

REGULAR MEETING OF THE CITY COUNCIL  
OF THE CITY OF SAN ANTONIO HELD IN  
THE COUNCIL CHAMBER, CITY HALL, ON  
THURSDAY, JANUARY 7, 1971.

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The meeting was called to order by the presiding officer,  
Mayor W. W. McAllister, with the following members present:  
McALLISTER, CALDERON, BURKE, JAMES, HABERMAN, NIELSEN, TREVINO, HILL,  
TORRES; Absent: NONE.

71-1 The invocation was given by Reverend Christian Kehl, Jail  
Chaplain & Urban Minister.

The minutes of the meetings of December 17, 1970, and  
December 23, 1970, were approved.

71-1 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: McAllister, Calderon, Burke, James, Haberman, Nielsen,  
Trevino, Hill; NAYS: None; ABSENT: Torres.

AN ORDINANCE 39,161

ACCEPTING THE LOW BID OF JACOBS  
DISTRIBUTING COMPANY TO FURNISH THE  
CITY WITH ONE DRUM AND DISC LATHE  
FOR A NET TOTAL OF \$1,526.74.

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AN ORDINANCE 39,162

AUTHORIZING THE CITY MANAGER TO  
EXECUTE A CONTRACT WITH EMMIT TUGGLE,  
ARCHITECT, FOR PROFESSIONAL SERVICES  
PERTAINING TO THE CONSTRUCTION AND  
EXPANSION OF THE WESTFALL BRANCH  
LIBRARY.

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AN ORDINANCE 39,163

AUTHORIZING EXECUTION OF AN AGREEMENT  
WITH SOUTHERN PACIFIC COMPANY RELATING  
TO THE RECONSTRUCTION OF THE CROSSING  
ON CULEBRA AVENUE.

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ORIGIN-DESTINATION SURVEY 1969

Traffic and Transportation Director, Stewart Fischer, presented members of the City Council with San Antonio - Bexar County Urban Transportation Study Reports No. 6A and No. 6B, dated 1969.

He reviewed the summary on Pages 6 and 7 of Report No. 6A. He commented that contrary to popular opinion, that all the people are leaving the downtown area; the survey reflects that the downtown business district is doing a reasonable job of holding its own.

71-1

The Clerk read the following Ordinance:

AN ORDINANCE 39,164

ACCEPTING THE PROVISIONS OF TEXAS  
HIGHWAY COMMISSION MINUTE ORDER  
NUMBER 64422 PERTAINING TO JOINT  
PARTICIPATION IN DEVELOPMENT OF  
THE DWYER AVENUE EXTENSION AS A  
TOPICS PROJECT.

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Mr. Stewart Fischer, Traffic and Transportation Director, explained that this project was to extend Dwyer Avenue to eliminate a right-angle jog for northbound traffic on Main Avenue. Presently, northbound traffic must turn on Durango Street, go one block and turn north on Dwyer Avenue. This has created a traffic problem and signalization problem. Cost of the project is \$86,000; \$63,500 to be borne by the State and Federal Governments under the TOPICS Program and \$22,500 by the City.

After consideration, on motion of Dr. Calderon, seconded by Dr. Nielsen, the Ordinance was passed and approved by the following vote: AYES: McAllister, Calderon, Burke, James, Haberman, Nielsen, Trevino, Hill, Torres; NAYS: None; ABSENT: None.

71-1

The Clerk read the following Ordinance:

AN ORDINANCE 39,165

ACCEPTING THE PROVISIONS OF TEXAS  
HIGHWAY COMMISSION MINUTE ORDER  
NUMBER 64421 PERTAINING TO JOINT  
PARTICIPATION IN DEVELOPMENT OF  
THE DURANGO BOULEVARD BRIDGE  
IMPROVEMENTS AS A TOPICS PROJECT.

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Mr. Stewart Fischer, Traffic and Transportation Director, explained that this project is for the widening of the existing bridge across the river on Durango Street, west of South St. Mary's Street. This item was included in the recent bond issue, but by participating in this project the cost to the City will be \$16,700. The State and

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Federal Governments' share, under the TOPICS Program, is \$168,300, for a total cost of \$185,000.

After consideration, on motion of Mrs. Haberman, seconded by Mr. Hill, the Ordinance was passed and approved by the following vote: AYES: McAllister, Calderon, Burke, James, Haberman, Nielsen, Trevino, Hill, Torres; NAYS: None; ABSENT: None.

71-1 The Clerk read the following Ordinance:

AN ORDINANCE 39,166

ACCEPTING THE PROVISIONS OF TEXAS  
HIGHWAY COMMISSION MINUTE ORDERS  
NUMBERS 64317 AND 64420 PERTAINING  
TO JOINT PARTICIPATION IN DEVELOPMENT  
OF WEST COMMERCE STREET IMPROVEMENTS  
AS A TOPICS PROJECT.

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Mr. Stewart Fischer, Traffic and Transportation Director, presented each member of the Council with an analysis of the West Commerce Street Projects. The analysis outlines the projects' limits, rights-of-way, capacity and social-economic factors, if the improvements are done under the TOPICS Program or with bond funds.

He recommended that the Council approve the TOPICS Program, as it will take care of the needs for the next ten years and will save time in getting the improvements completed, as no right-of-way will be required. It will also save the City money by participating with the State and Federal Governments. Total cost would be \$1,005,000, with TOPICS paying \$831,000 and the City \$174,000. (A copy of the analysis is on file with the papers of this meeting.)

Mr. Torres asked that members of the Council be furnished a detailed map of the West Commerce Street Improvements Project.

After consideration, on motion of Dr. Calderon, seconded by Mr. Hill, the Ordinance was passed and approved by the following vote: AYES: McAllister, Calderon, Burke, James, Haberman, Nielsen, Trevino, Hill, Torres; NAYS: None; ABSENT: None.

71-1 Item No. 7, being consideration of HemisFair Plaza leases, was withdrawn at the request of the City Manager.

71-1 The following Ordinance was read by the Clerk and explained by City Attorney, Howard Walker, and after consideration, on motion of Mr. Hill, seconded by Dr. Calderon, was passed and approved by the following vote: AYES: McAllister, Calderon, Burke, James, Haberman, Nielsen, Trevino, Hill, Torres; NAYS: None; ABSENT: None.

AN ORDINANCE 39,167

AUTHORIZING THE CITY MANAGER TO EXECUTE  
QUITCLAIM DEEDS TO CERTAIN PURCHASERS  
IN CONCURRENCE WITH OTHER TAXING ENTITIES

OF CERTAIN PROPERTIES ACQUIRED THROUGH  
TAX FORECLOSURES AND AUTHORIZING PAYMENT  
TO OTHER TAXING ENTITIES AND COSTS  
INCURRED THEREIN.

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<u>DESCRIPTION</u>	<u>PURCHASER</u>	<u>AMOUNT</u>
Lots 8 and 9, Block 8, New City Block 6241	J. Anthony Guajardo	\$ 215.61
Lots 42, 43 and 44, Block 19, New City Block 7328	Kenwood Community Council, Inc.	450.00
Lots 3 and 4, Block 5, New City Block 7315; Lots 11 and 12, Block 6, New City Block 7316	Kenwood Community Council, Inc.	500.00
Lots 9 and 10, Block 5, New City Block 6044	Urban Renewal Agency	1,362.00

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71-1 The Clerk read an Ordinance granting Mr. Roy C. Smith permission to operate an insurance holding yard for wrecked automobiles on the north 300 feet of Lot 21, NCB 11,176; providing that a solid eight foot fence be erected around the entire area to be used for storage of the wrecked automobiles and parts thereof.

Mayor Pro-Tem Calderon asked that on this particular item notices be sent to people within 200 feet of the subject property, located at 1223 March Avenue, as is done with regular zoning cases. The permit would give approval to a definite change in the character of the community without input of property owners.

After consideration, the City Manager was instructed to notify the people within 200 feet of the subject property. After this is done, the matter will be placed on the agenda for consideration.

71-1 Item No. 10, being an Ordinance providing for increased municipal contributions to the current service annuity reserve at retirement of the employees of the City of San Antonio, Texas, effective January 1, 1971, was withdrawn at the request of the City Manager. This proposed action was covered in the ordinance setting up funding, passed on December 23, 1970.

