

REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF SAN ANTONIO HELD IN
THE COUNCIL CHAMBER, CITY HALL, ON
THURSDAY, AUGUST 28, 1975.

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The meeting was called to order at 9:30 A. M., by the presiding officer, Mayor Pro-Tem Richard Teniente, with the following members present: PYNDUS, BILLA, CISNEROS, BLACK, HARTMAN, ROHDE, TENIENTE, NIELSEN; Absent: COCKRELL.

75-51 The invocation was given by The Reverend J. Carlton Allen, Pastor, New Mount Pleasant Baptist Church.

75-51 Members of the City Council and the audience joined in the Pledge of Allegiance to the flag of the United States.

75-51 CLASS FROM CHURCHILL HIGH SCHOOL

Mayor Pro-Tem Teniente recognized a class of government students from Churchill High School and welcomed them to the meeting.

75-51 STATEMENT BY CITY MANAGER SAM GRANATA

City Manager Sam Granata read the following statement:

"The joint City-County-School Reappraisal Program was created to arrive at a single valuation for all properties in San Antonio and Bexar County.

The goal is being achieved despite periodic growing pains.

Recently, questions have arisen as to why some properties still are valued at one figure by the City and another by Bexar County. The answer is timing, and the availability of new data from the CCS Reappraisal Office. Let me emphasize that, in my opinion, the end result will be the same. Only the way in which each governmental unit implements its system to reach that end result may be slightly different.

Bexar County adopted updated reappraisal valuations when its rendition period began last January. However, the City of San Antonio does not send out tax bills, based upon new valuations supplied by the Joint Reappraisal Program, until next April. Bexar County, then, of necessity has had to update its tax roll to include the new reappraisal figures much sooner than the City.

Mr. Robert Moyer, Director of the Metropolitan Appraisal Office, recently sent me a letter in which he lists a number of firms and their personal property market values, both City and County. In many of the cataloged cases, the reason for the difference in market value is simple. Bexar County's valuation was, of necessity, based upon new CCS reappraisal figures, since the County began using those updated figures for tax purposes last January. City market values listed for those same properties were, in large measure, simply last year's valuations. They were used because the new reappraisal figures had not been placed in the City computer by the time our rendition mailouts had to be sent to property owners in May. This seeming inaction is currently under investigation.

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Our analysis of the situation indicates Mr. Moyer actually received partial information by telephone from our own Tax Office, when he sought to draw comparisons without checking the records in person. The facts are these: renditions for the 1975 personal property tax year, mailed out by the City in May, reflected the new CCS reappraisal values wherever possible. In cases where those reappraisal valuations had not yet been processed, the City's 1974 assessment values, converted to 100 percent of fair market value, had to be used.

When these rendition forms for the 1975 tax year come back from the property owner, each case is checked against its current account file to see if a more recent CCS reappraisal survey (dated on or before June 1, the beginning of the City's tax year) is available. The rendition forms also are checked against a "personal property description index", which provides us with the most recent reappraisal survey results. Should that comparison show a variance of five to 10 percent in a property's market value, the taxpayer is notified that a conflict exists in market value on that property.

The property owner then has a choice: accept the new reappraisal figure or appeal to the City's Board of Equalization, which now is in session. In each case, if we have been forced to use the 1974 figures because reappraisal valuations were not available at rendition-mailout time in May, that valuation will be updated well before tax statements are mailed to the property owners next April. Mention also was made in Moyer's communication of some eight accounts for which the City roll showed a "zero" valuation.

In the case of Cloth World, 4941 W. Commerce, the firm did not open for business until last December. Thus, it had no prior City tax record. In May, incidentally, that firm was mailed a rendition form in the amount of \$159,000 for the 1975 tax year, its first year in which to pay City taxes. Bexar County used that same dollar figure for its tax purposes.

In another case, the account of Day & Night and Payne Co., was cited. The City lists this account at Carrier Corporation doing business as the Day & Night Payne Co. The City mailed its rendition for the 1975 tax year for \$210,800 in May, 1975. The rendition has been returned with a value of \$195,450, but Bexar County has reduced the \$210,800 to \$158,800. The County's value on its print-out as of August 11, 1975, was \$158,800.

Three Deluxe Supermarkets were mentioned in the communication as also having "zero" valuations on City personal property tax rolls. The market at 3414 Nogalitos was sent a 1975 rendition for \$113,000, based on the 1974 tax year, and the County is carrying \$129,500, based on the survey of August, 1974. The market at 5103 S. Flores was given a 1975 rendition of \$149,700 based on the CCS survey. The County is showing the same figure. The market at 1967 Bandera Road, was issued a 1975 rendition of \$252,000, based on the 1974 rendition, while the County is carrying \$389,000, based on the CCS survey.

Both the City and County list a major Coca Cola Bottling Co. account at \$1,020,550, but the valuation memo showed three other accounts with "zero" quotations for the City. Actually, these were new vending machine accounts for Coca Cola and for the Snappy Snack Division and, as such, had no prior tax record with the City.

In the case of Deluxe Check Printers, 431 Isom Rd., the firm had opened for business after June 1 of last year, and thus had no current tax record with the City. Its 1975 tax year rendition, mailed in May, was based upon a CCS reappraisal valuation of \$212,000. Again, exactly the same valuation is used by Bexar County.

Another variance in the report was in the Datapoint Corporation account. The City valuation was listed at only \$16,800--a figure representing only one of four Datapoint accounts carried by the City. When the other accounts are figured in, the total will approximate the \$655,000 valuation shown by the County.

I think you can see that when we compare "apples to apples and oranges to oranges", we are arriving at our joint goal for the re-appraisal effort. The City's personal property tax roll differs from the present Bexar County assessment valuations in some respects because we simply have more time in which to firm up our final valuations. We have avoided making minute, individual account changes to our computerized tax roll in order to allow resolutions of all questions and possible protests to our Board of Equalization before that final assessment valuation is entered on the City tax roll.

As a matter of future policy, perhaps to eliminate some of these questions about differing property values, we are moving to make periodic adjustments in City tax accounts, putting in the 1975 valuations now, rather than await final resolution of a tax account's status.

I say again: we are on the same path - the right path - leading to our common goal of a single valuation on each property, and in my opinion, I believe the County is doing the same thing. It is not my intent to argue with Mr. Moyer, but only to set the record straight and arrive at a common goal, plus explaining a complex situation for the taxpayer."

MR. GLEN HARTMAN: Mr. Mayor and Mr. Granata, I am happy to see the statement forthcoming. I think this is a matter which, of course, all citizens have been very interested in. My concern was the fact that I felt that we did not perhaps respond as quickly and as thoroughly as I thought appropriate. I think this statement hopefully will do a lot to clear up some of the discrepancies and questions. I know one statement here - your statement that "this seeming inaction is currently under investigation." I think the matter of bringing the new figures into the computer. I think this is why it took so long and I think if this had been done in a timely fashion perhaps some of the questions would have not been raised.

CITY MANAGER GRANATA: As you say, it is still under investigation.

MR. HARTMAN: I recognize and appreciate that. I continue to have perhaps a lingering question as to how our tax assessor can foresee shrinkage. I think that was originally attributed in the personal property area when, in fact, when you look at the comparison of figures it should be the opposite of shrinkage in most cases. There still is a lingering question there. At this point I cannot understand why there would be a projected shrinkage.

Finally, I would like to say that this joint tax effort by the City, County, and School is, I think, a most important one. I think one that all citizens of this area hailed and were happy to see that various levels of government were trying to finally work together. I think it is so important, so vital that this effort not fail that every level of government involved should take every step to insure that it doesn't fail. I think a part of that is to tell the citizens exactly what is going on. I think we are moving in this direction now. I would hope also that the lingering question will also be clarified.

MAYOR PRO-TEM RICHARD TENIENTE: I think we can all possibly make statements confirming these same type of statements Councilman Hartman is saying but I do want to remind you that we do have a public hearing at 10:30.

DR. D. FORD NIELSEN: Very quickly. Mr. Granata, thank you for some clarification here. I'm feeling a little better about it. However, will you, as soon as you can, in that question of the whole \$10 million bring us a report back as to where that finally washes out - the difference between the City and County. Would you in the next week or so let us know where we stand.

CITY MANAGER GRANATA: We're working on that with the auditors. In my opinion it should be the same and for awhile I thought it would because of the zeros but since the zeros appear to be the same figure it will probably be the \$10 million but we will come back.

DR. NIELSEN: In that same area I think what Mr. Hartman was driving at regarding that \$3 million shortfall or whatever you want to call it. I'm still convinced that because personal property values have been more current we're not going to find all of that but I'm sure realistically we will find part of it. At least I would hope. How soon will we know just where we stand with that whole personal property question?

CITY MANAGER GRANATA: I would guess when we certify the tax when it is certified by the Board of Equalization which should be in December or January.

DR. NIELSEN: Can we get an updated review in about three or four weeks, please. If you are going through all this right now there ought to be some preliminary data that would indicate something to us.

CITY MANAGER GRANATA: We will do all we can. One thing I want to point out. We speak of \$10 million and \$9 million. These are not tax dollars. These are valuations. We're not \$10 million behind. It's valuations that we are speaking of.

DR. NIELSEN: Out of \$10 million valuation that amounts to about \$600,000 in taxes.

CITY MANAGER GRANATA: That's correct.

MR. HENRY CISNEROS: Mr. Mayor, I've got just a couple of points. The first one is that in discussion last week we talked about the need to let people know what the form - the tax valuation form means and what rights are available to them. We talked about a very concerted City governmental effort in Spanish and English radio and newspapers to let people know. Over the weekend I worked with a number of people on the notice of tax valuation and it is a very complicated form.

I made this up just to be able to work with people in the community as much as possible. You see it is a very complicated form. This is the assessed value in 1974 for the City and School but it doesn't give the 100% market value. The only place that value is given is down here on the form. This is the top half of the Notice of Tax Valuation.

What we find then is that the only point, at which a person knows what his 1975 market value is is down here. I think we need to run copies of something like this or copies of the valuation form and circle the appropriate number and tell people that if they have problem with that number they have rights before the Board of Equalization and what the procedure is to go.

I ran into a number of people who read on the Notice of Tax Valuation that they had only ten days from the day they receive the valuation form. The truth of the matter is that they have a significant amount of time more than that. Carl has indicated to me to December to make adjustments. So that is the kind of thing we need to let people know in a kind of concerted fashion. People do have rights and they are the best policemen of the system.

The second question goes to the delinquent list. Can you say something about the issue raised this week with respect to the very significant amount of delinquency involved and what shortfalls there are with respect to delinquency.

CITY MANAGER GRANATA: No, I'm not prepared to make any statement with respect to that.

MR. TENIENTE: I think we can place this on the "B" Session for next week we can allow the manager to prepare this for us. I'm interested in that also and if that is agreeable with the Council, we will have that information. I think it is important.

75-51

CORRECTION OF MINUTES

Mr. Pyndus called attention to a correction to be made on page 15 of the minutes of August 21, 1975. The minutes quote him as saying "Mayor Cockrell, I don't understand your attitude at all". It should read, "Mr. Vann, I don't understand.....".

On page 19, he questioned the stipulation for a six foot solid screen fence in this zoning case. The Clerk explained that this is a recommendation of the Planning Commission which is included in the Ordinance.

With this correction, the minutes of the special meeting of August 20, 1975 and the regular meeting of August 21, 1975 were approved.

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75-51 The following Ordinance was read by the Clerk and explained by Mr. Cipriano F. Guerra, Jr., Director of Planning and Community Development, and after consideration, on motion of Dr. Nielsen, seconded by Mr. Billa, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Cockrell.

AN ORDINANCE 45,639

AUTHORIZING AN INCREASE IN THE BUDGET FOR THE FARMERS MARKET PROJECT IN THE AMOUNT OF \$40,740 TO PROVIDE FUNDS FOR CERTAIN ACCESSORIES AND EQUIPMENT NECESSARY FOR THE MARKET TO BECOME OPERATIONAL AND APPROPRIATING FUNDS FROM THE 1970 FARMERS MARKET IMPROVEMENT BOND FUNDS.

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75-51 The Clerk read the following Ordinance:

AN ORDINANCE 45,640

AUTHORIZING THE EXECUTION OF LEASE AGREEMENTS OF NOT MORE THAN ONE YEAR AND DAILY PERMITS FOR UTILIZATION OF MUNICIPAL MARKET FACILITIES IN MARKET SQUARE AND ESTABLISHING THE RATE STRUCTURE FOR SUCH RENTALS.

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The Ordinance was explained by Mr. Cipriano F. Guerra, Jr., Director of Planning and Community Development, who said that the ordinance was developed with the assistance of the Market Advisory Board. The Market is being started at rental rates in effect at the present time. They will be reviewed every six months by the Board.

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

75-51 The following Ordinances were read by the Clerk and explained by Mr. Mel Sueltenfuss, Director of Public Works, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Cockrell.

AN ORDINANCE 45,641

AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT AGREEMENT WITH SOUTHWEST UTILITY CO. FOR THE TREATMENT OF WASTE WATER COLLECTED BY THEIR SEWER SYSTEM.

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AN ORDINANCE 45,642

AUTHORIZING EXECUTION OF A STANDARD PROFESSIONAL SERVICES CONTRACT WITH

CERTAIN ENGINEERING AND ARCHITECTURAL
FIRMS FOR SERVICES IN CONNECTION WITH
17 DRAINAGE PROJECTS, 1 BRIDGE PROJECT
AND 15 PARKS IMPROVEMENT PROJECTS.

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75-51 The following Ordinance was read by the Clerk and explained by Mr. Mel Sueltenfuss, Director of Public Works, and after consideration, on motion of Mr. Billa, seconded by Mr. Pyndus, was passed and approved by the following vote: AYES: Pyndus, Billa, Black, Hartman, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Cisneros, Cockrell.

