

REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF SAN ANTONIO HELD IN
THE COUNCIL CHAMBER, CITY HALL, ON
THURSDAY, OCTOBER 5, 1972.

* * * *

The meeting was called to order at 9:30 A. M. by the presiding officer, Mayor John Gatti, with the following members present: HABERMAN, HILL, BECKER, HILLIARD, MENDOZA, GARZA, NAYLOR, PADILLA, GATTI; Absent: None.

72-44 The invocation was given by the Reverend William P. Caldwell, Madison Square United Presbyterian Church.

72-44 Members of the City Council and the audience joined in the Pledge of Allegiance to the flag of the United States of America.

72-44 The minutes of the meeting of September 28, 1972 were approved.

72-44 Mayor John Gatti welcomed a sixth grade class of students from Cambridge Elementary School accompanied by their instructor, Mrs. Barbara Williams.

72-44 ANNEXATION

Mayor Gatti stated that due to an error in the publication of the official notice of Public Hearing on Annexation, the annexation schedule has been redrawn.

The Mayor then announced that he was calling a Special Meeting of the City Council to be held in the Council Chamber at City Hall on Wednesday, October 25, 1972, at 9:30 A. M. for the purpose of holding a Public Hearing on Annexation.

The revised schedule is as follows:

October 12, 1972	The Council is to approve an Ordinance repealing 17 existing annexation Ordinances and pass new annexation Ordinances providing for a Public Hearing on October 25, 1972.
October 13, 1972	Publication of the notice of a Public Hearing.
October 25, 1972	Public Hearing on annexation Ordinances.
November 9, 1972	First reading of annexation Ordinances.
November 10, 1972	Publication of Ordinances.
December 14, 1972	Second and final reading and passage of annexation Ordinances, with an effective date to be designated in late December, (December 26th or later).

October 5, 1972
img

72-44 The Clerk read the following Ordinance:

AN ORDINANCE 41,270

ACCEPTING THE LOW BID OF BARBERA SPORTING GOODS CO. TO FURNISH THE CITY OF SAN ANTONIO WITH ONE INBOARD-OUTBOARD ENGINE FOR A NET TOTAL PRICE OF \$1,547.00.

* * * *

Mr. John Brooks, Director of Purchasing, explained that the engine would be used in connection with operations at Mitchell Lake.

After consideration, on motion of Mr. Hill, seconded by Mr. Mendoza, the Ordinance was passed and approved by the following vote:
 AYES: Haberman, Hill, Hilliard, Mendoza, Garza, Padilla, Gatti;
 NAYS: None; ABSENT: Becker, Naylor.

72-44 The following Ordinances were read by the Clerk and explained by Mr. John Brooks, Director of Purchasing, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Haberman, Hill, Hilliard, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Becker.

AN ORDINANCE 41,271

ACCEPTING THE LOW BID OF DECATUR ELECTRONICS, INC. TO FURNISH THE CITY OF SAN ANTONIO WITH DOPPLER SPEED DETECTION UNITS FOR A NET TOTAL OF \$4,225.00. (POLICE DEPARTMENT)

* * * *

AN ORDINANCE 41,272

ACCEPTING THE LOW BID OF A-1 FIRE & SAFETY TO FURNISH THE CITY OF SAN ANTONIO WITH CERTAIN FIRE EXTINGUISHERS FOR A TOTAL SUM OF \$1,577.50. (50 PORTABLE FIRE EXTINGUISHERS)

* * * *

AN ORDINANCE 41,273

ACCEPTING THE LOW BID OF S. BLICKMAN, INC. TO FURNISH THE CITY OF SAN ANTONIO WITH ONE BIOLOGICAL SAFETY CABINET AT A PRICE OF \$3,420.00. (HEALTH DEPARTMENT)

* * * *

AN ORDINANCE 41,274

ACCEPTING THE LOW BID OF SCIENTIFIC PRODUCTS TO FURNISH THE CITY OF SAN ANTONIO WITH ONE AUTOCLAVE STERILIZER, FOR A NET TOTAL PRICE OF \$3,862.88. (HEALTH DEPARTMENT)

* * * *

72-44

The Clerk read the following Ordinance:

AN ORDINANCE 41,275

ACCEPTING THE PROPOSAL OF LONE STAR
BREWING COMPANY TO LEASE ADVERTISING
SPACE ON THE SCOREBOARD IN THE CONVENTION
CENTER ARENA FOR A FIVE-YEAR PERIOD AT
\$6,012.00 PER SPACE PER YEAR WITH LONE
STAR RESERVING THE RIGHT TO CANCEL AT
THE END OF EACH YEAR.

* * * *

Mr. John Brooks, Director of Purchasing, explained that 122 proposals were mailed out and only one was received. This proposal was previously discussed with the Council and it will bring \$60,120.00 in revenue to the City over a five year period.

After consideration, on motion of Mr. Becker, seconded by Mr. Mendoza, the Ordinance was passed and approved by the following vote:
AYES: Haberman, Hill, Hilliard, Mendoza, Garza, Naylor, Padilla, Gatti;
NAYS: None; ABSTAIN: Becker; ABSENT: None.

- - -
72-44 Item No. 7 on the agenda being consideration of bids on relocation of the Tainter Gate on the San Antonio River was withdrawn from consideration at the request of the City Manager.

- - -
72-44 Mayor Gatti was obliged to leave the meeting and Mayor Pro Tem Garza presided.

- - -
72-44 The Clerk read the following Ordinance:

AN ORDINANCE 41,276

AUTHORIZING EXECUTION OF A CONTRACT
WITH R. MARVIN SHIPMAN, CONSULTING
ENGINEERS, FOR PROFESSIONAL SERVICES
PERTAINING TO BLOSSOM HILLS AND
BLOSSOM HILLS TOWNHOUSE SUBDIVISION
UNIT I - OFF-SITE SEWER FACILITIES;
APPROPRIATING \$4,940.00 OUT OF
CUSTOMER-DEVELOPER SEWER FUND PAYABLE
TO SAID ENGINEERS AND \$250.00 OUT OF
THE SAME FUND AS A CONTINGENCY ACCOUNT.

* * * *

Mr. Mel Sueltenfuss, Assistant Director of Public Works, stated this was a contract for consulting engineering services to prepare plans and specifications in accordance with the City's Sewer Extension Policy for a subdivision located near the Northeast School District Stadium.

After consideration, on motion of Mr. Becker, seconded by Dr. Hilliard, the Ordinance was passed and approved by the following vote:
AYES: Hill, Becker, Mendoza, Hilliard, Garza, Naylor, Padilla; NAYS: None;
ABSENT: Haberman, Gatti.

- - -
October 5, 1972
img

-3-

72-44 Mayor Pro Tem Garza was obliged to leave the meeting temporarily, and Councilman Hill was designated to serve as Acting Mayor.

72-44 The Clerk read the following Ordinance:

AN ORDINANCE 41,277

ADOPTING PREVAILING WAGE RATES FOR THE CITY OF SAN ANTONIO TO BE USED IN CONNECTION WITH ALL CITY PUBLIC WORKS CONTRACTS INVOLVING BUILDING CONSTRUCTION TRADES AND REPEALING THAT PORTION OF ORDINANCE NO. 40839 PERTAINING TO THE SAME SUBJECT.

* * * *

Mr. Mel Sueltenfuss, Assistant Director of Public Works, stated that this Ordinance updates the prevailing wage rates since passage of the last Ordinance on June 22, 1972. He said that the City is required by State law to establish prevailing wage rates for City Public Works Contracts.

Councilman Padilla commented that it did not appear to cover all trades or classifications of workers and did not provide for effective competition.

Mr. Sueltenfuss stated that this particular State law only applied to Public Works Contracts awarded by the City.

After consideration, on motion of Mr. Becker, seconded by Mrs. Haberman, the Ordinance was passed and approved by the following vote: AYES: Haberman, Hill, Becker, Naylor, Padilla; NAYS: None; ABSTAIN: Mendoza; ABSENT: Hilliard, Gatti, Garza.

72-44 The Clerk read the following Ordinance:

AN ORDINANCE 41,278

AUTHORIZING SUBMISSION OF AN APPLICATION TO THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR A GRANT TO DEVELOP MAHNCKE PARK BOTANICAL GARDENS, IN THE AMOUNT OF \$100,000.00.

* * * *

Mr. Robert L. Frazer, Director of Parks and Recreation, explained this is part of the Annual Arrangements Program, and authorizes application for \$100,000.00 from HUD to begin the first phase of development. The cost of the project is \$200,000.00. The City's share of \$100,000.00 is to come from Park Bonds.

After consideration, on motion of Mrs. Haberman, seconded by Mr. Becker, the Ordinance was passed and approved by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Naylor, Padilla; NAYS: None; ABSENT: Hilliard, Garza, Gatti.

72-44 The Clerk read the following Ordinance:

AN ORDINANCE 41,279

AUTHORIZING SUBMISSION OF AN APPLICATION TO THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR A GRANT TO DEVELOP PABLOS GROVE PICNIC AREA, IN THE AMOUNT OF \$40,600.00.

* * * *

Mr. Robert L. Frazer, Director of Parks and Recreation, stated this project is included in the Annual Arrangements Program. It is for improvements to the Pablos Grove Picnic area, restrooms and ball diamond. Approximate cost of the project is \$81,200.00 with the City's share of \$40,600.00 to be funded by Park Bonds.

After consideration, on motion of Mr. Padilla, seconded by Mr. Mendoza, the Ordinance was passed and approved by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Naylor, Padilla; NAYS: None; ABSENT: Hilliard, Garza, Gatti.

72-44 The Clerk read the following Ordinance:

AN ORDINANCE 41,280

AUTHORIZING SUBMISSION OF AN APPLICATION TO THE U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FOR A GRANT TO A JOINT CITY/SCHOOL DISTRICT INDOOR/OUTDOOR SWIMMING POOL, IN THE AMOUNT OF \$200,000.00.

* * * *

Mr. Robert L. Frazer, Director of Parks and Recreation, stated this was also included in the Annual Arrangements Program. It is the first such project coordinated with the South San Antonio Independent School District. It will be a regular AAU, 75' by 75', L-shaped pool. The cost is estimated at \$400,000.00, with \$200,000.00 coming from a HUD grant, \$100,000.00 from the School District, and \$100,000.00 from Park Bonds.

After consideration, on motion of Mr. Becker, seconded by Mr. Padilla, the Ordinance was passed and approved by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Naylor, Padilla; NAYS: None; ABSENT: Hilliard, Garza, Gatti.

72-44 Councilman Padilla stated he had received many telephone calls about swimming pools particularly from people in the San Antonio Independent School District expressing an interest in a pool program. He has had a hard time in convincing them that the City is receptive to this program but has not been able to generate a great deal of interest among staff and board members of the San Antonio Independent School District. He thought this action today proves, once again, that the City is committed to this type of program because they think it is a good idea. However, the City must have the cooperation of the school districts to be able to carry it out.

72-44 Mayor Gatti entered the meeting and presided.

72-44 The Clerk read the following Ordinance:

AN ORDINANCE 41,281

ACCEPTING THE LOW BID OF J. M. LERMA CONSTRUCTION CO. FOR THE CONSTRUCTION OF DRESSING ROOMS AT FIVE CITY SWIMMING POOLS AND APPURTENANCES THERETO; AUTHORIZING EXECUTION OF A CONTRACT COVERING SAID WORK; AUTHORIZING THE SUM OF \$155,520.00 OUT OF FUND 409-10 PAYABLE TO SAID CONTRACTOR, \$7,500.00 TO BE USED AS A CONTINGENCY ACCOUNT AND \$5,345.00 PAYABLE TO PETERSON & WILLIAMS, ARCHITECTS, FOR PROFESSIONAL SERVICES.

* * * *

Mr. Robert L. Frazer, Director of Parks and Recreation, stated this contract is for the construction of dressing rooms at five City swimming pools located in Del View, Southcross, Monterrey, Lincoln and Southside Lions Parks. Fifty per cent of the cost will be funded by the Bureau of Outdoor Recreation Land and Water Conservation.

After consideration, on motion of Mr. Padilla, seconded by Mrs. Haberman, the Ordinance was passed and approved by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard, Garza.

72-44 The Clerk read the following Ordinance:

AN ORDINANCE 41,282

ACCEPTING THE BID OF URBAN CONSTRUCTION COMPANY FOR CONSTRUCTION OF A CHAIN LINK WIRE FENCE AT THE BRACKENRIDGE PARK SOFTBALL FIELD; AUTHORIZING EXECUTION OF A CONTRACT COVERING SAID WORK; AUTHORIZING PAYMENT TO SAID CONTRACTOR IN THE AMOUNT OF \$7,199.00 OUT OF FUND 751-12 AND \$350.00 AS A CONTINGENCY FUND OUT OF THE SAME ACCOUNT.

* * * *

Mr. Robert L. Frazer, Director of Parks and Recreation, explained that only one bid was received for this project which is for fencing of the softball diamond, construction of dugouts and concrete curves and walkways.

After consideration, on motion of Mr. Becker, seconded by Mr. Padilla, the Ordinance was passed and approved by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard, Garza.

October 5, 1972

-6-

img

72-44

The Clerk read the following Ordinance:

AN ORDINANCE 41,283

DECLARING THAT THE STRUCTURE ON THE PREMISES AT 523 MOTEN ST. IS A "DANGEROUS BUILDING" AND PRESENTS AN IMMEDIATE DANGER TO THE LIFE OR SAFETY OF INDIVIDUALS WHO COME INTO CONTACT WITH IT; AUTHORIZING AND DIRECTING THE DIRECTOR OF HOUSING AND INSPECTIONS TO CAUSE THE IMMEDIATE DEMOLITION OF SAID STRUCTURE.

* * * *

Mr. George D. Vann, Jr., Director of Housing and Inspections, stated that the premises at 523 Moten Street is known as Lot 29, Block 2, NCB 6057, which is owned by Mr. Richard Wilson. The premises were inspected by the Housing and Inspections Department, Fire Prevention Bureau and the Health Department, and found to be a fire, health and safety hazard.

There is approximately \$1,841.60 in taxes due from 1927 to 1968. The owner was notified in March of 1969 to demolish or repair the structure, etc. The owner has failed to comply, and he was notified by certified mail that this matter would be considered on October 5, 1972. The letter was neither claimed nor delivered and the whereabouts of Mr. Wilson is unknown.

Mr. Vann showed pictures of the vacant one-story wooden residence structure in a run-down, damaged and decayed condition which has deteriorated more than 50 per cent of its value, and therefore, recommended passage of the Ordinance.

Neither Mr. Wilson nor a representative was present at the meeting.

