convinced or coerced into becoming crooked or unprincipled and all that sort of thing simultaneously. So, you're on the committee, you have every right to hear everything that's being said, you know. And I hope you are hearing everything that's being said. So if you have any questions about any of it, don't hesitate to ask them. You come down here and ask us questions, I want you to do the same thing there if you will. So please let's not lose....

MR. RODRIGUEZ: Well, for example, maybe I'm overly suspicious because I've had a lot of practice and a lot of need but I'll tell you something at our last meeting about looking at the possibility about having the Governor or the Legislature formulate some laws some way which could be used like the City uses the power of eminent domain to take over these natural riches which are for the benefit of all of us. We had a little controversy there with Mr. Berg and it was not in the minutes. The only

thing in the minutes was that I asked for nameplates which is not very important, you see. Just about little things because what else do you have to go by.

MAYOR BECKER: I'm going to ask this request of you, Jake. Would you include everything that's said in those minutes, please. I'm not the chairman of the committee but I'm going to make that request of the committee anyway.

CITY CLERK: We can do it and it is recorded on tape. It's on file, we can go back and transcribe the whole thing. And there's no question...

MAYOR BECKER: I don't want anyone to think that the thing is a rubber stamp committee or it was set up as sort of a sham or facade or anything like that because that wasn't the purpose of it at all.

MR. RODRIGUEZ: One of the things that we got into that Mr. Berg told us that these people that we were dealing with were gentlemen of the highest caliber and full of ethics and integrity and all that. And this is why I brought this information here to show you that there - I doubt if you find any honest corporation among the hundreds which... They are profit oriented - make the money they don't care how. In this information that is here hundreds of City Councils which very willingly support the activities and well, it could even be called collusion.

In one place it says 245 City Councils in 245 cities will let them put a 10 percent increase on without any question at all. How can we help but be suspicious? I believe in you, Mayor Becker, I believe you are an honest man as humanly possible.

MAYOR BECKER: I want to say this to you. I deal with all kinds of people in all walks of life - rich and poor, corporate executives and Salvation Army people and you name it - and I have found this to be a truth. Ninety eight percent of the people in this world are honest and maybe even a greater percentage than that. I've done a lot of business with people on a handshake basis and they have done it with me on that basis and taken each other's word.

MR. RODRIGUEZ: If somebody cheats you they would be in trouble. If they cheat me, what can I do? There is a difference.

MAYOR BECKER: I appreciate that but what I'm trying to say to you is that a contract that's written, whether it is one page or a million pages is as good as the people that signed it. Now if their intentions aren't any good, the contract is no good. Do you see what I'm trying to say?

MR. RODRIGUEZ: I understand. We're in trouble trying to get along. What I'm looking for is good faith. Like Rev. Black said a while ago about businesses having too much of a burden, I have found out in many cases where little people want to start a business and the telephone company just extorts money from them. If they have any advertising in the yellow pages, it's almost an impossibility for a small person to start a business because the expenses and the licenses and inspections are so difficult to comply with that many people are choked off. You don't have the industry. Like Rev. Black said, it's the little people who make the business. It's difficult to understand. When you go downtown, Solo Serve has nothing but poor people. They are the ones that make a community. They are driven out. They are driven, Lord knows where and this hurts a community. After a while even the rich suffer. You see, lots of stores closed. Well, those people refused to cooperate with us in trying to bring justice. The Downtown Association--Mr. Brenner refused to help us with things like the Chicano Times - they didn't want to mess with it. Now they are finding out that we were right because they did not help us. They are suffering now. It doesn't make me happy to say it but we all suffer too. At Grant's, there were 30 or 40 or 50 people had jobs but they lost their jobs. So all these things are naturally things that concern me. I sincerely hope that you will pursue the suit and defend us.

MAYOR BECKER: We are going to do our best, Raul. You have our word for that.

ELLA AUSTIN COMMUNITY CENTER - REV. ALFRED PERRY

Reverend Perry spoke with reference to the matter of Ella Austin Community Center. They had made presentations and a request for allocating of Community Development Funds to help them continue to operate as a viable program in the east side.

Mayor Becker advised that the Council on Wednesday at its workshop session indicated they will help in the acquisition of the property Ella Austin Community Center is trying to acquire.

KARL WURZ

Mr. Karl Wurz made the following statement:

Last June at this podium, I voiced the need for planned conservation at every level. On October 3, I brought to the attention of this Council the need for installing insulation and other energy saving devices using the Community Development Act. The need has now increased. Considerably.

For many, these are crucial and critical times - the nature of which can be compared to a natural disaster such as a hurricane, a tornado or an earthquake - leaving in their wake thousands of hapless and helpless victims. In the past, San Antonians have generously responded in aiding the victims of natural disasters. We are now in the midst of a far greater disaster as day by day the casualties mount.

The shocks of this disaster continue to hammer away with no end in sight. It is time to declare that San Antonio has been the site of a far greater disaster than mother nature has caused. It is not an act of God but a calamity brought about by the darker nature of man. It is tantamount to the plagues which Pharaoh and Egypt suffered in Moses' time. Far greater because there was an end to theirs, while that of San Antonians is still with us.

The energy crisis is a great disaster causing economic wreckage all around us. Even before its victims can get back on their feet another shock wave hits them. To ward off these shocks to rescue the victims of this disaster it will require a monumental effort. A concerted effort of total community involvement and commitment. It will take more than finding new sources of gas. It will take more than cutting the price in half. It will take more than the shifting of rates and who carries the greater burden of payment. It requires a total community involvement. Every man, woman, and child must put their hands and their backs to the work. They must give of their time and adopt a new way of life. Only by adopting a new way of life can we hope to overcome, to rescue San Antonio and all San Antonians.

The measures the Energy Advisory Committee are now taking will not get to the crux of the problem. Commendable as their actions are with charity in their hearts for the disadvantaged. A mere giving away of credit to them.

For three years will not achieve a satisfactory end. The hunger that is satisfied at noon is born again in the evening.

As great as the need for gas and electrical energy is - there is a greater need. The need for human energy physical, mental and spiritual. And the channeling of this vast unused energy toward long term solutions. In this spirit, I submit this recommendation. In the interest of time I will not read it. It contains seven parts

consisting of (a) fuel resources, (b) conservation, (c) volunteer sources, (d) materials, (e) reclamation of resources, (f) architecture and developers, and (g) wage reform.

