

REGULAR MEETING OF THE CITY COUNCIL  
OF THE CITY OF SAN ANTONIO HELD IN  
THE COUNCIL CHAMBER, CITY HALL, ON  
THURSDAY, JANUARY 8, 1976.

\* \* \* \*

The meeting was called to order at 9:30 A. M., by the presiding officer, Mayor Lila Cockrell, with the following members present: PYNDUS, BILLA, CISNEROS, BLACK, HARTMAN, ROHDE, TENIENTE, NIELSEN, COCKRELL; Absent: NONE.

76-1 The invocation was given by The Reverend Vincent R. Castro, Jerusalem Presbyterian Church.

76-1 For the Pledge of Allegiance Ceremony, a Marine Color Guard composed of Staff Sgt. Soliz, Sgt. Castillo, Sgt. Devaux and Sgt. Samford, were present with their troop colors and flag.

Councilman Al Rohde together with two students from Booker T. Washington Elementary School led the Pledge of Allegiance to the flag of the United States and were joined by the other members of the Council as well as the audience.

76-1 "BICENTENNIAL TREE WEEK"

Councilman Rohde read a Proclamation signed by Mayor Lila Cockrell declaring the week of January 16 - 24, 1976, as "Bicentennial Tree Week" in San Antonio to emphasize the importance of trees and their contribution to the quality of life.

Mayor Cockrell then presented the Proclamation to Mrs. Vivian Hamlin, Chairperson of the Bicentennial Celebration Committee.

Mrs. Hamlin thanked Mayor Cockrell and stated that the Texas Forestry Service will present a pecan tree to the City which will be planted at San Pedro Park.

76-1 Councilman Glen Hartman introduced his grandson, Michael Hartman, and daughter-in-law Pat Hartman, who were in the audience visiting the Council meeting.

76-1 CLASS FROM BOOKER T. WASHINGTON ELEMENTARY SCHOOL

Mayor Cockrell recognized and welcomed a group of students visting the Council meeting from Booker T. Washington Elementary School accompanied by Ms. Lucille McKinney, Counselor; Ms. Phyllis D. Arnold, teacher; and Ms. Sally Turbon, Aide.

January 8, 1976  
nsr

MARTIN LUTHER KING RESOLUTION

Reverend Claude Black read the following Resolution:

A RESOLUTION  
NO. 76-1-1

WHEREAS, Thursday, January 15, 1976, marks the 47th Birthday Anniversary of Dr. Martin Luther King which will be observed in activities across the nation, and

WHEREAS, January 15 will be a day when the American people pause to honor Martin Luther King, Jr., and the ideals of brotherhood, equality and peace, and

WHEREAS, millions of persons for the eighth consecutive year from all walks of life will observe "Martin Luther King Day" in tribute of the life and work of the human rights leader; NOW, THEREFORE:

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

SECTION 1. That the City Council joins and supports the millions of people observing "Martin Luther King Day" and encourages all citizens to share in the spirit of reflection and remembrance of Dr. King's ideals for peace, love and brotherhood.

\* \* \* \*

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

Rev. Black then presented the Resolution to two students from Booker T. Washington Elementary School to be displayed at their school.

A RESOLUTION OF RESPECT  
MR. JAKE RODRIGUEZ

Mayor Pro-Tem Teniente read the following Resolution:

A RESOLUTION OF RESPECT  
NO. 76-1-2

WHEREAS, the City Council of San Antonio has learned of the passing of one of its outstanding citizens, Mr. Jacob "Jake" Rodriguez, and

WHEREAS, Mr. Rodriguez was very active in civic affairs and gave unstintingly of his time and talents in the tasks he undertook, and

WHEREAS, since 1929 Mr. Rodriguez had been a member of the League of United Latin American Citizens which he helped organize in Texas and several other states, and

WHEREAS, he had been working for Operation SER - Jobs for Progress, Inc. for several years until his death and was the Editor and Founder of 'La Voz de SER', a monthly publication of Operation SER; NOW, THEREFORE:

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

SECTION 1. That with the death of Mr. Jake Rodriguez the City of San Antonio has lost a valued leader and friend.

SECTION 2. That this City Council joins with his family and friends in sorrow over his death and extends deepest sympathy and hope for comfort to those who were near him.

SECTION 3. That this Resolution be spread upon the minutes of this meeting and a copy thereof delivered to the bereaved family.

\* \* \* \*

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

Mayor Pro-Tem Teniente and Councilman Cisneros then presented the Resolution to Mr. Pete Salas, Executive Director of Project SER.

Mr. Salas thanked the City Council for their kind expression of sympathy.

76-1

A RESOLUTION OF RESPECT  
DR. JOHN LaSALLE McMAHON

Mayor Cockrell read the following Resolution:

A RESOLUTION OF RESPECT  
NO. 76-1-3

WHEREAS, life came to a close for Dr. John LaSalle McMahon, Sr., on January 5, 1976, ending a career which had been devoted to service to his fellowman, and

WHEREAS, Dr. McMahon served Our Lady of the Lake University as its President for 32 years and during his tenure distinguished himself as a leader in education and civic affairs, and

WHEREAS, Dr. McMahon was a member of the San Antonio City Council from September 3, 1957 to April 30, 1961. He also served as a member of the Charter Writing Committee, and as a Trustee of the San Antonio Public Library, and

WHEREAS, Dr. McMahon gave unstintingly of his time to any endeavor which would improve the quality of life for his fellowman and his passing will be a great loss to our entire community; NOW, THEREFORE:

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

SECTION 1. That with the death of Dr. John L. McMahon, Sr., the City of San Antonio has lost a valued educator, leader and friend.

SECTION 2. That this Council joins with the family and friends in sorrow over his loss and extends its sympathy and hope for comfort to those who were near him.

SECTION 3. That this Resolution be spread upon the minutes of this meeting and a copy thereof delivered to the bereaved family.

\* \* \* \*

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

Mayor Cockrell stated that she would present the Resolution to the family in the name of the City Council.

76-1

CORRECTION TO MINUTES

Councilman Bob Billa stated that on page 8 of the minutes of December 18, 1975, there was an error in the roll call vote. It should have been as follows: AYES: Pyndus, Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen; NAYS: None; ABSENT: Cockrell.