After consideration, on motion of Mrs. Haberman, seconded by Mr. Becker, the Ordinance was passed and approved by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Naylor, Padilla, Gatti; NAYS: None; ABSTAIN: Garza; ABSENT: Hilliard.

72-44

The Clerk read the following Ordinance:

AN ORDINANCE 41,284

DECLARING THAT THE STRUCTURE ON THE PREMISES AT 1602 WAGNER IS A "DANGEROUS BUILDING" AND PRESENTS AN IMMEDIATE DANGER TO THE LIFE OR SAFETY OF INDIVIDUALS WHO COME INTO CONTACT WITH IT; AUTHORIZING AND DIRECTING THE DIRECTOR OF HOUSING AND INSPECTIONS TO CAUSE THE IMMEDIATE DEMOLITION OF SAID STRUCTURE.

* * * *

Mr. George D. Vann, Jr., Director of Housing and Inspections, stated that the premises at 1602 Wagner is known as Lots 15 and 16, Block 24, NCB 8516, owned by Maria Medina.

October 5, 1972
img

-7-

Maria Medina was notified at her last known address by certified mail that this matter would be considered on October 5, 1972. The premises were inspected by the Housing and Inspections Department, Fire Prevention Bureau and the Health Department, and found to be a fire, health and safety hazard. The first notice given to Maria Medina was on October 21, 1969, and nothing has been done.

Mr. Vann showed pictures taken on October 2, 1972 of the vacant one-story wooden residence structure in a run-down, damaged and decayed condition which has deteriorated more than 50 per cent of its value, and therefore, recommended passage of the Ordinance.

Neither Maria Medina nor a representative was present at the meeting.

After consideration, on motion of Mr. Becker, seconded by Mr. Mendoza, the Ordinance was passed and approved by the following vote:
 AYES: Haberman, Hill, Becker, Mendoza, Garza, Naylor, Padilla, Gatti;
 NAYS: None; ABSENT: Hilliard.

72-44 In connection with the foregoing Ordinances, Mr. **George** D. Vann announced that through the efforts of Mrs. Haberman and Mr. Robert J. Macdonald of Intergovernmental **Services**, he was put in contact with Lt. Shumacher, Commanding Officer of the 277th Engineering Battalion, which is a reserve unit. In talking with Lt. Shumacher, they have cleared all the legal problems.

On Saturday, October 7, 1972, the battalion is going to start tearing some houses down as part of their training and community involvement. They will demolish the house at 5467 Joslyn, 602 South Cherry, 116 Spruce, 231 Utah, and 1210 North Hackberry.

72-44 The Clerk read the following Ordinance:

AN ORDINANCE 41,285

AUTHORIZING THE EXECUTION OF A FIRE AND EXTENDED COVERAGE INSURANCE CONTRACT BY THE CITY OF SAN ANTONIO WITH THE ROYAL INDEMNITY COMPANY, BY ENDORSEMENT TO POLICY NUMBER 80 17 09, COVERING BUILDING NUMBER 205 (GIRARD BUILDING), HEMISFAIR PLAZA, AND AUTHORIZING THE PAYMENT OF A PREMIUM IN THE AMOUNT OF \$1,590.00

* * * *

Mr. Carl White, Director of Finance, explained that the Witte Museum previously occupied this space which is known as the Girard Building. Under their lease, the Witte Museum carried insurance. The building has been returned to City control, and the City will now provide the insurance. The \$1,590.00 premium is for a three year period.

After consideration, on motion of Mrs. Haberman, seconded Mr. Becker, the Ordinance was passed and approved by the following vote:
 AYES: Haberman, Hill, Becker, Hilliard, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: None.

The Clerk read the following Ordinance:

AN ORDINANCE 41,286

APPROVING PAYMENTS TOTALING \$35,250.00
TO THE BICENTENNIAL COMMITTEE FOR ITS
OPERATION DURING THE CURRENT FISCAL
YEAR AND AUTHORIZING A TRANSFER OF FUNDS.

* * * *

Mr. Carl White, Director of Finance, explained that this authorizes a transfer of \$35,250.00 from the City Clerk's Election Account. Three elections had been provided for in the Election Account. Councilman Hill was instrumental in recommending that the funding for the Bicentennial Committee be provided in this manner. This reduces the number of elections budgeted from three to two with the thought in mind that the Charter Election, if it is held, will be combined with one of the City Council Elections. It will save the City \$43,000.00 in doing it this way.

Dr. Hilliard asked whether it was now a fact that the Charter Election will be combined with one of the regular Council Elections. He also stated that if the election is not held with the City Election there will not be any funds for a Charter Election.

Councilman Hill stated that if necessary funds can be obtained from the contingency fund or some other place to hold a Charter Election separately. It appears at this time that there will not be more than three or four proposed Charter amendments which could very easily be held with the City Election and save \$43,000.00.

After consideration, on motion of Mr. Hill, seconded by Mr. Mendoza, the Ordinance was passed and approved by the following vote: AYES: Haberman, Hill, Becker, Hilliard, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: None.

72-44 Mr. B. J. McCombs, Chairman of the Bicentennial Committee, thanked the Council for the support they have had from the City and its staff and were very much appreciative of the action taken this morning. He said that the application for San Antonio could be designated as a National Centennial City, and passed its first hurdle a few days ago at the meeting of the State Bicentennial Executive Committee. The State Executive Committee passed an application unanimously with some very favorable reports towards San Antonio and its application. The next step is for the application to go to the Governor for his approval and then to the National ARBC Executive Committee which will be in late November or December.

Mayor Gatti pointed out that the Committee was appointed by the City Council about a year ago. Since that time, they have in effect worked out of a "tool box". They have done a fantastic job and are probably ahead of any other City in progress being made to be designated as a Bicentennial City.

The Clerk read the following Ordinance:

AN ORDINANCE 41,287

AMENDING THE PRESENT EQUAL EMPLOYMENT
OPPORTUNITY ORDINANCE SO AS TO STRENGTHEN

ANTIDISCRIMINATION PROVISIONS THEREOF TO COMPLY WITH NEW FEDERAL LEGISLATION, AMENDING THE PAY PLAN AND AUTHORIZING ADDITIONAL PERSONNEL FOR THE EQUAL OPPORTUNITY OFFICE, AUTHORIZING A TRANSFER OF FUNDS, ADOPTING A BUDGET, AND APPROPRIATING FUNDS FOR THE EQUAL OPPORTUNITY OFFICE.

* * * *

Mr. Cipriano F. Guerra, Jr., Associate City Manager for Management and Planning Services, explained that the Equal Employment Act of 1972 now applies to local governments. The changes contained in the Ordinance will put the City into a better position to comply with provisions of the act.

After consideration, on motion of Mr. Hill, seconded by Mr. Garza, the Ordinance was passed and approved by the following vote: AYES: Haberman, Hill, Becker, Hilliard, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: None.

72-44 The Clerk read the following Resolution:

A RESOLUTION
NO. 72-44-51

PROVIDING THAT A PUBLIC HEARING BE HELD BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO ON THE 9th DAY OF NOVEMBER, 1972, AT 11:00 A. M. IN THE COUNCIL CHAMBER OF THE CITY HALL IN THE CITY OF SAN ANTONIO ON THE MAJOR AMENDMENT NO. 1 MODIFYING THE URBAN RENEWAL PLAN FOR ROSA VERDE PROJECT, TEX. R-78 AS PROPOSED BY THE URBAN RENEWAL AGENCY OF THE CITY OF SAN ANTONIO; DIRECTING THE CITY CLERK TO ADVERTISE NOTICE OF SAID PUBLIC HEARING AS PRESCRIBED BY LAW, IDENTIFYING THE PROJECT AREA; STATING THE PURPOSE OF SAID PUBLIC HEARING AND OUTLINING THE GENERAL SCOPE OF THE AMENDMENT UNDER CONSIDERATION; AND PROVIDING THAT ANY PERSON OR ORGANIZATION WILL BE AFFORDED AN OPPORTUNITY TO BE HEARD AT SUCH PUBLIC HEARING.

* * * *

Mr. Winston Martin, Executive Director of the Urban Renewal Agency, explained that this Resolution provides for the statutory thirty day notice of hearing on the proposed amendment to Rosa Verde Project. The purpose of the amendment is to provide more open space, to provide a better opportunity to develop more housing, to improve the traffic circulation within the project area, and to provide for the improvement of the San Pedro Creek drainage channel. This includes street realignment, a replacement of Columbus Street, the extension of Columbus Park and Commerce Street relocation.

Mayor Gatti asked when they were going to be finished with the Callaway transaction.

October 5, 1972
img

Mr. Martin replied that they cannot sell the land until they have acquired the Archdiocese property. In the amendment there is a funding requested to pay for the Archdiocese property.

After consideration, on motion of Mr. Hill, seconded by Mrs. Haberman, the Resolution was passed and approved by the following vote: AYES: Haberman, Hill, Becker, Hilliard, Mendoza, Garza, Naylor, Gatti; NAYS: None; ABSENT: Padilla.

72-44 The following Ordinances were read by the Clerk, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Hill, Becker, Hilliard, Mendoza, Garza, Naylor, Gatti; NAYS: None; ABSENT: Haberman, Padilla.

AN ORDINANCE 41,288

DECLARING A PUBLIC NECESSITY FOR THE ACQUISITION OF EASEMENTS ACROSS CERTAIN PRIVATELY OWNED REAL PROPERTY IN SAN ANTONIO, BEXAR COUNTY, TEXAS, FOR PUBLIC PURPOSES, TO WIT: THE LOCATION, CONSTRUCTION, RECONSTRUCTION, IMPROVEMENT, REPAIR AND MAINTENANCE OF LEON CREEK SANITARY SEWER OUTFALL PHASE B; AND DIRECTING THE CITY ATTORNEY TO INSTITUTE AND PROSECUTE TO CONCLUSION CONDEMNATION PROCEEDINGS TO ACQUIRE SO MUCH THEREOF AS CANNOT BE ACQUIRED THROUGH NEGOTIATION.

* * * *

AN ORDINANCE 41,289

AUTHORIZING SUBMISSION OF AN APPLICATION TO THE U. S. DEPARTMENT OF THE INTERIOR FOR SURPLUS FEDERAL PROPERTY IN THE CAMP BULLIS AREA FOR PARKS AND RECREATION PURPOSES.

* * * *

AN ORDINANCE 41,290

AUTHORIZING SUBMISSION OF AN APPLICATION TO THE U. S. DEPARTMENT OF THE INTERIOR FOR SURPLUS FEDERAL PROPERTY IN THE FORT SAM HOUSTON AREA FOR PARKS AND RECREATION PURPOSES.

* * * *

72-44 ZONING HEARINGS

B. CASE 4621 - to rezone 72.647 acres out of NCB 13691 and 12190, being further described by field notes filed in the Office of the City Clerk, 7900 and 8000 Block of N. E. Loop 410 Expressway and 1100 Block of Walzem Road, from Temporary "R-1" Single Family Residential District to "B-3" Business District; and 1.280 acres out of NCB 13691 and NCB 12190, being further described by field notes filed in the Office of the City Clerk, from Temporary "R-1" Single Family Residential District to "R-1" Single Family Residential District.

The "B-3" zoning located on the southside of Walzem Road between Mordred Road and N. E. 410 Expressway; having 1520.86' on Mordred Road, 1281.23' on N. E. Loop 410 Expressway and 1242.03' on Walzem Road and 70.51' on the cutback between Mordred Road and Walzem Road.

The "R-1" zoning located 70' south of the intersection of Mordred Road and Gawain Drive 120' North of Round Table Drive being a tract of land 50' in width and 1335' in length.

Mr. Gene Camargo, Planning Administrator, explained the proposed change, which the Planning Commission recommended be approved by the City Council, provided that the property be properly platted; that a one foot non-access easement be imposed at the end of King Arthur Drive to prevent any access to or from the subject property (proposed shopping center) to the subdivision to the South. In addition, the Commission recommends a 120 foot set back line be placed adjacent to the residential property in existence to the South and that a 50 foot landscaped area also be provided adjacent to the residential property on the South and East. The Commission also recommends that an eight foot solid screen fence be erected on the property lines adjacent to the residential property on the South and East.

Mr. Ralph Langley, attorney representing the applicant Melvin Simon & Associates Inc., of Indianapolis, Indiana, presented each member of the Council with a package of information describing the proposed development of the shopping center. He said the Planning Commission has given unanimous approval with the added recommendations which were explained by Mr. Camargo to which they agree. The shopping center will contain approximately 875,000 square feet, and it is estimated to cost from \$12 to \$14 million to construct.

Mr. Langley stated that Walzem Road already has a traffic problem. Walzem Road comes under the jurisdiction of the Texas Highway Department, and they have a plan for a proposed six lane divided road with U turns to I H 35 so as to permit the maximum safe flow of traffic. The previous owner would not dedicate property for widening. The present owners, however, are willing to dedicate property to widen Walzem Road to the desired width and also agree to contribute the funds for curbing and guttering of the street. He said Roosevelt High School is located across the street on Mordred. They will build a six foot fence on the Eastside of the property and will dedicate sufficient property to widen Mordred Street to take care of any increased traffic.

Mr. Langley concluded by stating that he felt that this proposed shopping center will be a fine development for San Antonio. They have cooperated to the fullest extent possible with the neighborhood and the City, and ask the Council to grant the requested change in zone.

Mr. Louis J. Taupal, 5019 Round Table, presented a petition signed by 35 residents who live in the area in opposition to the rezoning. He said he bought his home on the assumption that the property in question would be apartments. People are trying to sell their homes, but word is out of the proposed construction of the shopping center and they are unable to sell. He opposed the rezoning because of the traffic, lights, trash and noise nuisance which will accompany such a project.

After examining the petition, City Attorney Howard Walker stated it was his viewpoint that the petition was not sufficient to require seven affirmative votes to rezone the property.

October 5, 1972

-12-

img

After consideration, Mr. Becker made a motion that the recommendation of the Planning Commission be approved, provided that the property be properly platted; that a 50 foot landscaped strip be provided adjacent to existing residential development on the Southside and the Eastside of the property being rezoned; that a 120 foot building set back line be imposed on the Southern boundary parallel to the existing single family homes backing up and siding unto subject property; that a one foot non-access easement be imposed on the property line at the North end of the public right-of-way of King Arthur Drive; and that an eight foot solid screen fence be erected on property lines adjacent to the existing single family homes and that this fence be erected before construction begins. The motion was seconded by Mr. Mendoza. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Haberman, Hill, Becker, Hilliard, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: None.