This is not a comprehensive plan. It is not a plan. It is a group of ideas to which more ideas can be added because the scope and range of the Energy Advisory Committee should go beyond what it's two subcommittees have been instructed to accomplish.

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INVOLVED TEXANS - MR. STEPHEN HARVESTY

Mr. Stephen Harvesty stated that last January 12, 1975, through Involved Texans, he rented the City Municipal Auditorium for Sunday, February 9, 1975. There was to be adequate parking around the Auditorium, and there would be two policemen to help, specifically help the older people. He arrived two hours before the meeting and found all the parking spaces taken. The parking was completely taken by an antique show which was not mentioned at the time he rented the auditorium; otherwise, it would not have been rented. He then went across the street and made arrangements to use the parking spaces of the Church. People were then directed to the Church parking lot. Five minutes before the program was to begin, he was advised that many of the cars parked in that area were being hauled away by wreckers because some people had inadvertently parked in a commercial lot at Avenue A and Fourth. The owner of the lot was across the street at a gas station with a wrecker handy. Mrs. Harvesty went there and asked to pay the owner \$1.00 for each one of the cars that were in that lot so that they would not be hauled away. The owner replied it was their job to haul the cars away. Mr. Harvesty stated these old people paid \$400, \$25 a piece, to redeem 16 cars. He said the Council should be aware of this situation.

Mr. Harvesty said that his main gripe was how they handled the renting of the auditorium. He said that under the circumstances, Involved Texans should be given an apology for the way it was handled and it would be in order that the City refund the \$100 rental fee. He added that there is a feeling that the City sabotaged the meeting.

Mayor Becker assured him there was no sabotage. The Mayor then stated that he would entertain a motion to refund the \$100 rental charge. On motion of Mr. Lacy, seconded by Mr. Padilla, the City Manager was instructed to refund the \$100 rental fee to Involved Texans. The motion carried by the following vote: AYES: Cockrell, Becker, Black, Lacy, Morton, O'Connell, Padilla; NAYS: None; ABSENT: San Martin.

Mayor Becker then expressed the concern of the Council with reference to wreckers hauling cars away which has been discussed previously by the Council.

After discussing the matter with Acting City Manager Cipriano Guerra and Assistant City Attorney Tom Finlay, the staff was asked to check and see where the two policemen were that were supposed to be there on the day of the meeting and that they look into the wrecker problem to see what rights of wreckers are and if they are usurping the rights of private citizens.

MR. GUS ANDERS

Mr. Gus Anders, 4231 Jarbet, asked that the City Council wait until after the pending trial of a lawsuit before acting on Southwestern Bell's rate increase request.

He asked what the Council can do for working people particularly on the City Public Service Board's fuel adjustment charge.

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He understood that out of state gas users pay less for gas than people in Texas do because of the Railroad Commission's ruling.

It was explained to Mr. Anders that the Federal Power Commission regulates interstate sale of gas and the Railroad Commission regulates it in Texas. He was advised that the Council has met with the Bexar County Delegation and urged them to pass legislation regulating the price of gas at the wellhead. At the present time the Railroad Commission has said that the price oil companies pay for gas plus five cents MCF for transportation is what they can charge users and the City has no control over that.

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75-9 The meeting recessed for lunch at 12:45 P. M. and reconvened at 2:10 P. M. with Mayor Pro-Tem San Martin presiding.

75-9 ZONING HEARINGS

A. CASE 5909 - to rezone Parcels 9D, 9B, and 10A, save and except the southeast 360' of Parcels 9D and 9B, NCB 15724, from Temporary "R-1" Single Family Residential District to "B-3" Business District; and Parcel 11 and the southeast 360' of Parcels 9D and 9B, NCB 15724, 11600 Block of I. H. 35 North Expressway, from Temporary "R-1" Single Family Residential District to "I-1" Light Industry District.

The "B-3" zoning being located 360' northwest of the intersection of O'Connor Road and I. H. 35 North Expressway, having 786.57' on O'Connor Road with a maximum depth of approximately 710'.

The "I-1" zoning being located north of the cutback at the intersection of O'Connor Road and I. H. 35 North Expressway, having 310' on O'Connor Road 1035.73' on I. H. 35 North Expressway and 71.27' on the cutback.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Padilla made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. Mrs. Cockrell seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Morton, Padilla; NAYS: None; ABSENT: Becker, Lacy, O'Connell.

AN ORDINANCE 44,901

AMENDING CHAPTER 42 OF THE CITY CODE
THAT CONSTITUTES THE COMPREHENSIVE
ZONING ORDINANCE OF THE CITY OF SAN
ANTONIO BY CHANGING THE CLASSIFICATION
AND REZONING OF CERTAIN PROPERTY
DESCRIBED HEREIN AS PARCELS 9D, 9B, AND
10A, SAVE AND EXCEPT THE SOUTHEAST 360'
OF PARCELS 9D AND 9B, NCB 15724, FROM
TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL
DISTRICT TO "B-3" BUSINESS DISTRICT; AND
PARCEL 11 AND THE SOUTHEAST 360' OF PARCELS
9D AND 9B, NCB 15724, 11600 BLOCK OF I. H.
35 NORTH EXPRESSWAY, FROM TEMPORARY "R-1"
SINGLE FAMILY RESIDENTIAL DISTRICT TO "I-1"
LIGHT INDUSTRY DISTRICT, PROVIDED THAT
PROPER REPLATTING IS ACCOMPLISHED.

* * * *

B. CASE 5910 - to rezone Parcel 12 and 7D, save and except the east 200' and all of Parcel 94, NCB 14862, from Temporary "R-1" Single Family Residential District to "R-4" Mobile Home District; the east 200' of the north 418.37' of Parcel 12, NCB 14862, from Temporary "R-1" Single Family Residential District to "B-3" Business District; and the east 200' of Parcel 7D and the south 90' of the east 200' of Parcel 12, NCB 14862, from Temporary "R-1" Single Family Residential District to "I-1" Light Industry District.