With this correction, the minutes of December 18, 1975 and December 23, 1975, were approved.

76-1

SAN ANTONIO SPURS

City Manager Sam Granata stated that recently the City had completed an audit of the 1973-74 and 1974-75 Spur basketball seasons in accordance with their contract. It was found that Professional Sports, Inc., owes the City \$53,566.19. When this was found to be a fact an invoice in that amount was sent to Professional Sports, Inc.

Mr. Angelo Drossos, representing the San Antonio Spurs, said that the Spurs owners have absolutely no intention of going back on the contract. He said that the intent of everyone concerned at the time of contract negotiations was that the Spurs would pay \$500 per game and nothing more for the use of the Arena. At the time of signing the team's actual expenses were unknown and the provision that a payment would be made on all gross receipts over a certain amount was based on a supposition that there would be a profit.

Mr. Drossos asked that the charge of \$53,000 made against the Spurs be waived and in return the Spurs would distribute \$60,000 worth of tickets to Spurs games through various agencies in the City.

Mayor Cockrell assured Mr. Drossos that every member of the City Council is an enthusiastic supporter of this fine basketball team. She appointed Councilmen Pyndus and Billa to serve as a Council Committee to confer with the City Attorney as to the legal ramifications of the proposal made by Mr. Drossos. She asked that the Committee act with haste and report back to the Council.

Mr. Karl Wurz spoke in opposition to waiving any contract amount that the Spurs might owe the City.

76-1      REQUEST OF CPSB FOR APPROVAL OF \$150,000,000 FINANCING PLAN AND APPROVAL OF THE ISSUANCE OF \$60,000,000 IN REVENUE BONDS

The following discussion took place:

MAYOR LILA COCKRELL:      We now come to Item VII. On Item VII, we have had a request that we go into Executive Session on this item. There were some outstanding questions regarding legal questions in regard to impact of a lawsuit, a potential lawsuit, and some related matters on which there has been a request for an Executive Session. May I ask the City Attorney, may the Council go into an Executive Session at this time on the CPS item? Is it appropriate for us to do it now, at this time?

CITY ATTORNEY JAMES PARKER:      If you desire to, yes.

MAYOR COCKRELL:      Yes, and then to come back.

CITY MANAGER SAM GRANATA:      Just recess for a moment, go into Executive Session, we will come back, then we will continue the "A" Session.

MR. PHIL PYNDUS:      Mayor Cockrell, may I suggest that we cover the agenda and go into the Executive Session just prior to 12 o'clock and then pick it up after lunch, would that be satisfactory?

MAYOR PRO-TEM TENIENTE:      I can't comment if it relates, Madam Mayor, to what action we are taking. Does it relate to the action we are going to take?

CITY MANAGER GRANATA:      You would have to postpone the action on Item VII and VIII, until you have the Executive Session.

MAYOR COCKRELL:      In other words, he is looking at the timing, and yes, I have been requested to have an Executive Session prior to the vote because there was some questions of clarification.

DR. HENRY CISNEROS:      Madam Mayor, if I can articulate, I was one of the ones that suggested that perhaps the way to resolve this was in the Executive Session. We are being asked to vote on two ordinances. One that asks for \$150 million worth of bonds and another one that asks for authority to actually issue \$60,000,000 of those \$150,000,000 worth of bonds. Now, \$80,000,000 worth of those bonds are of the \$150,000,000 for the construction and completion of the coal power plants. I have said, and I think that most of the members of the Council have that there is really no problem at all on that portion of it. The reason why I would like an Executive Session is this. Thirty-nine million of the \$150,000,000 are scheduled for our contribution to the nuclear power plant. At the moment, I'll have to say that the information on

all aspects of the transaction with particular respect to the costs of future uranium fuel is insufficient for me to justify my voting in support of the \$150,000,000. I am told that the information on the negotiation of the contract is available, but it is very sensitive because the public .....inaudible.....obviously would bear on those negotiations and that this information could be handled and made available to the Councilmen at an Executive Session. That is the reason why I suggest that.....

MAYOR COCKRELL: Well, if that, let me just ask the City Attorney. With that explanation, is that a matter that can be?

CITY ATTORNEY PARKER: My own personal opinion, if you want to, if you are going to discuss the legal ramifications of the lawsuits that are pending as they relate to the bond issue, you can go into an Executive Session. As to discussion of acquisition of price as a commodity, I frankly, in my own opinion do not think so. That would be of a matter.....

MAYOR COCKRELL: All right.

DR. D. FORD NIELSEN: If not, then can we just postpone this for one week.

MAYOR COCKRELL: Well, let me get the feeling of the Council, because we have it on the Agenda. The agreement was that if there were a sufficient number of persons that were ready, and had enough questions answered today, that we were ready to proceed. I think that is the first thing we need to determine. It has been my recommendation to the Council that we approve this, that we approve it in full. I feel that it is certainly very urgent that we move on with it, and, so, I, as you know, I have given this strong approval. However, it obviously takes a majority vote to move and so I think we need.....Yes, is Mr. Rohde available?

MR. BOB BILLA: I want to say something. I think in reviewing this thing, I believe there is not much question in the minds of any Council person whether the \$150 million is to be voted on or not, but it's in the expenditure of those funds, and I think since we agreed or CPS stated that they will take these bonds or sell them in increments of \$60 million, or whatever it is \$30 million, we should act on this today and get on with the business, then they could come back to us. Some of these other questions that we have would be satisfied and you still have the same leverage that any Council person wants as far as information.

MR. PYNDUS: Mayor Cockrell, I would propose that we act on this Resolution today. I think that there is some reservations with regards to the financial portion of the nuclear agreement that we have, and I think that this should be aired. I looked at this, and I looked at the situation that our City faces with regards to having our energy. We are in a lawsuit with LoVaca. We are in a lawsuit with the railroad that is carrying our coal. We have environmentals tying up our coal supply, and we have invested \$15 million in our nuclear plant and the information on this nuclear plant, according to the information given to us by City Public Service, is inadequate. I am fully aware of my grave responsibility to support your request for action and for the need to move on, particularly, with the clear cut issue of coal supply, and I would support that, but as far as this other portion is concerned in judging of good contracts that I can sleep on, that has no urgency that I see as far as time on that portion of it. I would like to consider this today and move on with it, and I would like to withhold and delay for one week the portion with regard to the nuclear contract and the funds.