AN ORDINANCE 41,291

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 72.647 ACRES OUT OF NCB 13691 AND 12190, (BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK) 7900 AND 8000 BLOCK OF N. E. LOOP 410 EXPRESSWAY AND 1100 BLOCK OF WALZEM ROAD, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT; AND 1.280 ACRES OUT OF NCB 13691 AND NCB 12190, (BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK), FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT, PROVIDED THAT THE PROPERTY BE PROPERLY PLATTED; THAT A 50' LANDSCAPED STRIP BE PROVIDED ADJACENT TO EXISTING RESIDENTIAL DEVELOPMENT ON THE SOUTHSIDE AND THE EASTSIDE OF THE PROPERTY BEING REZONED; THAT A 120' BUILDING SET BACK LINE BE IMPOSED ON THE SOUTHERN BOUNDARY PARALLEL TO THE EXISTING SINGLE FAMILY HOMES BACKING UP AND SIDING UNTO SUBJECT PROPERTY; THAT A ONE FOOT NON-ACCESS EASEMENT BE IMPOSED ON THE PROPERTY LINE AT THE NORTH END OF THE PUBLIC RIGHT-OF-WAY OF KING ARTHUR DRIVE; AND THAT AN EIGHT FOOT SOLID SCREEN FENCE BE ERECTED ON PROPERTY LINES ADJACENT TO THE EXISTING SINGLE FAMILY HOMES, AND THAT THIS FENCE BE ERECTED BEFORE CONSTRUCTION BEGINS.

* * * *

October 5, 1972
img

-13-

C. CASE 4440 - to rezone 0.613 acres out of Tract 32, NCB 8394, being further described by field notes filed in the Office of the City Clerk, 135 East Quill Drive, from "A" Single Family Residential District and "B" Two Family Residential District to "R-3" Multiple Family Residential District; and 0.167 acres out of Tract 32, NCB 8394, being further described by field notes filed in the Office of the City Clerk, 135 East Quill Drive, from "B" Two Family Residential District to "R-2" Two Family Residential District; and 0.761 acres out of Tract 32, NCB 8394, being further described by field notes filed in the Office of the City Clerk, 135 East Quill Drive, from "B" Two Family Residential District to "O-1" Office District.

The "R-3" zoning located 51' northwest and 155' west of Quill Drive; having a length of 275' and a maximum width of 214.80'

The "R-2" zoning located on the northwest side of Quill Drive 135' south of Donaldson Street; having 50' on Quill Drive and a depth of 155'.

The "O-1" zoning located on the northwest side of Quill Drive 185' south of Donaldson Street; having 291.11' on Quill Drive and a maximum depth of 155'.

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

Mr. Don Scott, engineer representing the applicant Joe Mangione, stated that the proposed "O-1" zone has an existing building which will be remodeled into professional offices. The proposed "R-3", which presently has existing non-conforming apartments, will be used for multiple type garden apartments. The proposed "R-2" property will be used for access to the apartments.

Mr. Benton Davies, attorney appearing in his own behalf, opposed the change. He is the owner of the north 105 feet of Lot 32 to the north and has lived there since 1935. He said the the proposal divides one lot into three different zoning classifications without plat approval. Residences in the area are valued at \$25,000 to \$75,000. Two new additional residences have been built in this block. He felt such a change would be an environmental hazard, would be spot zoning and not in the best interest of the neighborhood.

After consideration, Mr. Becker made a motion that the recommendation of the Planning Commission be approved, provided that the property be properly replatted and a non-access easement be imposed on the South property line and extending 190 feet on Quill Drive. The motion was seconded by Dr. Hilliard. On roll call, the motion failed to carry and rezoning was denied by the following vote: AYES: Becker, Hilliard, Gatti; NAYS: Haberman, Hill, Mendoza, Garza, Naylor, Padilla; ABSENT: None.

72-44 At this point, the Mayor called for a ten minute recess, and the meeting reconvened at 11:20 A. M.

* PUBLIC HEARING ON THE REQUEST OF THE
WATER WORKS BOARD OF TRUSTEES FOR
AN INCREASE IN WATER RATES

MAYOR JOHN GATTI: This is the called Public Hearing on a proposed ordinance recommended by the Water Works Board of Trustees. To proceed we will first hear from the Water Board and then we will be delighted to hear from any other citizens that might care to be heard.

MR. JACK KAUFMAN: Good morning. My name is Jack Kaufman. I am Chairman of the City Water Board. I am here to report the need for additional revenue for the Water System.

The Water System is owned by the citizens of San Antonio. Their elected representatives, the San Antonio City Council, has appointed four trustees to operate the system under rules clearly set out by ordinance. Our job is to comply with those rules and:

- A. Represent the interest of the citizens who own the system;
- B. Fairly serve the needs of the customers who use it;
- C. Comply with the contractual obligations to our bankers the bondholders who lend us money for capital improvements.

The Trustees you have appointed have all given many years of service to the City of San Antonio. They are people selected by you or previous Councils. I would like to introduce Dr. M. Leo Galindo, Vice Chairman, Mr. Roland Brener was unable to be present today, and Reverend S. H. James. Mayor Gatti - because he is Mayor, is also a member of the Board, attends all the meetings and has participated and approved of these studies and this decision.

The ordinance under which we operate requires the CWB Trustees to determine the rates to be rendered by the System, with the consideration to the terms contained in the ordinance. The ordinance requires the Board to submit to the City Council a full report of the basis upon which such proposed adjustment is based, accompanied by a formal request of the Board for approval and adoption of the rates recommended by the Board. The Board has made a comprehensive study of the rates and determined that the rates are insufficient for the needs of the System. We have in fact submitted a full report to you.

This morning I will summarize the factors that we discussed and briefly state the steps we have taken to consider and decide the rate we recommend for adoption. When I conclude, the Water Board Manager, Mr. Robert P. Van Dyke, will briefly review the needs of the System for the period 1971-80. Then Mr. John Shields will briefly review the financial plan of development and finally, Mr. Bill Patterson will discuss the financial plan and rate structure. Following his remarks, I will summarize and then we will be happy to answer questions as your time will permit. Please make notes of any questions that you have as we go along and save them to the end. They might be answered by a later speaker. We have taken note of some of the input we have gotten from you and we have answers to specific questions that you have raised.

The factors requiring the need for this rate increase are these:

- A. Population growth (refer to chart).
- B. Expansion of the area served by CWB.
- C. Annexation requirements.
- D. Economic and industrial growth.
- E. Financial capability of CWB to meet the water requirements of its expanding service area.

Briefly summarized, we have had our Master Plan up-dated as of 1971 to determine our needs. We calculated the cost of those needs and hired rate consultants to recommend a rate structure to obtain the money to satisfy the cost of the needs.

October 5, 1972
mg

We had an open public meeting with you, the San Antonio City Council, on March 3, 1972 and discussed all of the items we have just referred to. The staff at that time recommended a 45% rate increase in 1972, a 35% rate increase in 1978 and 94 million dollars in bond authorization to cover the needs through 1980.

From the discussion which took place at that meeting and the input received from the community at large, we explored the possibility of softening the effect of an immediate 45% rate increase. We determined that the Council could legally set in one ordinance rates which would increase at stated times. Based on these considerations, new calculations were made to the City Council at a second open public meeting on May 19, 1972. The staff and our rate consultant then recommended a 25% rate increase in 1972, 25% rate increase in 1974, 25% in 1976 and the issuance of 80 million dollars in bonds, including ten which have already been issued in 1971. It is estimated an additional increase will be required in 1978 to support approximately 30 million in bonds. It is too early to determine the exact increase that will then be required.

The Board approved the final financing plan and passed its Resolution May 23, 1972 and immediately forwarded its request to the City Council to approve the new plan and make the new rate effective 1 October 1972. The Ordinance presented to you today takes note of the impossibility of that effective date and provides an effective date of 1 November 1972.

Now, I will call on Mr. Van Dyke for a brief review of the needs of the Water System.

MR. ROBERT P. VAN DYKE: I am Robert Van Dyke, General Manager of the City Water Board. Since 1956 when the citizens of San Antonio acting through their City Council authorized an initial bond issue of \$20,885,000 to begin to eliminate long standing and increasingly serious deficiencies in water service, water pressure and fire protection, successive Water Works Boards of Trustees have carried on a two-pronged capital improvement and replacement program to keep abreast of San Antonio's rapid growth and development.

Although the rate of growth in the City of San Antonio during the past decade indicated a decline from that experienced in the period 1940-1960, the City anticipates that its growth rate will greatly accelerate during the 1970's and during the succeeding decades. Many factors will contribute to this expansion including the construction of the University of Texas at San Antonio, the expansion of the South Texas Medical Center, the expected increase in Federal housing programs, the concerted activity by major elements in the city to encourage economic and industrial growth, and an increase in the city's annexation rate. This growth and development have and are putting serious strains on the financial capability of the City Water Board to meet the water requirements of its expanding service area.

Prior to 1955 your City Water Board did not have a master plan. The first one was worked out and started at that time. In 1957 the Council authorized and issued \$20,885,000 worth of bonds to carry out the construction work that was needed as brought forth by that first master plan. The master plans have been updated in 1959, 1966 and again in 1971. The master plan map which you see shows the area included in the master plan. If you will recall this master plan was adopted by the City of San Antonio as the plan of development for the water service and also it has been approved by this City Council. It has been adopted by AACOG as the master plan for our general area.

The 1971 Master Plan includes construction projects and planning for a supplemental surface water supply.

I know that when I talk to you about capital improvements you sometimes don't quite envision what we are talking about. I have a few slides here if you will permit us to show you. It will just take a very few moments to try to let you visualize some of the things that we are concerned with.

Here is a main construction project out on Callaghan Road in the caliche area.

Another main that is going along Fredericksburg Road. These are long trunk mains.

Here is another large diameter main in the north part of San Antonio.

We have to have fire protection for our citizens.

There is a service being installed into a home.

As you now we have one of the lowest key rates in the State of Texas for fire insurance and again, here is one of our city fire trucks and a fire hydrant that's there to protect the city.

We have problems in the downtown area in having major mains and repairs that have to be made.

This is one of our major pump stations on the East side of town - our Artesia Pump Station.

Our Sealy Pump Station and storage tank on W. W. White Road.

Here is our Basin Pump Station in the north central part of San Antonio.

Here is the operating floor showing some of the large pumps - the largest are 20 million gallon pumps, the smaller are 10 million gallon per day pumps.

Here is a well at our Mission Pump Station. The exterior of our Mission Pump Station.

Here is a well at Artesia. These wells will produce 10 million or more gallons per day dependent upon the height of the water in the reservoir.

Here is one of our new variable speed pumps at the Wurzbach Pump Station.

Here is flushing a well at our Wurzbach Pump Station.

Here is our tallest elevated tank in San Antonio - our Lockhill - Selma tank. That tank stands 200 feet above the ground and is taller than a Redwood tree in California.

Here is a ground storage reservoir in Bitters Station which will serve the rapidly growing north central area.

Here is the elevated tank at Northridge.

And another ground storage - 5 million gallon capacity - at Basin.

Now, we are talking about surface water and, of course, San Antonio has no surface water facilities or any treatment plants. So I have picked this East Dallas Water Treatment Plant that is presently in operation to give you an idea of some of the facilities and the scope of what we are looking at when we have to have treatment plants.

This next slide is a picture of the mixing basins in the foreground, the coagulation basin and setting basins in the back and finally, the filters that are further back.

Here is a picture of the chemical storage building and the area where they feed the chemicals there in Dallas.

This is a picture in the filter gallery showing some of the large piping that is necessary to handle the water that is treated in a surface water plant.

Finally, our motto "Where your City Water Board goes San Antonio grows."

I think that by seeing these slides you can envision somewhat what we are talking about here today.

Our construction program came to a near standstill at the end of 1970 because of the lack of funds. If you will recall we came to you in early 1971 and we asked you to authorize the issuance of \$10 million worth of bonds based on the preliminary information that we had on those projects that were going to be included in the 1971 updated Master Plan. Of course, that \$10 million in bonds were issued and at that time we told you that there would only be sufficient funds to carry the capital improvement needs through the year 1972. Nineteen seventy two is almost over and at the end of 1972 your City Water Board is going to be essentially out of funds to provide any capital improvements. One of the things that was most urgent in early 1971 was the extension of the capital improvements, the large mains and the development of the University Pump Station to serve the area just south and including the new University of Texas at San Antonio. Your Water Board responded immediately to that challenge and the services are there and they will be available to the University when it opens its doors.

The final 1971 master plan was received in June 1971, and immediately thereafter the Board authorized a financial plan study to provide the funds to carry out the requirements of the Master Plan.

The Master Plan includes only the metropolitan area and contains no recommendations for surface water projects outside of the metropolitan area with the exception of the construction of the Applewhite Treatment Plant which is located on the south side of San Antonio.

The overall capital improvement program for the next 25 years, as outlined in the Master Plan, calls for the expenditure in excess of \$123,589,000. Of this amount the capital improvements during the 1971 - 1980 period are \$61,267,500. These figures are based upon 1971 construction dollars and I'm sure that you realize that we are going to have a tremendous inflation factor that we will be faced with during the rest of this decade.

As you know, the City Water Board is proceeding with its plans to develop an initial supplemental surface water supply from the Cibolo Reservoir southeast of San Antonio near Stockdale and it is anticipated that the Cibolo Reservoir will be built and placed in operation prior to 1980.

The capital improvement program for 1971-1980 as outlined in the Master Plan has been revised to include \$15,585,000 for the Cibolo-Applewhite transmission main that will bring surface water to San Antonio and has been further revised to reflect the inflated construction prices anticipated prior to 1980.

The total capital improvement program needed during the 1971-1980 period including these revisions is \$82,871,375.

If you will turn your attention to this bar chart, which you have before you, showing the construction expenditures and programs for the period 1956 to 1980 you will see that we have summarized the five year periods from 56-60, 61-65, 66-70 in the first three bars. These figures shown in the successive bars are for the total construction program

that will be required for the remainder of the decade by years.

The chart which you see before you shows the capital improvements which we have been discussing in blue. It also indicates the routine improvements which are the mains that are 12" and smaller in size, the extra fire hydrants, the valves that have to be put in, the closing of loops in our system. It shows in yellow the annual replacement program. I am sure that you realize that San Antonio has very corrosive soils and there are many mains that need to be replaced. We still have over 300 miles of mains in San Antonio that are smaller than six inches and need to be replaced.

You see in orange the governmental replacement. These are the projects that are required by the actions of other governmental agencies. When it is necessary for San Antonio perhaps to lower a street grade we must go in then and make adjustments to those mains. If the San Antonio River Authority, for example, puts a bridge across a river or creek we might have to go in and adjust those mains. There are many other requirements that are required by separate governmental bodies that we must have funds to adjust our mains and facilities to meet the construction requirements that are set forth by that other body. Then, of course, we have the refunds to developers under our existing extension policy. When we add all these figures up for the 1971-1980 period we are talking about a total construction program of \$144,116,000.