The "R-4" zoning being located approximately 4,024.40' southeast of the intersection of De Zavala Road and I. H. 10 Expressway, being 200' west of I. H. 10 Expressway, having a maximum depth of 300' and a maximum width of approximately 920'.

The "B-3" zoning being located approximately 4,024.40' southeast of the intersection of De Zavala Road and I. H. 10 Expressway, having 418.37' on I. H. 10 Expressway with a depth of 200'.

The "I-1" zoning being located approximately 4,442.77' southeast of the intersection of I. H. 10 Expressway and De Zavala Road, having 550' on I. H. 10 Expressway and a depth of 200'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Morton made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. Mr. Padilla seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Morton, Padilla; NAYS: None; ABSENT: Becker, Lacy, O'Connell.

AN ORDINANCE 44,902

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS PARCEL 12 AND 7D, SAVE AND EXCEPT THE EAST 200' AND ALL OF PARCEL 94, NCB 14862, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "R-4" MOBILE HOME DISTRICT; THE EAST 200' OF THE NORTH 418.37' OF PARCEL 12, NCB 14862, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT; AND THE EAST 200' OF PARCEL 7D AND THE SOUTH 90' OF THE EAST 200' OF PARCEL 12, NCB 14862, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "I-1" LIGHT INDUSTRY DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED.

* * * *

C. CASE 5921 - to rezone Lots 1 through 13, NCB 8626, 1500 Block of S. W. Military Drive, from "F" Local Retail District to "B-3" Business District. Subject properties are bounded by S. W. Military Drive on the south, Commercial Avenue on the east, Tacoma Avenue on the west and Rayburn Drive on the north, having 450' on both S. W. Military Drive and Rayburn Drive and 320.5' on both Tacoma Avenue and Commercial Avenue.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Morton made a motion that the recommendation of the Planning Commission be approved. Rev. Black seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Morton, Padilla; NAYS: None; ABSENT: Becker, Lacy, O'Connell.

AN ORDINANCE 44,903

AMENDING CHAPTER 42 OF THE CITY CODE
THAT CONSTITUTES THE COMPREHENSIVE
ZONING ORDINANCE OF THE CITY OF SAN
ANTONIO BY CHANGING THE CLASSIFICATION
AND REZONING OF CERTAIN PROPERTY
DESCRIBED HEREIN AS LOTS 1 THROUGH 13,
NCB 8626, 1500 BLOCK OF S. W. MILITARY
DRIVE, FROM "F" LOCAL RETAIL DISTRICT
TO "B-3" BUSINESS DISTRICT.

* * * *

D. CASE 5911 - to rezone a 5.0 acre tract of land out of NCB 14865, being further described by field notes filed in the office of the City Clerk, 7500 Block of North F. M. 1604 West, from Temporary "R-1" Single Family Residential District to "B-2" Business District, located on the southeast side of North F. M. 1604 West being 2437.5' southwest of the intersection of North F. M. 1604 West and Babcock Road, having 544' on North F. M. 1604 West and a maximum depth of 825'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mrs. Cockrell made a motion that the recommendation of the Planning Commission be approved, provided that proper platting is accomplished. Mr. Padilla seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Morton, Padilla; NAYS: None; ABSENT: Becker, Lacy, O'Connell.

AN ORDINANCE 44,904

AMENDING CHAPTER 42 OF THE CITY CODE
THAT CONSTITUTES THE COMPREHENSIVE
ZONING ORDINANCE OF THE CITY OF SAN
ANTONIO BY CHANGING THE CLASSIFICATION
AND REZONING OF CERTAIN PROPERTY
DESCRIBED HEREIN AS A 5.0 ACRE TRACT
OF LAND OUT OF NCB 14865, BEING FURTHER
DESCRIBED BY FIELD NOTES FILED IN THE
OFFICE OF THE CITY CLERK, 7500 BLOCK
OF NORTH F. M. 1604 WEST, FROM TEMPORARY
"R-1" SINGLE FAMILY RESIDENTIAL DISTRICT
TO "B-2" BUSINESS DISTRICT, PROVIDED
THAT PROPER PLATTING IS ACCOMPLISHED.

* * * *

E. CASE 5901 - to rezone Lots 32, 33, 34 and 35, NCB 14735, 11000 Block of Vance Jackson Road, from Temporary "R-1" Single Family Residential District to "R-3" Multiple Family Residential District, located on the northeast side of Vance Jackson Road being 1,324.2' from the intersection of Wurzbach Road and Vance Jackson Road, having 490.4' on Vance Jackson Road and a maximum depth of 1954.9'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Padilla made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. Rev. Black seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Morton, Padilla; NAYS: None; ABSENT: Becker, Lacy, O'Connell.

AN ORDINANCE 44,905

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS LOTS 32, 33, 34 AND 35, NCB 14735, 11000 BLOCK OF VANCE JACKSON ROAD, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "R-3" MULTIPLE FAMILY RESIDENTIAL DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED.

* * * *

F. CASE 5916 - to rezone a 3.06 acre tract of land out of NCB 15685, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "B-2" Business District; and Parcel 37 and a 1.779 acre tract of land out of NCB 15685, from Temporary "R-1" Single Family Residential District to "B-3" Business District.

The "B-2" zoning is located on the east side of Perrin Beitel Road 291' south of Nacogdoches Road, having 412.7' on Perrin Beitel Road and a maximum depth of 530'.

"B-3" zoning

Parcel 37 is located north of the intersection of Perrin Beitel Road and Perrin Beitel (F.M. 2252), having 304.17' on Perrin Beitel Road and 461.13' on F.M. 2252.

The 1.779 acre tract of land is located along the northwest side of Perrin Beitel Road (F.M. 2252) having 308.9' on Perrin Beitel Road and a maximum depth of 290'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Morton made a motion that the recommendation of the Planning Commission be approved, provided that proper platting is accomplished. Mrs. Cockrell seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Morton, Padilla; NAYS: None; ABSENT: Becker, Lacy, O'Connell.

AN ORDINANCE 44,906

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS A 3.06 ACRE TRACT OF LAND OUT OF NCB 15685, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-2" BUSINESS DISTRICT; AND PARCEL 37 AND A 1.779 ACRE TRACT OF LAND OUT OF NCB 15685, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT, PROVIDED THAT PROPER PLATTING IS ACCOMPLISHED.