MAYOR COCKRELL: Well, let me just say that it does not appear to me to be a practical method to separate out any portion. I think that the bonds are set up to cover an entire capital program, and so I think it is important to find if there are those present today who feel ready to proceed with the package. I think that is the thing that we need to do.

MR. GLEN HARTMAN: Madam Mayor, I was out just very briefly, but I thought I heard the conversation that there was the proposal to have an Executive Session. I think that perhaps some of the things that are being talked around and not discussed needs to be reviewed there.

MAYOR COCKRELL: All right, I have asked on the legality of an Executive Session and if we are going to be discussing such things as the impact of a lawsuit or something of that nature, that is one thing, but Doctor Cisneros outlines his concerns, and they were not such that could be considered in an Executive Session.

MR. HARTMAN: I think there are some potential legal ramifications that need to be.....

MR. PYNDUS: May I ask a procedural question, Mayor Cockrell.

MAYOR COCKRELL: Yes, Mr. Pyndus.

MR. PYNDUS: Is it possible for us to vote on the issuance of \$60 million worth of bonds right now and postpone the first Resolution with regards to \$150 million of proposed bonds?

MAYOR COCKRELL: The \$60 million of bonds, of course, includes funds for several different purposes.

REV. CLAUDE BLACK: Mayor, I would like to personally make clear my own position. I would like very much to be able to affirm by a positive vote the necessity of going on with our coal generating plant. But I cannot in good conscience vote on any issue that includes both the atomic generator and the coal burning plant in terms of the total package that is presented here. Therefore, it would be my desire, and it would certainly help me if this Council was able to separate from the total bond issuance, of the sale of approximately \$150 million bonds, separate from that \$150 million bonds, the portion that is allocated for the nuclear plant and then give us an opportunity, of course, to act in a positive way while we debate the issues regarding nuclear generating plants in which there is some reservation for a variety of reasons.

Now, if we could do this, I think we could move forward. But, I would find myself in the uncomfortable position of having to vote against the total package as long as the two packages are together. Now, I am saying this because I feel it is absolutely necessary that someone take a position against what I think is an illusion. It is a sales of persons that I don't blame the Public Service here, because they are part of the total impact of this nation that we are simply being manipulated by those who distribute and control energy in this country and while my little vote and my little voice means nothing, I am responsible to take a position with reference to this. I think it is totally irrational that nuclear is the only answer to our energy problem. I think that is a false assumption and should not be used to convince people in places of authority to simply support that concept. I think that if we can take a position if this nation will take the position that is not the only way of producing energy that we can get on in this nation producing other means of providing energy for our City and for our nation. And, therefore, while I recognize that my vote is but a small voice in the voices of the multitude out there, I have an obligation to lift that voice now.

MAYOR COCKRELL: All right, I would like to make the comments in relation to what Reverend Black has said, and although I am in the Chair, I still feel an obligation to present my personal point of view. I do not hear CPS saying that nuclear is the only answer. I hear them saying that gas, oil, coal, nuclear, possibly lignite, possibly other fuels are the answer. I hear them saying that at this particular time in the economy of the United States, a diversified approach is the only feasible approach to the fuel situation. We are at a point in our history where the fossil fuels are being used up, particularly oil and gas. We are at a point where we are told that gas is being phased out and we must point to a reduction in use of gas as a boiler tip fuel. We are making strong moves to diversify our fuel.

Now, as one portion of the answer, we are utilizing, and we are proposing utilizing 28 percent of a nuclear generating plant that will be built by Houston Power and Light. Our participation in this process will permit this energy to be available to the City of San Antonio. I am a strong advocate of utilizing all available sources, but I think at this particular time, we cannot afford to turn our back on the nuclear power plant and participate to the extent of our share of the energy. This does not say that we are ruling out any other potential source. As you all know, I am a strong advocate of the Solar research. I just feel very strongly that that may be a very viable answer for the future. So, I felt the need to present my own statements. I think this is an issue that is a serious one, and I would just like to say that this is my feeling on the subject.

MR. PYNDUS: Because I support your statement, Mayor Cockrell, to the fullest, I want my position to be made clear because it is a question of grave responsibility. Now, I am not against the use of nuclear plant or the contract, but I am against the implication of its cost. Now, as I understand, from a cost on a dollar basis we are using nuclear power to reduce the cost to our citizens. However, as far as the explanation as to how this can be accomplished, I am not at all - I do not accept the explanation that they have given us. And, I'd like to point it out. Westinghouse notified the South Texas Project that it was unable to meet its uranium supply commitments to the South Texas Project and approximately 20 other utilities. South Texas Project immediately filed suit against Westinghouse asking for performance. Now, they are in continuous negotiations for equitable solutions to the problem. Mayor Cockrell, we are in a suit with Lo-Vaca, we are in a suit with the Railroad, and another suit that's not settled. I'd like to pause and get some answers to the costs, and I think time is on our side. Now, Westinghouse has guaranteed the initial fueling of both reactors at original contract prices and is in active negotiation for the balance of the ten year supply. Now, we have negotiations, and I think we've got an investment in the nuclear plant and we should continue to pay our dues. We are a 28 percent partner. We should have a voice in this. We should pay our dues so we will not lose that \$15 million. But, I would kind of look before we take another giant step and throw bad money after good, and this is my point.

MAYOR COCKRELL: All right, the question has been raised about the negotiations on the uranium. And again, I will ask the City Attorney if this is an area where we could go into Executive Session and where any information could be made available to the Council that is not at this point available to be disclosed publicly.

MR. PYNDUS: .....I would consider changing my vote, if I could.....

CITY ATTORNEY PARKER: If you're going to discuss the cost of yellow cake that CPS wants to give to you, I do not think that that is a matter that comes within the Executive meeting section of the Open Meetings Act. If you're going to discuss lawsuits, I don't know that we are in a lawsuit, as to the Westinghouse aspect of it. Actually, I think it would be Houston Power and Light that would be the party, since they are the party that is actually purchasing the yellow cake to start with.

MAYOR COCKRELL: All right, we will hear other Council members and let me just make this suggestion that after we hear everyone that there be a ten minute recess so that I can confer with the City Attorney to review the situation. All right, yes, Mr. Billa.