In addition to that we have as part of our master plan the acquisition of private water systems. As the City expands its territory we attempt to buy the private water systems that are in existence. In the \$10 million bond issue of 1971 \$1.5 million was included in that particular bond issue. For the period 1971-1980 we have included some \$10,390,000. Again, going back to the policy that it is the wish of the City of San Antonio to own and operate its own water system.

The capital improvements that we are talking about are presented on this overlay to the master plan map. The projects that have been built or are under construction during the 1971-72 period are shown in yellow. Perhaps, if you turn on your TV lights that would show up a little better.

The projects that will need to be completed during the period 1973-77 are shown in RED.

Those that will be needed in the 78-80 period are shown in dark blue.

The major functions and projects that we are talking about include some \$13 million in the projects that are going to be in the area that the Council is presently considering for annexation. These are shown here with the yellow overlay and, of course, will be required very shortly if our annexation program is carried out. The transmission main from Cibolo that I mentioned before is \$15.5 million. We've got \$2.3 million for the mains out to the UTSA. The mains for Applewhite Treatment Plant \$2.2 million. Just for the mains that are inside the present City limits we are talking about \$15.5 million.

Each of these projects has been presented in detail in the report that you have. Rather than waste a lot of time we know exactly where every dollar of this money will be spent and each dollar will be spent on a function that is needed very much.

It is the responsibility of the City Water Board to devise and carry out the construction program that will meet the long-range water requirements of San Antonio, and this program must of necessity be in accordance with the long-range plans and goals of the City Council. We feel that the need for the capital improvements outlined has been clearly shown in the Master Plan study. Mr. Shields and Mr. Patterson will present the financial plan which has been approved by the Water Works Board of Trustees and which is recommended to the Council to meet the costs of the capital improvements and to carry out the construction plan which has been presented. At this time I will turn our presentation over to Mr. Shields.

MR. JOHN SHIELDS: Actually, we started on the development of our financial plan as soon as we got the first inkling of what the master plan was going contain. This was in early 1971 just prior to the time that we came to the Council for the initial bond issue.

We have since early 1971, coordinated work with and developed this plan jointly with our consulting engineers, Black and Veatch, of Kansas City.

Our basic philosophy, as you may recall from those of you who were here in 1966, was that in 1966 we did propose a plan where we financed the improvements primarily out of revenue. In looking at the master plan for 1971-1980, however, we felt like we needed to change that philosophy.

The projects that Mr. Van Dyke was discussing are of such magnitude and affect, not just the people who are presently using the water, but the people who will be using the water 25-50 years hence. Consequently, we did go to a plan of using a combination of bonds and revenue. We suggested at the March 3rd meeting that we would like to have a 45% increase in water rates with a subsequent 35% increase in 1978 and the issuance of \$94,000,000 in bonds. Subsequently, we revised that based upon the input we had received which indicated that the size of the initial increase was a little too high to be absorbed by the citizenry. So we did adjust that. We did come up with a program of successive increases based upon the legal opinion of our attorneys. We recommended to you in the May 19 meeting that we have a 25% increase in 1972, a 25% increase in 1974 and a 25% increase in 1976. At the same time, because of the revenues that would be brought in we recommended that we lower the bond requirements from \$94 million to \$80 million during the ten year period, \$10 million of which has already been issued.

Basically, the 45% increase coupled with the 35% later increase would have brought in a little over \$50 million additional revenues during the 1971-80 period. The change, the three successive increases plus a potential increase in 1978 would bring in some \$62.5 million. This, of course, compensates in part for the reduction of \$14 million in the bond requirement.

Either plan that we have we feel will satisfy the requirements of the City. Either plan will keep us with the growth of the City-its development and we will be able to meet the needs of the system throughout this ten year period.

In discussing this program with Council members and with citizens we have had one question that has been posed to us repeatedly which I would like to try to give an answer to at this time. Why did not the rate increase of 1966, which was indicated at that time would suffice for a considerable period of time-longer possibly than 1972-not suffice?

Well, in the first place the 1966 increase was passed October 1, or was passed sooner but was effective October 1, 1966. The predicate for that, however, the projections were that the increase would be passed in late 1965. That projection showed that we would get around \$8.5 million of revenue in 1966. Actually, we received around \$6.5 million, or \$1.7 million difference in what we had projected and what we actually received.

The other thing that has hit us pretty hard, it's hit the City pretty hard, it's hit Handy Andy pretty hard and everyone of you who are in business it's hit you hard and that is the inflation.

We have found ourselves in 1966 and subsequently that our employees were being underpaid in relation to the community as a whole. We have tried to rectify that situation. In 1965 our employees were averaging on an annual basis around \$4,400 in income. This was the average for all 527 employees of the Water Board. Last year the average was \$7,151. This increase, we feel, has been deserved by employees and

was urgently needed by them to keep up with the mounting cost of living.

This, though, has put serious strains on our maintenance and operation fund. The maintenance and operation fund has shown roughly a 50% increase over that that we had projected in 1965 where we projected a 3% increase in M & R expense during each year under the study. Actually, the increase has run about 11%. These two items, basically, have been what have created a problem in not maintaining the status quo insofar as the 1966 rate increase proposal that was made.

Also, there was omitted from the 1966 report, and this was in all of the information that was provided to the Board and to the Council, we omitted any provision for surface water development. This was a deliberate omission. We didn't know at that time where the water would come from and we were not as sure exactly as to when we would be needing surface water so we left it out of the study completely.

Subsequently, also, the 1965 master plan showed a \$68 million expenditure for the period 1966-1990. We received the master plan in June 1971 and it roughly doubled the expenditures during the same time period. Out of this, of course, \$27 million of which is for surface water program but, basically, it is inflation that has crept into the construction business or has galloped in you might say. All of these things have added to the cost of the project. Also whereas the City's population has not expanded as rapidly as the county has expanded and our area to be served, particularly under your annexation program it is expected to go up very much.

At this time, I would like to pass out some briefing material and I would also like to introduce to you Mr. W. L. "Bill" Patterson, our consultant from Black and Veatch Consulting Engineers in Kansas City.

MR. W. L. PATTERSON: It is a pleasure to appear before you. It is an unpleasant subject. We'll do the best we can to explain, basically, what is behind the rate adjustment which you now have under tab B in the folder you have just received and I believe you have had the report before.

I would like to introduce myself in the sense that I am a partner in Black and Veatch of some 40 years experience with the firm. The firm is nearing 60 years of existence. We have 1200 people. We have an Economic and Financial Division of which I am the head. It specializes in rate and financial program problems, appearance before commissions in support or analysis of problems just like this.

We have been working with the Water Board on this problem for over a year. I would simply like to outline the principals involved and some of the points which relate to the overall revenue requirements and then the development of the proposed adjustment in the rate. In doing this I am going to use some excerpts from the report simply because the wording is adapted to a quick resume of the problem.

Continued growth of the water service area and increases in water use over the years have obligated the Board to plan for and make additional investment in the system. You heard this in detail this morning.

In evaluating the projected needs for additional water system revenue, the City Water Board made preliminary projections of revenue requirements for the period through 1980, recognizing not only the continuing increase in cost of maintenance and operation of the system, but also the projected costs of an extensive program of capital improvements. Black & Veatch was retained, in a review capacity, to assist the Board in evaluating the responsibility of each of the various classes of water customers served, and the design of a schedule of water rates which will develop the revenue required.

The purpose of this report is to present the revenue requirements of the City Water Board and to develop equitable and suitable schedules of water rates adequate to meet financial needs through 1980. This report

October 5, 1972
mg

-21-

summarizes a cooperative effort by the Board, and Black & Veatch in the role of reviewer, in estimating future revenue requirements, and developing costs of service and proposed rates for water service.

A water rate study has three principal phases - Revenue Requirements, Cost of Service Allocations, and Rate Design and Proposals.

Following the introduction to the report is a very brief summary of findings and recommendations. Then follows, first, a development of the revenue requirements of the water utility.

We have examined:

1. Growth in number of customers and water sales.
2. Revenue under existing rates.

Subsequently, we show projections of:

1. Maintenance & Operation expense.
2. Existing debt service obligations.
3. Debt service reserve obligations
4. Capital program consisting of
 - Major Capital Program Requirements
 - Purchase of Private Water Systems
 - Normal Annual Extensions and Improvements
 - Annual Replacements
 - Governmental Replacements
 - Refunds to Developers

All of that has been touched upon by earlier speakers.

The capital program requirements of the Board may be financed entirely from annual revenue, entirely from additional bonds, or some combination of the two methods. To try to meet the projected costs entirely from annual revenue would place an undue burden on the water system customers. On the other hand, to totally finance the program through the issuance of additional revenue bonds would result in a marked increase in system debt and annual interest costs.

Various combinations of bond financing and annual revenue financing of the program have been considered. Upon review of the potential impact of various alternatives upon customers of the water system, a program of financing providing for issuance of \$70,000,000 in additional revenue bonds in the 1972-1980 period, together with periodic increases in water rates has been developed. The remaining estimated cost of the program would be met from bond funds on hand, interest income, and annual revenue of the system.

Annual requirements to finance the capital program, which must be met from system revenue, include debt service on proposed bonds, debt service reserve requirements related to proposed bonds, and annual earnings required for direct construction purposes.

The projected \$70,000,000 in bonds to be issued in the 1972-1980 period are scheduled for issuance as follows:

1973	\$ 8,000,000
1975	10,000,000
1977	22,000,000
1979	<u>30,000,000</u>
	\$70,000,000

Turn to Page 27, Table 21 in the report.

The total revenue requirements of the City Water Board for the 1972-1980 period include maintenance and operating expense, debt service on existing debt, and annual costs related to the capital improvement program.

Table 21 shows a summary of the estimated revenue under existing rates, obligations, and deficiencies with \$70 million in new bond authorizations. The revenue and cost elements shown in Table 21, under Existing Revenue and Obligations, lines 1 through 23, are developed in this report.

Lines 25 through 33 show the requirements to finance the capital program, that is, Debt Service on New Bonds, Debt Service Reserve Requirements on New Bonds, and Earnings Required for Capital Program. Additional interest income is based on short term investment of available funds.

Lines 34 shows the annual deficiency after capital program financing projected for the 1973-1980 period. The deficiency ranges from 36 per cent in 1973 to 131 per cent in 1979. The deficiencies indicate the need for marked increases in revenue during the entire period. This is probably the easiest way to see what the requirements are and see why we have got the proposal for rate increases because you are short this percentage of dollars in revenue.

In evaluating the most suitable means of avoiding the projected revenue deficiencies, the Board has given consideration to the magnitude, timing, and frequency of potential water rate increases.

Various alternative plans of financing have been developed in detail and reviewed by the Board, taking into particular consideration the potential impact upon the water customers, of necessary rate increases. Recognizing the responsibility of the Board to meet its obligations for service at reasonable cost, a water system financing plan has been proposed which under currently projected conditions, should be adequate for the 1972-1980 period. The thing that could make it inadequate would be a higher rate of inflation than has been demonstrated. Unless that occurs and unless something totally unforeseen occurs this program should carry you through 1980.

In addition to the \$70 million in new revenue bonds previously described, the Board has proposed an initial increase of 25 per cent in overall water rate levels effective October 1, 1972. Subsequent increases of 25 per cent each are proposed by the Board to be effective October 1, 1974, and October 1, 1976. A further 20 per cent increase effective October 1, 1978, but the detail of that should not be specified now. We have come up tentatively in this report with 20%.

Now, turn to Page 29 which is Table 22.

Table 22 shows the estimated additional revenue to be derived with an initial 25 per cent overall rate increase, and the three proposed subsequent rate increases, and the projected use of the revenue in meeting capital improvement financing for the period through 1980. The Net Income Available for Capital Program Under Existing Rates, shown on Line 1 of Table 22, was derived in Table 21, and shown on Line 24 of that table.

The projections of additional water sales revenue under increased rates, Line 2 of Table 22, recognize that a reduction in water use, and hence revenue, can be anticipated following the initial rate increase.

Table 22 illustrates that by increasing water rate levels as proposed, sufficient earnings should be available, together with additional bond authorizations and the balance on hand, to meet capital program requirements. The proposed increases in water rate levels provide a reasonable means of meeting the projected revenue requirements.

Now, this table starts out with a balance available figure on line 16, in 1972 of \$3,200,000 and ends up in 1980 with a balance of \$3,200,000 so its an even steven total distribution of the dollars. It does not accrue any undue balance as a cushion. There is no cushion in it but it does provide, we think, adequate financing.

Now, also, in line 35 of this table we have investigated the results of the proposed financing program as to adequacy to meet the 1.5 debt service coverage ratio and on the last line it shows that this financing covers very satisfactorily the 1.5 ratio with a 2.00 in 1973 and above that in the year 1975-1980. So your bond indenture requirements are met by this projection.

Turn to Page 31 of the report.

In developing an equitable rate structure, revenue requirements are allocable to the various customer classifications according to service rendered. **Allocations** of these requirements to customer classes should take into account the quantity of water used by each class, relative peak capacity requirements placed on the system, the number and size of services to customers, proprietary interest in the system investment. Those are the principle factors.

Turn to Page 51.

Table 32 shows that present inside City rates, as a whole, will develop 22.3 per cent less revenue than cost of service. For the inside City Residential Class, a deficiency of 29.2 per cent is indicated, and for other classes lesser deficiencies are indicated. The allocations show that the Apartment and Industrial classes would pay slightly more than their respective costs of service. Now, this table is shown to show the respective deficiencies by class of service.

Lets turn on to the next section which is Page 53.

The philosophy of rate design for water utility service should be the recovery of revenue from all classes of customers in accord with customer responsibility for service rendered. It means exactly that. If you could recover from the class of customers the costs that he has caused the system - and that is not only the amount of water he uses but the rate at which he uses it - and it isn't only those two items but it is the cost of billing, collecting, meter reading, handling of his account, which we call customer costs is involved.

Now, that is the philosophy but practical considerations may modify the cost of service adjustment.

We have made two schedules of water rates in our study here. One was to carry out this responsibility philosophy and we have called it "Cost of Service" rate. Then we have a second schedule which we consider a practical schedule and which is a collaboration of the Board and our own effort because we know that you are not going out and increase the residential customer 29% today and leave other customers with no increase or perhaps with a decrease. That may be an analysis which is true enough as to respective costs but achievement of distributing those costs perhaps is not the practical thing to do particularly for the small user and the one who has 29% deficiency.

Now, we have a second - I mentioned it - proposed water rate - the one that we recommend as a practical alternate to the "Cost of Service" rate.

Now, to show you what would happen if you adhered to cost of service rates the minimum charge for an inside City 5/8 inch meter (that's your small user) is shown to increase from the existing \$1.40 monthly charge to \$2.55 monthly under cost of service rates. That is 82%. That may be theoretically correct but we are not going to recommend it practically.