71-1 The Clerk read the following Ordinance:

AN ORDINANCE 39,168

EXTENDING FOR A ONE-YEAR PERIOD CERTAIN  
PROVISIONS AND RESTRICTIONS CONCERNING  
THE RIGHT-OF-WAY FOR THE NORTH EXPRESSWAY.

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Mr. W. S. Clark, Land Division Chief, explained that this Ordinance extends the restrictions on building on the North Expressway (U. S. 281 North) from Loop 410 to the City Limits at Bitters Road for a one-year period ending January 9, 1972.

After consideration, on motion of Dr. Calderon, seconded by Mr. Hill, the Ordinance was passed and approved by the following vote: AYES: McAllister, Calderon, Burke, James, Haberman, Nielsen, Trevino, Hill, Torres; NAYS: None; ABSENT: None.

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DISCUSSION OF WATER POLICY

Note: On January 5, 1971 Councilman Pete Torres addressed a memorandum to members of the City Council concerning Water Policy for San Antonio. A copy of this memorandum is on file with the papers of this meeting.

MAYOR McALLISTER: I might say to Mr. Torres and to members of the Council that Mr. Torres presented us with a statement about the water policy of San Antonio. I want to assure him that with my knowledge of the attitude and the discussions and the surveys that have been made by the City Water Board they are very well aware of San Antonio's need for increased water.

I might say to him, the latest survey indicates that we have never used more than half of the reservoir. Also that the Cibolo Reservoir, which will contain 20,000 acre feet, is under study, and the engineering will be finished shortly, and it will be approved by the Congress. The Federal Government engineers have already approved it. That probably will be finished by the year 1975.

Canyon is already built. Canyon has 100,000 acre feet. Of the 100,000 acre feet in Canyon, 50,000 acre feet only have been allocated and that to the Guadalupe - Blanco River Authority. Under the decision of the Supreme Court in 1966 they are required to sell that 50,000 acre feet to the San Antonio Water Board when and if the San Antonio Water Board needs it. In addition to which there is an additional 50,000 acre feet there that has not yet been appropriated.

The Water Board is also having studies made for a reservoir on the Applewhite Creek, and that will contain some 16,000 acre feet. So, I would say that the Water Board has had studies made steadily, right along, and is pursuing a program of endeavoring to provide San Antonio's water needs for many years in the future. As far as our present conditions are concerned - when I mean present I mean present and ten years in advance - it looks like we are well able to take care of the needs.

I will ask Mr. Van Dyke of the Water Board, the Manager of the Water Board, to prepare a written statement because what I'm saying may not be absolutely correct, but I think that I have fairly accurate knowledge of the situation as it is. So, I can assure Mr. Torres and citizens of San Antonio that the proper authorities are taking good care of the situation. They're concerned about it, and they have been making studies covering a good many years and a program is in process that will provide us at any rate with more water than we need in the ~~recently~~ foreseeable future.  
presently

TORRES: But we, the point I was seeking to make, Mayor, and I don't wish to dispute the Mayor's statements because you're absolutely correct and when I sent this memorandum to the Council I was aware of the various studies that have been made looking for other sources of water. I was not necessarily talking about additional sources of water. As the memorandum points out, Mayor, there are a number of reports which have been made, there are a number of studies which would dispute some of the projections and some of the statements that have been made by the Water Board.

There are a number of people in the community who are concerned over the situation of the rapid depletion of our water supply. I would

point out to one which I referred in the memorandum which I sent to the Council by the area of Policy Council of San Antonio called or referred to as the interaction between water supply and future urban development. Now, there are a number of statements which are made in that particular report in which Mr. Tom Cook when he was with the River Authority, and the River Authority in an official report prepared pointed out that we are gradually using up the storage capacity of the Edwards Aquifer that there is a cumulative or total inflow of over a - from 1934 to 1968, Mayor, was 17,993,000 acre feet, yet the outflow was 8,527,000 acre feet. Subsequent to that report, Mayor, there was one excellent series, which I'm sure the Mayor is aware of, which was written by Arthur Moczygemba in the San Antonio Express last June 8, 9, 10, 11 and 12. The conclusion that Mr. Moczygemba, on good authority came to, was a serious drought could dry up San Antonio. Now, the Mayor says that we have to look to the authorities; the authorities are working on this. This is the very point I'm trying to make on this proposition, Mayor, is that as far as setting an over all policy for the City of San Antonio we are at the end of the buck, Mayor. We cannot pass the buck beyond this point. We have not established a water policy for the City, and I recognize that as far as the operation and machinery of maintaining or providing water and selling water in this community that this is the function of the Water Board, but in terms of establishing a comprehensive water plan and a comprehensive water policy for the City of San Antonio and protecting our existing resources - I mean recognizing that the Water Board itself is looking for other sources of water, but in terms of protecting our existing resources and conditioned upon the fact that the development of an alternate source would take anywhere from ten to twenty years. In the interim, Mr. Mayor, there are projections that have been made, that a serious drought could immediately dry up our existing source. The City of San Angelo, this last summer, had to ration, among its citizens, water, because it did run into a very, very serious water crisis. All I'm saying is that I do not want us to run into a similar situation where the health, safety and welfare of the citizenry of this community is jeopardized.

Now, two points, there's two points that I want to make, and I'll conclude on this note, Mayor. In terms of developing a water policy for the City, I pointed out to the Council that we are contemplating or we are to hear, as I understand it, this morning, from the developers to this 50,000 New Town development. Now, this development will sit directly above the recharge zone of the Edward Aquifer and unless there is some regulation to that and similar developments, Mayor, that we are going to further jeopardize the problem and not only create a problem in terms of obtaining water, but create a problem in terms of pollution of our existing supply.

Now, perhaps more important, Mayor, is the fact that our natural resources are not inexhaustible and that the rate policy - our existing rate policy is completely unorthodox and out of order insofar as preserving our natural resources of water. That is the people - the more the people use the lower rates that they receive, ostensibly, to promote industry and yet with this policy we have not managed to really promote too great influx of industry into the community. The point I'm seeking to make that we ought to start talking and ought to start as a policy making body of this community - we ought to start establishing a policy that will look to the future to conserve these resources and that the rate policy or the present rate policy which is based on the scheme that these natural resources are not inexhaustible, should be changed, Mayor, that perhaps we ought to start talking about establishing a rate policy where those who use more should be charged more in the interest of conservation. This is the point that I'm seeking to make to the members of the Council that we cannot defer this matter to the City Water Board or an agency of the City of San Antonio. Sadly, the buck stops here.

MAYOR McALLISTER: Well, let me just say that I'm sure the Water Board has no objection at all, and that if the City Council cares to have a review of the studies that have been made and which have been paid for by the Water Board that they will be made available and that if the City Council wants to engage other experts there is no reason at all why they can't do so. I'm very, very glad to see the Council so interested in seeing that the Water Board rates are adequate to take care of future expansion. I might say to you that future expansions, so far as surface water is concerned, is a very expensive operation. It will cost, well, in the tens of millions of dollars to provide an adequate surface supply of water in addition to that which we have out of the Edwards Aquifer.

NIELSEN: Or if it's not a matter of future surface water there may be this consideration of reuse policies which also are certainly probably going to be more expensive than the present rate structures that we enjoy at this moment. I think that Mr. Torres has made an excellent point. It's a question; it's not a question, it's just a reality of policies that affect not only preservation of quality of water that we had and finally the development at the minimum expense of whatever policy it takes to secure more than adequate water.

MAYOR McALLISTER: All right, no objections from the Council.

TORRES: I appreciate that, Mayor, because our existing City Code is devoid of any regulation pertaining to the use of water. We have no water policy. If I could, and I appreciate the Mayor's concurrence in this. Now, if I could merely ask that we instruct the staff to come up with a summary of those reports that have been prepared up to now. Second, Mayor, what is - what other studies, I know that last summer the Water Board, the River Authority went into another project - a joint project to study other sources of surface water and their feasibility and their cost. If we could find out what these studies are supposed to do and when they will be completed. Finally, Mayor, and I think real important, I think that we should have the staff look at other cities that have had problems such as ours and have actually taken positive steps in terms of protecting their water supply and that we ought to find out what kind of regulations have been imposed and have the staff study what those regulations are and whether such regulations would be feasible in San Antonio in terms of regulating construction and development in the area above our recharge zone, Mayor. If I could have the Council concurrence and so instruct the staff, Mayor, I think that we would be making some progress towards what I have suggested to the Council this morning, sir.