MR. BILLA: I just want to say that I am still prepared to vote for the \$150 million. I think that we have had an adequate presentation, and I think Rev. Black made a statement about nuclear power, but I think the very fact that we have a diverse system available to us will eventually force the prices of these different fuels down, because it introduces the competitiveness in generating energy. I don't have any problem with that. I view it a little differently having these different sources of fuel in the electrical power plants. I still think that if these bonds are going to be sold incrementally that people who have an opposition to the program will have their chance to give their voice, and there's no need to postpone any action on this subject.

DR. CISNEROS: Madam Mayor, I just wanted to make my position clear also. I am not against nuclear plants. My problems with the safety aspects, my problem with the security aspects have been allayed. I'm not fearful of those problems. My hesitancy at this point is simply related to having some fixed cost of the contract.

MAYOR COCKRELL: Good, right. Your position and Mr. Pyndus' are very similar.

DR. CISNEROS: What I simply want to say is this. I think there's always risk in something like this. I'm prepared to accept some measure of risk. Risk is an integral part of our free enterprise system. Business is a risk all the time in making investments. However, we're talking about here the public utility. We're talking about a public good. We're not talking about eggs, that people can decide not to eat. We're talking about gas and electricity that people can't do without, and what we're talking about is public money. We're making decisions about how the ratepayers' money is going to be spent. So, we need to reduce that risk to the greatest extent possible. I think in this day and time, recognizing the experience of San Antonio over the last few years with contracts and so forth, that we just have to be a little bit tighter and it is not reasonable to ask a public official to vote on an open ended situation like what we're facing before us. We need to have figures, data and costs.

MR. HARTMAN: Yes, Madam Mayor, my position also relates to the very nitty-gritty aspects of economics. I think there are certain degrees of risk that are riddled throughout this proposal. I do feel I would like to readdress the City Attorney with regard to the propriety of discussing some legal ramifications with regard to certain contractual negotiations, is that within the realm?

CITY ATTORNEY: Legal ramifications is not unless we get into a client-attorney relationship type of thing. Normally, it would not be under the open meeting law, and I don't think that it comes within this realm.

MR. ROHDE: Mayor, I've heard all the debate, and I feel very comfortable this morning, and I want to go ahead and vote on these two issues. I'm prepared to vote for the \$150 million. I feel this Council has to realize in many ways that we have a war for energy. We have no energy crisis. We have a money crisis, and it costs money to conduct this war. When you have to fight a war you use all the tools that you have available, and we have a war here to provide our citizens energy, 275,000 rate payers. And everytime they flick those lights on, we have the duty to see that they will have them in some way, either it's by oil, by gas, by coal, or by nuclear energy, or by solar energy. I think this is what we have to look ourselves down the line. This Council has enough enemies on this war for energy. We've got the Railroad Commission, you've got the Bexar County District Courts, all these people are elected officials. I hope this Council and the citizens of San Antonio will remember these people's names when they come up for re-election. You have a devil called Oscar Wyatt. Let's not forget about him. You can't control him because you're dealing with a devil, but a devil can be controlled because his power is limited. You've got Coastal Lo-Vaca at your City here. They've cut off our energy today. We had to go to oil and things of this sort. We're now in the courts with out tax case that can affect the pocket book of every citizen in San Antonio for the taxes that we might have to make up because of the school districts. We have all these problems and we are fighting a war to save our CPS, and we have to act on this and give them the full support of this Council. Nuclear energy - sure, I'll roll the dice on it. It may be just a roll of the dice but whatever else can we turn to? We can't turn to the sunshine and power yet to get our solar energy and things of this sort. That's not proven. We've got to use every step necessary that's possible in our hands, in our wisdom in our vote, and that is my viewpoint, and I'm going to vote for these bonds, and I'm going to stay here all night if we've got to do it.

REV. BLACK: Since there has been some differences that need to be defined, in terms of where we stand on this, I think we're dealing with the issue of contract. The same people who have manipulated the contract for the City on gas and oil will essentially be the same people that will be manipulating the contract on yellow cake.

MAYOR COCKRELL: You said that the same people. What people?

REV. BLACK: Basically the same oil interest, the same energy interests, the same people who control the energy interests in this nation.

MAYOR COCKRELL: There are a number of different people, aren't there?

REV. BLACK: There are a number of people that do it, and most of them are doing the same thing in terms of the way in which the contracts are being manipulated. Now, in addition to that, I think that we must recognize that the issue of the security of this installation is divided with reference to those who are authorities in this nation. The experts themselves are divided in terms of security. I think when the experts are divided then my responsibility is to wait for the experts to know what they're talking about, particularly when I am dealing with something that tends to threaten and can threaten the future of this community. I'm not blaming CPS. They are doing the best they can with a national intent. I'm simply saying that it is my task as a Councilman to raise this issue. I can remember reading some statements where some Black people felt that because they had good slave holders they ought to keep the slave system. Well, I don't take that position because some persons, some security there that we ought to keep a system that endangers our nation. I take the position that somebody and that we need to take a new look at whether or not nuclear energy is the source, and I do think

we are saying that. I think we're saying it. Certainly we have diversity because we haven't built, but we're moving toward a situation in which nuclear energy will be the sole source of energy, as far as our community, or the major source, whether it's solar or not. It's the major source of concern. And with that in mind, I certainly don't think the contract issue resolves the problem. Because we're dealing with the same people.

MAYOR COCKRELL: All right, as I hear the Council up to date, we have one member of the Council who has stated that he is in opposition to any issue that includes nuclear. I hear several other members though who say they are not opposing the nuclear, but they are concerned about the contract price. We do have three citizens registered to speak on this subject, and then I would like to call on Mr. Berg to come forward and again state as much as he feels he can state at this time regarding the contract price, and then I'm going to call for a brief recess so that we can confer with the City Attorney.

MR. PYNDUS: May I please see if this motion is in order with the approval of the full Council, and if it's legally acceptable.

MAYOR COCKRELL: Let me just make the suggestion that we not offer a motion until we've heard from the three citizens who are registered if we may hold.....

MR. PYNDUS: I would like to make a motion then.

MAYOR COCKRELL: All right. The first registered on this item is Mr. Henry Munoz, Jr. Mr. Munoz.