Outside City cost of service rates shown in Table 36 are approximately 30 per cent greater than inside City rates.

The cost of service studies offer a guide to the necessity for, and nature of, water rate adjustments. Cost of service studies are the result of engineering estimates, based upon judgment and experience. The levels indicated show the needs for increases and the extend of adjustments.

Determination of whether cost of service rates are practical for application requires recognition of certain factors in addition to costs of service. The final choice of rates is dependent upon judgment and policy, recognizing factors such as previous rate levels, public reaction to the extent of changes, and local practice in the past, using the cost of service study as a guideline.

The comparison of costs of service with revenue under existing rates indicates the need for above average increases in charges to the inside City Residential customer class, and the outside City wholesale class. Conversely, the level of charges to the inside City Apartment, Industrial, and Private Fire Protection classes could be reduced slightly and still meet costs of service. Although the cost of service rates shown on Page 59 would recover the costs of serving the classes, such charges would result in individual water service charge increases exceeding 82 per cent for some small water users, and only 1 per cent for some large use water customers. Indicated adjustments of this nature are not uncommon but in most instances, to raise some rates such a large amount while increasing others very little, is impractical. Judgment and competitive costs often indicate that rate adjustments of such diversity should not be undertaken in one single step.

There are many alternate rate schedules which may be considered in developing one acceptable for adoption, each of which would derive the total revenue requirements of the City Water Board. It is common in developing a practical schedule to recognize past rate levels, without necessarily making the entire transition to cost of service rates in one step. It must be recognized, however, that any schedule other than cost of service rates is a matter for City policy consideration.

In developing a proposed schedule of water rates, the Board has examined numerous alternatives, giving consideration not only to the cost of service, but to the relative impact on individual customers in the various classes. A proposed schedule of water rates, developed by the Board, is shown on Table 38, on Page 63, together with the existing and cost of service rates previously shown on Page 59.

The proposed rates would result in a moderation in the magnitude of increase indicated for the smaller users, resulting in a partial adjustment toward customer classes bearing respective costs of service. Comparison of the proposed inside City rates with cost of service rates, shown in Table 38, indicates that the first rate block has been reduced from the cost of service rate level. Under the proposed rates, the second block would be increased from 65 to 95 hundred cubic feet, while the third block would be reduced from 180 to 150 hundred cubic feet. The proposed charges for all but the first block are higher than indicated cost of service rates, but still result in an increase in the charge per hundred cubic feet in respective blocks of only about 25 per cent.

The proposed minimum charge for a 5/8 inch meter is \$1.75 per month and represents a 25 per cent increase over the present \$1.40 minimum bill rate.

The effect of the proposed rates is to relieve, to some extent, the smaller user, in particular the 5/8 inch minimum charge customer, while increasing charges to large Residential customers. The proposed inside City retail rates will develop very close to the total revenue requirements for the inside City classification.

The proposed outside City rates are approximately 30 per cent higher than inside City rates.

Since revenue from private fire protection service inside the City is currently adequate to meet cost of service to the class, no change in charges is proposed.

October 5, 1972
mg

A comparison of estimates of revenue that would be derived from proposed water rates for each customer class for the 1974 test year with the adjusted cost of service and revenue under existing rates is shown in Table 39, Page 66.

Now, this table shows the increases in per cent revenue to be recovered under the respective classes and shows increases for the various respective groups in the neighborhood of 21% to nearly 25%. One case 28%. Meaning that we have proposed nominal increases and a slight variation between the classes of these customers.

Table 40, Page 67, shows a comparison of typical monthly water bills for inside and outside City sales under existing rates and proposed rates. Monthly increases for inside City bills are shown to vary from 25 per cent for a 5/8 inch meter size using 500 cubic feet of water to 37 per cent for water use totaling 10,000 cubic feet. Outside City monthly increases vary from 20 per cent to 30 per cent.

As shown on Table 22 on Page 29, under the proposed program water rates would be increased 25 per cent effective in October, 1972, with subsequent increases of 25 per cent in October, 1974; 25 per cent in October, 1976.

The Board has proposed that, following the initial rate increase, for which the proposed rates shown in Table 38 were developed, subsequent increases be across-the-board in accord with the overall percentage required. In other words we expected the additional increases to be spread equally to all customers across the board on the 25% basis. Table 41, Page 68, shows the proposed initial rate schedule, and the three succeeding schedules which would result. These were the 25% immediately, the 25% in October 1974, 25% in October 1976 and 20% shown here as a basis for October 1978 subject to a review at least on that particular rate.

The Board has recognized that such projections of water sales and revenue requirements tend to become increasingly difficult in future years and that periodic review of capital improvement programs and revenue requirement projections should be made at 5 year intervals. To meet requirements for the next 5 years, the increased rates proposed for October, 1972; October, 1974; and October, 1976; should be adopted. Future review of revenue requirements may indicate some adjustment in the level of increase required in the latter part of the 1970's.

In summary, it is recommended that to meet projected revenue requirements of the City Water Board for the ensuing 5 year period, the rate adjustments proposed herein for 1972, 1974, and 1976 be considered for adoption. Revenue projections and costs of service should be reviewed periodically but within a 5 year period.

I thank you and I am sure you will have questions but we will leave that hoping there is time for it.

MR. KAUFMAN: Thank you for your patience and for listening to us. What we have talked about has been necessarily serious and we have tried to give it the seriousness which a question of this sort deserves.

Basically, what it boils down to is that we have told you in some detail and furnished you with copious volumes of specific projects on what the needs are for the water system, what they will cost and a recommended schedule of rates for their adoption. I think it is appropriate at this time to point out that our efforts to include not only the City Council but the community generally at large in the decision making that went into the making of this recommendation. Starting all the way back last March we have included the Council and the public. The public and the Council have worked and looked at the same work papers that we have looked at in coming up with this recommendation and I think it has contributed to the air and the attitude and the realistic and candid examination of the needs free from unnecessary emotion that sometimes accompanies a serious question such as this.

To summarize, you have appointed people who you have confidence in to operate the water utility on your behalf. We both work for the citizens of San Antonio. Yes, we really need a rate adjustment. Yes, a rate adjustment is not a happy thing to do but it beats the alternative - the lack of service, the inability to provide service in future planning is a lot worse than the gumption that it takes to meet the responsibility of our future needs.

I would like to point out one thing to you just as an aside here before we finish our formal part here and open it up to questions. Last week we were in Arkansas and we were at a section meeting of the American Water Works Association and, incidentally, at that meeting our Manager, Mr. Van Dyke was honored as outstanding utility man of the year, 1972 and I think is something San Antonio can be proud of. Its the sort of thing that when you get out of your home town somebody recognizes what you are able to do. One of the speakers I heard said this and I'm not saying it to this Council. I'm saying it is something we have always had working for us and it is the reason that we have forward progressive, positive programs to the end result that the people will always be able to turn on the tap and get good, clean, potable water and they will be able to have fine protection. This man said something that the problem, and you read in the paper about other areas and I'm glad it doesn't happen here. He said "I've seen too many publicly owned water systems milked of their revenues and left to decline and decay so that the local government can keep from raising taxes and becoming unpopular." I think that is something we have every reason to be proud of here - that we have faced the realities and responsibilities that the citizens who own this system have given us. I want to thank you for your careful attention and at this point open the meeting to questions.

(TAPE CHANGE)

MR. BECKER: involved in this matter of annexation are some private water companies that do now exist in certain of these areas that are being proposed to be annexed. One of the things that we discussed, and we didn't specifically pin point anything singly you might say but, one of the things that was discussed was the acquisition of the private water company, for example, at Valley Hi, let's say that's where it is located - I really don't know where it is located but let's assume that that is it. And how many connections there are and how much would be paid for those connections and so forth and what that would amount to approximately in dollars and cents to acquire that water system out there. It is a question, I think that needs to be resolved. It's a question that, at this point, has many divergent opinions ranging from A to Z, you might say, as to the feasibility, the legalities involved and so forth and so on. I can't help but wonder, for my own self at least, are we ever going to solve this matter of repeated annexation and all of the trials and tribulations that are resultant thereto. Until we establish a policy with regard to the City Council, the City of San Antonio, the City Water Board, and so forth, I don't know if you would call it live and let live - I'm not sure that's the proper terminology for it - but, at least, a policy that recognizes the necessity perhaps, at times for a developer or a builder to go beyond the limits or the potentialities at the moment of the Water Board and create his own subdivision or development, create his own water system and so forth.

Now, this has been a rather knotty thing for years in San Antonio. I don't know that we are getting any closer to the solution of it. Now, I'm not asking you this morning for a solution because I don't know whether one could be formulated just off of the top of our heads like that. I only ask this - wouldn't it be worthwhile, to say the least, to try to sit down with the developers, with the City of San Antonio, with the Water Board and whoever else is involved and try to make some determination that would cover these contingencies perhaps better than they are being covered at the present and allow for certain situations and so forth and so on. I have to ask that because I can almost foresee that in this situation of annexation this is going to come up again every five, ten or whatever many years

October 5, 1972

-27-

ss

and we are going to be right back where we started and I don't call that exactly making progress. We are not arriving at a resolution of the basic situation or the problem at hand by skirting it or, you know.

MR. KAUFMAN: The answer to your question as I see it, and I'll call on Mr. Van Dyke to see if he can add something to it here, I don't think you're saying "We're not going to solve any problem until we can solve all of our problems". What I hear you saying is "The solution to this problem of the rates of the City Water Board is so involved and so tied in with some other problems that you have that you can't make an intelligent decision on this application without solving some other answers first".

Based on what I've seen and my observation is that you can make an intelligent decision on your rates because they are needed for programs that we know now exist. It may very well be, and I've heard some talk from the developers and in the public press about some policy changes that the developers think would be appropriate and popular for the city to adopt.

I think the proper way to proceed is to segregate those requests from the basics that we know now. We are going to need at least this much. Some of the policies that have been proposed - one of them - a return to 100% on site main refunds. According to our quick figures would require another \$2.5 million per year or a doubling of the 25% rate. I'm not ruling on it or counting out any such policy. I'm just telling you what the dollars and cents effect of changing some of these rules are. I also recognize the developers have some very real problems in the area of where the City is saying to them "We are going to annex and will later solve the problem of what to do about your private utility companies".

Let me now side track a little bit and say this. The citizens of San Antonio own a big water utility company. This water utility company has got to provide the money for surface water when it comes in. There are some other private utility systems. These private utility systems are competitors, or will be competitors. They will want to use the same customers that the public utility company is using. So to a degree those private water companies and your City Water Board are competitors and for that reason our interests are not always going to be the same. We're just like anybody else that has competitors. These people are competing. They are going to take some of the people who would be our customers. The revenues that we would get from those customers are going to the private water companies. This affects our income and right away it affects the amount of money we have got to come back to the City Council and ask for.

So I think your point in raising the question is a very valid one. It is an overall problem. The only point I make is that this time on this rate increase we know this is a basic minimum. Then I think we ought to have public hearings on what the developers wish. Have professional studies made by professional people such as we have here. We don't know it all and some of these professionals may be able to give us some good advice. Then we can translate the dollar and cents cost of what these programs or these charges in regulations will require. Then we can come back to the City Council and say "Now this is what it is going to cost in dollars and cents." Practically speaking, what we are really going to say is "This is what it is going to cost 153,000 families who use water services in San Antonio in order to fund the change of regulations."

Now, it may very well be that the cost increase is justified and that the Council, as a policy matter will determine that it is something that should be done but I think we ought to segregate that point from the point that we know now. These dollars are needed for basic water rates.

MR. BECKER: I appreciate that, Jack and I agree with that. The only point I'm trying to make here this morning is that leaving this thing in a state of suspension year after year after year. Perhaps other people have a point. Perhaps there is a side to their story. Your offer to hold public hearings or to at least discuss it and to try to effect a rationale that is proper and in the best interest of the City as a whole is what I'm trying to say.

I'm certainly not advocating nor do I think anybody else is any gerry rigged sort of a situation where it's a shade tree operation where people go out and put all the money in their pocket and then the mains go to pieces. Things have to be funded and protected just like you do with your system. I think that is all any of us are talking about. Wouldn't it be in order though to, sometime in the near future to say the least, sit down and try to resolve these things and try to see if we can't affect the better part of both worlds perhaps?

MR. KAUFMAN: Well, in response to word messages that we have got from the Council we have invited developers to come over and give us their points of view in certain areas. We have resolved certain, albeit, minor problems. We recognize the validity of other problems that they have raised. They are serious and they deserve attention and they deserve an answer. My only point would be to take that very serious problem and try and embroil it with a rate situation that we know we need this as a basic amount. Then the question is "Will we need something in addition to that as a result in the change in our regulations." I think we ought to let that stand on its own merits.

MR. GARZA: See if I understand you correctly. You're saying that annexation is not subject to the water rates or vice versa. The water rates are not subject to annexation. There is no relation one to the other.

MR. KAUFMAN: No, I didn't say that. There is numbers put in there that the effect or annexation... Two things - two of the items - one, the larger area that we serve whether or not it is in the City of San Antonio in one item. Another item is annexation, itself.

MR. GARZA: You see, one of the serious problems that we have run across for many, many years in annexation - we're not talking about voluntary annexation but annexation where the City annexes a subdivision and it happens to be served by a private water system. Where you have undeveloped land for residential development or commercial or whatever it happens to be in that area that is being annexed, this area then becomes territory of the public water system. They can no longer extend lines from the private water system to, say, maybe 12 or 14 lots they may have there and your water system may be a half mile away from serving these people. What comes next? They can't extend. You will not extend unless it's paid for and sometimes it is economically unfeasible to extend or to pay for an extension for 12 or 14 or 16 lots. This is the type of policy that has to be cleared up as far as I am concerned, as far as the developers and the public water system. I think this is the point Charlie is trying to get to - when do we resolve these questions? Do we resolve them after we take them in or do we resolve them at the same time we are taking them in? I think there is quite a bit of relation between annexation and our public utilities, you know, what are we going to do when we take them in? What kind of service are we going to provide to these areas? Are we just going to ignore it and let the people out in these areas work out their own problems? I think that we have that responsibility.

MR. KAUFMAN: The point is, I think if you allow that issue to cloud what you know are the basic needs for rate increases you will find yourself incapable of making any decision until all decisions are made and you might then...

MR. GARZA: I don't think there is that many of them, Jack.

MR. KAUFMAN: All I'm saying is that the present regulations require so much money. If we change the regulations and encourage or allow or increase the amount of competition we have from private water systems then we need more money. We're not going to need any less money.

MR. GARZA: Well, the state law allows you to come in and buy the water system. So let's assume that you can't buy that water system. What type of policy do you set? These are the type of questions that have to be answered for these people that are developing San Antonio. I think they deserve some kind of answer. Otherwise, they will continue to go outside of the City limits to continue developing.