MAYOR McALLISTER: No objection to that, I'm sure, on part of any member of the Council. Mr. Henckel, the City Attorney will have a problem ahead as far as the legal inhibitions on property rights are concerned.

NIELSEN: I think you were present at the AACOG presentation in the environment and growth policy considerations to the point of the Edwards recharge zone. What was discussed at that point, Mr. Mayor? Because it's still very, very pertinent certainly no answers have been provided yet. But somebody has got to start doing it. We ought to be full participants then.

CALDERON: Mr. Mayor, on the same subject, one other aspect of the total problem is the fact that the Water Board is not the only user of water from the Edwards Reservoir. There are any number of other water districts that are also users of this water supply and unfortunately, the Water Board is the only one that has taken upon itself the responsibility of trying to assure water supply for the City of San Antonio for the years to come. The Water Board has assumed most of the responsibilities plus the cost in seeking out ways and means to assure continuity of clean water supply for San Antonio and one of the problems that, in the past and in fact currently, is one of having to contend with the fact that there are other water districts involved in the consumption of the present water supply and yet they remain consistently the only ones seeking to solve a problem. So, I think in the overall prospective we need to recognize this problem and certainly give the Water Board full encouragement and assistance in terms of seeking to end up with, hopefully, a consolidation of all of these water districts. I know that several years ago the Research and Planning Council was very much interested in pointing to this problem of multiplicity of water districts, and I recall that at that time they were actually encouraging and suggesting that the Water Board seek to take into its family all of these water districts but, unfortunately, (garbled) to join and sell to the Water Board and they have, of course, their own legal rights no doubt. It gives them protection under state law. So, I think that we need to look at this problem from that aspect, too, and in what legal changes at the state level perhaps are required to be able to give the Water Board the necessary muscle and the necessary capability to be able to, in reality, have proper control of the total use of water coming out of the Edwards, and in view of the fact that they are the ones presently. I am keenly concerned about insuring the water supply for San Antonio for many years to come. So, I want to merely want to interject this aspect which I think is very important.

TORRES: I think that is an excellent point. Especially the point on finding out what changes we need in state legislation and this is why I think if the staff will look at it with this idea, Jerry, and I think it is a real challenge and I know you will appreciate a challenge and so we start the New Year off right.

BURKE: I think it is inconceivable to me to think that the City Water Board does not already have a policy in this regard, and I would like for us to have information as to what that policy is. It may not be a formal policy, but I am certain that they do have a policy; and I think that the City Council should be informed what the policy is presently and if it needs to be altered and what their recommendations would be in regard to those future policies.

TORRES: Jimmie, there is no policy on regulation of development over the aquifer.

BURKE: The City Water Board is bound to be using some criteria for decisions that they are making now.

TORRES: Pertaining to the acquisition of water - yes. But the point is - up to now has been merely the mechanics of obtaining that water and selling that water, having nothing to do with the prevention of pollution because it would be a matter which would be included in a water code of the City of San Antonio. No such code exists.

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BURKE: But, it's my feeling that they, even in the absence of the code, that they're doing everything within their power to protect the quality of the water supply of the City of San Antonio right now, and we ought to find out what they're doing.

MAYOR McALLISTER: I'll be very glad to have a statement prepared by the Water Board - the conditions, surveys - that have been made that and I can assure you that though we have to look at the future supply of water which will have to be a surface supply in addition to that which we get from the Edwards, but at the present time about half of the Edwards capacity flows through the springs and into the river and down into the ocean so we still got quite a little ways to go and quite a margin of safety as the future is concerned.

NIELSEN: Except, Mr. Mayor, the overall environmental realities may preclude us from considering the other hat. It may be basically in quantity in a quality sense impossible. Nobody really knows this yet, but I don't want to see us so far out on a limb, in terms of an urban growth policy, that we get out there and a limb gets chopped off, and we're dead. We just can't let that happen.

MAYOR McALLISTER: We will get Mr. Walker to advise us whether we have authority to go outside of the area, the city limits, of San Antonio to control construction so far as the possible pollution of the Aquifer is concerned.

TORRES: Well, Dr. Calderon's statement was well taken; Jimmy, I'm just a little bit - just so the impression is not left we're doing or getting to meaningless rhetoric, I just want to point out that the conclusion quoting Tom Cook who, I mentioned was previously with the San Antonio River Authority as far as I know the foremost expert in this area in San Antonio today. Now, just very briefly he says, "There are variations," and this out of an article which appeared on one of the newspapers on June 8, last June 8. He says, "There are variations in feasibility and economic studies proliferated for years." He says, "at least five studies on water and waste or both in progress each year, with some updated and others redone." Continuing the quote, "most of our water studies to date has been used to justify some pre-conceived water use by the parties doing the studies," and he concludes, "There is no single overall study or planning - the financing of many of these studies is often impractical. Some are general and some are specific engineering type of studies, so that in terms of the comprehensive type of planning, and to put these things together, I think that it would be incumbent upon us." And, this is all that I am saying this morning. I know that they have a policy, but the policy of preserving our existing resources and of restricting development and of establishing a policy for realistic costs, I think that would be incumbent upon use.

MAYOR McALLISTER: No question about that. That they don't have that authority.

TORRES: That's right.

MAYOR McALLISTER: Okay.

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71-1

The Clerk read the following Ordinance for the first time:

AN ORDINANCE 39,169

PROVIDING FOR THE EXTENSION OF CERTAIN  
BOUNDARY LINES OF THE CITY OF SAN ANTONIO,  
TEXAS, AND THE ANNEXATION OF CERTAIN  
TERRITORY CONSISTING OF 18.1364 ACRES OF  
LAND, WHICH SAID TERRITORY LIES ADJACENT  
TO AND ADJOINS THE PRESENT BOUNDARY  
LIMITS OF THE CITY OF SAN ANTONIO.

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Mr. J. H. Wilkerson, Acting Planning Director, explained the proposed annexation, which was requested by the owners of the property, Community Properties, Inc. The property is known as The Hills Sub-division, Units 3 and 6.

No one spoke in opposition.

After consideration, on motion of Dr. Calderon, seconded by Mr. Hill, the Ordinance was passed and approved for publication only, by the following vote: AYES: McAllister, Calderon, Burke, James, Haberman, Nielsen, Trevino, Hill; NAYS: None; ABSENT: Torres.

71-1

The Clerk read the following Ordinance for the second and final time:

AN ORDINANCE 39,104

PROVIDING FOR THE EXTENSION OF CERTAIN  
BOUNDARY LINES OF THE CITY OF SAN ANTONIO,  
TEXAS, AND THE ANNEXATION OF CERTAIN  
TERRITORY CONSISTING OF 13.067 ACRES OF  
LAND, WHICH SAID TERRITORY LIES ADJACENT  
TO AND ADJOINS THE PRESENT BOUNDARY  
LIMITS OF THE CITY OF SAN ANTONIO.

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Mr. J. H. Wilkerson, Acting Planning Director, explained the proposed annexation, which was requested by the J. D. Development Company, Inc. The property is known as the Pan Am Subdivision.

No one spoke in opposition.

After consideration, on motion of Mr. Hill, seconded by Dr. Calderon, the Ordinance was passed and approved by the following vote: AYES: McAllister, Calderon, Burke, James, Haberman, Nielsen, Trevino, Hill; NAYS: None; ABSENT: Torres.

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At 9:30 A. M. the Mayor recessed the Council Meeting until 10:00 A. M. The Council then went into informal session and discussed bond project priorities.

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71-1 During the informal session, City Manager Henckel recommended to members of the Council that \$13,000,000 in General Obligation Bonds be issued to take care of the First Year Projects under the Bond Program, which had previously been discussed with the Council.

At the conclusion of the informal discussion, Mayor McAllister reconvened the Council Meeting in formal session at 10:00 A. M.