DR. NIELSEN: He may not be here.

MAYOR COCKRELL: All right. Mr. Ralph Langley.

MR. RALPH LANGLEY: Madam Mayor, Members of the Council, I appreciate the opportunity to be here and visit with you this morning about this vital subject in our City. I am here this morning in my capacity as a representative of the Greater San Antonio Chamber of Commerce, and to express to you our view with reference to this matter. We're concerned about the City's electric and gas utilities' ability to finance capital improvements. We know, of course, that we're talking about coal and nuclear power that San Antonio is building in the plants. These plants are our only hope in the view of the Chamber for stabilized or reduced utility bills. The current high and rising cost of natural gas is a burden to the economy of this town, both as to its residential and commercial users of energy. It makes it difficult for many industrial users to compete with areas that have not yet felt the natural gas crisis. These coal and nuclear plants must be financed by a bond issue. I think we all agree that they cannot be financed out of current earnings, and they cannot be financed out of current utility rates as they apply day to day. There must be long-range financing.

If we are to follow and pursue the goal of keeping our economy viable, and if we are to improve the quality of life for all of our citizens, we must keep pace in the nuclear war as it has been expressed here this morning. I quite agree that the City Public Service Board has done a very fine job in pursuing all possible avenues. I find myself in complete agreement with the Mayor that it is a case of following alternatives and pursuing every one of them to keep pace for this City in the welfare of all its citizens. The welfare of its economy and in order to obtain a new industry and to keep the industry which we have growing and keep it viable, we must keep pace in that energy war. Extensive hearings

were held by this City Council a few years ago to decide the City's involvement in the South Texas Nuclear Project. We testified at that time in behalf of its involvement there because we felt that this was one of the ways of pursuing the City's needs.

Now, there's been a discussion here this morning about the Westinghouse contract. As far as the Chamber was concerned, we were concerned right along with the members of this Council when we heard about the developments in that field. We had questions about availability and price. However, we have learned and feel that an alternate source has now been found, and that that alternate source will resolve a great many of those difficulties.

I realize the difficult situation in which the City Attorney finds himself, and I would not want to be bold enough to try to give this Council legal advice, but I would suggest that there be submitted to him the question of this City as an indirect participant in that litigation as a party and interest in that litigation, and, therefore, interested and involved in the impact of finding these alternate sources of supply of uranium and its impact upon that lawsuit. And that would, in my humble opinion, possibly give rise to a situation wherein this Council could in Executive Session discuss with responsible parties in the City Public Service the impact of this on the litigation, the possibilities of this, and, of course, interwoven in it must be the financial impact, but it is in my humble opinion inextricably woven into the fabric of that litigation and, therefore, possibly and once again I defer to your City Attorney, possibly, a matter which can be discussed in Executive Session.

I would like to say this to the Council and in all candor, that we feel that time is of the essence, that this is a matter which we cannot run away from. That this is a matter which must be faced by the Council along with the rest of the citizenry. We wholeheartedly support and endorse the \$150 million bond issue and all of its implications and the immediate authorization of \$60 million.

MAYOR COCKRELL: Thank you. I do have one other citizen registered to speak.

DR. CISNEROS: I'd like to ask you something.....

MAYOR COCKRELL: Yes, certainly. Dr. Cisneros.

DR. CISNEROS: Mr. Langley, thank you very much for your remarks. I think they were precisely to the point. I just want to make three points if I can. Number one, you know, because we've talked about it, how I feel about the whole issue of economic development. At the moment, San Antonio's utility rates are higher than either Dallas or Houston, cities with which we are competing for industry. They have to be lowered. Secondly, the citizens are getting hurt, and we need to be getting stabilized utility bills. And thirdly, people out there in this time of economic difficulty, are asking public officials to be conservative with their money. I cannot say the slightest thing about the hope of lowering our utility rates vis-a-vis Houston or Dallas. I cannot even work for its stability for individual citizens. I cannot even try to be conservative with public dollars if I cannot get the information on what it costs, and that's the reason why, that's the only reason I'm hesitant. It's impossible to keep faith with those objectives without the numbers. I'm prepared to vote, I'm prepared to vote.

MAYOR COCKRELL: All right, yes, Mr. Hartman.

MR. HARTMAN: Madam Mayor, again, Mr. Langley, the interrelationship of the economics and the legal aspects of this were essentially my point. You, of course, expressed it much better.

MR. LANGLEY: I doubt that, sir.

MR. HARTMAN: .....legal terminology, but I will, of course, abide and follow the advice of our City Attorney, but if that states it any more clearly than what I tried to say earlier, is there any - if it still stands.

MAYOR COCKRELL: All right. Thank you. Yes, we had a possible situation outlined here and so we might ask if the City Attorney has any further comment on.....

CITY ATTORNEY PARKER: No, madam, I still don't have any further comments.

MAYOR COCKRELL: Thank you, sir. All right, the next speaker is - thank you, Mr. Langley. The next speaker is Mr. John Courage.

MR. JOHN COURAGE: Yes, that is my name, John Courage, and I'm a resident of San Antonio, and I want to reflect a little bit on some of the information that has been talked about in the City Council meetings recently. Referring to the amount of money not only CPS is spending but also other City agencies. I was at the briefing this morning in the "B" Session when San Antonio River Authority mentioned a figure of \$30 million in bonds that they would like to issue. Also, we have an Item VIII, \$60 million worth of bonds that the City wants to issue, and an Item VII, \$150 million worth of bonds that the City is proposing, and let us not forget the \$50 million in CPS bonds which was just recently approved, and is now being sold. That comes to \$290 million worth of money.

MAYOR COCKRELL: The - let me clarify one thing - the \$60 million is out of the \$150 million.

MR. COURAGE: Well, if I understand, somebody had an idea of approving \$60 million now and \$150 million later, and I didn't understand how you could do that.

MAYOR COCKRELL: Let me just clarify that. The \$150 million is just a set to plan, you might say, recognizing that the overall plans of this year is for \$150 million, and out of that the first issue would be \$60 million and that is, in effect, the first installment to be sold out of the proposed \$150 million.

MR. COURAGE: Fine, thank you. Well, then, that leaves us with, roughly \$230 million.

MAYOR COCKRELL: And there will be more, too, with other consideration.