AN ORDINANCE 45,643

ACCEPTING THE LOW QUALIFIED BID OF \$202,421.04 FROM M. B. KILLIAN CO. TO PERFORM THE VALLEY-HI DRIVE IMPROVEMENTS PROJECT FROM LOOP 410 TO DWYER ROAD, ESTABLISHING A FUND FOR THE PROJECT, AUTHORIZING TRANSFER OF FUNDS FROM REVENUE SHARING FUNDS, AUTHORIZING PAYMENT OF \$6,774.50 IN ADDITIONAL ENGINEERING FEES TO K. M. NG & ASSOCIATES, INC. AND CONTINGENT EXPENSES IN THE PROJECT.

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75-51 The following Ordinance was read by the Clerk and explained by Mr. Mel Sueltenfuss, Director of Public Works, and after consideration, on motion of Mr. Pyndus, seconded by Mr. Billa, was passed and approved by the following vote: AYES: Pyndus, Billa, Black, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Cisneros, Hartman, Cockrell.

AN ORDINANCE 45,644

ACCEPTING THE LOW QUALIFIED BID OF HOUSE-BRASWELL COMPANY IN THE AMOUNT OF \$2,640,314.23 FOR CONSTRUCTION OF THE ARROYO LARGO DRAINAGE PROJECT NO. 11-12; AUTHORIZING EXECUTION OF A STANDARD CITY PUBLIC WORKS CONSTRUCTION CONTRACT; APPROPRIATING FUNDS AND AUTHORIZING PAYMENT FOR CONTRACTUAL SERVICES TO BE RENDERED FOR ESTABLISHING A MISCELLANEOUS CONTINGENCY ACCOUNT AND FOR PAYMENT OF ADDITIONAL ENGINEERING FEES.

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75-51 The following Ordinance was read by the Clerk and explained by Mr. Ken Crane, Health Program Coordinator of the Metropolitan Health District, and after consideration, on motion of Mr. Pyndus, seconded by Mr. Billa, was passed and approved by the following vote: AYES: Pyndus, Billa, Black, Teniente, Nielsen; NAYS: None; ABSENT: Cisneros, Hartman, Rohde, Cockrell.

AN ORDINANCE 45,645

ACCEPTING THE LOW QUALIFIED BID OF \$251,275.00 FROM DUKE, INC. AND DUKE ENTERPRISES, INC., TO CONSTRUCT THE

WESTSIDE NEIGHBORHOOD PUBLIC HEALTH
CLINIC; ESTABLISHING FUNDING OF THE
PROJECT; ACCEPTING A GRANT OF \$121,900.00
FROM THE STATE DEPARTMENT OF HEALTH FOR
THE PROJECT, AND AUTHORIZING THE EXECUTION
OF A STANDARD PUBLIC WORKS CONTRACT AND
PAYMENT THEREUNDER.

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75-51 The following Ordinances were read by the Clerk and explained by
Mr. Ron Darner, Director of Parks and Recreation, and after consideration,
on motion made and duly seconded, were each passed and approved by the
following vote: AYES: Pyndus, Billa, Black, Rohde, Teniente, Nielsen,
NAYS: None; ABSENT: Cisneros, Hartman, Cockrell.

AN ORDINANCE 45,646

AUTHORIZING THE CITY MANAGER TO EXECUTE
A REVOCABLE LICENSE WITH THE GENERAL
SERVICES ADMINISTRATION FOR THE USE OF
CERTAIN PROPERTY FOR PARK PURPOSES.

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AN ORDINANCE 45,647

AUTHORIZING THE EXPENDITURE OF AN
ADDITIONAL \$8,000.00 FOR DRAINAGE
IMPROVEMENTS IN THE CUELLER PARK
DEVELOPMENT AND ACQUISITION PROJECT.

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75-51

CUELLAR PARK

Dr. Nielsen said that the grass and weeds still pose a problem
around Cuellar Park and asked Mr. Darner what is being done about it.

Mr. Darner said that this is the contractor's responsibility
and if it is not taken care of promptly, it will be brought to his
attention again.

75-51 The Clerk read the following Ordinance:

AN ORDINANCE 45,648

AUTHORIZING EXECUTION OF A CONTRACT WITH
FAMILY SERVICES ASSOCIATION OF SAN
ANTONIO, INC. FOR OPERATION OF THE
HOMEMAKER HOME HEALTH AIDES SERVICES
PROJECT FROM SEPTEMBER 1, 1975, THROUGH
JUNE 30, 1976; AND AUTHORIZING PAYMENT
OF THE SUM OF \$175,000.00 FROM REVENUE
SHARING, SIXTH ENTITLEMENT PERIOD FUNDS.

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The Ordinance was explained by Mr. John Rinehart, Operations
Manager, Fiscal Planning and Control Division, who said that it authorizes
a contract with Family Services Association to carry out the Homemaker
Home Health Aides Services Project, better known as the Homemakers
Services Project.

It is funded by the Revenue Sharing Budget. Originally, \$200,000.00 was allocated to this project but last week \$25,000.00 of that amount was used for another project. Hence, this budget covers a ten month period only.

Mr. Pyndus asked whether there is duplication of another project and whether the funds are being used efficiently. He expressed the idea that the project might better be combined with another similar project to avoid increasing the size of the staff and would put more people in the field.

Mr. Rinehart assured Mr. Pyndus that a minimum staff is being used. All of the other persons involved in the project will be in the field.

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

75-51 Item 11 of the agenda was placed on the agenda in error and was not discussed.

75-51 The Clerk read the following Ordinance:

AN ORDINANCE 45,649

AUTHORIZING THE CITY MANAGER TO EXECUTE
A CONTRACT WITH THE CITY WATER BOARD FOR
COMPUTER USE IN CONNECTION WITH THE
IMPLEMENTATION OF THE COMPUTER ASSISTED
DISPATCHING SYSTEM.

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The Ordinance was explained by Police Chief Emil Peters who said that the equipment is in place and the dispatching system is ready to implement. A contract with the City Water Board is the next step to get the project moving. He recommended adoption of the Ordinance.

Mr. Teniente questioned whether this program would be abandoned when the consolidated computer system is in being.

Chief Peters said that this project would not be affected by the consolidation. He said that this project has been underway for over two years and a commitment has been made by the Council.

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

75-51 The Clerk read the following Ordinance:

AN ORDINANCE 45,650

545

AUTHORIZING CONTINUATION FOR A SIX
MONTH PERIOD BEGINNING SEPTEMBER 1, 1975
OF THE CRIME PREVENTION PROGRAM BY THE
POLICE DEPARTMENT, APPROVING A BUDGET
OF \$54,667 FOR THE PROJECT AND A PERSONNEL

COMPLEMENT, ACCEPTING A GRANT OF \$44,984 FROM THE CRIMINAL JUSTICE DIVISION OF THE OFFICE OF THE GOVERNOR FOR THE PROJECT AND AUTHORIZING A CONTRIBUTION OF \$9,663 FROM THE GENERAL FUND AS THE CITY'S CONTRIBUTION TO THE PROJECT.

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The Ordinance was explained by Police Chief Peters and after consideration, on motion of Mr. Hartman, seconded by Mr. Billa, was passed and approved by the following vote: AYES: Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen; NAYS: Pyndus; ABSENT: Cockrell.

Mr. Pyndus said that he had voted Nay on this Ordinance because this program has been going on for one year and he felt that the Council should have a written evaluation of it before authorizing additional funds.

75-51

EMERGENCY PROCEDURES

Mr. Rohde said that he had a memorandum from Fire Chief Martinez concerning a recent drowning. When the incident happened, someone called the Police Department at 7:57 and a police officer was dispatched at 8:00 o'clock. The Fire Department didn't get the call for another full 15 minutes. Mr. Rohde asked how this could happen.

Chief Peters said that this has been checked out and the fault is with the clerk who took the message. He said that further checks are being made to see what action should be taken.

PUBLIC HEARING ON REQUEST OF CITY
WATER BOARD FOR A RATE INCREASE

MAYOR PRO-TEM RICHARD TENIENTE: We'll go into the public hearing right now and I'll outline the procedures for the citizens that have registered so they will understand. We will have Mr. Van Dyke make a presentation and he's limited to five minutes. We will hear Mr. Hartman from the City Council on the committee that has studied the matter to make a presentation to the Council, and then we'll go on into the citizens who have registered to be heard. We may get the staff report if it is available, if it's ready. I'm sure we'll hear from staff some time as we go into that.

MR. GLEN HARTMAN: Mr. Mayor, inasmuch as the committee indicated at the last Council meeting that we would have a written report, and inasmuch as it would appear that that would be the first point of departure, I would suggest perhaps that the Committee report be read.

MAYOR PRO-TEM TENIENTE: We will hear from Mr. Hartman first.

MR. GLEN HARTMAN: I would like to proceed with the reading of the statement by the Planning and Policy Objectives Committee with regard to the City Water Board Rate Increase request. This is a report from the Committee consisting of Councilman Pyndus, Councilman Cisneros, Councilman Nielsen, and myself. The statement reports reads as follows:

"Pure water is a basic necessity for life. Neither plant nor animal can long exist without water. Civilizations have crumbled because of the lack of water, while others have flourished where water was ample. The demands for water by our modern civilized society are staggering.

In the brief time this Council has been in office, it has dealt forthrightly with several issues of prime importance to our community. The request for a rate increase by the Telephone Company was decided in May on the basis that the rate payer should be expected to carry no more than his rightful share of the cost of system expansion. It was this Council that in June recognized the need for growth over the Edwards-Aquifer, but with the proviso that such growth should not be permitted to endanger the purity of our most precious water source. In July, this Council established Centro 21 for the purpose of re-energizing our Central City, and thereby provide a better quality of life for our entire metropolitan community. Finally, it was this Council which just last week saw the fruitions of its efforts to help in bringing new industry to San Antonio. This Council's "track record" for setting the pattern for quality growth-dynamic growth- in our community is a good one. We must continue.

In consonance with Council direction, the Planning and Policy Objectives Committee has undertaken a detailed review of the City Water Board's request for an increase in rates, fees, and charges as set forth in Mr. Van Dyke's letter of July 16, 1975, and addendum 2 transmitted by Mr. Van Dyke's letter of August 13, 1975.

At the outset of its review, the Committee also took note of Mayor Cockrell's request that the projected rate increase be considered in two phases: the first phase to be an immediate interim rate increase on or about September 1, 1975, to insure adequate coverage of the present indenture to provide essential minimal future bonding capacity, and to generate sufficient revenue for current O & M costs; the second phase to provide bonding capacity for whatever future capital expansion the City Council would be prepared to endorse. The second phase would begin 4-6 months after the first phase to give the City Council the opportunity to review current CWB service and rate policies in detail before subscribing to long-term capital expansion and financial obligations. With this approach, the City Council would be exercising its rightful role of setting policy parameters within which a utility (in this case CWB) would regulate and charge for its services. The Council, in effect, has a choice between approving a long-term plan for water development, based on earlier Council policy, or establishing policy on the basis of the identified needs of the community in the present time frame and applying this policy to the

CWB request. The Committee concurred with the Mayor's request for a two-phase approach and confined its deliberations in the context of what rate increase would be appropriate for the interim period of September 1, 1975 to March 1, 1976.

General Conclusion and Recommendations. The Committee concluded that, regardless of the rate to be recommended for the interim period, the following long-term objectives are absolutely essential and must be clearly established:

- a) The rates, fees, and charges for water service by the CWB must be established on the basis of reasonable equity to all customers, i.e., all customers should pay their fair share for services rendered.
- b) Rates, fees, and charges for water service outside the City limits of San Antonio should be higher than similar rates, fees, and charges extracted from customers within the City limits.
- c) Preliminary steps must be taken by early 1976 to ensure an adequate supply of surface water to augment the present ground water supply by the mid 1980's.
- d) CWB must continue a program to replace wornout and inadequate water mains to ensure full service to customers in all parts of the City of San Antonio.
- e) The City Council must permit a rate structure over the long-term to insure that the CWB can carry out the growth policies established by the City Council.

Interim Rate Considerations, Conclusions, and Recommendations.

The Committee developed the recommendation for the interim rate increase through close consultation with the City Staff, the Chamber of Commerce, the CWB, citizen groups, and private citizens. The rate increase percentage was arrived at by considering each increment of rate increase on the basis of what would be accomplished, revenue-wise by that increment.

Starting at the lowest end of the scale, staff identified a minimum of 7 percent increase to ensure adequate cash flow to maintain a 1.5 to 1 ratio for current bond coverage. This rate increase would not, however, provide for any future bond coverage, nor would it provide any revenue for surface water payments (which are anticipated to begin in mid-1976). The 7 percent increase also would provide no revenue input for the Community Water Development Fund, which is used to defray developer costs incurred for new on-site main construction within the City limits. The Committee also took note of the projected shortfall of \$1.1 million anticipated by CWB by end 1975 because of the unusually heavy rains during the spring of 1975, and the need to make up this shortfall with increased revenue. A 7 percent increase in the water rate would not accomplish this.

By enhancing the rate increase to 11 percent additional bonds in the amount of \$9 million could be sold. This would still provide no funds for surface water development (to be required by mid-1976), nor for input to the CWDF.

A rate increase of 17 percent would, in the opinion of the Committee, provide a realistic interim because, both from the standpoint of maintaining current bond coverage and providing the base minimum cash flow to begin building for a longer term, larger capital improvement program. The 17 percent rate increase would result in an increase of \$4,446,000 revenue for 1976-77. This would more than adequately

cover \$9,000,000 in additional bonds that could be issued by March 1, 1976. The interim rate would provide sufficient funds for operation of the system during the interim period. It must again be emphasized that this represents an interim increase only until such time as CWB policies and directives have been reviewed and, as appropriate, modified to conform to growth policies, which are the domain of the City Council. Inasmuch as no bonds would have to be sold before March, 1976, and no payments would have to be made for surface water, a 17 percent increase for the interim period September 1, 1975-March 1, 1976, is considered adequate and is so recommended.