MR. KAUFMAN: I understand what you are saying. I think you have a very real problem and my answer to you remains the same. My suggestion and recommendation is that you face the matter of rates and take that matter up as a separate issue.

DR. ROBERT L. M. HILLIARD: I think it might be feasible, as you suggested earlier, to have a consulting firm very promptly get on this and evaluate the whole problem of water extension policy and our relationship with developers in new subdivisions and bring back to this group as soon, in three months or six months, a master plan or at least the results of their study. Then the Council can make decisions based on that. I think instead of talking about it and saying we just can't do it and just have to put it off again.

MR. KAUFMAN: I don't think that's a problem. I think that's proper method of planning. I understand the Mayor and Council has appointed a committee to begin the work on that...

DR. HILLIARD: Not a committee - a consulting firm of experts or professionals anyway.

MR. KAUFMAN: Well, of course, experts have to know what it is that you want them to do. You've got to give them the job specifications and I think that is part of what this task force is going to do.

MAYOR GATTI: I have yet to know what is the problem. Let's get it out on the table. What do the developers want? They want to operate their water systems after the area is annexed? Is this what they want? Do they want to have complete access to the water table for their own profit? What do they want? In other words, do you know, Jack, what the developers actually want? Didn't we say at the last... We're using this now. Now we're using this to defeat the water rate increase and we are using these things how they suit our particular needs and our interests. We said, and I thought that this was made clear, that in the annexation that the private water companies, until we found out whether we could franchise which would be the ideal thing and I don't think there is going to be any problem on it, but I thought we made it clear, and this is what Mr. Walker said, that they could operate their water systems until such time as the City was capable of taking them over or supplying water to the area where they could. Isn't that basically, the philosophy, Mr. Kaufman.

MR. KAUFMAN: Let me call on Mr. Van Dyke who has been in on all of this.

MR. VAN DYKE: Jack, you have appointed a interim committee to look into this particular problem and to make a recommendation for the consideration of the Council. I met with the City Manager and our attorneys this past week and we are formulating some recommendations to alleviate this problem. I can't help but reflect what Chairman Kaufman is saying that we do have a problem but that is a problem that is apart from the problem that you are discussing this morning on rates. While I am standing in front of this microphone there are babies being born in San Antonio. There are people that are coming to San Antonio and that population curve is going up whether you recognize it or not. And this is what we are talking about. We have a great need to take care of the future of San Antonio and whether a developer operates a water system within the corporate limits of the City of San Antonio for

a year or five years is not really going to change this big picture but the two problems are separate and distinct.

I have met with the San Antonio Homebuilders Association this year. I have talked to them and told them that I will meet with them at any time, night or day, seven days a week, to discuss any problem and to try to work out a resolution of that problem. I have asked them to present a paper or a report to us stating their objections to our extension policy so that we may examine it, so that we may look at it, so we may determine the cost of what they are asking and so that we may come up with a reasonable solution that can be financed by the City Water Board by the City of San Antonio and, of course, in conjunction with the home builders. To date I have not received that report nor have I received any invitation to get back with the home builders and discuss this. I still make that same offer and Chairman Kaufman has said we will be happy to discuss it. We will be happy to talk about it.

Now, you know, your City Water Board serves approximately 84% of the citizens in San Antonio. Thirteen per cent are served by Bexar Metropolitan Water District and roughly the other 3% are served by private water systems. If we are to have programs that will greatly change our present extension policy we need to derive the revenues to pay for those changes in the policy from someplace. Our only source of revenue is through rates. I submit to you that it is improper and certainly not fair to pass an increase in rates to 84% of our citizens to pay for something that is good for all of San Antonio and I am presuming that this is. So if we are to have some type of a change that will benefit all of San Antonio perhaps this Council should consider tax monies to pay those additional costs so that 100% of our citizens will share that cost instead of just the rate payers of the City Water Board.

Again, this is an entirely different subject from what we have been presenting to you this morning. I believe that we must separate these two things. We must take care of the needs of the long range water supply for San Antonio with or without this sticky problem. Then we must put that problem in its own light, its own perspective, sit down, analyze and work out the problems not only from the financial standpoint but what the policy decision is going to be of this City Council because this is a matter that affects every citizen inside San Antonio. Again, I would ask the Greater San Antonio Homebuilders Association to come with their problem. Let's sit down. Let's talk about it. I think that you as a Council and our Board and me as the General Manager of the Water Board must work through this association which we presume to represent all of the homebuilders and not just work with one homebuilder who may have a problem. We are public servants. We owe this to the public and we must do the very best job that we can for all of the citizens of San Antonio.

MRS. HABERMAN: Mr. Van Dyke, I agree with you in that we should resolve these problems separately but I need clarification on the refund question that comes up from time to time. Is it my understanding, from what Mr. Kaufman said today, that if we did give the developers a refund then, in essence, it would mean an increase to all of our consumers.

MR. VAN DYKE: Yes, the money must come from somewhere because we have only sufficient funds included in the rate presentation and financial plan that we have presented this morning to pay the developer refunds that are anticipated under our current regulations. If those regulations are changed then we must have sufficient funds to do and pay whatever comes out of those changes.

MRS. HABERMAN: In many of these instances would it be other consumers that would not be residents that would be passed on to from the refund base.

VAN DYKE: If the refunds that we are discussing, and I presume a 100% refund policy, are to be paid from revenues only the monies would come predominately from citizens of San Antonio. But you realize that we do serve outside the City limits of San Antonio and so therefore other citizens of the suburbs and Bexar County would also be contributing to that refund.

MRS. HABERMAN: But it would benefit the developer to use this no matter what area he was in whether it was the City limits or outside the City limits.

MR. VAN DYKE: Yes, our regulations apply today not only in the City limits but in the extraterritorial jurisdiction which is five miles outside our present City limits.

MR. BECKER: Bob, I've been told, wrongly or rightly, I don't know how accurate the information is, that to acquire the water system that is serving Valley Hi at this time, I've heard figures range from \$10 million to \$13 million to \$14 million. At this point an indeterminable amount of money. No one can, ascertain. That's quite a consideration. Then, on the other hand, we are told that the bond indenture for the Water Board precludes and prohibits the franchising of water system. But, then on the other hand, if we are going to take in Valley Hi, let's say, and not pay the developers for the water system then we are permitting to operate a water system inside the City, in which there are already 19 or something like that, and the only thing that I have in my mind, is that you and your group and this City Council and City staff in City Hall and the people in this town are all really trying to work toward one thing actually and that is the growth and development and the betterment of this City of San Antonio and its environs. And that we arrive at this problem and sit down and resolve it instead of just putting it off and putting it off and staring at it because it has been in a vacuum for these many years. Now, this extension policy came into being under the egis of a previous City Manager that we had who has just recently departed from another City not to distant from this City. I have a good friend up there who is one of the leading developers in that town. We happened to be discussing this gentlemen the other day and he said without a question of a doubt, he set this City back and retarded the growth of it three to five years in his short time of office up there with his attitudes, etc. So, instead of just perpetuating this misunderstanding, this difference whatever, it is and I'm not trying to hold this as an axe to get at the other - it is a smart way to play the game - there's no question about it. We realize I think we all do, the necessity of raising the water rates. I think there isn't a soul here that doesn't understand that. The only request I'm making is that we address ourselves to this other thing in a forthright fashion and do it as expeditiously as possible and that it doesn't just linger and drag on and on another 5 or 6 or 8 or 10 years.

MAYOR GATTI: Mr. Becker, you know I agree with you that these things have got to be settled and resolved and they shouldn't drag on but I think you are well aware of the fact that we asked the Association of Home Builders over a year and a half ago for this information and it just came about two weeks ago and it was incomplete then because there was no introduction and no conclusion. Letters went out the other day to various people to serve on these committees to do just what you are saying. Again, as Mr. Kaufman said, and I don't think, obviously, we are ready to vote on this now, we cannot look at the one thing as being part of this because it is not. You can take out that one section in there and there is not going to be any basic, fundamental difference in the need for a rate increase.

One thing I would like to recommend, Mr. Hunt, I think we have employed a Utility Supervisor and, if I remember, you asked him several weeks ago to review this. I think we ought to look at this rate increase in relation to the numbers that were presented to us insofar as the need is concerned and not in light of 20 million other things. Is he ready to give us his report in a week? or when?

CITY MANAGER LOYD HUNT: Well, we are shooting for next Wednesday, Mayor.

MAYOR GATTI: I would like to get the input of this gentlemen. That's his specialty. That's what he was hired to do. I know you're not going to vote on this now.

October 5, 1972
mg

MR. GARZA: When is the final hearing on the water rate?

MAYOR GATTI: There is no final hearing. This is the hearing today. After today, Mr. Walker, we don't have to have anymore hearings after today do we?

MR. NAYLOR: I'd like to ask Jack or Van Dyke a question that was in the statement. I think you said in the \$10 million bond issue, \$1.5 million of that went to purchase water systems. Is that not correct? One of you said that.

MR. VAN DYKE: One point five million dollars was set aside from out of the funds.

MR. NAYLOR: I see, It wasn't used at that time.

MR. VAN DYKE: No, sir.

MR. NAYLOR: Now, one of the things, and the Mayor asked a minute ago "What is the problem?", one of the problems that came up the other day was the fact that at this point the developers who owned private water systems who did not know the criteria or the basic on which you would purchase or what you would do with those water systems once they were taken in under annexation. This is one of the problems they expressed. From the standpoint that they didn't know how much you were going to pay or what you were going to pay or how your evaluation would be. I realize that depends upon connections and a lot of other things. But, that was one of the big problems that they felt that if you were going to take that system in under annexation they had no basic on which they could say "Well, how are we going to get back our investment?" In setting these up what is your basic? Is there some criteria that you set up saying that you are going to spend this much money based on connections or have you got such?

MR. VAN DYKE: No, sir. The purchase of a private water system would depend upon the system itself - the equipment, size of pipe, number of customers, etc. I cannot give you a figure that would apply uniformly to all water systems that would be in this category. As I pointed out to those who were here a week ago, this is a matter of negotiation. A man owns a piece of private property and if we wish to purchase it we have to sit down and work it out.

MAYOR GATTI: Mr. Van Dyke, let me ask you something in reference to that. These, obviously, are very, very good and profitable businesses or there wouldn't be so much confusion about this. I imagine that buying these businesses, which are profitable, that if we had to go that route, the Water Board could amortize the cost out of the revenue of these systems, could we not?

MR. VAN DYKE: Yes, sir.

MAYOR GATTI: You know, they are going businesses, obviously. Now, what is the relationship of the rates that they charge to the rates that the City Water Board charges?

MR. VAN DYKE: They would be roughly about 1.3 to 3 times as much as we charge.

MAYOR GATTI: After our rate increase?

MR. VAN DYKE: Current rates, and I believe that these rates have been set in general by the water companies to have an early amortization of their investment. That's why they are so high.

MAYOR GATTI: Well, do we have any other questions?

MR. PADILLA: Mr. Kaufman, just a couple of remarks. You remarked earlier that it takes gumption on the part of the Council, I suppose, to vote this kind of increase. I suggest that it takes something else and this bears on really the big thing that's bothering me about this whole thing. That is, for my part at least, it wouldn't take so much

gumption if I thought that all of this is as near gospel as apparently some of you people seem to think it is. You and I discussed on the phone several days ago some of this. It is apparent, at least to me as I understand it at this time, that the last time we tried projecting and went with a rate increase and so forth our figures failed miserably. Now, therein lies the problem as far as I am concerned because we are being asked something that to me is a matter of conscience and that is to vote not only an increase at this time but an increase in two years and further increase in four years and possible a further increase in 1978. Now, I would like, somehow, to feel the confidence in this set of figures that you people have. Based on past experience your figures don't seem to be too reliable. Now, I am going to be very frank with you, I am a little bit worried about a business that would come to us and tell us without a rate increase they are going to be suffering a deficit of some 40% next year. This leaves me with a feeling of something less than a feeling of total confidence in what has been done in the pass. This is the problem as far as I am concerned. This is the problem that I must resolve and you may help me resolve it if you can before I am called upon to make a decision.

MR. KAUFMAN: The question that you ask is a fair question and the answer is documented here in a report that I asked the manager to prepare for me. If you wish I will have copies made for everybody. The specific question I asked was "Why is there a difference in what was stated in the rate request in 1966 and what we are now stating as the needs of the City Water Board?" Among other answers was "That was a 1966-70 rate study." One, the rate of inflation, the lateness of getting the funds, surface water was not included in those studies and projections. And then this answer that I've got here. We've got a copy of the package that was presented to the Council. In other words, rather than me recalling what the Council was told, the documents that were presented to the Council in 1966 are here and the reply is here for you. I'd like for you to look at it and see if it answers your questions. If it does not we expect to hear from you again.

MR. PADILLA: The factor of surface water is not being considered for 1973 and yet we are still staring a 40% deficit in the face next year without a rate increase now. These are the things that reflect on the degree of confidence that I personally would have on these figures.

MR. KAUFMAN: Let's make one thing perfectly clear. We are not going to get anywhere unless you ask the questions that are bothering you. Have no fear that they will embarrass you we are not sensitive. If we can't give you effectual and satisfactory answers to satisfy your conscience we don't deserve to have the rate increase.

MAYOR GATTI: I think these are questions that our Utility Supervisor could address himself to also. So, we would have an independent...

MR. PADILLA: Are you going to consider that I asked that of the Utility Supervisor as well, Loyd?

MR. SHIELDS: I'd like to respond to it Mr. Padilla, if I may. In the rate request of 1965 which was actually acted upon in 1966 we were kind of in the position of the Federal Government. We estimated our revenues quite accurately. If you take out the year of the rate increase that we did not get, our revenue projection was within 3 of 1% of what it has actually been and that's not bad. The only thing was that we, as the Federal Government has also done, did not recognize the degree of inflation and the operating expense both in and out, our maintenance area and our operating area have gone considerably above what we had estimated. We had estimated on the basis of a 3% increase and it went a little over 11%. Our number of employees - due to the expansion of the City actually expanded the number of people working in the water system by 12% during that period. The area and number of customers we serve during the period increased by 13%. So the increase in maintenance and operating expense was not attributable to the fact that we increased the number of people working for the Board but only to the fact that we are having to pay those people more. In our M & O expense our payroll makes up about 75% of our total budget. This is the item that has not been able to be

controlled because of the - this is something we have no control over. We've got to pay the people what they are worth in relation to the surrounding community and the nation as a whole. This is what we tried to do. This, in essence, is the problem we have faced.

MAYOR GATTI: Are there any other people that want to be heard in reference to this rate proposal.