* * * *

G. CASE 5918 - to rezone the remaining portion of Lot 6, Block 1, NCB 11252, 3314 S. W. Military Drive, from "B" Two Family Residential District to "B-3" Business District, located on the southside of S. W. Military Drive, being 530' east of the intersection of Kelsey Avenue and S. W. Military Drive, having 100' on S. W. Military Drive and a depth of 422.17'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Rev. Black made a motion that the recommendation of the Planning Commission be approved, provided that proper platting is accomplished. Mr. Padilla seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Morton, Padilla; NAYS: None; ABSENT: Becker, Lacy, O'Connell.

AN ORDINANCE 44,907

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS THE REMAINING PORTION OF LOT 6, BLOCK 1, NCB 11252 3314 S. W. MILITARY DRIVE, FROM "B" TWO FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT, PROVIDED THAT PROPER PLATTING IS ACCOMPLISHED.

* * * *

I. CASE 5914 - to rezone Lots 14, 15, and 16, Block 16, NCB 1296 1950 N. Panam Expressway, from "D" Apartment District and "F" Local Retail District to "B-3" Business District, located southwest of the intersection of Pierce Street and Panam Expressway, having 124' on Panam Expressway and 187' on Pierce Street.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Morton made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished and that a six foot solid screen fence is erected on the west property line. Mr. Padilla seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Morton, Padilla; NAYS: None; ABSENT: Becker, Lacy, O'Connell.

AN ORDINANCE 44,908

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS LOTS 14, 15, 16, BLOCK 16, NCB 1296, 1950 N. PANAM EXPRESSWAY, FROM "D" APARTMENT DISTRICT AND "F" LOCAL RETAIL DISTRICT TO "B-3" BUSINESS DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED AND THAT A SIX FOOT SOLID SCREEN FENCE IS ERECTED ON THE WEST PROPERTY LINE.

* * * *

K. CASE 5917 - to rezone Lots 1, 2, and the south 155' of Lot 3, Block 2, NCB 7584, 600 and 602 Monticello Court, from "D" Apartment District to "R-3" Multiple Family Residential District for a day care center caring for over 20 children, located on the southeast intersection of Monticello Court and Junior Street, having 140.8' on Monticello Court and 187' on Junior Street.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mrs. Cockrell made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. Mr. Lacy seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Lacy, Morton, Padilla; NAYS: None; ABSENT: Becker, O'Connell.

AN ORDINANCE 44,909

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS LOTS 1, 2, AND THE SOUTH 155' OF LOT 3, BLOCK 2, NCB 7584, 600 AND 602 MONTICELLO COURT, FROM "D" APARTMENT DISTRICT TO "R-3" MULTIPLE FAMILY RESIDENTIAL DISTRICT FOR A DAY CARE CENTER CARING FOR OVER 20 CHILDREN, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED.

* * * *

L. CASE 5929 - to rezone a 60.778 acre tract of land out of NCB 14699, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "P-1(R-1)" Planned Unit Development Single Family Residential District; a 230.836 acre tract of land out of NCB 14699, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District and "R-3" Multiple Family Residential District to "P-1(R-3)" Planned Unit Development Multiple Family Residential District; a 94.933 acre tract of land out of NCB 14699, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District and "R-6" Townhouse District to "P-1(R-6)" Planned Unit Development Townhouse District; a 4.089 acre tract of land out of NCB 14699, being further described by field notes filed in the office of the City Clerk, from "B-2" Business District to "P-1(B-2)" Planned Unit Development Business District; and a 7.330 acre tract of land out of NCB 14699, being further described by field notes filed in the office of the City Clerk, from "B-3" Business District to "P-1(B-3)" Planned Unit Development Business District.

Subject properties are bounded by Lockhill-Selma Road on the northeast, Orsinger Road on the northwest, Wurzbach Road on the southeast and the S. A. and A. D. Railroad R.O.W. on the southwest, having 4189.41' on Lockhill-Selma Road, 3774.47' on Orsinger Road, 3451.71' on Wurzbach Road and 5622.80' on the Railroad R.O.W.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Clerk.

No one spoke in opposition.

After consideration, Mr. Morton made a motion that the recommendation of the Planning Commission be approved, provided that proper platting is accomplished. Mr. Padilla seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Lacy, Morton, Padilla; NAYS: None; ABSENT: Becker, O'Connell.

AN ORDINANCE 44,910

AMENDING CHAPTER 42 OF THE CITY CODE
THAT CONSTITUTES THE COMPREHENSIVE
ZONING ORDINANCE OF THE CITY OF SAN
ANTONIO BY CHANGING THE CLASSIFICATION
AND REZONING OF CERTAIN PROPERTY
DESCRIBED HEREIN AS A 60.778 ACRE TRACT
OF LAND OUT OF NCB 14699, BEING FURTHER
DESCRIBED BY FIELD NOTES FILED IN THE
OFFICE OF THE CITY CLERK, FROM TEMPORARY
"R-1" SINGLE FAMILY RESIDENTIAL DISTRICT
TO "P-1(R-1)" PLANNED UNIT DEVELOPMENT
SINGLE FAMILY RESIDENTIAL DISTRICT; A
230.836 ACRE TRACT OF LAND OUT OF NCB
14699, BEING FURTHER DESCRIBED BY FIELD
NOTES FILED IN THE OFFICE OF THE CITY
CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY
RESIDENTIAL DISTRICT AND "R-3" MULTIPLE
FAMILY RESIDENTIAL DISTRICT TO "P-1(R-3)"
PLANNED UNIT DEVELOPMENT MULTIPLE FAMILY
RESIDENTIAL DISTRICT; A 94.933 ACRE TRACT
OF LAND OUT OF NCB 14699, BEING FURTHER
DESCRIBED BY FIELD NOTES FILED IN THE
OFFICE OF THE CITY CLERK, FROM TEMPORARY
"R-1" SINGLE FAMILY RESIDENTIAL DISTRICT
AND "R-6" TOWNHOUSE DISTRICT TO "P-1(R-6)"

PLANNED UNIT DEVELOPMENT TOWNHOUSE DISTRICT; A 4.089 ACRE TRACT OF LAND OUT OF NCB 14699, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM "B-2" BUSINESS DISTRICT TO "P-1(B-2)" PLANNED UNIT DEVELOPMENT BUSINESS DISTRICT; AND A 7.330 ACRE TRACT OF LAND OUT OF NCB 14699, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM "B-3" BUSINESS DISTRICT TO "P-1(B-3)" PLANNED UNIT DEVELOPMENT BUSINESS DISTRICT, PROVIDED THAT PROPER PLATTING IS ACCOMPLISHED.