During the interim period, the additional revenue that may be required to support extension of the chilled water system in downtown San Antonio will be considered in detail. At this juncture, the Committee strongly supports the extension of the chilled water system to catalyze downtown development, such as the proposed new hotel."

/s/ GLEN HARTMAN
Chairman

I might add in closing, colleagues of the Council, that this statement of the final report of the Committee was reviewed by the Director of Public Works and his statement was that it was technically accurate. If he would have any further comments to make at this time?

MAYOR PRO-TEM TENIENTE: Thank you very much, Mr. Hartman, Chairman of the Committee. There is no doubt in anyone's mind that these people have worked long and hard and many hours and their report is certainly a very fine report. And I'd like to call on Mr. Van Dyke, at this time, from the City Water Board.

REVEREND CLAUDE BLACK: Before you call, Mayor, I would like to just comment on the report. I was particularly concerned about the replacement facet of the program because I think it has a great deal to do with, not only in terms of the service water supply that we talked about, but I think also the replacement has a great deal to do with the future development and recycling of old neighborhoods which is a part of the necessity for community development. I was impressed by the fact that in the report that Councilman Hartman indicated that this would have high priority in the first phase of this report, and I certainly support that.

MAYOR PRO-TEM TENIENTE: Thank you. Mr. Van Dyke, are you - there you are.

MR. ROBERT VAN DYKE: Mayor Teniente, Chairman John Schaefer will make the statement for the City Water Board, and I would like to put this chart up where you can see it.

MR. JOHN SCHAEFER: I'm John Schaefer, Chairman of the City Water Board. I would like, if I might, to address the report made by your Committee and point out several items in here for your consideration. The first thing that I would like to point out is that within the 17 percent increase that has been recommended by your Committee, Items C and D of the report, preliminary steps to insure an adequate service water supply, and Item C - replacement of worn-out and inadequate water main are not included in the 17 percent. Rev. Black, you referred to page one. This is not included in that. There is no funding included for these items in that rate. I would also like to point out also on the next to last paragraph of the report says that no payment would have to be made for surface water until March of 1976. It is our understanding with GBRA that these payments would start in January

of next year - assuming that we work out a legal binding contract. We will need this funding in January which is some \$991,000 per annum. I would like to point out that in the discussions with the Committee in their last meeting, it was pointed out that a 16 percent rate hike would cover fifteen million dollars worth of bonding, and there was some misunderstanding with some of the Committee members that this 16 percent was inclusive. The 16 percent did not cover a 7 percent additional required for maintenance and operation of the system. This was pointed out in particular by Dr. Nielsen that he had been - that he misunderstood or had been misinformed that the 16 percent was all inclusive, and, in fact, it was not. The 16 percent - you have to add 7 percent to that for M & O so that the total should cover the 15 million in bonds would be a 23 percent rate increase rather than a 16 percent as the chart shows. I would like to point out - I have a chart here in front of you. I know that all of you have looked at numerous figures, pages and pages of them. The report which we submitted to you in June is a very long report with a myriad of figures in it, and I would like to go over some of these figures in a consolidated basis. I would like to say in relation to the request that we have before you, that this is not anything new. The 1972 rate was approved by the previous Council. At that time in 1972, the master plan was presented to the Council, and it indicated that we would have a 25 percent rate increase in 1974. Through the strict budgeting and controls that the staff at the Water Board has instituted, it has allowed the Board to postpone that 25 percent rate increase for a 12 month period. I must say at this time, however, that it cannot be postponed much longer. No one wants a rate increase. The Board doesn't want it, and I know you don't want it, but this has been postponed for 12 months, and it can't be postponed any longer.

The items which - the Water Board is asking for have been changed, and I know this has been confusing to some of you as it has - it's changed some of the numbers, and it's the one item that has changed from the original request is the surface water. We had budgeted one million seven hundred thousand dollars for surface water payments taking the 33 per acre foot and multiplying it by fifty thousand acre feet to reach that figure. In negotiating with GBRA, we were able to reduce this payment to nine hundred and ninety thousand, allowing us a seven hundred thousand dollar lee-way in this budget. However, on the other side of the coin from our budget which was prepared in October of last year, the utility payments that we're making to CPSB are far in excess of what they, at that time, gave us as an estimate. The pass through item which we absorbed the same as any other citizen has been tremendous. And we don't have, and don't intend to have a pass through in our rate structure.

Now, the final, the final request that we're making is for a thirty percent rate increase. This is to fund M & O which has been hit tremendously with inflationary price increases. It is to fund an \$18 million bond program which will allow the Water Board from revenue and bonds to allocate \$28 million for capital improvements of various natures. I would like to go through these capital improvements. The Committee has reported to you that they looked at this in a two stage situation wanting to review policy and so forth. I'd like to emphasize that there are very few items on this program that have not already been discussed by this Council - not by previous Council for instance the surface water that is mentioned in the report.

MAYOR PRO-TEM TENIENTE: Mr. Schaefer, before you continue, can you - I didn't anticipate the time limit on this, but we do have and important as it may be we do have the five minute time limit. However, I would like to - would you be furnishing this to us in written form?

MR. SCHAEFER: You have already been furnished this. I'd like to go over it item by item, however, so that if any member of the Council has a question on it, I'd be allowed to answer that question.

MAYOR PRO-TEM TENIENTE:
Schaefer?

How much more time will you take, Mr.

MR. SCHAEFER:

I'll take very little time, several minutes.

MAYOR PRO-TEM TENIENTE:

Would that be all right with the Council,
Okay, five more minutes.

MR. SCHAEFER:

As I was saying, the surface water item, for instance, this Council passed a Resolution several weeks ago extending congratulations on the GB contract and saying that you wanted the Water Board to proceed with surface water acquisition. Taking that in its context, we've done so, and that's included in this. Now, briefly, I'd like to go over these items, the major capital program.

Item one: Those are pump station storage facilities in Trunk Mains. Those are things which are not a policy matter. These things have to be done to keep the pressure up to assure adequate water supply for San Antonio.

Item two: Normal Extensions and Improvements - these are mains that are done on a normal basis - a year to year basis. It's to keep the system working, functioning, so that's not a policy item. Governmental relocation is a policy item. There's four million two hundred thousand dollars in here for governmental relocation. The Water Board doesn't have a thing to do with this. This is a matter of policy. It's a matter that the San Antonio Development Agency in Urban Renewal requires that mains be relocated, and if we're to shoulder this responsibility we have to have the funds. It's that simple. The same thing is true with the drainage projects the City has passed and bonded. There is no funding in that for main relocation. So, if the Water Board is to do this funding we have to have this money. If we don't have the money, and this is explained to the Committee, your Department of Public Works is going to come up empty handed because we don't have the money. We're not going to remove those mains. It's that simple. So, we need the money. That is a policy decision for this Council to make. Developer Refunds is for oversized mains where the Water Board say an eight inch main would'nt be sufficient to take care of the development. Because of master planning, we might want a 12 inch main for future use, and we refund the overage. Community Water Development Fund Refunds, that is placed back into the Community Water Development Fund at the time a connection is made and that's according to our current regulations. The Anderson Pump Station repayment: \$250,000 is \$250,000 which was taken from the Community Water Development Fund as a matter of expediency to pay for installation at the Anderson Pump Station. Now, the surface water development \$6,000,000 is for surface water development for the engineering, for the pipeline right-of-way acquisition. There is in there a contingency item for instance if someone were to start development at the Applewhite site we would in all likelihood try to purchase that property prior to development. There also is in there, we have leeway at this time, we feel that you would have the 1.2 million for the chilled water for the new hotel. The other WC & ID interest is simply a contractual obligation.

Now, Reverend Black, I might allude to the extensions and improvements. Item 2 is a total of five million two hundred thousand dollars that we have programmed into this 30 percent rate increase for these improvements and main replacements. Four million four hundred ninety-five thousand would come out of revenue, 710 out of bonds for a total of five million two. So, out of the 18 million in bonding, the total of 28 million in fundings, there is 6 million

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for surface water, and 5 million 205 thousand for main relocations. I say these are policy decisions, and if you want the mains replaced, and if you want surface water, those have to be included. It's that simple. At this time, I would like to answer any questions that any Councilman may have.

REV. BLACK: Because what I really want to understand the - the critical edge of your presentation is a difference between policy items and items that are no longer policy items. They're items that are already committed. So, what you're saying is the 17 percent cannot take care of the two items of water - surface water and replacement of mains because they are not - they're the only two items that we're really deciding on in terms of policy. The others are already committed and, therefore, there isn't the ability to vary in terms of the 17 percent that one might have under the recommendation of this Committee.

MR. SCHAEFER: That's correct and actually again I'd like to point out that the 17 percent was arrived at from a 16 percent figure and does not include M & O which is another 7 percent. So, when you add the 16 percent for bonding to the 7 percent, you're talking about 23 percent, which is a minimum figure. The staff, your staff has updated this to a 26 percent figure because of increased cost. Now, I would like to correct myself. I gave you the wrong figure - it's on line 3 - it's 6,895,000 for annual replacement rather than 5,200,000.

REV. BLACK: The reason I'm raising this is because I would like the Committee to deal with that in terms of what he's saying in terms of policy. Because what you're saying is that we have no options within anything less than the - I mean within the 17 percent we have no option. That's why you're really saying.

MR. SCHAEFER: I don't believe the 17 percent, personally, is a viable figure. I think the minimum figure is probably closer to 23 to 26.

MR. HENRY CISNEROS: As a member of the Committee, I think the Chairman might want to address it, but our position on that has been that the 17 percent figures does give you \$9 million worth of bonding capacity and the decision to how that \$9 million would be allocated is one that provides some options, and one of the options can be to the replacement program with that \$9 million worth of bonding capacity. And that we're not necessarily closing our options by going with 17 percent because the Water Board still has a choice of doing what it thinks is important, and if the Council places some priorities on what it thinks is important then the main replacements will get done.

MR. SCHAEFER: Mr. Cisneros, I realize that you have programmed \$9 million in bonds. I would like to point out in Item 1 which is the first priority item which is major capital program, it's \$7 million I mean \$4 million seven hundred thousand of that would be committed unequivocally to that program.

MR. PHIL PYNDUS: Also as a member of the Committee and trying to take a breath on the increase. The reason that we have suggested the interim - the two stage approach - is the fact that we were asked to approve 60 percent wage increase - I mean rate increase. Now, this 60 percent was going to be a two stage affair also, 30 percent was going to be effective September 1st, and 30 percent was going to be effective September 1st, 1977. So in essence we were looking at a 60 percent increase in our rate structure, and so the Council wanted to take a look and see in what direction we were going with our on-going policies without destroying or hurting the fiscal integrity of this water system. We put in time with regards to protecting the bonding requirements. We stopped some of the projects that we could suspend safely for a four to six month period. I would say that the cash flow that we have with the 17 percent is there based on your own figures, on the chart that I have here that your cash flow is protected. To me we must trust that we have no quarrel with your figures on a long-range basis. The only thing we want to do is review, take a deep breath four to six months and review the policy and then look forward to an increase, some increase, no increase, but to have a look at the policy.

MR. SCHAEFER: I appreciate that. In that light what you're saying then is rather have a two stage approach, as you pointed out - we have one now and one in two years - you're putting this on at least a three-stage approach and it's not my intent to come before this Council every four or every six months and ask for another rate increase. I think that this has been - that this has been on the book since 1972. It's not anything that's new. This rate request has been before this Council since June of this year. I think that this is a smokescreen of policy decision. If this Council changes policy, for instance, from a dynamic growth city to a no-growth or a limited-growth city then we would, of course, track the policy of the Council. But I think you're putting the cart before the horse. These are items that we need to a viable water system in San Antonio. Now, this Council just as recently as last week passed a new ordinance to encourage industry to come into this City. I assume that this is a policy since it was passed. Well, we're backing this policy, and if we're to have growth in this City we have to plan as a utility for the advanced growth. We need the funds to put in the pumping facility and the storage facility in the Trunk Mains to support a growing city and I would say to this Council that that is all this is. This is no time to pie-in-the-sky program. This is nuts and bolts. These are things that - with the exception of surface water - that has to be done to date. Council again has taken that position on surface water, and we're tracking your policy and we need these things to continue a viable system. It's really that simple. If we're to do this, let's do it, if we're going to look at it and change it - if you change your policy - we will track that policy.

MR. PYNDUS: Mr. Schaefer, I would like to say that we also, like you, do not want you to come up every four to six months for rate increase because I don't think it's wise from Council's standpoint if not wise from a business standpoint, and I think we should have planning. This is what we're trying to do. We're just trying to do a little planning in this short period of time and this is what we're asking for - a short four to six months period.

MR. HARTMAN: There is one point, Mr. Schaefer, the statement that this Council or committee, or perhaps this Council may be indicating the change to no growth policy. I take absolute exception that I think the track record of the Council has been the opposite as you've indicated. I also would like to underscore the fact that we're saying we want a period of time to review policy after which time is entirely possible that every - the entire policy matter could be a reendorsement of what now exists. I think this - I hate to say that we're changing a policy without even having a chance to look those policies in detail which this Council must do to say that we're taking - that we're taking a change in policy. I think it is prejudging.

MR. SCHAEFER: I believe you misunderstood. I said that this Council from the ordinance that was passed last week indicates they want growth.

MR. HARTMAN: Yes.

MR. SCHAEFER: I said that if the Council - this Council or future Councils - would change to another policy it would obviously lead the Water Board position to track that policy. I think that this Council actually has said that they do want growth and they do want industry and we're following that. I might say that the concern that we have is protecting not only our current bond coverage but future bond coverage and that by approving this rate increase you're allowing yourselves the option, the open options once you do review these policies. Without this you don't have that option because you would not be able to vote or sell the bonds without the rate coverage. So we, as you know, will have to come back to this Council at the time we're to sell these bonds and get line by line approval from you so that we're not leaving. This is not saying - we're not asking you to approve the bonding of this at this time. We're asking you to approve the rate structure to allow you the flexibility to do this in the future.