71-1 Mrs. Haberman moved that the City Manager's recommendation, that General Obligation Bonds, in the amount of \$13,000,000, be issued for the First Year Program for the following categories and amounts (amounts rounded off to nearest \$1,000 for bond purposes), be approved and that the City Manager be instructed to prepare the necessary ordinance for consideration at the Council Meeting of January 14, 1971.

<u>CATEGORY</u>	<u>ACTUAL \$</u>	<u>ROUNDED \$</u>
Drainage . . . . .	\$ 1,729,115.	\$ 1,729,000.
Streets . . . . .	2,792,015.	2,792,000.
San. Sewers . . . . .	3,332,384.	3,333,000.
Health . . . . .	203,750.	204,000.
Libraries . . . . .	197,000.	197,000.
Police . . . . .	360,000.	360,000.
Fire . . . . .	650,800.	650,000.
N. W. Serv. Center . . . . .	350,000.	350,000.
Parks . . . . .	2,112,936.	2,113,000.
Farmer's Mkt. . . . .	922,000.	922,000.
Land . . . . .	350,000.	350,000.
	<u>\$ 13,000,000.</u>	<u>\$ 13,000,000.</u>

The motion was seconded by Mr. Burke and was passed and approved by the following vote: AYES: McAllister, Calderon, Burke, Haberman, Trevino, Hill; NAYS: James, Nielsen, Torres; ABSENT: None.

71-1 SALE OF \$30,000,000 CITY PUBLIC SERVICE BOARD REVENUE BONDS

The bids received for the sale of \$30,000,000 City of San Antonio Electric and Gas Systems Revenue Bonds, Series 1971, were opened and read, as follows:

WEEDEN & COMPANY AND SALOMON BROTHERS & HUTZLER

Total interest from February 1, 1971 to final maturity	\$23,204,225.00
Less: Premium	2,635.50
Net Interest Cost	<u>\$23,201,589.50</u>

Effective Interest Rate 5.166356%

THE FIRST BOSTON CORPORATION  
HALSEY, STUART & CO., INC.  
DREXEL HARRIMAN RIPLEY INCORPORATED

Total interest from February 1, 1971 to final maturity	\$23,311,700.00
Less: Premium	25,451.50
Net Interest Cost	<u>\$23,286,248.50</u>

Effective Interest Rate 5.1852%

EASTMAN DILLON, UNION SECURITIES & CO.

Total interest from February 1, 1971 to final maturity	\$23,423,030.00
Less: Premium	6,785.70
Net Interest Cost	<u>\$23,416,244.30</u>

Effective Interest Rate 5.21415%

The Mayor then recessed the meeting for ten minutes while the bids submitted were being verified.

At 10:40 A. M. the meeting was reconvened.

Mr. Jack Morse, Vice Chairman of the City Public Service Board, advised the Council that the bids had been verified and that Weeden & Company and Salomon Brothers & Hutzler were the low bidders with an effective interest rate of 5.166356%. He stated that this was a very good bid, in view of the fact that when the CPSB considered the bond issue in September, they felt that the interest rate may be as high as 6½%. He recommended acceptance of this bid.

The following Ordinance was read by the Clerk and after consideration, on motion of Mr. Hill, seconded by Dr. Calderon, was passed and approved by the following vote: AYES: McAllister, Calderon, Burke, James, Haberman, Nielsen, Trevino, Hill, Torres; NAYS: None; ABSENT: None.

AN ORDINANCE 39,170

ACCEPTING THE BEST AND MOST FAVORABLE  
BID FOR THE PURCHASE OF \$30,000,000  
PRINCIPAL AMOUNT CITY OF SAN ANTONIO  
ELECTRIC AND GAS SYSTEMS REVENUE  
IMPROVEMENT BONDS, SERIES 1971  
(WEEDEN & COMPANY AND SALOMON BROTHERS  
& HUTZLER).

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The following Ordinance was read by the Clerk and after consideration, on motion of Dr. Calderon, seconded by Mr. Hill, was passed and approved by the following vote: AYES: McAllister, Calderon, Burke, James, Haberman, Nielsen, Trevino, Hill, Torres; NAYS: None; ABSENT: None.

AN ORDINANCE 39,171

AMENDING AN ORDINANCE ENTITLED "AN  
ORDINANCE AUTHORIZING THE ISSUANCE  
OF \$30,000,000 SAN ANTONIO ELECTRIC  
AND GAS SYSTEMS REVENUE IMPROVEMENT  
BONDS, SERIES 1971, PAYABLE ONLY OUT  
OF REVENUES OF THE CITY ELECTRIC  
SYSTEM AND GAS SYSTEM PROPERTIES FOR  
THE PURPOSE OF EXTENDING AND IMPROVING  
THE ELECTRIC AND GAS SYSTEMS OF THE  
CITY, PROVIDING FOR A SIXTH SUPPLEMENTAL  
INDENTURE COVERING AND MORTGAGING THE  
ELECTRIC SYSTEM AND GAS SYSTEM

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PROPERTIES OF THE CITY AND THE REVENUES THEREFROM TO SECURE SAID IMPROVEMENT BONDS ON A PARITY WITH THE PRESENTLY OUTSTANDING REFUNDING BONDS AND IMPROVEMENT BONDS AND IMPROVEMENT BONDS WHICH MAY BE HEREAFTER ISSUED, ALL IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS AND PROVISIONS OF ARTICLE VIII OF THE TRUST INDENTURE DATED FEBRUARY 1, 1951, BETWEEN THE CITY AND HARRIS TRUST AND SAVINGS BANK AND F. O. MANN, TRUSTEES, AS AMENDED."

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UTSA ANNEXATION

Mayor McAllister announced the opening of a public hearing on the proposed annexation of a 6.43 square mile area, known as the proposed University of Texas at San Antonio site and surrounding areas, adjacent to the City Limits of San Antonio in the northwest section of the City. He asked if there were any citizens in the audience who wished to speak regarding this subject.

The following persons appeared before the Council to speak:

H. Kyle Seale - Hills and Dales  
 John Walker - Hills and Dales  
 Roy Tipton - Hills and Dales  
 Patricia M. Westine - Hills and Dales  
 Mel Mueller - Hills and Dales  
 Jesse Dobbs - Helotes  
 Dwayne L. Hasse - Helotes  
 Alice Taylor - Helotes  
 Bill Taylor - Helotes

The above people all expressed agreement that it was only proper for the City to annex the University of Texas site, but they objected very much to the annexation of their communities by the City. Each person also requested of the City Council that permission be given for them to incorporate their respective communities.

Mr. Floyd McGown, attorney for McDonough Brothers, appeared before the Council and protested the annexation of a tract of land owned by McDonough Brothers, which is used as a rock quarry. He suggested that the annexation line be no further than 1,000 feet north of Farm-to-Market Road 1604. He felt that this would be more in line with the proposed limit east of I. H. 10 and south of Hausman Road.

Mr. Earl Cobb, Jr., attorney for the residents of Helotes and Hills and Dales Subdivision, also spoke to the Council and requested that the Council give permission to both communities to incorporate. He said that in return, the residents of Hills and Dales and Helotes would withdraw any objections they might have.

In reply to a question from Mr. Torres, City Attorney, Howard Walker, said that if the Supreme Court should rule against the City of San Antonio in the current case filed by Hills and Dales, it would void this entire annexation proceeding.

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The Mayor declared the hearing closed.

71-1 The Clerk read the following letter:

December 30, 1970

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.

12/28/70 Petition of St. Philip's College, 2111 Nevada Street, requesting the City to place appropriate directional signs at various locations to read "To St. Philip's College," with an arrow pointing in the proper direction.

12/31/70 Petition of Mr. Clayton Russell and approximately 280 persons requesting the annexation of Villa Coronado to the City of San Antonio.

/s/ J. H. INSELMANN  
City Clerk

\* \* \* \*

There being no further business to come before the Council, the meeting was adjourned at 11:45 A. M.

A P P R O V E D

  
M A Y O R

ATTEST:   
C i t y C l e r k

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ADDENDUM TO THE MINUTES OF THE  
MEETING OF THE CITY COUNCIL OF  
THE CITY OF SAN ANTONIO  
JANUARY 7, 1971

\* \* \* \*

BOND PRIORITIES FOR FIRST-YEAR PROGRAM

(Discussed informally during recess of Council Meeting)

MAYOR McALLISTER: Mr. Henckel, which of the "B" session items are you prepared to take up at this time?