MR. COURAGE: The CPS wants to spend on improvements. Improvements that most certainly are needed. We all realize this, but I still see no sense of common direction in the City's moves on energy. I see we're talking about natural gas which we'd like to phase out. We're talking about coal which is - has innumerable problems that we're trying to bring in. We're talking about nuclear energy that we've committed ourselves to, that we're not even sure if that energy will be able to be used. If we'll be able to get the fuel for it. If we'll be able to continue to make our payments to it or even if it'll work because there have been many atomic energy nuclear fuel plants around the country that have been closed down, if not totally even partially because of safety reasons, because of fuel reasons. And then there's the big problem or the big question of solar energy, that the City is trying to pursue to get a solar energy plant or research institute in San Antonio, that's true.

And where's the direction - what are we ultimately going to. We've talked about nuclear energy, how will that last? How long will a nuclear plant be effective for us? Twenty, thirty years, fifty years? And then what do we go to?

MAYOR COCKRELL: Mr. Courage, you didn't have the opportunity, I guess, to be here when the City Public Service gave its briefing, did you?

MR. COURAGE: No, I understand they.....

MAYOR COCKRELL: They tried to cover most of the points that you gave, and they have also covered them several times in public presentations at the CPSB.

MR. COURAGE: Yes, I was just going to mention that they did mention a figure of about thirty years that a nuclear plant would be most effective.

MAYOR COCKRELL: Twenty-five to thirty years, in that range.

MR. COURAGE: I don't believe these bonds would even be paid off in that amount of time.

MAYOR COCKRELL: Yes, sir, they will. I will call on Mr. Berg to make clarification on that point.

MR. COURAGE: Is that right? They will be paid off within thirty years?

MAYOR COCKRELL: My understanding is that these are twenty-year bonds. Is that correct? Twenty-four? Okay.

MR. COURAGE: Okay, then that clarifies something in my mind, but the total picture of \$150 million that the CPS is asking for now, I think, should rely quite, quite a bit - \$150 million, excuse me, on the \$200 million case that we have against Lo-Vaca that everybody has shown concern in. As a matter of fact, I think if we can all reflect on what happened with Lower Colorado River Authority's case in which they won \$26 million, I think we've got to realize that there's a good possibility that maybe we'll get this money, and what are we going to do with it? If we start issuing bonds now, which we'll pay interest on for the next 24 years, and then a year from now come up with a \$200 million windfall, what's going to happen? I don't believe the citizens of San Antonio are going to get it back even though they've been paying these exorbitant pass through charges and is proper planning being made to use that money if we get it, and.....

MAYOR COCKRELL: Mr. Courage, may I ask this, sir? You're asking a number of questions. I think the answer to everything you're asking is available. City Public Service has documents on all of these points, and I would really urge you to sit down with the representatives of the CPSB, go over their master plan. The \$150 million that is requested for this year is just the first installment, and if we were fortunate enough to be given a \$200 million dollar cash payment by Coastal States, believe me, that would be used, there's no question about it. There will still be many unmet needs, so that we have to go ahead with the \$150 million program.

MR. COURAGE: Well, let me say what I'm not doing is expecting answers. What I'm trying to do is present to you the questions that are in the minds of all the citizens of San Antonio because CPS does not come to everybody and explain these things. You tell me to go to them. Can you tell the other 3/4 of a million people of San Antonio to go to them for the answer?

MAYOR COCKRELL: I will say this that they are welcome to go and when CPS has public meetings, when the Council has public meetings, much of this information is disseminated in the news media. We try to make it all available and when any citizen has specific questions, we certainly want you to have the answers.

MR. COURAGE: Okay, well, I'll just summarize by saying.....

MAYOR COCKRELL: I think I would ask you to try to wind down because we are running out of time.

MR. COURAGE: The figure of \$230 million is quite staggering, and it's quite a big commitment, as you say, there's more to come. And as Councilman Cisneros said, it's something that we've got to think about. We've got to know what we're doing with the money, we've got to know how we're going to pay it back. We don't ever want to get into a situation like New York did where we just borrow more money than we can possibly pay back, and I'm just afraid that's what we're getting to, and that's why I brought it up.

MAYOR COCKRELL: Thank you, sir. All right, at this point we have concluded.....

MR. HARVESTY: Madam Mayor, you mentioned that there are three citizens to be heard. One did not show up. I have some very pertinent data that....

MAYOR COCKRELL: No, sir. Mr. Munoz.....

MR. HARVESTY: Mr. Munoz did not show up. May I take his place?

MAYOR COCKRELL: I'm sorry, let me ask the Council since you were not registered. Would you like to hear from.....

COUNCIL MEMBER: I have no objections.

MAYOR COCKRELL: All right. Fine, go right ahead, then.

MAYOR PRO-TEM TENIENTE: The problem is, Madam Mayor, is that the citizen that signed up will be here at 1:30. But I have no objections to listening to Mr. Harvesty.

MAYOR COCKRELL: All right, fine. You may have five minutes, sir.

MR. HARVESTY: This is the statement that I want to make to you this afternoon. I was assuming that you weren't going to vote on this today. This is very - I have some very important data here.

I am glad that I attended the CPSB briefing Tuesday. There were no surprises, nothing new. Everything went as programmed. We all know that the CPSB is dedicated to the promotion of nuclear power and they presented the statistics of cost and the City's needs in a manner to favor nuclear power plants and to indicate their low cost to the consumer. What else did you expect? As an accountant who had gone through hundreds of financial statements in my lifetime, I am familiar with what can be done with figures. I can take a going