MAYOR PRO-TEM TENIENTE: Okay, Mr. Rohde and then Mr. Cisneros.

MR. ROHDE: Mr. Schaefer, several questions. This is the hardest vote that I make on this Council. The telephone vote was clear to me because it came to me and I had all the facts. The \$50 million bond issue will come clear to me, but here this Council is faced with three recommendations from very astute persons, a very knowledgeable person, and I'd like to tell you the position that I feel that I'm in at this moment. One said 17 percent, one said 26 percent, and you all say 30 percent. I know that this is a policy matter, but the point that comes clear to me is - nothing has been said about the CPS, about running the gas lines to areas. There's been no policy decision on that. Nothing was said about running electrical lines to new areas and things of this sort and this is just as important as water. Nothing - no comment has been made about the four-and-one-half million of the City's redevelopment here in San Antonio right in the heart of our City which is very vital.

In other words, why is the Water Department sort of being picked on - I've got to use this expression - all of a sudden policy when the whole thing is policy. The thing that I'm thinking about here is that I want to see a viable water system, which belongs to the citizens of San Antonio, and things of this sort. I've got to get these answers as why 17, why 26, and why 30 by next week, and if somebody can help me with this so I can make my mind up for the public side of this thing. I want more information.

MR. SCHAEFER: Well, Mr. Rohde, I'd like to comment that the difference between the City staff recommendation of 26 percent and our request of 30 percent - there is certainly flexibility in that. We're not saying, for instance, that the 6 million in surface water is - that we're going to spend every penny of it. We're saying that we do want some flexibility so that if certain things occur, for instance, if we're able to get the right-of-way from the railroad company which we need to bring the pipeline from Canyon Lake that we want the flexibility to be able to conclude that contract. What I'm saying here is, yes, we do have some flexibility and we have that flexibility and as a board we feel we need that flexibility.

MR. ROHDE: Did the 17 percent include the pay raises for the hard working employees?

MR. SCHAEFER: No, not at all. None whatsoever. In fact the 17 percent does not include funding back in the Community Water Development Fund which is part of - at this time - of our regulations, and we would be going against our own regulations if we didn't do that.

MR. CISNEROS: Mr. Mayor, I feel compelled to make just a few remarks because of what seems to be an emerging tactic in this whole discussion and that is that somehow there is - it has been found to be necessary to equate a 30% rate with the advocacy of growth in San Antonio. I just want to separate those things to the extent it's possible for this reason. I think it's clear that this Council wants growth and wants quality growth in San Antonio, the kind of growth that means jobs, means industry, means incomes. I've said on many number of occasions I think the fundamental problem that San Antonio faces is the problem of getting industry and changing the nature of the local economy and getting a better diversified economy so we can get the jobs and so forth. I think it's a little simple to propose to the people of San Antonio that if they don't buy the Water Board's proposal for a 30% increase, then they're not going to have growth. I think that if we've gotten ourselves to a stage where we have to have a 30% increase, a 1/3 increase in revenues of a major corporation in order to keep it solvent for an additional month then we've got some serious management problems. What I'm saying is I think we've got to separate out some issues and that growth in San Antonio can occur without using a 30% rate increase as a guise for continuing development over the Aquifer. I think that growth in San Antonio can occur without pushing through under the guidance of a 30% increase policies that serve particular industries and that sort of thing. What I'm saying is we do need to pursue policies that allow San Antonio to grow. That allow jobs to develop in the Central City and in other places. We need to embark upon policies of balanced growth in San Antonio but it is not as a result of a review that we've done. I'm convinced that it isn't necessary to equate growth with a 30% increase in our water rate.

MR. SCHAEFER: Mr. Cisneros, I would like to point out that this - historically this rate increase isn't a one month situation. This was included in 1972, a 25% rate increase in 1974 which we postponed for an entire year. I would also like to point out that the Water Board is not setting policy as to growth over the Aquifer. We didn't locate the University of Texas at San Antonio. We only brought the water out there after it was a matter of fact. The Water Board is not setting policy as to growth over the Aquifer and if there's been any inference to that by any staff, I would like to know it because this is not our position. This is something that this Council has to decide upon for growth.

MR. CISNEROS: I think it taxes all our credulity when it is constantly referred to that anything less than 30% is notoriety, that's not true.

MR. SCHAEFER: I stated not but a moment ago that we do have flexibility in this, particularly in the surface water area. We're not saying that we're not going to turn the faucet in the mornings if we don't have a 30% increase.

MR. CISNEROS: What I'm saying is that we ought to lower the rhetoric and look at the numbers and make some.....

MR. SCHAEFER: I think this is right and I think the numbers, if you included bonding in here or growth, and we certainly have to have adequate pumpage and adequate mains if you're going to have growth. I don't believe you can divorce it. I think you can look at where and how you want it which is not the Board's policy.

MR. CISNEROS: Well, I think, we need to try and do that and that's what this two-phase approach is for.

DR. NIELSEN: John, would you provide us in light of the statement earlier that the 17% would not include anything for replacement and I understand the surface water thing clearly, because, in fact, some on-going commitments. Would you provide the Council with the list of those commitments that are ongoing. As I understand it the 17% would allow us a \$9 million capacity for floating bonds is nothing more we're ever granted. And within those \$9 million worth of bond funds but, correct me if I am wrong, I understand that you're saying that there would be no way we could consider replacement, no way we could consider surface water. I'd like to know what those commitments are so that we could not in fact.....

MR. SCHAEFER: Well, the commitments basically are the major capital program which is \$4,700,000.00. That does include for instance, an item that we're contractually obligated for and that is for the storage facility at the Helotes station which is to serve San Antonio Ranch. That's in the bond issue. That's correct and we're contractually obligated because the City put us in that position. Again, we're not taking the position on San Antonio Ranch. We're merely saying that because of the position that the previous Council or Councils has taken, this is a legality. We're legally bound to do that.

DR. NIELSEN: Well, it seems to me - do you have any problem understanding that within, roughly between a 16 or 17 percent there would be a \$9 million bonding capacity?

MR. SCHAEFER: I would have to ask Mr. Shields on that, our comptroller. John, do you have any comment on that?

MR. SHIELDS: That's what City Staff has provided us. I made some compensations, that without any safety factor at all with the 17% increase, we could possibly issue \$9 million worth of bonds.

DR. NIELSEN: Just one more thing, John - Okay, if that's the case, then what are these commitments that would not permit us within \$9 million worth of bonds to say we want a million dollars worth of annual replacement. I just don't understand where we'd be so locked in - and I'm not arguing with you, I'm just asking you - why are we so locked in that we couldn't make - that you and the City Council couldn't make that determination. I just don't understand it.

MR. SCHAEFER: Well, there are certain items that are absolute necessities. There is 4.7 million that we have for storage facilities for pumpage and so forth. Now, in the current budget we do have a moderate program for main replacements, 1.4 million. Of course, we can continue this. It's not that there is nothing there, but in the budget which you were presented in June, the \$9 million in bonding at that time was entirely taken up with specified projects. I don't want to take the time to go into these item by item but those are committed. The main replacement and the surface water we had at that time \$9 million set aside for land acquisitions at Applewhite. We have changed that because of the fact that we have concluded a contract with GBRA and we feel that that takes priority. So if you'll go back to the green book that you were presented in June you will see where the \$9 million is committed, and it does not include main replacements.

DR. NIELSEN: But since you in this proposal have done some reallocation in terms of now including some annual replacements what to say this Council cannot in discussion with you on a \$9 million issue to do the same thing.

MR. SCHAEFER: Well, I've had this discussion with staff and they've convinced me that these items are priority items.

DR. NIELSEN: You've got 4.7 in major capital programs out of a \$9 million bond issue. That still leaves you 4.3.

MR. SCHAEFER: Well, the 4.3 is taken care of. If you'll turn to page 37 in the report you'll find a line by line item. I'll be happy - I have the report here, and I'll be happy to go over the - them. I don't want to leave you the impression that there's 4.3 floating because it's not floating. It's tied down. But again, in the essence of time and if it's Mayor Teniente's request, I'll be happy to go into it line item by line item, or at your request, Dr. Nielsen.

REV. BLACK: Let me just raise this question because we could find ourselves ahead of ourselves. Now, actually I don't know that were debating the 30 over the 17 at this time. Actually what we've been debating is the 17 between September 1 and March 1. That's what we're really debating at this time. Then at March 1, we will then make a decision and that decision could be 30 percent and it could be more depending on the decision. Now, the question I wanted to raise with you. In what way

would that interim period affect the decisions of your board?

MR. SCHAEFER: Well, Mr. Shields could give you the consequences that are actually tied in to what they call the backward coverage on bonding. If we were to receive less than the staff recommendation of 26 percent, we would not have the option come May to fund the items that we're talking about here because of backward coverage. John Shields can explain this in more detail but it's a matter that you have to go by what you did do in the previous period. We would be locked in at that point, and that's what I'm trying to impress upon this Council, is that we're not making a commitment at this time to spending funds. What we're asking is to have the rate structure to allow you and the Water Board the viability of deciding which priority we're going to have. If we decide that we want these things in May, and we don't have the rate structure to support it, it's a moot question.

MAYOR PRO-TEM TENIENTE: Okay, thank you. Glen Hartman has asked a question and then I must insist that we go into the Citizens to be Heard.

MR. HARTMAN: My only point I want to raise is the matter of backward tests and again we all know the backward test which is the two-year backward test pertaining to bonding - coverage. This is the matter that can be recouped albeit there would have to be a higher percentage. But the point is that the whole matter of backward test relates to revenue, right? Then why in the world can we not recoup that by virtue revenue funds?

MR. SCHAEFER: Mr. Hartman, we cannot recoup what is already passed. We cannot change the revenue that we received back, if we start back April 30 of this year going back twelve months we can never change those figures. They are set in concrete. We have to have two years backward coverage. You can change the forward ones, the ones in the next 6 months or the next 8 months. You cannot change, though, what has already transpired.

MR. HARTMAN: Let me use a simple parallelism because - because my simple mind tracks that sort of thing better.

MR. HARTMAN: If we're filling a can of water, and you fill it at a certain low rate for the first two minutes, and you still want to get the whole can filled in five minutes, you can just fill it fast during the last three, isn't that exactly what we're talking about here.

MR. SHIELDS: If you had an empty can on April 30, 1975, and that can has now been destroyed you can no longer.....

MR. HARTMAN: We are not destroying cans.

MAYOR PRO-TEM TENIENTE: I think we can "can" this discussion right quick, and bring in the citizens if we can, folks. I'd like to call, and I'm going down on the list here, page 1.

MR. SCHAEFER: May I, in closing, make one remark. There have been statements to the fact that I might personally benefit from the bonding or the placement of mains and otherwise. I would like to state to this Council that not only have I never benefitted from any main extension made by the Water Board, but there is not one item in the proposed budget, in the proposed capital improvements that would touch or enhance any property that I own. I want to make that very clear publicly. If anyone says otherwise, they're going to have to prove it.

MAYOR PRO-TEM TENIENTE: We'll call on Mr. Langley, representing the Greater San Antonio Chamber of Commerce, who is the first man on the list.

MR. RALPH LANGLEY: Good morning. I'm going to try to keep my own time and stay within the five minutes. Mayor Teniente, and Members of the Council, my name is Ralph Langley. My address is 1655 Frost Bank Tower. I'm Vice President of the Board of the Greater San Antonio Chamber of Commerce, which is an organization consisting of more than 3,000 business and professional people that are dedicated to the maximum development of San Antonio and South Texas. I thought last night in reviewing all of this mass of material, and I'm sure you all have reviewed much more and have been over more than I have. But I thought back about Alice in Wonderland, and what Lewis Carroll said, when Alice bumped into the Cheshire Cat and she said, "Would you tell me please which way I ought to go from here?" And the cat replied, "That depends a good deal where you want to get to." And I think that this probably is the guideline here this morning, where you want to get to. In talking in terms of the importance of what happens in the next six months, I commend to you what to me is the key and pivotal document. It happens to have come from your own staff addressed to the City Manager under date of August 25, 1975, from the Public Works Special Project Section. It explains very vividly and very carefully the consequences of a delay in meeting the requirements that are before you at the present time, and you would be faced if you do that with the unhappy prospect of having to increase the rate to more than 30 per cent at that time if you expect to keep the bonding capacity where it would be with the rate increase now. The current City Water Board request for a rate increase has generated more public interest than almost any issue we have observed in San Antonio in a long time. We think that increased citizen involvement in the affairs of government is a healthy sign. Many people have asked why the Chamber is so interested in the City Water Board rate increase. An abundant supply of water and energy are two of the most crucial growth factors for any community. The financial health of the City Water Board in terms of adequate rates and bonding capacity cannot help but determine the overall status of the San Antonio Water System.

Our chief concern is that San Antonio begin investing in a surface water supply to supplement the Edwards Aquifer. We concur with the Council in congratulating the City Water Board on the success of their negotiations with the Guadalupe/Blanco River Authority. A portion of the needed rate increase will pay for storage of 30,000 acre feet in Canyon Reservoir. In order to attract business and industry to bring more jobs to San Antonio, we must have an adequate and abundant water supply. We cannot overemphasize the enormity and intensity of competition among American cities to attract outside industries. It is also vital that industrial prospects see some of our water resources. San Antonians tend to take the Edwards Aquifer for granted, but it remains a complete mystery to outsiders, and maybe to some of us. The 30,000 acre feet in Canyon Reservoir only amounts to about 1/5 of San Antonio's current annual usage and our per capita consumption is increasing rapidly. It is imperative that we plan for surface water development carefully. Lead time for reservoirs requires five to ten years. Even after a reservoir is constructed, drought conditions could delay availability of water for several years. We cannot wait until the surface water is required before we begin construction. By beginning to pay some of our surface water development costs today, we can reduce the impact of the expense on the community.