CITY MANAGER HENCKEL: Well, we can start right with number one - Bond Priority.

As a result of our last "B" session, where the Council made certain changes in the bond priorities from the various years to the first year, I am recommending that we ascertain today the amount of bonds that we are going to sell in the first year - for this reason. If we pass the ordinance, the sale ordinance, on the 21st of January - of course, we need to make application to the two rating agencies for the ratings on these particular bonds - it would mean that April 14 would be the earliest date that we could deliver the bonds. It is important that the bonds be delivered prior to May 1, because of the signatures that would be required on them. Otherwise, we would have to wait until after that date to start the whole process. So, we want to have the bond sale - we are recommending that the bond sale be held on March 4. So, with the bond sale on March 4, the opening of the bids here at the Council, we could have delivery of the bonds by the 14th of April, because the signatures of the Mayor would have to be printed on the bonds and it's necessary that we follow this tight a schedule.

I'm recommending that we round off the \$12,545,000, which we have finally agreed upon, as the first year sale, to \$13,000,000 round figure. It's always better, as far as people, the buyers are concerned, the bidders are concerned, because of the figuring of the interest, that we have a round figure for the bonds. So, I'm recommending that we do, and I don't believe that it will make any difference in the projects themselves, that we take the \$422,000, that we have scheduled in the second year, in the bottom of the page on the Farmer's Market, and go ahead and move that to the first year for sale purposes. In all probability, we wouldn't spend that until the beginning of the second year anyway. This would leave a balance of \$32,936, to round it off, and we can just put that into the Parks Bonds. We can put it into land acquisition or into parks developments after acquisition and that would round us off, if you so desire. I think it would make it easier, insofar as the proposed bidders are concerned. It would make it easier all the way around and then each succeeding year, we'll try to do the same thing, based on what we're able to accomplish the prior year and round it off to an even figure.

Are there any questions?

DR. NIELSEN: Yes. Within that additional \$422,000 from the 12 million 4 figure, whatever it was, to 13, that would allow us the stepping up of year one or two of the smaller projects that could be quite critical. Correct?

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CITY MANAGER HENCKEL: Well, we're going to be able to do this anyway, Ford, because, as a matter of practicality, we're never able to do exactly what you propose in your first year, insofar as your engineering, your acquisitions, you always have money to play with, insofar as small projects, so you'll find, and in the past history, it's always been this way - once you start your bond projects, that you always have a fluctuation with funds that you can move from the second year up for various items - of some reasons or another - were not able to meet the schedule you had anticipated. We know, for a fact, that we're not going to be able to meet this schedule exactly.

DR. NIELSEN: This Pickwell Park, out southeast, is not much, but I would suggest, in terms of some, you know, some showing out there, that we move that up from next to the last year, as far as possible. It isn't much, but it sure would make an impact. Well, I think that way down to the bottom part . . . . .

CITY MANAGER HENCKEL: I think that certainly we could do this....that we could, and after we start to have the sale, we start the first year, we're going to come to you with recommendations from that point on for moving projects from the other years up and on, because of the money that we're going to have on hand, that we can't accomplish and it will be means of deferring some of the first year projects that we show may be completed in the first and second year and completion will be in the second and third year, because of the engineering delays or acquisition delays or what have you. I mean, this is the way it always works out, so you can have a lot of flexibility as you go along with the five-year program.

DR. CALDERON: What I would like to suggest, Jerry, with regards to the \$422,000 on this Farmer's Market, which you are now recommending, that it be placed in the first year. Noticing here, where, according to the time schedule for the Farmer's Market, that amount of \$422,000 will not be required until the fourth month of next year and whereas, if we were to leave the \$422,000 in the second year, the sale of bonds for next year would be such as to make that amount available two months later. In other words, it would appear that we should leave the Farmer's Market in two segments and use the \$422,000 for Dr. Nielsen's suggestion or perhaps any others that are likewise as valid.

CITY MANAGER HENCKEL: You can use it for anything you desire. I mean, you can move any of the projects. The reason I was suggesting that, was because . . . . .

DR. NIELSEN: No, no. He was saying, what Jerry is saying, move this whole thing into here - appropriate all of it in the first year. We can still make it \$13,000,000 and then decide where to use it.

CITY MANAGER HENCKEL: I think under the way it is set up, it really doesn't work to the City's advantage to split a construction contract. It is better to go with one contract.

MR. HILL: After we issue the \$13 million, you're going to come back, project-by-project.

CITY MANAGER HENCKEL: This is correct.

MRS. HABERMAN: I think you would like a motion now for the \$13 million.

CITY MANAGER HENCKEL: To include that, plus \$32,936 in Parks Bonds. We have to have it designated, insofar as the sale itself and Notice of Sale.

DR. NIELSEN: Do we have to have it designated?

CITY MANAGER HENCKEL: Oh, yes, it has to be. Oh, yes. Not on a project, but it has to be in the category and then you have the flexibility within the category to spend that amount or not spend that amount.

DR. NIELSEN: Well, what we're going to have to decide today then, is whether that additional \$422,000 should be designated.

CITY MANAGER HENCKEL: In that category.

DR. NIELSEN: Oh, let me express one other concern I have here. I think I mentioned it to you. I don't know how we're going to resolve this necessarily, except in terms of these categories or these projects, that started out in some sense under Urban Renewal and got into the various categories, for instance, Kenwood. That was under the general category of Urban Renewal and now it's broken down into Streets and Drainage and maybe just those two basic categories. Now, somebody has said that, well, we can't do anything with any of that until something is decided about Urban Renewal. But, we did not vote on those under the heading of Urban Renewal. We voted on them as Streets and Drainage and why is it that we cannot begin wherever feasible in that area, not having to wait for Urban Renewal? I don't understand.

CITY MANAGER HENCKEL: Well, you don't, because some projects come tied into the others.

DR. NIELSEN: Oh, yeah, . . . . .

CITY MANAGER HENCKEL: This is the way we try to schedule. The point being made was, because the items were voted under the categories of Streets and Drainage, et cetera, that they have to take their calculated risk of running the priorities with the other items of the categories that they're in. That we can't, all of a sudden, now, say that we're going to take all of the Urban Renewal items out of all the categories and give them first priority, because the people who have items in the Street category and the Drainage, and, et cetera, feel that their's should be first. This is the tough decision that we have to make and the decision we made at the time, by placing the Urban Renewal categories, in Street, Drainage, et cetera.

DR. NIELSEN: Okay, with all that then preparatory, as to what's already gone on, I still think it very, very wise of this Council, insofar as good engineering and good planning and what have you, particularly in Streets category, I don't see that all the streets out there should wait until the fourth and fifth year. Now, if the drainage has to tie something else, I can well see where it may have to wait until the last part. The people out there were supposed to have something in one of the previous bond issues and nothing ever happened. I can assure you, they're going to be down here wanting to know what happened, if those streets end up way at the last end of the whole . . . . .

CITY MANAGER HENCKEL: Well, we're going to be reshuffling.

(GARBLED - ALL TALKING AT ONCE)

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CITY MANAGER HENCKEL: We're going to bring up some recommendations to you from the second year on. In other words, what we see in six months, we'll know what we're accomplishing in the first-year sale of the bonds that we've sold, and from that point on, the staff is going to make recommendations for changes in the sale and in the projects over the remaining four years and, again, there may be something that we don't know now, that we'll know next year. That will mean we'll take an item from the fifth year and move it up to the second year, because you'll have to make that decision next year, even though you are tentatively approving this schedule, the only thing you're actually doing is approving the sale of the first year of \$13 million. You still have the flexibility and the balance of the \$62 million to do whatever you desire each year, as the sale comes up.

DR. CALDERON: Ford, I asked Sam Granata, about three weeks ago, with regards to the same point you're raising, with regards to the advisability of initiating some projects in the Kenwood area, prior to the time, as scheduled here, and he mentioned the problem is the fact that, in that particular area, we're talking in terms of excessive drainage.

DR. NIELSEN: Yes, drainage may be more complicated, but not all those streets that are included, as I understand it, are over drainage routes. Some of them don't have anything to do with drainage, therefore, you don't have to have that whole system completed before you improve some of those streets out there. Now, a couple of them are dependent on what happens in the drainage program, I grant you, but not all of them.