* * * *

M. CASE 5681 - to rezone a 2.072 acre tract of land out of NCB 14945, being further described by field notes filed in the office of the City Clerk, 10440 Perrin Beitel Road, from Temporary "R-1" Single Family Residential District to "B-3" Business District; a 22.733 acre tract of land out of NCB 14945, and a 14.834 acre tract of land out of NCB 14941, being further described by field notes filed in the office of the City Clerk from Temporary "R-1" Single Family Residential District to "R-A" Residential-Agricultural District; a 15.739 acre tract of land out of NCB 14945, and a 59.120 acre tract of land out of NCB 14941, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "R-A" Residential-Agricultural District for a quarry; and a 421.345 acre tract of land out of NCB 14945, being further described by field notes filed in the office of the City Clerk, from Temporary "R-1" Single Family Residential District to "I-2" Heavy Industry District for the manufacturing of cement.

The "B-3" zoning is located southeast of the intersection of Perrin Beitel Road and Schertz Road, having 314.50' on Perrin Beitel Road, 149.74' on Schertz Road and 182.21' on the cutback between these two roads.

"R-A" and "R-A" for a quarry

The 22.733 and 14.834 acre tracts of land and the 15.739 and 59.120 acre tracts of land are located north and south of Schertz Road. An overall map showing the above-mentioned tracts is available in the office of the City Clerk.

The "I-2" zoning is located 190' east of Perrin Beitel Road, 104.95' southwest of the intersection of Schertz Road and the M.K.T. Railroad R.O.W. line, having 4,204.76' on the M.K.T. Railroad R.O.W. line.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

Mr. Gaines Voight, representing the applicant, Kaiser Cement and Gypsum Corporation, which operates the Longhorn Cement Company, stated they were asking for rezoning in order to conform to present use which has been operating for a period of 45 years.

Mrs. Ira Gum spoke in opposition to the change. She complained of the blasting operation and alleged damage to her home. She was against any more quarrying operations close to homes as well as the dust problem it will create.

Mr. George Vann, Director of Building and Planning Administration, advised that inspectors check on blasting and he knew of no blasting violations.

Assistant City Attorney Tom Finlay, to a question, stated that the owner could, under its non-conforming uses, extend its operation to any land owned at the time of annexation.

Mr. Gaines Voight, in rebuttal, stated that blasting is monitored by the S. A. Fire Department and they have been given a clean bill of health. They are buying more equipment to take the place of blasting. When equipment is installed, hopefully by April, blasting will be minimal. As to dust, their operation is monitored by the Environmental Protection Agency and are meeting their requirements. In addition, they have agreed to setback requirements on which there will be no quarrying.

After consideration, Mr. Padilla made a motion that the recommendation of the Planning Commission be approved, provided that proper platting is accomplished and that the applicant work with the Public Works Department for proper drainage of the water accumulating and passing through this property. Mr. Morton seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Lacy, Morton, Padilla; NAYS: None; ABSENT: Becker, O'Connell.

AN ORDINANCE 44,911

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS A 2.072 ACRE TRACT OF LAND OUT OF NCB 14945, 10440 PERRIN BEITEL ROAD, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT; A 22.733 ACRE TRACT OF LAND OUT OF NCB 14945, AND A 14.834 ACRE TRACT OF LAND OUT OF NCB 14941, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "R-A" RESIDENTIAL-AGRICULTURAL DISTRICT; A 15.739 ACRE TRACT OF LAND OUT OF NCB 14945, AND A 59.120 ACRE TRACT OF LAND OUT OF NCB 14941, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "R-A" RESIDENTIAL-AGRICULTURAL DISTRICT FOR A QUARRY; AND A 421.345 ACRE TRACT OF LAND OUT OF NCB 14945, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "I-2" HEAVY INDUSTRY DISTRICT FOR THE MANUFACTURING OF CEMENT, PROVIDED THAT PROPER PLATTING IS ACCOMPLISHED AND THAT THE APPLICANT WORK WITH THE PUBLIC WORKS DEPARTMENT FOR PROPER DRAINAGE OF THE WATER ACCUMULATING AND PASSING THROUGH THIS PROPERTY.

* * * *

N. CASE 5894 - to rezone a 0.52 acre tract of land out of NCB 15723, being further described by field notes filed in the office of the City Clerk, 14615 Judson Road, from Temporary "R-1" Single Family Residential District to "B-3" Business District, located on the southwest side of Judson Road, being 1949.4' southeast of the intersection of Nacogdoches Road and Judson Road, having 86.6' on Judson Road and a depth of 261.7'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be denied by the City Council.

Mr. William Salyer, attorney representing the applicant, Mr. Charles D. Schroyer, stated his client proposes to operate a ceramic shop on the subject property and later a beauty shop. Mr. Salyer discussed with the Council commercial development and concluded by stating he would accept "B-2" zoning instead of "B-3".

No one spoke in opposition.

After consideration, Mr. Padilla made a motion that the property be rezoned "B-2" Business District instead of "B-3" Business District. Mr. Lacy seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Black, Lacy, Morton, Padilla; NAYS: None; ABSENT: Becker; ABSTAIN: O'Connell.

AN ORDINANCE 44,912

AMENDING CHAPTER 42 OF THE CITY CODE
THAT CONSTITUTES THE COMPREHENSIVE
ZONING ORDINANCE OF THE CITY OF SAN
ANTONIO BY CHANGING THE CLASSIFICATION
AND REZONING OF CERTAIN PROPERTY
DESCRIBED HEREIN AS A 0.52 ACRE TRACT
OF LAND OUT OF NCB 15723, BEING FURTHER
DESCRIBED BY FIELD NOTES FILED IN THE
OFFICE OF THE CITY CLERK, 14615 JUDSON
ROAD, FROM TEMPORARY "R-1" SINGLE
FAMILY RESIDENTIAL DISTRICT TO "B-2"
BUSINESS DISTRICT.