In July, the City Water Board forwarded to this Council a request for a 30 percent rate increase. Since that time several developments have taken place. Our annual cost for Canyon Water will be \$990,000 rather than \$1,700,000. At the same time, City Water Board's deficit in revenues has risen over \$900,000, and it may exceed \$300,000 by the end of the year. The impact of a rate increase on low rate users will be light. Twenty percent of all City Water Board customers are minimum users. A 30 percent rate increase would only amount to 53 cents per month for minimum users. A 30 percent rate increase would still leave San Antonio with the lowest cost of water of any major City in the State except El Paso.

Members of the Council, we commend to you the rate increase and we commend to you the idea that delay in facing up to this can only tend to increase and multiply the problem in the intervening months. I'll be glad to try to answer any questions. Thank you so much.

MAYOR PRO-TEM TENIENTE: Thank you.

MR. KARL WURZ: This is a letter from the United States Environmental Protection Agency to me, Karl Wurz, at 820 Florida Street. It reads:

"Dear Mr. Wurz:

As requested in your letter of August 12, 1975, we are returning the original of the statement you submitted at the June 4, 1975, hearing on the Edwards Aquifer. Please contact me should you have further questions.

Sincerely yours,

Diana Dutton,
Acting Regional Council"

August 28, 1975
nsr

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There were eight pages that I submitted, and I'm asking that these nine pages now be entered into today's record. Though our drinking water is pure and fresh, the City Water Board can't take credit for it. City Water Board's ideas aren't fresh, and innovation, in fact, is not fresh. It could be compared to a stagnant pond. For example, they have never suggested recovering the water discharged from the Springs and pumping it back to San Antonio. Instead they want to mix polluted surface water with our pure drinking water. They have never suggested using surface water for purposes such as ranch, agriculture, industry, and some other commercial uses. It continues to plan in favor of urban sprawl especially in the direction of the sensitive recharge zone. It continues to insist it doesn't subsidize the developers. It persists in charging higher rates to low users and lower rates to high users. They insist that the high user is subsidizing the low user, I doubt it. This is a very questionable practice. Before charging higher rates, the City Water Board should change its evil ways and revise its rates so that everyone is treated equally and fairly. They can do this by charging a flat rate. Until they begin charging a flat rate, I am unalterably opposed to any increase. It is reported a 17 percent increase will be given to the City Water Board - will it, in effect, turn out to be 17 percent and only 17 percent, or will we be subjected to another CPS type of rate hike. In terms of dollars and cents, it could very well be much more than we are expected to believe. Therefore, I ask you not to grant the increase. Thank you.

MAYOR PRO-TEM TENIENTE: Mr. Andres Sarabia.

MR. ANDRES SARABIA: My name is Andres Sarabia. I'm the President of the Communities Organized for Public Service. We represent approximately 30 neighborhoods which runs into the tens of thousands of members. I'd like to make sure that the amplifiers are on in the auditorium and conference room because we have an overflow crowd of people over there. They are the ones responsible for the actions that we are going through today, and it's their privilege to hear what's going on here today, since they are the concerned taxpayers of San Antonio.

MAYOR PRO-TEM TENIENTE: I have been assured that they are.

MR. SARABIA: Can you hear out there? First of all, I'd like to say that the first time since I've ever met Mr. John Schaefer that I finally agreed with something he said. He said this is nothing new. We've been hearing the same story since June, or July, whenever it was we started going to the Water Board. It's the same old shell game. The only difference between June and August, is that the numbers have changed. He still, to me, it's an insult the way he stood up here and talked to you, gentlemen, who, you, gentlemen, have to make a decision that's going to affect all the citizens of San Antonio. I want to compliment you for allowing yourselves to put up with that type of presentation, but you did it, and I think you should be congratulated for that. Now, the position of the COPS organization is that a rate increase of more than 17 percent would be a complete sell out of the rate and taxpayers of the City to developers' interests. And let's not kid ourselves, we're not playing games here. This is it. The lines are drawn as per the hearing yesterday, and per the hearing this morning. These developers such as Cliff Morton, John Schaefer, Lloyd Denton, Quincy Lee, and others have purchased tracts of land outside the City limits of San Antonio and are forcing the utilities to extend approach and trunk mains, build pumping stations, water storage facilities in order to force the current rate payers of the City Water Board to pay for their costly land speculations. The current City Council has a

responsibility to thoroughly review the main extension policies of the City Water Board to determine whether it is in the best interests of the current rate payers to pay for costly subdivision development outside the City limits. Yet, one point must be made clear. COPS is not opposed to development outside the City limits. But it is clear that those who want such development should be forced to pay for the costly main extension, pumping stations, and water storage facilities. The current policies of the City Water Board include the donation of all on site materials, which is clearly a ripoff to the ratepayers. The current administrator of the Water Board, Mr. Robert Van Dyke, admitted in 1973 that these policies would cost the City Water Board a minimum of \$2.5 million per year. At this point the impact of these policies are not being felt due to the recession in the home-building industry, but clearly they will deplete the already strained cash position of the City Water Board. Yet the most insidious policy is that which allows the subsidy of approach mains outside the City limits. This policy has cost the rate payers of the City Water Board millions of dollars in the past years. Clearly, the Council has the responsibilities to review these policies to maintain effective service to the current rate payers of the City Water Board. It is your responsibility to set priorities and not the responsibility of the City Water Board.

In regards to the inner City main replacements, that's your decision, that's your priority. If you all in majority decide, that's your priority, that's what it shall be. Any increase more than 17 percent would prejudice the policy deliberations in such a way to demonstrate that this Council has sold out to the Cliff Mortons, to the Lloyd Dentons, to the Ray Ellisons, and to the Quincy Lees. Now, Mr. Schaefer has pointed out, talked about 18 million dollars of bonds. They really need nine. He keeps telling you give me a blank check, and I'll spend it the way I want. Just give it to me. After these meetings, I've had with several of you and in talking to you in discussions, I know you're not going to fall for that. You're intelligent men, and are truly concerned with the future of the City of San Antonio. I know that you will really, really work hard on this as many of you have, particularly the Committee, and your proposal certainly reflects that. And for your work, for the work of the Committee, Mr. Hartman, Dr. Nielsen, and Mr. Pyndus and Mr. Cisneros, COPS would like to congratulate you on the work you have done. Thank you.

MAYOR PRO-TEM TENIENTE: Thank you.

MR. ROBERT BILLA: Mr. Sarabia, I have a question. I asked Father Benavides the first figure I heard that the COPS and expertise said that the City Water Board only needed a seven percent rate increase, and now you come back and say that 17 is acceptable to you. That's ten percent more than you all stated at the Water Board meeting.

MR. SARABIA: Well, if you talk about - if you want to relate it to the shortfall that the Water Board has been talking about - that started out with a few hundred thousand dollars, and now it's up to \$1.1 million, so I think the logic is probably the same. With the seven percent figure that's in the report, initially came out of City Staff, and Father Benavides can confirm that. We, too, have our staff, and I, too, defer to my staff just as Mr. Schaefer does.

MR. BILLA: One other question, I'd like to ask, if I may. Who collects the revenues from the water? You say the developers get these on site mains free, the supplies and who collects the revenues for that water?

FATHER AL BENAVIDES: Well, the question is we would collect the rates whether we give them or not, why not let the private homeowner pay for them, and we collect the rates anyway.

MR. BILLA: I have another question for you then.....

FATHER BENAVIDES: Many cities do it that way, many cities do it. Now, you got to look at the reason why they give the on site mains. They say they give the on site mains for as an incentive to within City development. Mr. Schaefer pointed out to me what a great incentive that was, and I asked him then why do you develop Lakeside outside of the City limits, if it's such a great incentive, and he told me because there are many other factors, and that's what we're saying. There's so many other factors that on site mains is no longer an incentive, and why should we continue to put out the money for a policy that is no longer an incentive and is just costing us. That's what we're saying, it's not an incentive in proportion to growth and that's the rationale for it, and if the rationale is no longer effective, why maintain the policy?

MAYOR PRO-TEM TENIENTE: I think you had another question, Mr. Billa.

MR. BILLA: I'd like to ask another question. I mean all these people that are in here advocates of, you know, of lots of government spending, and yet the people some probably employed by City Water Board, where do you expect that these wage increases these people are demanding are going to come from, I mean without increasing the rates?

MR. SARABIA: Sir, that would depend on the priority of the City Council, don't you believe? I mean if you really are that concerned about these people, we're all for it, but I'm concerned is where you're going to get the money from?

MR. BILLA: A rate increase effects me too.....

MR. SARABIA: I mean one thing that you can do is change the Water Board policy where we don't have to pay for these pumping stations, and extend the services outside the City limits and use the money to give people pay raises inside the City limits. If you figure it out - you certainly don't need a 30 percent rate increase to give the Water Board employees a pay raise.....

MR. BILLA: That's not the only factor, Mr. Sarabia, in there.

MAYOR PRO-TEM TENIENTE: Do you have a question, Mr. Pyndus?

MR. PHIL PYNDUS: Only one. As you know, I've worked intensively with the Committee in regards to the water rates, and you made one statement, Mr. Sarabia, you said that the Water Board did not need \$18 million that they needed \$9 million for their bond improvements, and I wonder how you arrived at that figure?

MR. SARABIA: Okay. It happens that was the figure for the interim period. In other words, we very much support the addendum two that supplies replacement of 200,000 linear feet, it's even more than that. But we support the replacement of those mains. There are three east side areas, two west side areas, and one central city area. We support the allocation of a four percent rate increase in order to give them the coverage to borrow \$9 million in bonds precisely for that project, and we're saying we support that during the interim period as a priority that we feel is important and that we feel should be included so as to replace those mains within the central city of San Antonio.

MR. PYNDUS: You're talking about the interim period? Fine because it just may be that we do need \$18 million, and I think in the long range, and that should be part of that.

MR. ANDRES SARABIA: Right, we may, but we're just \$9 million interim.

MAYOR PRO-TEM TENIENTE: Any other questions?

MR. SARABIA: I'd like to add one point. If you don't replace those mains, you're going to have to set up a centennial celebration for the water mains, because it's almost 100 years in some cases, right?

MAYOR PRO-TEM TENIENTE: We'll get Uncle Sam there to.....

MR. AL RORDE: I'm going to drown before the day is over with.

MRS. BEATRICE GALLEGOS: Mayor Teniente, Council members, my name is Beatrice Gallegos, Area Vice President of St. James-Palm Heights Area for the Communities Organized for Public Service. According to our research in October, 1973, Mr. Van Dyke wrote a report to the City Council where he stated that if the City Water Board followed a policy that the developers wanted which consists of refunding the on site mains at 100 percent of their cost, which was estimated at \$300 per lot for the cost of the on site mains, and it - that would have required that \$3,600,000 be absorbed by the City Water Board to handle such increasing costs would have required a 30 percent rate increase. It is also our understanding that the Texas Supreme Court ruled against the developers when they tried to force the courts to make the City Water Board refund the developers for 100 percent of the cost for the on site mains. The court said, stated very clear, in a very clear language, that such a policy would take the rate-making power away from the City Water Board and give it to the developers. At any time and every time a developer builds a subdivision, he would be entitled free on site mains. Since the developers could not win in the courts, and since then the City Council would not give them their way, John Schaefer and other developers put out thousands of dollars in a Morton/Becker cronies campaign. As if by magic, one of the Becker's members introduced a motion to increase the water rate by 25 percent from what they were in 1972. John Schaefer was appointed Chairperson of the City Water Board. He, Becker and his cronies made up the majority and they changed the policy of the City Water Board to give the on site water mains free of charge. Now, this is a ripoff. The position of the COPS organization is that a rate increase of more than 17 percent would be a complete sell out of the rates and taxpayers of the City of San Antonio to the developers' interests. Thank you.

MAYOR PRO-TEM TENIENTE: Thank you. Mr. Ramon Castillo.

MR. RAMON CASTILLO: My name is Ramon Castillo, Co-Chairman of the Communities Organized for Public Service, City Water Board Action Committee. We object to subsidizing developers for approach mains and on site mains. We find it completely objectionable to subsidize developers for approach mains and on site mains outside City limits. We feel that subsidizing developers for an on site main within the City limits does not provide incentives at all. Cliff Morton and John Schaefer, Chairman of the City Water Board, developed Lakeside outside of the City limits. If this is a great incentive, why don't they develop inside the City limits. If you look at the list of those developers, Quincy Lee, Uptmore, Cliff Morton, who...inaudible...on site mains, subsidizes inside the City limits. It's the same guys who develop outside the City limits. We want a firm commitment that the refund to the developers policy, city development water fund, will be reviewed and revised. Will you make that commitment, Mr. Teniente?

MR. TENIENTE: I have not heard all of the reports, and I don't know what else is coming. So, I cannot at this point...

MR. CASTILLO: Will you make this commitment after you hear the rest of the report, sir?

MR. TENIENTE: I don't know. I don't know what else is coming. I'm going to listen to everyone, and at this point I'm open for suggestions, and have not firmed up my mind.

MR. CASTILLO: All right, sir, very well sir. Then, I will come back and ask you the same question. Thank you very much.

MR. TENIENTE: Janette Ploch.

MS. JANETTE PLOCH: Mayor Teniente and members of Council, my name is Janette Ploch. I live at 743 Pickwell. It's on the southeast part of town. I'm a neighbor of Mr. Bob Billa. I'm representing the southeast part of town on this water issue. We are against anything more than a 17 per cent increase. Every time there has been money allocated for the City, it doesn't go south, it goes north. We are in bad need for money to go ahead and take of properties that are already developed on the southeast part of town instead of building further out and further out. We need to fix what we have. And you can ask Mr. Billa, water runs into his yard too.