DR. CALDERON: (Garbled). . . . and try to verify whether all of the streets in Kenwood are directly tied in with the drainage improvements or whether the fact that maybe . . . . .

CITY MANAGER HENCKEL: Sam can give you the answer on that. But, I want to point out one other thing in reference to Urban Renewal. The projects that are approved in the bonds are not Urban Renewal projects, they are City projects that the City is doing that we will receive credit, and it has to be tied into the Urban Renewal of the particular area involved. We can't do it way ahead of time - we may not get the credit.

DR. NIELSEN: Well, okay, but nobody seems to know that, I've asked exactly how far ahead it is that you do it and don't get credit. So, that argument breaks down, Jerry. It's clearly indicated now granted, if we did this under one point, under the heading of Urban Renewal, that is no longer the case, we've got a responsibility.

CITY MANAGER HENCKEL: Usually five years is the time involved, Ford, and, of course, we coordinate this with Winston. You're correct. You're correct.

REV. JAMES: I don't see any of these critical East Side drainage areas, New Braunfels Avenue, Iowa, I don't see any of these critical East Side areas listed here in Drainage.

DR. NIELSEN: There is one near town, Rev. James.

REV. JAMES: Where? I don't see any.

CITY MANAGER HENCKEL: Well, what we attempted to do here and, of course, correct me, I'm under the impression that the projects that you have here have been approved by the City Council - by this Council -

and we have tried to take projects in every sector of town and have projects going in all sectors. The same, in answer to your question, there may not be a major drainage project going in the East Side the first year, but there is a major street project going in that particular area.

REV. JAMES: No, I don't see any drainage listed here at all.

CITY MANAGER HENCKEL: There may not be a drainage area project the first year in that sector, but there may be a street project in that sector. Then, in the second year, there may be a drainage project and a street project in some other sector.

MR. TORRES: Rev. James, . . . . .

CITY MANAGER HENCKEL: In all sectors of town, there is some action in all years.

MR. TORRES: But Rev. James' statement was, and I don't think you understood him, was, is that there were no East Side projects under the project and priorities list.

CITY MANAGER HENCKEL: There is no East Side drainage projects in the bond program.

DR. NIELSEN: What happened? The sub-committee reported out to one just a little ways east of town over here. No, no, no. I'm not talking about Rice Road now. I do not recall the designation of it. It's down near Nebraska, as I recall. Did that get dropped somewhere?

CITY MANAGER HENCKEL: Sam, do you want to . . . . .

(INAUDIBLE)

CITY MANAGER HENCKEL: The Walters-Moore - the drainage connected with that - is all in the streets.

DR. NIELSEN: Closer into town, Sam, the drainage project sub-committee put high up on the priority . . . . .

MR. TORRES: Did you say, when you have a street project, the drainage is connected to it?

CITY MANAGER HENCKEL: Well, it's not separated, when it goes under one contract. If the drainage is in connection with the construction of the streets . . . . .

MR. TORRES: But, still on your projects, on your funding, you still have the projects separated, do you not? You did this with the Urban Loop. You've got the Del Alamo drainage project, which I understand is the drainage for the Urban Loop.

CITY MANAGER HENCKEL: If it could be done in separate contracts, Pete, it would be done that way.

REV. JAMES: Even, Jerry, with the streets, I don't see any East Side projects.

(GARBLED - ALL TALKING AT ONCE)

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CITY MANAGER HENCKEL: You've got \$207,000 the first year on the Walters-Moore Street. You've got \$409,000 on East Commerce Street. All in the first year.

REV. JAMES: Well, now, . . . . .

CITY MANAGER HENCKEL: That was the first priority - the Walters-Moore in the Street category.

REV. JAMES: Is this going to help the drainage situation?

CITY MANAGER HENCKEL: Walters-Moore, certainly. The drainage has to ..... (inaudible).....

REV. JAMES: This is what I'm trying to get to.

CITY MANAGER HENCKEL: This is one of the major street projects. If you'll notice, the total on that project is \$2,431,393, which is the next to largest of the projects in that category. The only larger being the R.O.W. for the Downtown Inner Loop.

REV. JAMES: But, those critical areas around New Braunfels and Lamar and Pine and Iowa, they're not in here anywhere.

CITY MANAGER HENCKEL: They're not in the bond program.

REV. JAMES: Well, they got dropped somewhere, because they were high priority.

MR. TORRES: Is there, in response to Rev. James' statements, was there some of the East Side projects that were recommended by the citizens' groups, were some of these dropped?

CITY MANAGER HENCKEL: We'd have to go back and review the whole thing, Pete, of course, I'm right now at a loss, because we're at the point, right now, that the projects were approved. They were approved by the Council - the projects. They were to be voted on; they were voted on; they were approved by the voters; the Council has set the priorities. I think we're way beyond the stage when we can go back and take projects that weren't included in the bond issue and put them in.

MR. TORRES: We're never beyond that.

CITY MANAGER HENCKEL: We need another bond issue. We can give you the answers as to why the projects aren't in, but I think what it boils down to, and if I remember Mr. Langley's presentation, the committee would like to have had a vote for twice as many things as we actually voted on, but they felt they'd keep it within reason, so that we could get favorable voter approval - that they wanted to keep the issue around 65 million dollars. This is the reason that many projects, that are needed, had to be cut out. If you remember again, the staff recommended items and projects to the tune of 204 million dollars, that we think need to be done right now.

MR. TORRES: Well, we know that, Jerry. You're not . . . . .

CITY MANAGER HENCKEL: What I'm saying, that somewhere down the line a decision was made, either by the committee or by the Council, what projects would be included.

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(GARBLED - ALL TALKING AT ONCE)

MR. TORRES: As I understand you, Rev. James, you're talking about projects that were actually approved, as part of the bond program, right?

REV. JAMES: Yes, and they were critical areas and as far as I am concerned, they were approved and recommended and why they misled - this is my point right now.

MR. TREVINO: Let me ask Jerry this - this is the same copy we had, we worked before. All you do is change the priorities, as we changed them last time. And, if it's not here now, it was not here then. This followed through the same form, so what I'm saying is maybe, if we didn't see this before, but I don't think this was, as you feel Mr. James, that these projects were . . . . .

REV. JAMES: It's never too late to reconsider things.

MR. TREVINO: But the point is, if it was not in the bond issue, we can't consider it.

REV. JAMES: Well, the point is, let's back up and find where we missed these projects. You've got a whole area of town here that is absent in this program. So, where we've missed the ball, let's back up and retrack and find out what happened.

MR. TREVINO: I'm saying, Sam, if we missed it in the bond issue, it's gone.

REV. JAMES: Well, I don't think we missed it in the bond issue. I have a feeling that something happened since the bond issue. So, let's back up and find out what happened. That's all I'm saying.

DR. NIELSEN: Rev. James, on the East Side drainage, that lower portion that I was referring to, Cherry Street, they're doing the downstream portion of it first. It's more southeast now. Then, it is East Side. Is it Westfall?

SAM GRANATA: Yes, sir.

DR. NIELSEN: The one that was so high in the priorities of the sub-committee is still in there. They didn't take the full, it's real, real long, they took the lower portion, which they have to do first. Next time, they'll come up and get the rest of it. That's the one closer into town, where the drainage on Cherry and all is so bad.

REV. JAMES: Yes, but you have some on New Braunfels and Lamar that was really high.

MR. HILL: You're talking about, from the time you come off the bridge going south on New Braunfels till the time you hit.....(inaudible)..... two blocks of Houston Street. ....(inaudible).....New Braunfels in there is curb-to-curb whenever you get a rain. This is what you're talking about.

REV. JAMES: Yes, but it's a drainage problem.

MR. HILL: That's what I'm saying. This is an area . . . . .

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REV. JAMES: And there's another critical one down in Iowa and Pine Streets that is equally critical. My point is, where did we miss out on this and if we missed out, let's back up and do some rethinking about it. That's all I'm saying.