profitable business and draw up a financial statement indicating a loss or vice versa. It all depends on how I treat the ingredients of the statement and what I want to prove. The briefing Tuesday was rigged to make nuclear power look good. I heard what I expected to hear. In their zeal to make their point of view airtight they even went so far as to declare that if the price of uranium went to \$100 or even higher per pound, nuclear power would still be cheaper than any other source not being used. That sounds as if Oscar Wyatt wrote the entire scenario. I asked Engineer Poston what period of years did they use for depreciation to make their projection of costs for nuclear so low. He said 35 years. Now, all authorities are agreed that a nuclear plant is useless after 25 to 30 years of use at the most. These authorities also state that the efficiency of a nuclear power plant starts to fall drastically after about 12 to 15 years of use. Their use of the 35 years depreciation figure assumed that the plant would produce 100 percent of efficiency throughout the entire 35 years. That figure was definitely rigged. A few years back a friend of mine loaned me a gieger counter. I wanted to test a theory told to me that when the wind came from the direction of Karnes County where they were digging up uranium, the gieger counter would sound off furiously. It did. Applying that to our present situation with a nuclear power plant being built in Bay City, our prevailing Southeast winds would blow radioactivity right to San Antonio for us to breath. Lots of it. All nuclear power plants release radioactivity. It is called radiation. To put people at ease they tell us this radioactivity is released at permissible levels. That should be no comfort to anyone because there is no body tolerance to radiation. Any amount is dangerous. We worry about the purity of our water supply. We should not ignore the purity of our air. Let me carry this a step further and connect it with water. There is a threat to the purity of our water. This radioactivity from this power plant is bound to enter the San Antonio atmosphere and when it rains much of this fallout could and would settle on our vegetation and earth in and near the recharge zone and carry this radioactive substance down to the Edwards level. How are you going to stop that? After that nuclear power plant is built you might as well kiss the purity of our water goodbye.

There is a good article in this morning's Express about our Aquifer by Mrs. Sybil Lightfoot, Chairman of the Department of Geology, St. Mary's University. I called her to confirm my theory of fallout affecting the Aquifer. She replied, yes. I was correct, and that it would be a mistake to build that nuclear plant. Let's get out of that nuclear project and go solar, and we must persuade our partners Houston and Corpus Christi to also withdraw. Going back to the briefing, the expert from Southwest Research must have talked with tongue in cheek when he stated that solar energy is years away. City Manager Maury Brown of Bridgeport, Texas was skeptical of the solar program at first. Then he called the Federal Energy Research and Development Administration. He wanted to know, are we out of our minds to consider solar energy? Is the technology ready? The agency replied, "Yes", and even offered federal financial and technical aid. That should lay to rest finally whether solar power is ready or not.

There is no dispute among any of us as to the need for alternative sources of power, but we now have an opportunity to choose one source that will never be exhausted. That's solar power. We should choose the one that would eliminate the possibility of any individual

or group because of their greed for more profits to raise the price of this source of power. With Solar power we need ever worry about future Oscar Wyatts or LoVacas. Coal will provide a large percentage of our power soon. This can be increased, and what about the use of garbage as is now done by other cities? What happened to the plan that San Antonio was so excited about not too long ago about the use of these wastes and eliminating the necessity for future landfills.

I believe that this City Council has heard most of the story about the dangers of nuclear power plants. It is now up to you. It will now be your decision. One scientist aptly put it when he said, and I quote: "Atomic energy is in a class by itself as a danger because the mistakes we make today cannot be rectified for periods like hundreds or thousands of years."

MAYOR COCKRELL: Thank you, sir. All right. At this time, I would like to call Mr. Berg to review just overall.

Mr. Berg, you're certainly a business - a leader in the business. At least two members of the Council have expressed the fact that while they are supportive of the effort in direction of nuclear that they are also concerned as responsible public officials as to whether or not they can go ahead and give an okay when they don't have the assurance of a contract they feel that they can have absolute confidence in on the yellow cake that is to be used as a nuclear power. What would be as a, really as a businessman and as a responsible person in the community, what would be your answer to this?

352

MR. BERG: All right, I would like to address that and some of the questions that have been raised this morning by Council people and citizens and go right to the heart of the problem. Let us not forget that this City Council, the Council before this one, had public hearings and extensive ones and voted to have CPSB proceed to enter into a contract for nuclear power with the consortium of companies including Houston Lighting and Power, Central Power and Light, Austin and CPS entered into this thing based upon those public hearings and based upon support of this Council. If the Council had said no, obviously we would not have gone into it, if the community at that time had said no. It is irresponsible to change every two years based upon what someone may find.

MAYOR COCKRELL: Mr. Berg let me clarify. There is not a majority on this Council who is saying they wish to change. I think we needed to clarify that.

MR. BERG: You're right and I'm pleased with that. But I wanted to clarify some people who may feel publicly that there has not been a responsible airing of this initially. The other is that the Houston Lighting and Power who are the project managers for this facility and likewise Dallas, they have nuclear facilities. The Houston Lighting and Power also had the advantage of a large gas supplier that did not default on their gas contract as we had. The same with Dallas and therefore, you have, while there is a rapidly rising gas cost for them, it occurs at a later time than it did with us. So, they will soon be catching up with us. Now, insofar as the contract is concerned, and we would have preferred and hoped that we could have had a discussion in depth in Executive Session because these are sensitive negotiations currently going on, have been going on for some while. The best information that Houston can give us is that they feel in something under six months, they should have a contract wound up. The figure will be somewhere under \$50 a pound. Now, the other day when we had the public discussion we used, you will recall, we gave to you \$56 a pound was the basis on which the economics was given to you. So, the figure will be below what we gave you. They are very near it. They figure something under six months. Obviously, you can't rush something like this. You wouldn't, nor would we. No way.

DR. CISNEROS: Statement inaudible.

MR. BERG: That would be on the 60 cents that we gave you per million BTU. The dollar per coal, one dollar per coal would be if yellow cake got up to around \$100 a pound.

DR. CISNEROS: Statement inaudible.

MR. BERG: To coal, that's right. No one expects it to be that way. As you read in this morning's paper, there are an enormous number of companies prosepcting for the yellow cake. Let us not forget the yellow cake is just one step in the long process required to have a fuel. The Federal government has a hand in this as well. They get paid for the processing. This is a very important part of the cost until we finally get it. The other is that it is totally wrong to say there will be no fuel available. Fuel, as with gas, when the price is right, it always becomes available. It's an economic fact that uranium in this state will be a major, a very important industry.