MR. BILLA: Well, I don't have that problem. I really don't have that problem, and I haven't had any problem with my water pressure...

MS. PLOCH: Your neighbors across the street had some about a month ago on Sunday. Across the street it was over the curb, sir, on a Sunday about 10:30 A. M.

MR. BILLA: That was when I was out of town. It missed my house.

MS. PLOCH: Maybe you weren't in town, but the neighbors were sweeping.

MR. BILLA: I think that in my precinct, I beat my opponent by 6 to 1, so that's just reflected what citizens out there think of me.

MS. PLOCH: That's the first term.

MR. BILLA: Five to one anyway.

MR. TENIENTE: That's before you voted on the water.

MR. PYNDUS: I think we should stick with the water issue.

MR. BILLA: I would like to make a comment right now, if I may. I appreciate the stand that you people take in coming here and Miss Ploch's a neighbor of mine. Miss Ploch, of course, paid for her paving, her streets, and all when she bought her house. So, now a lot of people come in here and they want revenue funds to pave their streets, to curb them, to put in sidewalks, and I don't understand the logic. You make these demands on public funds, and yet, here we're dealing with a very vital question. Whether this City is going to have water or not, and good water and good water service. We're arguing about somebody paying \$3.00 a month for water service, or \$4.00 or \$5.00 that has no objection to paying that much for a fifth of whiskey or a case of beer. Now, I'm not saying that you do.

FATHER BENAVIDES: Why should you ask for \$1.00 increase when it goes to developers and nothing more.

MR. BILLA: Well, I'm not absolutely sure of that myself, Father.

FATHER BENAVIDES: The issue is water, I thought.

MR. BILLA: That's precisely right. I'm just trying to equate them. Thank you.

MR. TENIENTE: Thank you, Mr. Billa. Let's move on. I'm sorry. No madam, you may not be heard at this moment. I'm sorry you are out of order. Well, I'm sorry, madam, if you had signed up, you certainly could have been heard. I'm sorry. Carmen Badillo. You can be heard at the end of the list, but we're taking them in order.

CARMEN BADILLO: Council people, I'm Carmen Badillo, representing the Edgewood area, St. Martin de Porres Church. We have twice the problems that the rest of the inner City has. We need drainage, we need streets, we need curbs, we need everything out there twice. We are thinking what is the Council doing to help us over here. We are thinking who are you responsible to? We are thinking what is happening to the inner City? Why are you going outside? Why can't you take care of what's inside first? We are thinking we can do without electricity, we can do without gas, we can do without everything, but we cannot do without water. And we are thinking, who are you responsible to? Are you responsible to the inner City? Are you responsible to outside the City limits?

MR. BILLA: All the citizens, I believe.

MRS. BADILLO: All the citizens inside the City limits? Or outside the City limits?

MR. BILLA: All the citizens inside the City.

MR. TENIENTE: We now have Mr. Watson. I think we understand, and I think it's precious that we can have our dialogue here and have the Council listen to the citizens that are presenting their views. I really, as much as people may disagree, I really appreciate the citizens coming in.

MR. WILLIAM WATSON: With that, I feel like a Christian in the Roman days.

FATHER BENAVIDES: You feel like a Christian?

MR. BILLA: He probably is one, Father.

MR. WATSON: Mr. Mayor, members of the Council, I'm Bill Watson, President of the Greater San Antonio Builders Association.

MR. ROHDE: Let's respect his time, gentlemen and ladies.

MR. WATSON: I would like to first point out the mis-conception that I've been hearing all morning and for the last three months that developers are being subsidized for Water Board mains. That went out back in 1962 when the refund contracts to developers were eliminated. The developer pays for his on site mains. It's only since February of this year that the Water Board has granted free materials to developers but the developers still provide the labor. The developer does not receive the rate income from those mains. It goes to the City Water Board. These new mains require very little maintenance. They're new. The Water Board seldom has to go out and repair one. They're put in under their inspection and an inspection of the Civil Engineers representing the development. They're built well, they're built better than the mains were many years ago. Therefore, the money that is generated from these new mains goes to take care of the older mains and the replacement of those mains. The City Water Board will recover the costs of the materials that they would give a developer within a very short time, a matter of a couple of years. Outside the City limits, the developer pays for 100 per cent of the mains. He doesn't get anything from the City Water Board. When he finishes them, they're accepted, they're chlorinated, and then he gives them to the City Water Board for them to collect the income from those mains. Since we're talking about subsidies, it is a proven fact that the minimum rate user is subsidized 38 per cent. And this subsidy can only come because new mains are not requiring the maintenance plus their use is much larger because these people are putting in new yards, they water more, and in all probability, they have more water using fixtures in the home.

Let's talk about City growth and jobs. Wouldn't it be something if this City Council or not this City Council but the City Councils several years ago had said to the Water Board, no you can't extend mains to the UTSA site, or the medical center site, or the USAA, the major employers of this City. Where would these people go? This City is, this City Council is on record as being in favor of economic development of this City and in recruitment of new industry, and I commend you for that. I commend you for what you did last week in bringing in the Baker Line Company. These people will employ some of the people that are maybe in this audience that cannot find a job right now. And that's what we need. We need to put the people to work. It's also a known fact that the more customers the City Water Board can put on a line, on an approach main, or a trunk main, the more revenues they're going to generate. So, let's keep the City going and fill these mains up and get in use.

I challenge the statement that was made earlier in this Council session that if a major corporation requires a 30 per cent increase in rates, then there must be something wrong with the management. Since February of this year the City Council has increased the sewer fee that a developer pays for the use of City sewer mains, 100 per cent. Just recently in the last sixty days, this Council upped the building permit fees to builders and developers forty per cent. Now, we're only talking about 30 per cent on the Water Board rate increase. Then, you ask why houses cost more in San Antonio than they do in Houston and Dallas. The Greater San Antonio Builders Association supports the 30 per cent rate increase proposed by the City Water Board, and we ask who is in a better position to determine what funds are needed than the people who have to work and manage the system on a day-to-day basis. It is inconceivable to me to let the most efficient water works in the country to become one of the most inefficient just because you will not approve a rate structure to enable them to continue to operate in an efficient manner. Thank you for your time.

MAYOR PRO-TEM TENIENTE: Thank you, Mr. Watson. Any questions?
Father Benavides is next.

FATHER ALBERT BENAVIDES: What we really wonder at this point, members of the City Council, is just who are we listening to. Yesterday at the Planning and Zoning Commission, you had a number of men, Mr. Cliff Morton, Mr. Charles Becker, Mr. Watson, spoke at that time and today we have Mr. Watson, we have Mr. John Schaefer, and they're all saying the same thing, they're all like peas in a pod, and I wonder, who are you listening to when you listen to John Schaefer. Are you really listening to the City Water Board and the interests of the rate payers of San Antonio? If so, then why do his comments parallel the Homebuilders' Association and not the citizens of San Antonio. We really - I've never seen such contempt for the City and the City Council and the City departments as exhibited by these men. Yesterday, Mr. Cliff Morton throws a study put out by the Planning Department into the trash can and tells the City you ought to fire all of them. That's how much contempt he has for the wisdom that you exhibited in hiring these men. Today you have Mr. John Schaefer telling you you don't have any choices. I say what choice do you have. You don't have the choice of determining growth. You don't have the choice of determining rates, and you don't have the choice of determining what's best for the citizens of San Antonio. The only choices you have are the ones I give you, and again, we ask who is running San Antonio? Why should these men feel that they have so much power that that has to be looked at and looked at very, very carefully.

We support the recommendations of Mr. Hartman's Committee. We didn't want 17 percent and some other members of the Committee didn't want 17 percent, but we sat down and in the spirit of cooperation we worked out something that all of us could live with and bring it here to this Council. It was that spirit of cooperation, that willingness to work with one another in a way beneficial to all of the citizens, I think, that brought about that report. That's why we support it even though what we wanted was 7 percent, because we thought that was sufficient. We entered into the same spirit of cooperation and discussion that the members of the Committee did and because of that we arrived at this figure. But what we consider critical are the revision of policy questions. What we wanted from that Committee and what we want from this Council is a firm commitment that the policy question that we have brought up will be reviewed and will be revised because those are the ones that are far more critical. If we continue the refund to developer policy and the community water development fund which pays for approach mains outside of the City limits, I do not in any way whatsoever can find justification for the rationale for paying for approach mains outside the City limits. They have done it to the tune of close to \$3 million, and I don't see how that can be justified at all.

The on site mains is not the incentive that is highly told to be, and if it isn't then why do we continue spending that money. Right now, who is determining how San Antonio grows? Growth is a very critical area that should be determined by all of those in positions of responsibility in San Antonio. But right now a developer goes to the City Water Board, if his plat is approved then where the main extension goes, that's where the growth goes. We say that when you look at growth and when you look at development there are many other things you need to look at to determine that that growth is beneficial to the City of San Antonio. That's not the prerogative of the Greater San Antonio Homebuilders Association, not the prerogative of Mr. John Schaefer, that's the prerogative of this City Council. We're going to be here to make sure that you address yourselves to that prerogative in a way that's beneficial to all of us who live within the City limits and have to subsidize growth outside of the City limits. These are the things that are critical, and we need a commitment that these are the things that you will look at.

We are wondering when are you going to vote on this increase? Will it be today or will it be later on?

MAYOR PRO-TEM TENIENTE: I doubt very much that it will be today,

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but we haven't finished hearing the citizens and I imagine when we do finish hearing the citizens, we will discuss it amongst us openly here and then decide.

FATHER BENAVIDES: Can we get that firm commitment that these policy questions that we have brought up, and we do feel that there are more policy questions. When we talk about surface water, you're reversing the tables of those who pay, of those who use more should pay less because we're paying so much more for development of surface water. Are these the types of things that this Council is going to look at? Are they going to be willing to take firm steps in regards to rates and development and that type of thing?

MAYOR PRO-TEM TENIENTE: The citizens, the Councilmen, that worked on the Committee with Mr. Hartman have more or less addressed themselves to basically what you're saying. Those citizens have already addressed and supported that and I'm sure that the rest of us are going to certainly look into the report and study it and certainly revise policies or review the policies and I can't speak for them, but I believe

FATHER BENAVIDES: Well, what about yourself?

MAYOR PRO-TEM TENIENTE: Yes, I'm going to work with Mr. Hartman on this. I've told him, however, the questions that are being brought out today and the information is such that it's going to take a while for me to study it and review it,

MR. ROHDE: Father, I had a two hour meeting with Mr. Hartman, day before yesterday because I was concerned with him. He's my Councilman, too, and I know he's been on top of this. I left there still undecided because I asked the question why? Why this and why that? But nobody has brought up why we don't worry about who pays for the gas line that brings gas to outside the City. Nobody's brought up why we put in the electrical lines, and they haven't been challenged. Why all of a sudden the \$4.5 million for the Urban Renewal area which is in the inner City and what not, these questions have not been addressed themselves to.

FATHER BENAVIDES: We feel very strongly that they should be addressed, but because we brought up the water doesn't mean that you can't address the other questions.

MR. ROHDE: Yes, but I have to make a decision. I'm showing you that I'm not a captured vote for anybody. I'm here for all the citizens.

FATHER BENAVIDES: But at the same time don't think that anyone is picking on the City Water Board, but look at the issues as they stand and decided on that.

MR. ROHDE: Father, I even asked him here about the minimum water rates because they're running at a loss now, and is this City really subsidizing, and I'm convinced that they are, and should they not be raised?

MR. SARABIA: Mr. Rohde, I'd like to address your question. When you talk about the electric, gas, telephone, and so on, police, fire, and all the other services that you have to extend into these new areas

MR. ROHDE: Well, I wanted to keep it in two areas.....

MR. SARABIA: Well, no, you brought it up.

MR. ROHDE: No, wait a minute please, I didn't bring up telephone rates.

MR. SARABIA: You brought up the other factors that are involved in here. Here we came focusing on water, water is a prerequisite. Once you get the water there, then the gas follows, then the electricity follows, the telephone follows, the police follows, the fire follows, the libraries follow, the roads follow, the highway

follows. Mr. Billa is talking about government funds. Who's going to pay for all that stuff?

MR. ROHDE: I disagree with you because you can dig a well and get your water, but you can't get your electricity.

MR. SARABIA: Not everywhere. Only the developers can.

DR. NIELSEN: Just a moment, Andy, I'm not going to get in an argument because this is really - the concern that water is all that critical is only partially correct. It is a composite of services that goes to making any kind of livable community. Water is not always the first or foremost consideration. In some cases it's natural gas, in some cases it's roads. To put anything as absolutely first priority, we know that that doesn't work.

MR. SARABIA: The common denominator sir, is that the taxpayers pay for all of this stuff.

DR. NIELSEN: Sure.

MR. SARABIA: That's the common denominator.

DR. NIELSEN: But somebody was trying to indicate that water was always first, it's not.

MR. SARABIA: You can live without gas but you can't live without water. That's why we pay.....

MAYOR PRO-TEM TENIENTE: All right, any other questions to Father Benavides? Charlie Atkinson.

MR. CHARLIE ATKINSON: My name is Charlie Atkinson. As my views are the same as Father Benavides on this issue, I'd like to yield my five minutes to him.

FATHER BENAVIDES: What we would like to have a clear indication of Mr. Teniente, is when the voting will actually come. We would like to get the assurance that it will either come today or will not come today.

MAYOR PRO-TEM TENIENTE: No, I'm going to make sure that Mrs. Cockrell gets a copy of all the things that we have discussed today and she can set a time.

FATHER BENAVIDES: So, you will wait until her arrival before you vote on it?

MAYOR PRO-TEM TENIENTE: Oh, yes, I definitely will because I think it's such an important matter that I think that it requires all Council participation.

FATHER BENAVIDES: All right, is that the opinion of the Council at large?