MR. TORRES: Well, Rev. James, I admire a man of convictions, Mr. McAllister. What, Jerry, the Brunswick project did have a high priority by the citizens' bond committee, did it not? Was that not one of the, Mr. Henckel, it did have a high priority and yet here we're talking about, here we're talking about the fourth year, is that right? And yet, I believe, it was either one or two on the list. I don't have my list with me, but I believe, in any event, it was very, very high up and this is the thing that bothers me about this, Mayor, that we've got, and members of the Council, that we've got projects, like the Brunswick drainage project, in an area in Columbia Heights, where it is sorely needed, yielding to such things as that ridiculous Downtown Inner Loop and such things, such as the Farmer's Market, which I don't think should be given priority over necessary drainage projects. I'm going to urge the Council now to interject the Brunswick Street project, as a first-year project out of deference to the Farmer's Market project.

MAYOR McALLISTER: Well, let me suggest, to the members of the Council, that we're just discussing this matter in an informal manner, that each of you will take this program and, in writing, raise the points that you want to raise and give a copy of that to Henckel.

CITY MANAGER HENCKEL: No, sir, we need a decision today, from the Council, on the amount of bonds that you want to sell and the categories that they're to be in. Now, this matter has been gone over with the Council and this sheet you have here is the result of the Council's decision on the bond priorities, category by category, project by project. Now, you were out of the room, Your Honor, and the reason we need to do this today is this - that, if we advertise, pass the ordinance next week on the 21st of January, which would be the deadline for the bond sale ordinance by Council action, in order to have the bond prospectus for the printer, the notice of sale, the delivery of the prospectus, the advertisement in the Bond Buyer and the Texas Bond Reporter, the mailing of the prospectus, the meeting of the bond agencies; we would have the sale on the 4th of March. That would be the earliest we could have the sale, if we pass the ordinance on the 21st. If we have the sale, the opening of the bids on the 4th of March, the bonds would be dated April 1 and would be printed and would be delivered on the 14th of April. Now, while you were gone, I mentioned the necessity that the bonds must be delivered prior to May 1, otherwise we cannot even start the action till after May the 1st, because, at that time, there will be a new Council and the names of the Mayor and the people that appear will be printed on the bonds, so, as you can see, the reason why we are advocating this schedule. Now, if I am or have misconceived any projects, but I am certainly under the impression that it's been the directive of this Council that the schedule you have before you is your desires, project by project, priority by priority, the only change I was recommending today was that we round off the figure for the first year from \$12,545,064 to a round figure of \$13 million. For, usually, your sale is an even million or a million and a half and I was recommending that, rather than split the construction contract on the Farmer's Market, that we move that \$422,000 up. I also stated that we're going to have much flexibility after the first year on all of the projects in the succeeding years, because there's no way that we can guarantee, and we know

we're not going to be able to meet exactly the engineering schedules, the advertisements, the land acquisitions, so this Council will have flexibility every year to determine projects or whatever the Council will determine in projects and determining the amount of the sale. So, all we're asking today is, if you're satisfied with the decisions that we think you have made on the first-year sale, with some minor changes, we're asking for the go-ahead on the first year.

MR. TORRES: Yet, what you're saying, excuse me, I yield to Mrs. Haberman.

MRS. HABERMAN: Yes, Mr. Mayor, I was going to move that the City Manager be authorized to draw up the proper ordinances for the issuance of the bonds in the amount of \$13 million for the first year. Thereafter, the second-year considerations, in accordance with the previous discussions, should be given special attention and notice.

MR. TORRES: Well, as a practical matter, what you're doing then, Jerry, in getting your first-year authority, you're, in effect, saying that these are the projects that will be contracted for out of first-year bonds.

CITY MANAGER HENCKEL: Out of the first-year money...out of the money designated there.

MR. TORRES: I would like to speak to the motion, Mayor, that we have had a number of, we have had a lot of discussion on the Downtown Inner Loop. I might point out, to the Council, that the committee, the Urban Renewal Committee, which approved or which recommended to the Steering Committee, the Downtown Inner Loop project, was the smallest, was one of the two smallest committees of the various bond, of the various sub-committees established by the Bond Steering Committee. The next smallest committee was that on the Airport project, which was defeated. This project, of course, unfortunately, was not submitted to the voters as a separate proposition. I mentioned to the Council that I felt that we were seeking to mislead, that the Council majority, was seeking to mislead the electorate in interjecting a Downtown Inner Loop project with the street programs, many of which are far more important than any Downtown Inner Loop. Now, the Mayor did receive a letter December 7, and I'm sure all the members of the Council have, from Mr. Lloyd Jary, Architect, which is just one of many comments that all of us have received pertaining to this and in opposition to this Downtown Inner Loop. Mr. Jary, in his letter of December 7, which I want to read into the record, says:

"Dear Mayor McAllister:

I have noticed, with interest, that the City Council has been requested, by the Downtown San Antonio Association, to hurry up their authorization for purchase of the Inner Loop R.O.W. and funding for engineering."

He says, "Please examine this request very carefully, because it is my personal and professional opinion, and that of many architects and planners in the City of San Antonio, that our downtown area does not need additional streets and paving. We have been known as the City of Tourism and Beauty, attracting conventions and visitors to our City, because of our

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respect for our natural assets, such as the River. This Inner Loop will not, and I reemphasize this, will not add to the prosperity and the redevelopment of the downtown area. The downtown merchants should learn what their area needs is serenity and accessibility and beauty, not a way to move cars around and through and over them. I realize the so-called study was made and this was recommended. However, this is so much bureaucratic baloney. There were numerous objections, which were smothered for the sake of the bond issue. Objections, or better yet, time will provide or prove that cities that provided for pedestrians and enjoyable surroundings are the cities that will maintain their place and prosper.

Please do what you can to see that the bad planning is reevaluated and that we do not make a grave mistake with our downtown area.

Very truly yours,  
Lloyd W. Jary, AIA  
Architect"

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Now, Mayor, Mr. Jary's comments have been verified in my opinion or to me personally by a number of City planners and architects, who have commented that the Downtown Inner Loop is not going to serve any real vital purpose, and I think it would be shortsighted, on our part, to say, include the Downtown Inner Loop as a first-year project, when we have many, many other more important projects, which should be given a higher priority. In terms of drainage, the Brunswick Street project should be given a higher priority. In terms of streets, the Moursund, Ansley to Loop 410, Pleasanton Road to Pyron, Rice Road, South New Braunfels, I. H. 37 to Fair Avenue, Kenwood North and Kenwood South. In terms of sewers, the Cenizo Park and the South San Antonio Sewer projects and these are, and the Pickwell Park, which Dr. Nielsen mentioned. I would like to urge the Council and ask the Council, at this time, to defer to a later year, the Downtown Inner Loop project and the Farmer's Market project, I...or both, Mayor, I think that we have....I mentioned to the Council, I think that we've had in this community, in this state and in this nation, a crisis of conscience and a need to reorder our priorities and I think that it is in a vote like this that we have to exercise our conscience, to exercise those priorities, which are - which have - a greater merit, Mayor, and this is why I'd like to ask Council to omit the Downtown Inner Loop project from the first year action program.

DR. NIELSEN: Jerry, has any consideration been given to how realistically the first-year appropriations along that Inner Loop would be used?

CITY MANAGER HENCKEL: Yes, sir. The breakdown, and this was explained .....you want to give that explanation, as to the breakdown on the Downtown Loop, as to the various items so far . . . . .

SAM GRANATA: As far as I know, it is primarily property acquisition the first year.

CITY MANAGER HENCKEL: Some engineering and property.

DR. NIELSEN: I'd like to know - engineering or property?

SAM GRANATA: Both. You've got to do engineering to determine which property you need.

DR. NIELSEN: This would be basically engineering.

SAM GRANATA: Basically engineering, yes, sir.

CITY MANAGER HENCKEL: You start with engineering and later you would start acquisition of right-of-way.