* * * *

75-9 Mayor Becker returned to the meeting and presided.

H. CASE 5880 - to rezone Lot 5-B, NCB 12054, 11226 Coker Loop East, from "A" Single Family Residential District to "B-1" Business District, located on the southeast side of Coker Loop East being 826.6' northeast of the intersection of Coker Loop East and N. Loop Road, having 152.2' on Coker Loop East and a depth of 549.7'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

No one spoke in opposition.

After consideration, Mr. Padilla made a motion that the recommendation of the Planning Commission be approved, provided that proper platting is accomplished and that a 15' strip is dedicated along Coker Loop East. Mr. O'Connell seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton, O'Connell, Padilla; NAYS: None; ABSENT: None.

AN ORDINANCE 44,913

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS LOT 5-B, NCB 12054, 11226 COKER LOOP EAST, FROM "A" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-1" BUSINESS DISTRICT, PROVIDED THAT PROPER PLATTING IS ACCOMPLISHED AND THAT A 15' STRIP IS DEDICATED ALONG COKER LOOP EAST.

* * * *

J. CASE 5920 - to rezone Lot 3, NCB 10047, 400 Block of Jackson Keller Road, from "B-1" Business District to "B-2" Business District, located on the southwest side of Jackson Keller Road 110' southeast of the intersection of Melliff Drive and Jackson Keller Road, having 78' on Jackson Keller Road and a depth of 200'.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council.

Mr. John Bradley, the applicant, stated he proposed to operate a Trophy Sales House at this location. He presented an architect's sketch showing the proposed improvements to the existing property.

Speaking in opposition were Mrs. K. J. Walker, Mrs. A. H. Otterstetter and Mrs. Leslie Necker. They spoke against "B-2" zoning because it would allow sale of beer and other objectionable uses as well as increase traffic which they claimed was bad enough now.

Dr. Moises C. Gonzalez, owner of the property, stated the Council rezoned the property to "B-1" last year but the deal he had on it did not go through. The property has been idle since then and is deteriorating. He had inquired of the Planning Department if a Trophy House Sales operation could be conducted in "B-1" and was advised it would take a "B-2" zoning, therefore, the request for "B-2".

Mayor Becker inquired as to the status of the study being made by the Planning Commission to resolve problems such as the case in question.

Mr. Camargo advised the Planning Commission will review the matter next week. The staff has been making a study of beer taverns as well as restaurants.

Discussion brought out that since a "trophy house" was not listed in the table of permitted uses, the staff has said that such use should go under "B-2" Business District.

Section 42-66 of the Zoning Ordinance provides, in part, that "where a particular use is not listed in the table of permitted uses, a factual determination of its classification will be made by applying its use to comparative uses listed and to the general purposes of districts as defined....."

The rezoning to "B-2" was not granted, however, on motion of Mr. O'Connell, seconded by Mr. Lacy, the Council made a legislative determination under authority of the above quoted section, that a trophy house, which is not listed in the table, would more resemble "B-1" uses, and that such use would be allowed without any change in zone. The motion prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton, O'Connell, Padilla; NAYS: None; ABSENT: None.

75-9 The Clerk read the following Ordinance:

AN ORDINANCE 44,914

AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH BOYS CLUB OF SAN ANTONIO, INC., TO USE \$105,000.00 FROM REVENUE SHARING FUNDS TO AID IN OPERATION OF THE BOYS CLUB PROGRAM IN ORDER TO PROVIDE RECREATIONAL SERVICES TO THE CITIZENS OF SAN ANTONIO DURING THE PERIOD FROM FEBRUARY 13, 1975 TO DECEMBER 31, 1975; APPROPRIATING FUNDS AND AUTHORIZING PAYMENT.

* * * *

Mr. John Rinehart, Operations Manager for Monitoring and Evaluation, explained that this Ordinance provides for a contract with the Boys Club where the City gives them \$105,000.00 to pay operational costs on a day-to-day basis. This money supplements what they get from United Way and other sources. In addition to the money provided in the contract, there will be supplemental positions under the CETA Program which will be available to the Boys Club until February 6, 1976. The 19 jobs provided by CETA will supplement the \$105,000.00 and not be deducted from that sum. The agreement provides for the Northside Branch to operate at 75 percent of full operation. The Southside Branch will be reopened and operate at 80 percent as well as the other branches.

After consideration, on motion of Dr. San Martin, seconded by Mrs. Cockrell, the Ordinance was passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Padilla; NAYS: None; ABSENT: Morton, O'Connell.

75-9

COMMUNITY DEVELOPMENT FUNDS

Item 2 of the Agenda being a proposed ordinance approving a \$17,904,000 Community Development Application under Title I of the Housing and Community Development Act of 1974, and authorizing submission of same to the U. S. Department of Housing and Urban Development was postponed.

Acting City Manager Cipriano Guerra asked the Council to set a date for the next workshop session on this matter and also set a date for Council to formally consider the ordinance as time was running out.

(Later in the meeting, the Council decided that it will hold a workshop session on Friday, February 21, 1975, beginning at 9:00 A. M., at the Municipal Information Center, 421 South Alamo, and then hold a Special Meeting at 1:00 P. M. on the same day to formally consider the ordinance.)

February 13, 1975
nsr

75-9 The following Ordinances were read by the Clerk and explained by Mr. W. S. Clark, Director of Right-of-Way and Land Acquisition, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton; NAYS: None; ABSENT: O'Connell, Padilla.

AN ORDINANCE 44,915

APPROPRIATING THE SUM OF \$105,749.00 OUT OF VARIOUS FUNDS, FOR THE PURPOSE OF ACQUIRING TITLE TO CERTAIN LANDS AND EASEMENTS OVER CERTAIN LANDS; AND ACCEPTING THE DEDICATION OF EASEMENTS OVER CERTAIN LANDS; ALL TO BE USED IN CONNECTION WITH CERTAIN RIGHT-OF-WAY PROJECTS.