MR. ROHDE: I also make the motion if that will convince you.

FATHER BENAVIDES: That certainly satisfies us.

DR. NIELSEN: We're not through with the hearing yet?

MAYOR PRO-TEM TENIENTE: No, we're not through.

FATHER BENAVIDES: We want to make sure, we don't want to go out to the bathroom

MAYOR PRO-TEM TENIENTE: Nobody's going to pull that. Miss Rowena Rodgers, please.

MISS ROWENA RODGERS: I'm Rowena Rodgers, President of the League of Women Voters, and I live at 2128 Lamanda. The League appreciates the work that's been done by the City Water Board and the City Council

to give the citizens of San Antonio quality water and at an economical rate. Our concern today is to insure that that supply continues for the future. At this time the City has the opportunity to engage in meaningful dialogue about the future shaping of our City using the alternative growth study that was presented by the Planning Community Development Department which admittedly is a beginning to make plans with. It's interesting to note that that growth projected there through 1990 in its study could be contained within the current City limits as have been stated before exclusive of the environmentally sensitive areas, yet some of the proposed water rate hike will be used for extending water lines into the recharge zone thereby encouraging development in an area where there is still a question as to its advisability and we do object to that.

Now, I could not hear Mr. Hartman's - the beginning of Mr. Hartman's initial presentation as to whether or not these extensions into the recharge zone might be included here in the initial 17 percent hike.

MR. HARTMAN: If I could clarify that the 17 percent recommendation of the Committee is to permit bonding capacity of \$9 million. Now, the question I think that was later discussed was with regard to the priority of spending that \$9 million. I think it was pretty much developed that and the consensus of the Committee that the first priority in that regard is of main replacement and I think, surface water, and I think these are priorities that have to rank high. I think the overall matter of capital improvement, however, priorities there - I think to answer your question the 17 percent includes a capability for \$9 million bonding capacity with the main replacements being the first priority in terms of capital improvements.

MISS RODGERS: The extension may or may not be included in that depending on the policy decision made by the Council.

FATHER BENAVIDES: I think the whole question of extension is part of the policy decision we're trying to buy the time for a 6 month period recommended by the Committee.

MISS RODGERS: We would commend you for wanting to set the development patterns and policy and we agree with Representative Gonzalez, also, who made a statement in the June 22 Express where he urged the Council to take their complete work and look at the water needs and the best means of meeting those needs. We would suggest that the Council limit the City Water Board's rate request to the minimum while they do take a look at the long range policy and program.

MAYOR PRO-TEM TENIENTE: Thank you, very much Miss Rodgers. This concludes the list of citizens.....

MR. SARABIA: Mr. Teniente, I would like to thank the Council for allowing us to participate in democratic processes. It's tremendous. I know that regardless of the long hours and heartburns that we all encounter in this type of thing it's a healthy sign if the City of San Antonio can go through what we're going through. COPS feels and knows that because of your commitment to the City and to the entire City particularly within the City limits of San Antonio the decisions to be made by this Council are going to be beneficial to the City of San Antonio and COPS will be around for a while to make sure that the decisions are carried through, policies, the new policies that may come up, the follow-up that must be done to make sure that the money is spent where allocated. We are prepared as an organization to do the follow-up work on this since we did the research to get in the position we're in and again I want to thank you.

MAYOR PRO-TEM TENIENTE: The public hearing is now closed. As was pronounced there will be no action until Mrs. Cockrell returns.

75-51 The meeting recessed for lunch at 12:20 P.M. and reconvened at 2:10 P.M.

* * * *

STEPHAN HARVESTY

Mr. Stephan Harvesty read a prepared statement discussing the City Public Service Board indenture and said that the City Council should go to the CPS bond holders and seek permission to change the indenture so that the City Public Service Board will not be self-perpetuating. (A copy of Mr. Harvesty's statement is included with the papers of this meeting).

MRS. HELEN DUTMER

Mrs. Helen Dutmer, 739 McKinley, said that on September 14th the Southeast Business and Professional Women will sponsor a western dance at the Golden Stallion. She invited Council members to attend.

Mrs. Dutmer said that the recent ordinance requiring 2" painted signs on vehicles parking in loading zones. She said that her company's trucks are leased and they cannot put permanent signs on them. The ordinance needs to be amended so that magnetic or other temporary signs would be acceptable.

Mr. Teniente suggested that four small screws would do the job without damaging the vehicle. He asked that the City staff prepare a memo on truck parking making it clear that the signs on the vehicles do not have to be painted but they can have a permanently affixed sign which can be removed.

Mrs. Dutmer said that she does not agree with Mr. Harvesty's view of City Public Service Board.

CRIME COMMISSION

Mr. Glen Horton, 249 Archimedes Street, asked about a crime commission which he understood is to be set up in San Antonio.

No one on the Council could give any information on the subject.

Mr. Rohde said that there is to be a press conference concerning crime statistics when Mayor Cockrell returns to the City. At that time a program will be announced to combat sharp crime increases in the next 100 days. Nothing concerning a crime commission is involved.

The matter of crime statistics was discussed. Mr. Pyndus said that the City has received very much money in grants to fight crime but that he could see no appreciable results. He asked Mr. Horton to give him a written memo with his ideas concerning a crime commission and police activities.

ANITA LEVINE

Ms. Anita Levine spoke for Ending Smoking in Public Places and asked the Council to post signs in the Council Chamber forbidding smoking.

Mr. Teniente advised Ms. Levine that the matter has been discussed with the Legal Department and that he has written a memo to the City Attorney requesting a review of the state law on this subject.

HENRY MUNOZ, JR.

Mr. Henry Munoz, Jr., Business Manager of Local 2399, urged the Council to pass the ordinance today granting a 5 percent across the board pay increase for City employees.

He spoke of the contracts being let by the City Water Board to outside contractors while at the same time having a job freeze on. He said that the Board should quit contracting and do construction with its own crews. Then employees might not have to be laid off.

CONNIE TRUSS

Mr. Connie Truss said that he is opposed to the City Public Service Board bond issue. He does not like self-perpetuating boards. He said the Council should go to the bondholders.

Mr. Truss complained that it is difficult to get information from the CPS.

MR. PYNDUS: I know that you were making your primary remarks - I was talking to the Manager - and I think they were directed to me, and I was - what was the good news, I missed it.

MR. TRUSS: That we were going to get over there and organize that old operation of yours.

MR. PYNDUS: May I reply to that? You know, I've been on the Council since May 1, and I claim to be my own man. I don't belong to any special interests including your bosses or including the union, or including business. I'm my own man, and I voted that way. But we're joking about something, and I'd like to put it in the record that our company has lost some business from some of our union shops. They have informed me that because of my voting record, Connie, that they would not purchase from our company any more, and we have some fine business relations with some fine union mechanics, and this is the sad thing of public life. But I'd like to state my position as clear and emphatically as I can. That I'll remain my own man, and you're going to have to respect that vote, because I'm voting my conscience, and it means a lot to me, and I will not vote a special interest, and if I'm wrong it's because I missed the target but not because I belong to anybody.

Mr. Rohde spoke in defense of CPS saying that he had obtained materials he had asked for and he felt that the accountability of CPS would open up.

BUD PAYNE

Mr. Bud Payne, representing San Antonio Building Trades, said that he too, has been having trouble getting information concerning wages, hours and working conditions on jobs being built by CPS. He said he just wants to verify that men are paid for the work they perform.

JOHN WASSON

Mr. John Wasson, Research Publications Director for AFL-CIO Council, said that they appreciate the ease of access to information in the City. The CPS, however, has a different policy and restrict access to information. He said that CPS has told him that they are not required to determine job classifications under the prevailing wage.

Mr. Wasson distributed a paper questioning some of the major decisions made by the management of CPS. (A copy of the paper is included with the papers of this meeting).

RAUL RODRIGUEZ

Mr. Raul Rodriguez spoke in opposition to the across the board pay increase for City employees. He said that funds for this should not be taken out of the sewer fund. He would agree to an increase for those making less than \$10,000 per year but not more.

V.O.I.C.E.

Miss Barbara Botorff, Randy Wilmot, and Phillip A. Horn, representing the Valley Hi area urged the Council to purchase a 41.5 acre tract of land in the area for a park. The possibilities of the park have been discussed with the City staff and it is feasible. She asked that funds for the City's share be appropriated out of Revenue Sharing funds and the balance be obtained from the Bureau of Outdoor Recreation.

Mr. Ron Darner, Director of Parks and Recreation, said that his staff is preparing an application for a grant from the Bureau of Outdoor Recreation. It should be ready for Council approval in a week or two.

KARL WURZ

Mr. Karl Wurz, 820 Florida Street, accused the Planning Commission of not acting in the best interest of the average citizen. He said that commission members should be elected to the Commission and then they would be more responsive.

ZONING CASE 5985

Mr. Carlos Fajardo, 242 Sharon Drive, asked to reopen a zoning case which was denied by the City Council last April. It is Case No. 5985. Mr. Fajardo said that the Council denied the case because he could not specify how many cars could be parked off street and the neighbors complained that if a medical clinic were built that cars would be parked on the narrow residential streets. He said that he had had a plot prepared which had the approval of the Traffic Department. On the basis of this he asked the Council to reopen the case and hear it again.

Mr. Camargo said that there is no provision in the zoning ordinance for a rehearing.

City Attorney Crawford Reeder said that the ordinance requires a wait of one year before a case can be reheard.

Mr. Rohde said that other cases had been reopened and he felt this one could be also. He made a motion that Case No. 5985 be reopened by the Council and that a hearing be set within 60 days. The motion was seconded by Dr. Nielsen. On roll call, the motion was defeated by the following vote: AYES: Hartman, Rohde, Nielsen; NAYS: Pyndus, Billa, Cisneros, Black, Teniente; ABSENT: Cockrell.

After further discussion, Mr. Cisneros made a motion that as a matter of policy if this applicant in Case 5985 can show that based on new evidence there is a new ground for agreement between the applicant and the people who opposed him in the first instance the Council would consider reopening the case. The motion was seconded by Mr. Rohde.

Mr. Pyndus moved to amend the motion by requiring that the rehearing be processed through the Planning Commission prior to coming to the Council. The motion to amend died for lack of a second.

On roll call, the motion by Mr. Cisneros was passed by the following vote: AYES: Cisneros, Black, Hartman, Rohde, Nielsen; NAYS: Pyndus, Billa; ABSTAIN: Teniente; ABSENT: Cockrell.

75-51 The following Ordinance was read by the Clerk and explained by Fire Chief I. O. Martinez, and after consideration, on motion of Mr. Rohde, seconded by Mr. Pyndus, was passed and approved by the following vote: AYES: Pyndus, Billa, Black, Hartman, Rohde, Teniente; NAYS: None; ABSENT: Cisneros, Nielsen, Cockrell.

AN ORDINANCE 45,651

MANIFESTING AN AGREEMENT WITH THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT SAN ANTONIO FOR SERVICES IN CONNECTION WITH THE EMERGENCY MEDICAL SERVICES SYSTEM; AND AUTHORIZING PAYMENTS TOTALING \$40,000.00 FOR THE ONE YEAR PERIOD.

* * * *

75-51 The following Ordinances were read by the Clerk and explained by Mr. Tom Raffety, Director of Aviation, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus, Billa, Black, Hartman, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Cisneros, Cockrell.

AN ORDINANCE 45,652

DECLARING TWO (2) STRUCTURES LOCATED AT THE INTERNATIONAL AIRPORT TO BE SURPLUS AND NO LONGER NEEDED FOR AIRPORT OPERATION DUE TO DETERIORATION AND ABOLISCENCE AND AUTHORIZING THE DIRECTOR OF AVIATION TO REMOVE SAID STRUCTURES.

* * * *

AN ORDINANCE 45,653

MANIFESTING AN AGREEMENT WITH INTERNATIONAL DUTY FREE STORES COMPANY TO AMEND AND EXTEND THAT AGREEMENT PROVIDING FOR OPERATION OF A DUTY FREE STORE AT SAN ANTONIO INTERNATIONAL AIRPORT.

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AN ORDINANCE 45,654

MANIFESTING AN AGREEMENT WITH INTERNATIONAL DUTY FREE STORES COMPANY TO AMEND THAT AGREEMENT FOR OPERATION OF A DUTY FREE STORE AT SAN ANTONIO INTERNATIONAL AIRPORT TO INCLUDE AN ADDITIONAL 612 SQUARE FEET OF SPACE.

* * * *

75-51 The Clerk read the following Ordinance:

AN ORDINANCE 45,655

MANIFESTING AN AGREEMENT AMENDING THE CONTRACT WITH CHAPARRAL TRAVEL FOR LIMOUSINE SERVICE AT INTERNATIONAL AIRPORT.

* * * *

The Ordinance was explained by Mr. Tom Raffety, Director of Aviation, who said that Chaparral has a five year contract which started in 1974.

He explained the changes which are set out in the ordinance. He said that the firm's operation has been satisfactory and recommended approval of the ordinance.

Mr. Jack Kaufman, Attorney for the Yellow Cab Company, spoke in opposition to the ordinance. He said that Chaparral Travel Service has received favored treatment. It has operated an illegal taxi service, has failed to live up to its present contract.

He said that three months after being awarded the limousine contract, Chaparral was given an amendment to their contract raising some of the fares. Now they are asking for a rate increase to \$2.75 and the addition of Fort Sam Houston and Kelly Field to the contract. He said that Chaparral had failed to live up to many points in their contract including type of vehicle to use, uniforms for drivers and dispatchers and proper screening of drivers. Mr. Kaufman also said that Chaparral is operating an illegal taxi service off base at Lackland AFB. He asked that Council not allow the fare increase and suggested appointment of a committee to investigate the matter.