MR. MENDOZA: Mr. Mayor, I just have a very small question - a clarification mainly. On the subject of wholesale water it says that if the Board would elect to sell water on a wholesale basis to outside of the City... What do you mean by that exactly? I'm not clear on that.

MR. KAUFMAN: Really, what you are talking about is your water meter is in a progressive way. You charge more for the first few gallons than you do for the last few. If you have a hundred people and they each have a separate meter, they each pay more for the first few gallons than for the last few gallons. If you have a hundred people and they each have a separate meter they each first pay the higher amount and then they go down and they get lower. If you put them all on one meter the first one uses up the expensive water and then everybody gets the benefit of the cheaper rate. We only have one rate in San Antonio. We don't have an industrial rate or residential rate or apartment rate. We only have our rate but the amount of usage really is what you are talking about. An industrial user would use a great deal more water and so he is ending up in the last part paying a smaller rate. The home owner uses less water and pays a higher rate because we have to first get out the cost of servicing the account which, in some instance, is a flat amount.

MR. BECKER: May I ask a question? I've heard discussions about apartment units and one meter for a whole apartment house complex. When the landlord pays the utility bills, which is a common practice I think for most apartments, he does request the one meter because he is paying the bill anyway what does he have to have a meter on everybody's apartment for? Now, when you say there is only one rate, wouldn't it be possible to have a rate - if you care to call it a dwelling unit rate - and if the home is a dwelling unit then an apartment has 200 dwelling units in it, even though a man only had one meter on a 500 unit apartment house the rate would not work against the interest of the Water Board yet would save all of this additional cost. Is that reasonable to assume that such a thing as that might be desirable?

MR. KAUFMAN: It is very reasonable. The only point that you have to look at when you go to change one of these systems you have to see the effect that it has on revenue and at the same time the effect on saving expense. Whatever gap is left then it has to be made up from somewhere else. If there is no gap - if all you do is save the cost of service and thereby pass on the savings to the customer - that's great.

MR. BECKER: Let's assume that it costs \$1.00 per month for the water in a house where one family is living. In a 200 unit apartment complex it would cost also \$1.00 per month for each unit which would be \$200. Now, on one house bill it would be \$1.00 per month the bill to the landlord of the apartment \$200 per month. So who is getting cheated in the deal?

MR. KAUFMAN: Let me answer in this way. There is no one way to do anything as you are well aware. We have come up with a suggestion of one way to do it and we've said we will certainly explore other reasonable suggestions for other ways to do it. We have to first get the suggestion translate it into actual dollars and see the effect that it will have. I think that is what you are saying. The answer is that we are not averse to new and novel ideas.

MAYOR GATTI: I declare the hearing closed.

72-44 After a ten minute recess, the meeting reconvened at 1:15 P. M.

72-44 ZONING HEARINGS CONTINUED

A. CASE 4695 - to rezone Tracts B through E, H through K and the south 30' of Tract G, NCB 10733, 4110 and 4118 North Hein, 1206, 1218 and 1226 West Hein, from "A" Single Family Residential District to "B-3" Business District; located 80.95' east and 121.29 south of the intersection of North Hein Road and West Hein Road, having 180' on North Hein Road and a total frontage of 106.67' on West Hein Road.

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

Mr. Bill Stolhandske, attorney representing the applicants H. H. Murphy and Ella Maddox, stated that they were asking for equitable relief in this case. In 1969 Mr. Murphy began as a hobby a small nursery. As it happens, the hobby has developed into a business. At the time Mr. Murphy checked with the proper City personnel to see what he should do to build a small greenhouse, there was no problem. Later he increased the greenhouses and was assured that so long as they were small and the operation was just a hobby, there would be no problem. He said they were not interested in having the entire area rezoned, only enough that would allow him to continue to operate. He said the operation consists of growing potted plants in cans. They are sold when they reach 18 inches in height and are sold wholesale only. He presented pictures of the operation and types of land that surround the area.

Mr. Elton Jennings, 231 Orchard, spoke in opposition. He said the map doesn't show two mobile homes, and two buildings, 30' by 60' made of cedar poles and bamboo siding. He spoke of trash accumulation and increase in rats and roaches. He said new homes have been built on Orchard as well as to the North of the property in question. He said it was not a little operation, but a full-blown wholesale and retail business.

Mr. Stolhandske again stated that they were only asking for relief and asked the Council to consider the property for a 24 month period.

Councilman Padilla doubted that the Council could grant zoning for a 24 month period. He asked Colonel Hennings if he would agree to a continuation of the operation for a reasonable period of time until the business could be moved elsewhere.

Colonel Jennings felt that three months would be a reasonable length of time to relocate.

After consideration, Mr. Padilla moved that the recommendation of the Planning Commission be upheld and that the rezoning be denied. The motion was seconded by Mr. Naylor, and carried by the following vote:
 AYES: Haberman, Hill, Becker, Mendoza, Garza, Naylor, Padilla; NAYS: Gatti;
 ABSENT: Hilliard.

D. CASE 4645 - to rezone Lots 95, 96, 97, 98 and 99-B, (3.67 acres) NCB 11260, 706-718 Briggs Avenue and 7300 Block of Quintana Road, from "B" Two Family Residential District to "R-4" Mobile Home District;

Lots 95 through 98 are located on the southside of Briggs Avenue being 48.5' east of the intersection of Briggs Avenue and Quintana Road having 400' on Briggs Avenue and a maximum depth of 357.1'.

Lot 99-B is located on the southeast side of Quintana Road approximately 140' south of the intersection of Briggs Avenue and Quintana Road having 140' on Quintana Road and a maximum depth of 190'.

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. Mendoza made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. Mr. Becker seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard.

AN ORDINANCE 41,292

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 95, 96, 97,
98 AND 99-B, (3.67 ACRES) NCB 11260,
706-718 BRIGGS AVENUE, 7300 BLOCK OF
QUINTANA ROAD, FROM "B" TWO FAMILY
RESIDENTIAL DISTRICT TO "R-4" MOBILE
HOME DISTRICT, PROVIDED THAT PROPER
REPLATting IS ACCOMPLISHED.

* * * *

E. CASE 4668 - to rezone Lots 24, Block 44, NCB 6287, 1721 Nogalitos, from "F" Local Retail District and "J" Commercial District to "B-3" Business District; located northwest of the intersection of U. S. Highway 90 West and Nogalitos Street, also having frontage on Roslyn Avenue having 63.74' on U. S. Highway 90 West, 83.45' on Nogalitos Street and 50' on Roslyn 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. Becker 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 along the West property line. Mr. Hill seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard.

AN ORDINANCE 41,293

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 24, BLOCK 44, NCB 6287, 1721 NOGALITOS, FROM "F" LOCAL RETAIL DISTRICT AND "J" COMMERCIAL DISTRICT TO "B-3" BUSINESS DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED AND THAT A SIX FOOT SOLID SCREEN FENCE IS ERECTED ALONG THE WEST PROPERTY LINE.

* * * *

F. CASE 4710 - to rezone Tract H, save and except the north 20', NCB 11668, 10714 Vance Jackson, from Temporary "R-1" Single Family Residential District to "B-1" Business District; located on the northeast side of Vance Jackson Road being 114.27' southeast of the cutback between Wurzbach Road and Vance Jackson Road having 177.15' on Vance Jackson Road and a maximum depth of 195'.

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. Becker made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. Mr. Hill seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard.

AN ORDINANCE 41,294

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 TRACT H, SAVE AND EXCEPT THE NORTH 20', NCB 11668, 10714 VANCE JACKSON, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-1" BUSINESS DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED.

* * * *

G. CASE 4718 - to rezone Lot 29, Block 2, NCB 12812, 7800 Block of Louis Pasteur Drive, from "B-2" Business District to "B-3" Business District; located south of the intersection of Fredericksburg Road and Louis Pasteur, having 203.95' on Louis Pasteur Drive and 142.96' on Fredericksburg Road.

October 5, 1972
img

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, on motion of Mr. Mendoza, seconded by Mr. Becker, the recommendation of the Planning Commission was approved by the passage of the following Ordinance by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard.

AN ORDINANCE 41,295

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 29, BLOCK 2, NCB 12812, 7800 BLOCK OF LOUIS PASTEUR DRIVE, FROM "B-2" BUSINESS DISTRICT TO "B-3" BUSINESS DISTRICT.

* * * *

H. CASE 4719 - to rezone a 3.999 acre tract of land out of NCB 13663 being further described by field notes filed in the Office of the City Clerk, 7300 Block of Wurzbach Road, from Temporary "A" Single Family Residential District to "B-2" Business District; located on the northwest side of Wurzbach Road being 445.12' northeast of the intersection of Babcock Road and Wurzbach Road having 383.27' on Wurzbach Road and a maximum depth of 467.83'.

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. Becker made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. Mr. Naylor seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard.

AN ORDINANCE 41,296

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 3.999 ACRE TRACT OF LAND OUT OF NCB 13663, (BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK) 7300 BLOCK OF WURZBACH ROAD, FROM TEMPORARY "A" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-2" BUSINESS DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED.

* * * *

I. CASE 4720 - to rezone Lot 19, NCB 10101, 6623 San Pedro Avenue, from "B-2" Business District to "B-3" Business District; located on the west side of San Pedro Avenue, 469.08' north of the cutback between Jackson-Keller Road and San Pedro Avenue, having 120' on San Pedro Avenue and a depth of 189.9'.

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. Naylor made a motion that the recommendation of the Planning Commission be approved, provided that a six foot solid screen fence is erected along the West property line. Mr. Becker seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Haberman, Hill, Becker, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard, Mendoza.

AN ORDINANCE 41,297

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 19, NCB 10101,
6623 SAN PEDRO AVENUE, FROM "B-2"
BUSINESS DISTRICT TO "B-3" BUSINESS
DISTRICT, PROVIDED THAT A SIX FOOT
SOLID SCREEN FENCE IS ERECTED ALONG
THE WEST PROPERTY LINE.

* * * *

J. CASE 4721 - to rezone the north irregular 155.2' of the south 215.2' of Lot 24, Block 1, NCB 11253, 7222 U. S. Highway 81 South, from "B" Two Family Residential District to "B-3" Business District; located on the southeast side of U. S. Highway 81 South, being 92.5' northeast of the cutback between Briggs Avenue and U. S. Highway 81 South having 142.5' on U. S. Highway 81 South and a maximum depth of 155.2'.

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. Naylor 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 along the South property line. Mr. Hill seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Haberman, Hill, Becker, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard, Mendoza.

October 5, 1972

-40-

img

AN ORDINANCE 41,298

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 NORTH IRREGULAR 155.2' OF THE SOUTH 215.2' OF LOT 24, BLOCK 1, NCB 11253, 7222 U. S. HIGHWAY 81 SOUTH, FROM "B" TWO FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED AND THAT A SIX FOOT SOLID SCREEN FENCE IS ERECTED ALONG THE SOUTH PROPERTY LINE.

* * * *

K. CASE 4724 - to rezone Tracts 66, 67 and the remaining portion of Tract G, Block 7, NCB 10669, 334 Seale Road, from "B" Two Family Residential District to "I-1" Light Industry District; located on the southside of Seale Road, between Springfield Road and W. W. White Road having 459.1' on Seale Road and 349.32' on Springfield Road and 373.73' on W. W. White Road.

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. Hill made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. Mr. Garza seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Haberman, Hill, Becker, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard, Mendoza.

AN ORDINANCE 41,299

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 TRACTS 66, 67 AND THE REMAINING PORTION OF TRACT G, BLOCK 7, NCB 10669, 334 SEALE ROAD, FROM "B" TWO FAMILY RESIDENTIAL DISTRICT TO "I-1" LIGHT INDUSTRY DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED.

* * * *

October 5, 1972
img

L. CASE 4734 - to rezone Tract 2, NCB 14942, (2.0 Acres), 5400 Block of Leonhardt Road, from Temporary "R-1" Single Family Residential District to "I-1" Light Industry District; located southwest of the intersection of Leonhardt Road and Weidner Road having 208' on Weidner Road and 414' on Leonhardt Road.

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. Becker made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. Mr. Garza seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard.

AN ORDINANCE 41,300

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 TRACT 2, NCB 14942
(2.0 ACRES), 5400 BLOCK OF LEONHARDT
ROAD, FROM TEMPORARY "R-1" SINGLE
FAMILY RESIDENTIAL DISTRICT TO "I-1"
LIGHT INDUSTRY DISTRICT, PROVIDED
THAT PROPER REPLATTING IS ACCOMPLISHED.

* * * *

M. CASE 4742 - to rezone a 23.617 acre tract of land out of NCB 11490, being further described by field notes filed in the Office of the City Clerk, 5900 Block of Culebra Road, from "B-2" Business District and "R-3" Multiple Family Residential District to "B-3" Business District; located approximately 175' east and approximately 355' north of the cutback between Callaghan Road and Culebra Road having 1165.91' on Culebra Road and 723.64' on Callaghan Road.

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. Hill made a motion that the recommendation of the Planning Commission be approved, provided that proper replatting is accomplished. Mr. Becker seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard.

AN ORDINANCE 41,301

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 23.617 ACRE TRACT OF LAND OUT OF NCB 11490, (BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK) 5900 BLOCK OF CULEBRA ROAD, FROM "B-2" BUSINESS DISTRICT AND "R-3" MULTIPLE FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED.

* * * *

N. CASE 4743 - to rezone Lot 6, the remaining portion of Lot 13, NCB 12102, and the northwest 130.6' of NCB 12098, 2700 Block of Woodbury Lane, from "B" Two Family Residential District to "R-2" Two Family Residential District; located 108.7' northeast and 220.8' southeast of the intersection of Poppe Road and Woodbury Lane having 196.6' on Woodbury Lane and 95' on Poppe Road.

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. Becker 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 adjacent to Lots 36, 37 and 38 to the Northeast of the property. Mr. Garza seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Haberman, Hill, Becker, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard.

AN ORDINANCE 41,302

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 6, THE REMAINING PORTION OF LOT 13, NCB 12102 AND THE NORTHWEST 130.6' OF NCB 12098, 2700 BLOCK OF WOODBURY LANE, FROM "B" TWO FAMILY RESIDENTIAL DISTRICT TO "R-2" TWO FAMILY RESIDENTIAL DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED AND THAT A SIX FOOT SOLID SCREEN FENCE IS ERECTED ADJACENT TO LOTS 36, 37 AND 38 TO THE NORTHEAST OF THE PROPERTY.

* * * *

October 5, 1972
img

-43-

O. CASE 4744 - to rezone Lot 81, Block 6, NCB 13948, 1607 Callaghan Road, from "R-A" Residential Agricultural District to "B-2" Business District; located on the west side of Callaghan Road being 52.5' south of the intersection of Mayo Drive and Callaghan Road having 50' on Callaghan Road and a depth of 127.8'.