DR. NIELSEN: Pete, I share yours - and what many - Mr. Jary has expressed. I have had some conversations with a number of people downtown. I have changed my mind somewhat on the issue. Granted, in itself, it is a concrete band-aid, I'm going to make this very, very clear. The thing that may be able to do, is just if people are very serious, and we're serious, not only of business aspect of downtown, but the whole tourist aspect and everything else, this could trigger, not only some economic development, but some, I think, what we need to call it is facelifting, not a physical facelifting that goes on with all kinds of new buildings, but kind of a new spirit. We've got to hold together in a community sense. While the center of town is the cultural center, banking center, et cetera and et cetera, we've got to make sure that things remain vital or we lose out as a town altogether. In itself, this is a concrete band-aid, that if it will trigger through Urban Renewal credit and a lot of other things, kind of a facelifting. I'm going to stay very much a critic of it. I'll be very honest with you, because it'll be very easy for it just to become another band-aid and that's all that will ever happen.

MR. TORRES: That's the argument that was given to us about the expenditures out of the 1964 bond funds. \$30 million of which was approved and from 12 to 15 million dollars was spent on streets improvement and drainage improvements in the immediate downtown area. Now, there are other areas in the City besides the downtown area and I just cannot comprehend under what good rule we can, or what philosophy, except self interest, can motivate any group or this Council to continue to say - weigh of these projects in favor of the immediate downtown area. I just don't think it is right, when we can continue to sacrifice the interest of people in other parts of the City to the interest of the downtown merchants. I recognize that we have got to promote, as Dr. Nielsen intimates, we have got to promote the downtown area, as the cultural center of our City, as the economic center of our City. We have tried, in the past, to spend large sums in the immediate downtown area and it hasn't worked and I just don't want to see us - I just don't want to see us spend an excessive amount on one part and sacrifice the interest of another part of the City.

DR. NIELSEN: I think another critical point, Pete, will be that in the second year there is a million dollars - is that for land acquisition, Sam?

CITY MANAGER HENCKEL: Yes, that's land acquisition.

DR. NIELSEN: But what might happen in this project, there is a possibility that it may become so much more critical, that after this engineering study is done and we get that thing clarified or we have a big hassle over it, you know, about where the route is going to be and all that, we may not need that million dollars.

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(GARBLED - ALL TALKING AT ONCE)

CITY MANAGER HENCKEL: In that case, you can turn it into something else.

MAYOR McALLISTER: Gentlemen of the Council, we recessed the regular meeting at 9:30 and it is time for us to reconvene in order to get bids on the bonds (City Public Service Board). You have, however, an informal motion, which can be acted on formally, afterward, if it is the pleasure of the Council, to-wit, that this schedule here be adopted and the bonds be authorized in the amount of \$13,000,000 for the first year.

DR. NIELSEN: Well, there is no problem for the \$13,000,000, but we do have to just hold off on this whole thing, Mr. Mayor, until we get more specific what we are going to do with this \$422,000 that, well, he suggested moving the whole thing to the Farmer's Market - into that first year. And we've got to have.... (inaudible)....

MR. HILL: Mr. Mayor, as I understood Mr. Henckel, really what you are talking about and what you are trying to arrive at this morning, is to round this first year off at \$13,000,000, but you have to put the \$422,000 in a category. This is all we are talking about. Do you want it in the category of Farmer's Market or some other category? Then, we can always go back and discuss priority and logic.

Mrs. Haberman's motion was to go with the \$13,000,000, but it did not specify the category and I think this is all we have to do is decide which category these projects - the extra \$422,000 - is going to fall in and then you can go ahead and approve the \$13,000,000. We can always come back and review priority of projects.

REV. JAMES: Well, that's just my point, Ed. I am ready to vote on the \$13,000,000, but I am not ready to vote on . . . . .

MR. TORRES: I think Mr. Hill's statement is misleading. I think what we are doing in taking a vote this morning, unless Mrs. Haberman's motion is confined to merely authorizing \$13,000,000 be spent the first year, without consideration of what categories they will be in.

CITY MANAGER HENCKEL: They have to be in the categories. The notice is going to be that we are going to sell so many sewer bonds, we are going to sell so many street bonds, we are going to sell so many park bonds, we are going to sell so many service center bonds, we are going to sell so many Farmer's Market bonds. This is the way we have to have it. But, within the categories, you can shuffle projects anytime you want until the money has been obligated.

MRS. HABERMAN: Mr. Mayor, if my motion seemed to be informal, I now make it a formal motion.

MAYOR McALLISTER: The motion has been seconded by Mr. Burke.

MRS. HABERMAN: The motion is that we authorize the City Manager for the issuance of \$13,000,000 in bonds, in accordance with our first year's delineation, then, thereafter to take into consideration all of the discussion, which we have had on this this morning for the second year, third, fourth, and so on.

MR. TORRES: If you would accept an amendment that we categorize for drainage the first year \$1,729,115, for streets \$2,792,015, for sanitary sewers \$3,332,384, for health \$203,750, for libraries \$197,000, for

fire \$650,800, for police \$350,000, for Northwest Service Center \$350,000, for land \$350,000, for parks \$2,080,000, and, for Farmer's Market \$500,000, and that the motion does not include the establishing of priorities this morning. If you accept . . . . .

MRS. HABERMAN: No, I cannot accept that amendment. I am sorry.

MR. TREVINO: That doesn't add up to \$13,000,000.

MRS. HABERMAN: Mr. Torres, the \$13,000,000 would have to provide for the possibility of a contract on the Farmer's Market, which would mean probably the consideration of this \$422,000. But, even if the \$422,000 were added to the \$12,545,000, we still only come up with \$12,945,000, so, therefore, there would be a leeway there - some of the projects, which you have discussed, particularly, maybe, the Brunswick or whichever you are interested in, to that extent up to \$13,000,000. In other words, the door would be open, insofar as part of our discussion this morning on some of that, but it would permit contracting on the Farmer's Market, because, otherwise, as I understand it, we cannot have a contract to cover . . . . .

MAYOR McALLISTER: May I interrupt the Council to say that the meeting is called to order, we are in regular session now. So, if you will present your motion. You are presenting your motion and you are seconding it. All right. No further discussion.

MR. TORRES: It is still not clear what we will do with that extra \$422,000.

CITY MANAGER HENCKEL: Well, as I understand the motion, the \$422,000 is to be moved to the first year and that leaves us a balance of \$32,936, which is the difference between taking the \$12,554,000, adding the \$422,000 and the balance between that and the \$13,000,000 would be \$32,936 and that's what is unappropriated at this time. You could move some smaller projects up. My recommendation is that we put it in Parks Improvements, so that way, if you want to take Pickwell or part of Pickwell or some other small park, we would have money to do it. Then, you can determine priorities within the categories. You can shuffle them anytime you want to.

DR. NIELSEN: What I cannot concur with is to take that whole \$422,000 and put it over here in the first year. I would much rather see that \$422,000 or some portion of it used in streets and drainage. Somebody must have, at one point, decided we could approach the Farmer's Market on a \$500,000 and a \$422,000 basis. Why are suddenly, now, having to put the whole thing in the first year?

CITY MANAGER HENCKEL: Well, for this reason, Ford. The staff originally did not recommend that in the first year at all. Some of you were not present at the meeting where this was presented to the Council and where the decision was made. The Council, on request of Urban Renewal, moved \$500,000 to the first year, so the Farmer's Market project could get started that year. They felt it was that important that it should be in the first year. The staff, as I recall, had it the third year, just the start of it we had in the third year. The fact that we just moved part of it, as far as staff is concerned at this point, it would mean a split contract on it and we do not believe it is advantageous to the City to have split contracts.

DR. NIELSEN: What do you mean by a split contract, Jerry?

CITY MANAGER HENCKEL: Well, part of it would be done in one year - the construction - and part in another, under two separate contracts, because you can only obligate the money that you have. This means you have to advertise for bids and a different contractor could possibly do a portion of it, than a different, who did the first part. We think we would get a better price, if it was one contract. Anytime we can save money on any of the projects, it means that there is money available for other priorities that are not included here to be picked up.

DR. NIELSEN: I still would much rather see us put \$100,000 of that in drainage and the other \$300,000 in streets.

MAYOR McALLISTER: Okay. We are ready for the question. No further discussion. Call the roll.

MRS. HABERMAN: Aye.

DR. NIELSEN: No.

MR. TREVINO: Aye.

MR. HILL: Aye.

MR. TORRES: No.

MAYOR McALLISTER: Aye.

DR. CALDERON: Aye.

MR. BURKE: Aye.

REV. JAMES: No.

MAYOR McALLISTER: Okay. The motion prevailed.