* * * *

AN ORDINANCE 44,916

APPROPRIATING FROM CERTAIN FUNDS AMOUNTS IN THE TOTAL SUM OF \$2,107.00 IN PAYMENT FOR EXPENSES INCURRED IN CONNECTION WITH CUPPLES ROAD IMPROVEMENT, 24TH STREET IMPROVEMENT PROJECT, MAYBERRY DRAINAGE (PROJECT 58-D), CATALPA-PERSHING DRAINAGE, WEST COMMERCE STREET IMPROVEMENT, STORM DRAINAGE PROJECT #58-C, NOGALITOS STORM DRAINAGE, U. S. 281 NORTH, HIGH COUNTRY ESTATES OFF-SITE SEWER MAIN (MISCELLANEOUS EASEMENTS AND DEDICATIONS).

* * * *

75-9 The Clerk read the following Ordinance:

AN ORDINANCE 44,917

ACCEPTING A GRANT OF \$35,858.00 FROM THE TEXAS CRIMINAL JUSTICE DIVISION OF THE OFFICE OF THE GOVERNOR, FOR OPERATION OF A PROJECT IN THE POLICE DEPARTMENT IDENTIFIED AS THE ACCELERATED POLICE REPORTS PROJECT; APPROPRIATING FUNDS AND APPROVING A BUDGET FOR THE PROJECT AND APPROVING A PERSONNEL COMPLEMENT THEREFOR.

* * * *

The Ordinance was explained by Police Chief Emil Peters who said that the purpose of this project is to take some of the work load off of detectives which will enable them to spend more time working in the field. It consists of a pool of four dictating machines and the personnel to operate them through which detectives can dictate their reports instead of having to type them out themselves.

After consideration, on motion of Mr. Morton, seconded by Dr. San Martin, the Ordinance was passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton; NAYS: None; ABSENT: O'Connell, Padilla.

Mr. Morton asked if this same situation exists at levels below the grade of detective.

Chief Peters said that patrolmen must make written reports on each case, but it is not practical to handle them by dictation. It has been found to be more efficient for each patrolman to write his own reports since he handles many different types of cases and situations.

75-9 The following Ordinances were read by the Clerk and explained by Chief of Police Emil Peters, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton; NAYS: None; ABSENT: O'Connell, Padilla.

AN ORDINANCE 44,918

ACCEPTING A GRANT OF \$85,043.00 FROM THE TEXAS CRIMINAL JUSTICE DIVISION OF THE OFFICE OF THE GOVERNOR FOR CONTINUATION OF THE SAN ANTONIO POLICE DEPARTMENT REGIONAL CRIME LABORATORY PROJECT FOR A THIRD YEAR; APPROPRIATING FUNDS; APPROVING A BUDGET FOR THE PROJECT, AND APPROVING A PERSONNEL COMPLEMENT THEREFOR.

* * * *

AN ORDINANCE 44,919

AUTHORIZING SUBMISSION OF AN APPLICATION TO THE CRIMINAL JUSTICE COUNCIL FOR A \$352,782.00 GRANT FOR A POLICE DEPARTMENT PROJECT ENTITLED COMPUTER ASSISTED DISPATCHING SYSTEM.

* * * *

75-9

HEMISFAIR PLAZA

Mr. Stewart Fischer, Director of Traffic and Transportation, advised the Council that he had just heard from the Federal Highway Administration and they will have no objection to the new road planned at Hemisfair Plaza.

Mayor Becker asked that a telegram be sent to the Commissioners at once expressing the Council's appreciation for their action.

75-9 The following Ordinance was read by the Clerk and explained by Mr. Stewart Fischer, Director of Traffic and Transportation, and after consideration, on motion of Mrs. Cockrell, seconded by Mr. Lacy, was passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton; NAYS: None; ABSENT: O'Connell, Padilla.

AN ORDINANCE 44,920

AUTHORIZING THE CITY MANAGER TO SIGN
AN AGREEMENT WITH THE TEXAS HIGHWAY
DEPARTMENT CONCERNING U. S. HIGHWAY
281 FROM 0.2 MILES SOUTH OF I. H. 410
TO SANDAU ROAD. (ILLUMINATION - CITY'S
SHARE \$156,100.00)

* * * *

75-9 The Clerk read the following Resolution:

A RESOLUTION
NO. 75-9-11

REQUESTING THE TEXAS HIGHWAY DEPARTMENT
TO MAKE CERTAIN CHANGES TO INTERSTATE
HIGHWAY 10.

* * * *

Mr. Stewart Fischer, Director of Traffic and Transportation, advised the Council that when the USAA building opens adjacent to I. H. 10 it will create a traffic problem. This matter has been under study and this Resolution requests the Texas Highway Department to make the following changes:

1. Construct a turn around lane under the south end of the structure over Huebner Road.
2. Construct a turn around lane under the north end of the structure over Wurzbach Road.
3. Move the southbound entrance ramp now located between Huebner and Wurzbach Roads approximately 1200 feet southward.

* * * *

Mr. Fischer stated that the agreement for these changes must be made between the City and the Texas Highway Department; however, USAA will reimburse the City for costs incurred.

After consideration, on motion of Mrs. Cockrell, seconded by Dr. San Martin, the Resolution was passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton; NAYS: None; ABSENT: O'Connell, Padilla.

75-9 The following Ordinances were read by the Clerk and explained by Members of the Administrative Staff, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton; NAYS: None; ABSENT: O'Connell, Padilla.

AN ORDINANCE 44,921

GRANTING PERMISSION TO MR. LAMAR W. GARDNER TO CONSTRUCT 60 LINEAL FEET OF 8' HIGH WOOD PRIVACY FENCE ON THE EAST SIDE OF HIS PROPERTY AT 1911 E. LAWNSDALE.

* * * *

AN ORDINANCE 44,922

ADOPTING THE RECOMMENDATIONS OF THE TAX ERROR BOARD OF REVIEW CONCERNING ERRORS ON THE TAX ROLLS OF THE CITY OF SAN ANTONIO; AUTHORIZING THE TAX ASSESSOR TO MAKE CORRECTIONS OF THESE ERRORS, AND AUTHORIZING THE CITY TREASURER TO AMEND THE TAX ROLLS TO REFLECT THESE CORRECTIONS.