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. Hill 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: Haberman, Hill, Becker, Mendoza, Garza, Naylor, Padilla, Gatti; NAYS: None; ABSENT: Hilliard.

AN ORDINANCE 41,303

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 81, BLOCK 6,
NCB 13948, 1607 CALLAGHAN ROAD, FROM
"R-A" RESIDENTIAL AGRICULTURAL DISTRICT
TO "B-2" BUSINESS DISTRICT, PROVIDED
THAT PROPER REPLATTING IS ACCOMPLISHED.

* * * *

72-44

CITIZENS TO BE HEARD

Mr. James F. Stuart, again, spoke to the Council concerning his charges against the Board of Adjustment in the Mel Hughes Case. Mr. Stuart asked the Council to request the Board to postpone the hearing on the same case scheduled on Friday, October 6, 1972. He also asked the Council to hold a public hearing on his charges against the Board of Adjustment.

City Attorney Howard Walker advised the Council that the Board of Adjustment has every right to hold a hearing tomorrow, and the Council has no authority to stop the rehearing. (A transcript of the discussion is on file with the papers of this meeting.)

Reverend J. D. Crabb, Jr., 1601 Buena Vista, asked the Council to grant permission to erect a six foot fence around the new location of the Christian Fellowship Center which is badly needed for security purposes.

Mr. George D. Vann, Jr., Director of Housing and Inspections, advised that the Council does not have jurisdiction. Reverend Crabb is asking for a six foot fence for the front yard. He has been advised to go to the Board of Adjustment for a variance.

After consideration, Reverend Crabb was advised to make his request to the Board of Adjustment.

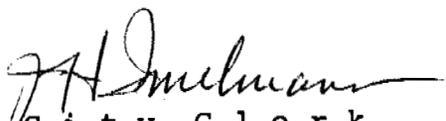
October 5, 1972
img

There being no further business to come before the Council, the meeting adjourned at 3:05 P.M.

* * * *

A P P R O V E D


M A Y O R

ATTEST: 
C i t y C l e r k

October 5, 1972
img

-45-

CHARGES MADE AGAINST THE BOARD OF ADJUSTMENT
BY MR. JAMES F. STUART

MR. JAMES F. STUART: Mr. Mayor, Members of the City Council, I would also like to pass but it is rather urgent that action needs to be taken today so I will take just a very short time.

I came before the City Council on September 7th and presented verbal charges against the Board of Adjustment. I returned on September 14th and I presented written charges against the Board of Adjustment. These written charges were backed up in the records and minutes of the meetings. At this time the Mayor ordered, or requested at least, that the Board of Adjustment postpone any action on this case until the City had completed their investigation by the City Manager. As of this time I understand the investigation is still not completed. However, the day after that, on the 15th, the Board of Adjustment so desired to go ahead and hear the case anyway. I think it was a most reasonable request of the City Council that they asked them to do this. But they so desired to be independent and quote "very independent" and do as they so please. They had scheduled this hearing for in the morning at 9:15.

Now, when we go in the morning again it is the same case that has been brought up before. It is still in violation of the law. I think it is obvious what the results are going to be. It's rather obvious the next result, the thing that I'll do, is go to court again and cost myself another \$1,000 that I do not have.

I am a full time student and will complete my MBA degree at St. Mary's in December. There is a good possibility I will be having to sell my house possibly if I can't find a job and so forth. I was told by Mrs. Eva Rossow, sitting in my living room, that I would have a very difficult time in selling my house and so would any other neighbor with a building like this going up within 30 feet.

Now, I feel I have presented my request in the form of a letter. I don't think there has been any action taken. I requested a public hearing. I think during this time the Board should not act. I would like for the Council today to so request again of the Board that they not take any action until the City Manager or the City Council has completed their investigation. I would also like to reiterate my charges. They still stand. They are still backed up in the records. I'm not up here telling you anything that is not the truth. I think there were some things presented by Mr. Langley, in fact most things, that were not the truth. It is so verified in the records. I am not going to repeat all of the things because what I have told you is fact. I think that we have a very reasonable and honest, progressive City government, and I wish it to continue to be that way. But I hate to see the reputation of the City government just on an appointed official as the Board of Adjustment is, go down the drain. There is a gross conflict of interest and, not only that, they are in gross miscompliance with the law or non-compliance as of still to this day. They are very independent, and like I said, they didn't even wish to go along with the wishes of the City Council. I would still like to demand their removal. There is no way that we can have a fair hearing before these people in the morning because of the charges I've made against them. I'll be right back in court with another \$1,000 which I should not have to pay as a law biding citizen. I'd like for the City Council to take action today. This thing has been dragging and dragging. It has been since last May. We would like for the City Council to take affirmative action today to stop this from going any further.

MR. CHARLES L. BECKER: May I ask you a question please? You know the details of this thing pretty well. What's the size of that lot in square footage that they are trying to build this on?

MR. STUART: Twenty-two thousand square feet.

MR. BECKER: What is the ground floor of the office building?

October 5, 1972
mg

MR. STUART: It has been moved around several times. It's in the neighborhood of 15 or 16,000 square feet.

MR. BECKER: Now, I understood the last time you were up here, or whichever time it was, that you and your neighbors were amenable to reason. You were not opposing the office building just for the sake of opposing.

MR. STUART: No sir, we would love to have a nice office building in our neighborhood that would serve us.

MR. BECKER: What would be a reasonable, I don't know what the rules are, I submit that, what would be a reasonable square footage on ground floors and so forth that would satisfy your request? A top of your head figure.

MR. STUART: We tried to negotiate with Mr. Hughes. By the way, Mr. Hughes doesn't even own the property as has so has been indicated. He is just speculating. And if he gets the variance, then he'll buy it. Of course, make a substantial profit at our cost.

MR. PLEAS NAYLOR, JR.: Mr. Stuart, just to keep with his question, you said 22,000 square feet for the lot area. Sixteen thousand feet in the building on the one floor.

MR. STUART: Sir, they changed these plans several times. As of today, I don't know because he'll have a new plan in the morning I assume, at the Board of Adjustment. That's the problem, there is no parking. He has not complied with the minimum requirements of the law on the parking. They continue to grant him the variance regardless. And this was so pointed out and I so won my court case on this. I took it to court and won it. We tried to negotiate. I even invited him to my house, to my living room with his architect. We are not trying to be unreasonable. We realize that this is a piece of land and it should be developed.

MR. BECKER: Well, what size... you were about to say...

MR. STUART: We agreed to give him a 25 foot variance on the south side. That would mean he could build his building right up to the sidewalk. We agreed to give him this variance.

MR. BECKER: How big square footage of the main floor did you agree to approximately? On the 22,000 square feet?

MR. STUART: About 6,500 square feet. We had one drawn up and I don't have the exact dimensions with me but it was in the neighborhood of 6,500 square feet. I might indicate this is considerably more area developed than most buildings. There is not a building within two miles of there that is over two stories and that uses more than 27% of the land area.

MR. BECKER: On the 6,500 square foot basis are you willing to let him go four stories high?

MR. STUART: No, sir. Absolutely not because that looks directly down in our backyard.

MR. BECKER: How high are you willing to...

MR. STUART: Twenty-five feet.

MR. BECKER: Is that one or two story?

MR. STUART: Two - two and a half, whatever. It would depend on how far down you go.

MAYOR JOHN GATTI: Well, we can't...

MR. STUART: The City Council doesn't have the authority to do this.

MR. BECKER: I appreciate that. I'm just trying to point out the fact, Jack, that the man and his neighbors are reasonable to this extent. Most times people say "We don't want anything."

MAYOR GATTI: Well, we've got a problem, Charlie, and I, frankly, don't know how to handle it. Howard, do you want to... We cannot just summarily remove a board.

MR. STUART: It is so provided in the City Code that you can.

MAYOR GATTI: Well, no, not without a hearing and without a lot of other things. We have not had - from the information you got, Mr. Walker, you see no error in the operation of the Board, did you?

CITY ATTORNEY HOWARD WALKER: The Board at the present time has every right to hold a hearing tomorrow. Now, the law suit did not decide the merits of this case at all. That wasn't even before the court. The law suit decided whether or not the Board had complied with the requirement in making necessary findings in support of its action. The court merely found that it had not made the necessary finding in support of its action and in effect, the court sent it back for that purpose. Now, they are rehearing it. This Council has, no authority to stop the rehearing and I am advising you now not to try it. You don't have the authority, number one.

Number two, this gentleman may win his case tomorrow. I have no way of knowing and neither does he. He doesn't know that. If he does not win his case tomorrow the law specifically says that he does not appeal to the City Council. You have no jurisdiction. The law says he appeals to the District Court.

Number three, now, if you find evidence of any kind which says that this Board is unfit, it's dishonest, it's everything that has been implied, in that event then this Council may file charges and give this Board a hearing. But you don't do it because a citizen comes in and says "I am dissatisfied with it. It's dishonest. I want them fired." You don't operate that way.

MR. STUART: I think you are misconstruing the facts. The facts are reflected in the record, Mr. Walker. The fact is they have not been in compliance and it is so indicated by a member of your staff, Mr. Hubbard. He so told me they had not been in compliance. The judge would not hear it on the facts because the other things were in so gross compliance he wouldn't even hear it on the facts. He went that far.

MR. WALKER: I don't agree with you at all.

MR. STUART: I am not asking for a variance. I am asking for removal for gross miscompliance.

MR. BECKER: Of Course, it's obvious that the point he is talking about is that it is hard for him to come up with \$1,000 every time-or whatever amount of money is required - to go to court to defend himself every thirty days or whatever it is. It would seem to me that by now with all of the hub hub that has been raised over this thing that somebody... Who knows? It's hard to say. If there is such obvious disregard... It's kind of like the guy with the garden. It's one of those deals.

MR. STUART: It is so obvious. I invite each of you to inspect the record. I think a couple of you have. It even went so far as Mr. Hughes, and there is a member of you sitting on the City Council (I will not indicate which one of you it is) Mr. Hughes even told a member of this City Council he could not comply with the law. He said "So and so, I can't do it. I can't comply." But take even the variance. Now, there is a member of you sitting up here he told this to.

MR. BECKER: Well, I don't know who you are talking about.

MR. STUART: I would like all action postponed. I would like a public hearing scheduled in ten days and ask for their removal.

MAYOR GATTI: Well, I don't know whether we... We can't do that. The recourse is set up very obviously and there is nothing that we can do or should do. We have asked to meet with the Board. The same Board has been operating - for how long? Since we've been on the Council I don't think there has been any basic changes in the Board and we haven't had any complaints from anybody else. I don't think someone coming up here saying they are dishonest is sufficient cause for a hearing. They could bring it to the court.

(ALL TALKING AT ONCE)

MR. BECKER: They are just not in any way paying any attention at all to the rules or whatever and, you know, if they've got a deal there where there is a lot of 22,000 square feet and try to put a 15 or 16,000 square foot building on it four stories tall. You know where the cars are going to park. It is just ipso facto. They are going to park all over the streets around there in the neighborhood.

MR. STUART: And the traffic is so terrible there was a little girl killed two blocks away last week. The traffic is so heavy.

MR. BECKER: Well, that can happen any place.

MR. STUART: Well, it could happen any place but the fact is...

MAYOR GATTI: Well, what's your pleasure?

MRS. CAROL R. HABERMAN: I know technically we probably shouldn't have taken any action before in postponing it.

MR. STUART: The law provides for you to have a public hearing within ten days and ask for their removal.

MRS. HABERMAN: We cannot ask for another postponement of this because we did it before but we really shouldn't have. So technically I don't advise that we ask for a postponement.

MR. BECKER: Of course, I don't know. I notice today here that we made one request to a certain department of the City to give a man six months time to relocate himself. I would think it would be proper for us to ask, as a Council, for these people to try to be reasonable about what size structure and so forth they are going to permit to be placed on this piece of property.

MRS. HABERMAN: Well, where does our Traffic Department come in in relation to the Board of Adjustment? Certainly the Traffic Department...

MR. ED DAVIS: The Traffic Department did review Mr. Mel Hughes' plans and I think they were within one or two parking spaces of the required traffic. While the gentleman does state is that this is a four story building, the first story is parking throughout the entire plot.

MR. STUART: That is correct. However, that means you could build thirty floors of parking and put a one story building on top. I would call it a 31 story building.

MRS. HABERMAN: In other words, it is a three story building?

MR. ALVIN G. PADILLA, JR.: It does bear on the amount of parking available because he is going to have a 22,000 square foot parking lot on the first floor.

MR. STUART: Certainly, but they are still not in compliance. I would love for you to inspect the record. I certainly would not take my word for it or Mr. Langley or anyone else.

MR. BECKER: What does it say specifically, that code that you just quoted?

MR. STUART: I left my copy at home this morning. You mean about the parking?

MR. BECKER: Well, whatever that code is that you just quoted.

MR. STUART: Well, Section 42 is a book about so thick and for one thing it provides for the City Council to remove these members for cause. I have presented written cause and it is so substantiated in the record.

MRS. HABERMAN: I am going to move that we invite the Board of Adjustment to come in, first on an informal basis with us.

MR. STUART: They have already been invited by the Mayor.

MAYOR GATTI: Let them come in next week.

MR. BECKER: If I read you correctly, you don't really care about having them removed if they will deal with this situation equitably and, in your opinion-judgement, fairly.

MR. STUART: In the opinion of law whether it is fair.

MR. BECKER: I don't think your trying to get their hides. You just want justice and equity...

MR. STUART: That's all. As the law applies.

(ALL TALKING)

MR. STUART: If someone made charges against you that you were grossly negligent, gross miscompliance with the law and appeared before you the next day for a fair hearing do you think they would get it? If I charged all members of this City Council as being crooked and not in compliance with the law and I came to you tomorrow for a fair and unprejudiced hearing, do you think I would get it? In honesty, we are human.

MR. BECKER: While it would have that effect, actually you can't tell what effect it might have. The thing that impresses me about your situation is your determination and consistency. That's the thing that - you must have something in your favor or you couldn't come down here repeatedly.

MAYOR GATTI: I can't make a motion so one of you make a motion to do something I'll be happy to...

MAYOR PRO-TEM GILBERT GARZA: I might agree with Mr. Stuart but, you know, the City Attorney advised us last time that we could not tell the Board of Adjustment when to hold a hearing or when not to hold a hearing. The hearing is being set by the Board of Adjustment under legal documents they have for tomorrow. I think any action at this time would be superfluous.

MRS. HABERMAN: I think so too.

MR. NAYLOR: Then we would be in violation of the law and then somebody would be accusing us.

(ALL TALKING AT ONCE)

MAYOR GATTI: You've had your say in court, Mr. Stuart.

MR. STUART: Yes, sir. Thank you very much.

1952