Speaking in rebuttal, Mr. Sam Godfrey, owner of Chaparral Travel Service, said that he is in compliance with the contract. He said that he had replaced the yellow limousines with a van type vehicle which is more efficient and carries more passengers. Every six months the entire fleet is phased out. Each employee is now bonded and the company has all employees and their families under health insurance coverage.

Mr. Godfrey said that off base operations out of Lackland have halted. However, General Flynn has asked for off base service at Lackland and in a week or two another ordinance will be before City Council with this request. He said that a rate increase is urgently needed and asked that the Council act favorably today.

Mr. F. B. Mohme, representing Red Ball Cab Company, also spoke in opposition.

After consideration, on motion of Dr. Nielsen, seconded by Rev. Black, the Ordinance was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Nielsen; NAYS: Teniente; ABSENT: Cockrell; ABSTAIN: Hartman, Rohde.

75-51

STUDY OF TAXICAB REGULATIONS

Dr. Nielsen requested that the City Manager and City Attorney review existing ordinances which restrict taxicabs to designated locations. He said that he felt service could be updated.

Rev. Black asked that comparative taxicab rates be studied to determine if San Antonio rates are above the average.

75-51 The following Ordinances were read by the Clerk and explained by Members of the Administrative Staff, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus, Cisneros, Black, Hartman, Rohde, Teniente; NAYS: None; ABSENT: Billa, Nielsen, Cockrell.

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AN ORDINANCE 45,656

ACCEPTING AWARD FROM THE TEXAS STATE LIBRARY OF THE ADDITIONAL AMOUNT OF \$6,078.00 IN THE GRANT TO THE CITY FOR THE 1974/75 INTERLIBRARY COOPERATION PROJECT AND REVISING THE BUDGET OF THE PROJECT FOR EXPENDITURE OF SAID FUNDS.

* * * *

AN ORDINANCE 45,657

APPROPRIATING THE SUM OF \$17,605.00 OUT OF VARIOUS FUNDS, FOR THE PURPOSE OF ACQUIRING TITLE TO CERTAIN LANDS, AND ACCEPTING THE DEDICATION OF EASEMENTS OVER CERTAIN LANDS; ALL TO BE USED IN CONNECTION WITH CERTAIN RIGHT-OF-WAY PROJECTS.

* * * *

75-51 The following Ordinances were read by the Clerk and explained by Mr. W. S. Clark, Director of Land Acquisition and Right-of-Way, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus; Cisneros, Black, Rohde, Teniente; NAYS: None; ABSENT: Billa, Hartman, Nielsen, Cockrell.

AN ORDINANCE 45,658

CLOSING AND ABANDONING A PORTION OF JEWETT STREET ADJACENT TO LOT "A", LOTS 155A THROUGH 161, AND LOTS "H" AND "I" IN NEW CITY BLOCK 8596, AND LOTS 192 THROUGH 198, NEW CITY BLOCK 8600, CITY OF SAN ANTONIO AND DESIGNATING SAID CLOSED PORTION AS PARK PROPERTY NOW KNOWN AS CUELLAR PARK.

* * * *

AN ORDINANCE 45,659

AUTHORIZING THE EXECUTION OF A DEED TO THE STATE OF TEXAS COVERING A TRACT OF LAND LOCATED AT THE SOUTHEAST CORNER OF SAN PEDRO AND MALTSBERGER LANE FOR A CONSIDERATION OF \$275.00, TO BE USED FOR HIGHWAY PURPOSES IN CONNECTION WITH U. S. 281 NORTH FREEWAY.

* * * *

75-51 The following Ordinances were read by the Clerk and explained by Mrs. Jane Macon, Assistant City Attorney, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus, Cisneros, Black, Rohde, Teniente; NAYS: None; ABSENT: Billa, Hartman, Nielsen, Cockrell.

AN ORDINANCE 45,660

AUTHORIZING PAYMENT OF THE SUM OF \$3,000.00 AND ALL COURT COSTS OUT OF FUND NO. 799 IN FULL AND FINAL SETTLEMENT OF PLAINTIFF'S CLAIMS IN DAMAGE SUIT CAUSE NO. 74CI-1614, IN THE 37TH JUDICIAL DISTRICT COURT OF BEXAR COUNTY, TEXAS, STYLED ESTHER C. CARMONA VS. CITY OF SAN ANTONIO, ET AL.

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AN ORDINANCE 45,661

APPROPRIATING \$8,150.00 OUT OF HIGHWAY RIGHT OF WAY BONDS, 1970, FUND NO. 41, SUB-FUND 009, PROJECT 001, AND AUTHORIZING PAYMENT THEREOF AS DIRECTED FOR PROFESSIONAL APPRAISAL SERVICES RENDERED IN ACQUISITION OF RIGHT OF WAY FOR U. S. HIGHWAY 281 NORTH.

* * * *

75-51 The Clerk read the following Ordinance:

AN ORDINANCE 45,662

AWARDING DEPOSITORY CONTRACTS FOR CITY FUNDS.

* * * *

Mr. Carl White, Finance Director, said that this ordinance implements the new procedure with regard to awarding City funds to depositories in San Antonio. There is a previous contract with Frost National Bank covering about 70% of the City's banking requirements and the balance, about \$25 million, is made available to the banking community on a best bid basis. Successful bidders were Bexar County National Bank, Main Bank and Trust, Texas State Bank.

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

75-51 The Clerk read the following Ordinance:

AN ORDINANCE 45,663

AMENDING THE CURRENT BUDGET TO PROVIDE FOR AN ACROSS THE BOARD SALARY INCREASE OF 5% FOR ALL CITY EMPLOYEES EFFECTIVE NOVEMBER 8, 1975, AND APPROPRIATING FUNDS TO PROVIDE FOR SUCH INCREASES.

* * * *

Mr. Pyndus said that all City employees received a six per cent pay increase in October, 1974, and that fact should be kept in mind. He reviewed several categories of employees and said that employees in the lower brackets should receive preference. Each category should be looked at before granting an across the board increase. He asked that the ordinance be withdrawn from consideration for further study.

City Manager Granata said that failure to give supervisory personnel an equal increase would create a morale problem. He strongly recommended an across the board increase.

After a full discussion by all Council members, on motion of Mr. Cisneros, seconded by Mr. Billa, the Ordinance was passed and approved by the following vote: AYES: Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen; NAYS: Pyndus; ABSENT: Cockrell.

Following adoption of the Ordinance, Mr. Pyndus made the following statement for the record:

MR. PYNDUS: I am always between a rock and a hard place. This is something I am really sincere about. I think we are moving too fast on it. I think it is slightly irresponsible and I know it is fiscally irresponsible. I think that the taxpayers are really not getting a square deal from this vote. I would like that to go in the record.

Mr. Rohde called on the Firefighters to withdraw their court suit for a wage increase.

75-51 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: Pyndus, Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Cockrell.

AN ORDINANCE 45,664

ACCEPTING THE LOW BID OF VANGUARD INSTRUMENT CORPORATION TO FURNISH THE CITY OF SAN ANTONIO WITH A PHOTOLOG MOTION ANALYZER PROJECTION HEAD FOR A TOTAL OF \$8,130.00.

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AN ORDINANCE 45,665

ACCEPTING THE LOW QUALIFIED BID OF ALEXANDER FILM SERVICES TO FURNISH THE CITY WITH 35 MILLIMETER PHOTOGRAPHIC FILM PROCESSING AT A PRICE OF \$.104 PER FOOT.

* * * *

AN ORDINANCE 45,666

ACCEPTING THE QUALIFIED BID OF TECHNICON INDUSTRIAL SYSTEMS DIVISION, TECHNICON INSTRUMENTS CORPORATION, TO FURNISH THE CITY OF SAN ANTONIO WITH AN AUTOANALYZER FOR HEMAGGLUTINATION FOR A NET TOTAL OF \$11,293.70.

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AN ORDINANCE 45,667

ACCEPTING THE LOW BID OF GOLDTHWAITE'S OF TEXAS, INC. TO FURNISH THE CITY OF SAN ANTONIO WITH MATERIALS FOR AN AUTOMATIC IRRIGATION SYSTEM FOR A TOTAL OF \$46,780.07, LESS 2% - 10 DAYS.

* * * *

75-51 The following Ordinance was read by the Clerk and explained by Mr. Carl White, Director of Finance, and after consideration, on motion of Dr. Nielsen, seconded by Mr. Billa, was passed and approved by the following vote: AYES: Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen; NAYS: Pyndus; ABSENT: Cockrell.

AN ORDINANCE 45,668

DELETING THE ADMINISTRATIVE FEE FOR UNION DUES PAYROLL DEDUCTIONS.

* * * *

75-51 The following Ordinance was read by the Clerk and explained by Mr. Mel Sueltenfuss, Director of Public Works, and after consideration, on motion of Mr. Cisneros, seconded by Dr. Nielsen, was passed and approved by the following vote: AYES: Pyndus, Cisneros, Black, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Billa, Hartman, Cockrell.

AN ORDINANCE 45,669

ACCEPTING THE LOW BID OF SPURLOCK CONSTRUCTION COMPANY FOR CONSTRUCTION OF METAL ROOF AND GABLES OVER EXISTING FRAMEWORK AT 8313 CADMUS FOR A TOTAL OF \$9,966.00, AUTHORIZING EXECUTION OF A CONTRACT, AND AUTHORIZING PAYMENT FOR THE PROJECT.

* * * *

75-51

COUNCIL PROCEDURE

The Clerk read a proposed ordinance changing the official starting time for Council meetings to 8:30 A. M. each Thursday.

The pros and cons of changing the time were discussed and finally it was generally agreed that present procedures were working all right.

After discussion, Mr. Hartman moved that the starting time for Council meetings remain as is and that the ordinance not be approved. The motion was seconded by Reverend Black and on the following roll call vote the motion was passed and approved: AYES: Pyndus, Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Cockrell.

The Ordinance was not passed.

75-51

The Clerk read the following Ordinance:

AN ORDINANCE 45,670

AMENDING ORDINANCE NO. 38160, PASSED AND APPROVED DECEMBER 11, 1969, TO ESTABLISH A NEW SCHEDULE OF FARES TO BE CHANGED BY THE TRANSIT BOARD OF TRUSTEES OF SAN ANTONIO.

* * * *

579

The Ordinance was explained by Mr. Tom Fuller, Assistant General Manager of the San Antonio Transit System, who said that the reduced fares for the elderly and for the handicapped are provided for by this Ordinance. These changes are required under a contract between the Transit System and the Department of Transportation.

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

75-51

BUS ROUTES

Mayor Pro-Tem Teniente asked Mr. Tom Fuller to investigate a possible change in the bus stop at the Veterans' Hospital. He said that he had discussed with hospital officials a possible location near the main entrance which is well lighted and would be much safer.

Mr. Fuller said he would report on this matter right away.

75-51

The following Ordinance was read by the Clerk and explained by Mr. Ron Darner, Director of Parks and Recreation, and after consideration, on motion of Mr. Rohde, seconded by Dr. Nielsen, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Cockrell.

AN ORDINANCE 45,671

ACCEPTING A TITLE X GRANT FROM THE
ECONOMIC DEVELOPMENT ADMINISTRATION.

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75-51

CITY PUBLIC SERVICE BOARD

Mr. Jack Spruce, Assistant General Manager of the City Public Service Board, invited questions concerning the forthcoming bond issue. He had present with him members of the law firm handling the matter.

There were no comments or questions and City Manager Granata said an ordinance would be on next week's agenda.

Mr. Spruce discussed with the Council the matter of supplying information to union representatives which had been raised by union representatives earlier in the meeting. He said that CPS had attempted to supply all of the information which was correctly public information. He said there are some gray areas. He said that further determinations are being made in this regard.

Mr. Mel Sueltenfuss discussed some of the difficulty in determining just what classification contractors' employees are in.

Dr. Nielsen said that he wants to see a complete breakdown of the schedule for spending the proposed \$50 million in bond funds. He also asked for information of any rate increase to be requested next year as a result of this bond issue.

In answer to a charge made earlier in the day that City Public Service is over building, Mr. Spruce said that in building power plants it is natural to exceed requirements in the beginning. As growth comes, usage begins to catch up and after three or four years the excess capacity is used.

Mr. Spruce then introduced Mr. Claude Boothman, principal attorney handling the bond issue, who commented on the bond ordinance which will be presented for consideration next week.

75-51

CPS INDENTURE

Mr. Cisneros said that the Council should not rule out a suggestion made earlier in the day by Mr. Stephan Harvesty that the City Council initiate discussion now with present City Public Service bond holders to speed the process of changing the bond indenture.

75-51

The Clerk read the following letter:

August 22, 1975

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

Madam and Gentlemen:

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

August 19, 1975

Petition of Mr. James H. Davis, Principal of Robert G. Cole Junior-Senior High School, 1900 Winans Road, requesting permission to conduct a bonfire on September 10, 1975, at 7:30 P. M. at Fort Sam Houston.

August 19, 1975

Petition of residents of 100 Block of Belfast, submitted by Mr. & Mrs. Joe Lopez, 131 Belfast, requesting street drainage to eliminate flooding conditions on the 100 Block of Belfast.

August 19, 1975

Petition of James W. Hillis, 4930 Rigsby, requesting permission to erect a seven foot fence at his place of business located at 5038 Rigsby to prevent burglaries.

August 21, 1975

Petition of Mrs. Sue Weems, 7410 Broadway, requesting special permission to maintain a section of fence 10 feet long that is eight feet high.

August 28, 1975
nsr

-45-

August 22, 1975

Petition of Ms. Rosa Linda Cruz,
123 Woodward, Apt. #4, requesting
that street lights be installed
on Woodward Street and also the
cleaning of the San Antonio River
in that area.

J. H. INSELMANN
City Clerk

* * * *

There being no further business to come before the Council,
the meeting adjourned at 7:10 P. M.

A P P R O V E D

Lila Cockrell
M A Y O R

ATTEST: *G. V. Jackson*
C i t y C l e r k

August 28, 1975
nsr