* * * *

AN ORDINANCE 44,923

APPROPRIATING THE AMOUNT OF \$10,000.00 IN THE 1970 LIBRARY IMPROVEMENT BOND FUND TO A SPECIAL ACCOUNT TO BE USED FOR THE PURCHASE OF MISCELLANEOUS LIBRARY EQUIPMENT WHERE THE UNIT COST OF THE EQUIPMENT IS UNDER \$3,000.00.

* * * *

AN ORDINANCE 44,924

APPROPRIATING TWO THOUSAND SEVEN HUNDRED FIFTEEN AND NO/100 (\$2,715.00) DOLLARS OUT OF FUND NO. 78-80-10 FOR THE ACQUISITION OF A 0.220 ACRE PERMANENT EASEMENT AND A 0.141 ACRE TEMPORARY CONSTRUCTION EASEMENT IN N.C.B. 12057, AND AUTHORIZING PAYMENT TO VARIOUS PARTIES, ALL NEEDED IN CONNECTION WITH THE SALADO CREEK SEWER EXTENSION PROJECT.

* * * *

AN ORDINANCE 44,925

APPROPRIATING TWO HUNDRED FIFTY EIGHT THOUSAND EIGHT HUNDRED SEVENTY SEVEN AND NO/100 (\$258,877.00) DOLLARS OUT OF HIGHWAY RIGHT-OF-WAY BONDS, SERIES 1970, FUND NO. 409-09 AND AUTHORIZING PAYMENT TO VARIOUS PARTIES, ALL IN CONNECTION WITH THE ACQUISITION OF THE FEE TITLE TO A 4.2902 ACRE TRACT OF LAND NEEDED IN N.C.B. 12057 IN CONNECTION WITH THE U. S. 281 NORTH PROJECT BETWEEN LOOP 410 AND BITTERS ROAD.

* * * *

AN ORDINANCE 44,926

ACCEPTING THE LOW BID OF ED STEVES & SONS
TO FURNISH THE CITY OF SAN ANTONIO WITH
YELLOW PINE LUMBER FOR A NET TOTAL OF \$7,286.92.

* * * *

AN ORDINANCE 44,927

AUTHORIZING THE PURCHASE OF HEALTH FILMS
FROM PROFESSIONAL RESEARCH, INC. FOR A
TOTAL OF \$3,655.00.

* * * *

75-9

The Clerk read the following Ordinance:

AN ORDINANCE 44,928

AMENDING THE CONTRACT FOR FOOD AND BEVERAGE
CONCESSIONS IN THE TOWER OF THE AMERICAS BY
APPROVING CHANGES IN MENU PRICES.

* * * *

The Ordinance was explained by Mr. John Brooks, Director of Purchasing, who said that this provides for a slight increase in some of the menu prices at the Tower of the Americas, as requested by the concessionaire.

Mr. Morton expressed the thought that the City's agreements are so restrictive on concessionaires that there is no incentive for them to be innovative, because of the necessary procedures to get Council approval for a change. He felt there should be some way to allow them more freedom in operation and to get Council approval of any changes on an annual basis.

Mr. Brooks said that the newer contracts being negotiated have a provision making it possible for the City Manager or Department Head to approve changes. He said that he would consult with the Legal Department to work out an amendment to older contracts to make them similar to the new contracts.

After consideration, on motion of Dr. San Martin, seconded by Mr. Lacy, the Ordinance was passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton; NAYS: None; ABSTAINED: Padilla; ABSENT: O'Connell.

75-9

The following Ordinance was read by the Clerk and explained by Mr. Tom Finlay, Assistant City Attorney, and after consideration, on motion of Dr. San Martin, seconded by Mrs. Cockrell, was passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Morton, Padilla; NAYS: None; ABSENT: Lacy, O'Connell.

AN ORDINANCE 44,929

DECLARING A PUBLIC NECESSITY FOR THE ACQUISITION
OF THE FEE TITLE TO CERTAIN PRIVATELY OWNED REAL

PROPERTY IN SAN ANTONIO, BEXAR COUNTY, TEXAS,
FOR PUBLIC PURPOSES IN CONNECTION WITH THE LOCATION,
CONSTRUCTION, OPERATION, RECONSTRUCTION, IMPROVEMENT,
REPAIR AND MAINTENANCE OF THE OLMOS CREEK DRAINAGE
PROJECT; AND DIRECTING AND AUTHORIZING THE CITY
ATTORNEY TO INSTITUTE AND PROSECUTE TO CONCLUSION
CONDEMNATION PROCEEDINGS TO ACQUIRE SO MUCH THEREOF
AS CANNOT BE ACQUIRED THROUGH NEGOTIATION.

* * * *

75-9 The Clerk read the following letter:

February 7, 1975

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

Gentlemen and Madam:

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

February 3, 1975 Petition submitted by Mr. J. S.
Gomez, 967 S. W. 37th Street, San
Antonio, Texas, requesting permission
to construct an eight foot fence at
the rear of his property located at
1449 Culebra.

February 4, 1975 Petition submitted by Mr. Louis T.
Rosenberg, GPM Life Building, Suite
278, 800 N. W. Loop 410 at Blanco,
San Antonio, Texas, with reference
to Section 312 Loan Funds for use
on the four buildings that constitute
the Vogel Belt Building Complex.

The following petition was filed and made a matter of record in the
City Clerk's Office.

February 4, 1975 Petition submitted by Mr. Louis
Rosenberg, Co-Chairperson, Common
Cause, P. O. Box 931, San Antonio,
Texas, requesting consideration of
an ordinance pertaining to campaign
contributions and expenditures state-
ments and adoption of conflict of
interest disclosure standards.

/s/ J. H. INSELMANN
City Clerk

* * * *

75-9 Mayor Becker recessed the meeting and said that the Council
would go into executive session with the City Attorney to discuss legal
matters, after which, there being no further business to come before
the Council, the meeting adjourned at 4:36 P. M.

ATTEST: *J. H. Inselmann*
City Clerk
February 13, 1975
kry

A P P R O V E D
[Signature]
M A Y O R