Now, I want to clarify one point raised by someone. The coal plant is designed to burn garbage. We said that many times. I want to make sure that is clearly understood. We're not in favor of utility bills going up. We're not in favor of issuing bonds. We don't want to pay interest for the next 24 years. That's the unreal world. We're not in favor of it. No, neither are you. But we've got to pay if we want to build and supply the electricity. That has to be paid in one of two ways. Either by having bonds and therefore you pay that over a long

period of time and the interest for it or you change the utility rate. It was decided a year ago it's far more reasonable and better for all customers with lower rates if we have bonding take place and keep the rates at a reasonably low level that we've got and continue to have the future generations that are involved in the use of those power plants when they are built, pay for them out of the bond money. This is the program that we've had to follow. There is no easy way to pay for anything. We can talk about it but let's get specific. There is no easy way to pay for anything.

Unfortunately, these plants cost enormous sums of money. With inflation, they are getting more expensive. Now, we've got a half finished coal plant. We should get on with the job and I would hope that you would vote and move on to this thing and get the whole package completed. We have obligations in the month of February to pay our share of the nuclear bill. The money has to come out of the construction cost that will be coming out of the bond issue. I would be glad to answer detail questions here.

MAYOR COCKRELL: All right, Mr. Pyndus.

MR. PYNDUS: Mr. Berg, the first issue of the \$60 million that we have for approval by Ordinance today, and could you tell me when the second issue would be proposed?

MR. BERG: Yes, Councilman, as we said to you on Tuesday, we plan from the \$150 million approval to draw down about \$60 million every four months. We have roughly a \$15 million and sometimes it might be \$12 million per month payment. When you build a power plant, the early costs are low because you're clearing the site, you're putting up foundation and steel work. It takes about five or six years to take place. As you get into the later part, which we are in right now, because the end of this year the first coal plants are going to be operational and will begin testing. The big expensive items, the \$10 million turbines and boilers, the big costs come bang at one time. The railroad cars start arriving. The inventory of coal as we said the other day, \$15 million worth of coal will be sitting on the ground. These are why now the costs escalate.

MR. PYNDUS: May I ask another question, please?

MAYOR COCKRELL: Yes.

MR. PYNDUS: I am prepared to make a motion for Council approval of the \$60 million Ordinance for that amount of bond issue. If this is done and we discuss for one week the balance to get a handle on the details of contract, would this hurt your operation or put you under any duress financial wise or in any other manner?

MAYOR COCKRELL: In other words, what he is saying is you recommend passing today the one on the \$60 million but holding the \$150 million overall approval. Is that what you are saying?

MR. PYNDUS: Yes madam. I quite understand that within the \$60 million bond issue, there is some contingency for nuclear power. I'm aware of that and I approve of it, but I do wish to get a handle on the entire contract. Would this hurt you?

MR. BERG: I wish I knew what you meant by getting a handle on it because perhaps I can answer the question that you have.

MAYOR COCKRELL: Let me get this couple of questions in context relative to what Mr. Pyndus has said. I think one thing that needs to be clarified is the intent of the \$150 million. Now, if the Council today were to approve both the \$150 million Ordinance and the specific \$60 million sale and if it had additional question or questions that are now in the minds of several Councilmen, particularly relative to

the contract on the yellow cake, you might say, that were not answered to their satisfaction prior to the next sale. Would the Council having approved the \$150 million be precluded from withholding consent or holding up that second issue?

CITY ATTORNEY PARKER: No madam, not legally.

MAYOR COCKRELL: All right, in other words, so what we're saying is that we are approving today an overall plan for the \$150 million if we pass that and we are approving the first sale of \$60 million, but we would still before the next sale have the opportunity to get further information about this specific area of concern.

MR. BERG: I would hope by that time that we would have Houston Lighting and Power in the position of our being able to say we now have the City contract.

MAYOR COCKRELL: Could you clarify the amount again of this particular sale which we know it continues to pay our dues in the new plant.

MR. BERG: The funding, as we showed you the other day, for 1976 construction, to complete our construction is \$150 million, which is the Ordinance you have. We ask now that for the funding will be approved for the projects previously approved two years ago. The second Ordinance is for your approval of the sale only of \$60 million in bonds.

MAYOR COCKRELL: Of that, about how much of that is for our continued efforts in the nuclear?

MR. BERG: The \$60...about four months isn't it? So, we would be looking at perhaps \$12 million, would be a good guess.

MAYOR COCKRELL: Then in effect we are paying our dues to that extent and while the...

MR. BERG: Within four months or less, three to four months, we will then come back with another ordinance asking you to consider approval of that ordinance for the second sale of \$60 million. What I am saying that I would hope by then we would be able to say, well, we can now give you specifics on the contract that has been negotiated.

MR. PYNDUS: But he's made a very important point.

MR. BERG: But that's only one part of it. You know, the Federal government has got a very key part of this thing too. Don't overlook that.

MR. PYNDUS: Explain that Mr. Berg.

MR. BERG: Well, you see the Federal government fuels. Miners get out and mine the uranium, the yellow cake, and then that thing is put into a hopper car and sent to the Federal agencies that actually process this and they get paid for it. This is under legislative act and they get a certain price for this particular thing. Congress can change that any time they want to.

MAYOR COCKRELL: All right, yes, we had a couple of hands. Mr. Billa.

MR. BILLA: Mr. Berg, do we still have the continuing problem though with our construction contract that if you don't meet these payments, they would be in a position to renegotiate construction of the coal plant?

MR. BERG: You mean construction of the coal plant?

MR. BILLA: Well, you know, if you fail to make a payment.

MR. BERG: Oh, we would have a \$22 million default on our hand and it would be tragic. May I call your attention to the fact that, I've done this with the Mayor and with some of the Council people in sessions, we have a credit rating problem that descended upon this City Public Service Board. Here we have a AAA rated utility that is suddely becoming nationally questioned regarding our ability to pay our bills and our credit. The bankers are concerned about this and they call me and they say, "hey, something's got to be done to clean up the credit rating." This is serious for a City that is looking for industry and looking for people to come here. Your question is very well put, Councilman Billa.

MAYOR COCKRELL: Now, then to summarize you are saying that you expect within the the outside six months, possibly less, to have this contract issue resolved.

MR. BERG: The Executive Vice President, Houston Lighting and Power has so indicated.

MAYOR COCKRELL: All right, in the interim, the only thing that you could do would be to advise individual Council members as to where present negotiations are standing because you're not in a position to make public announcement of your negotiations.

MR. BERG: It would be wrong to do that.

MAYOR COCKRELL: Right. Mr. Rohde.

MR. RODHE: Mr. Pyndus, is he listening Mayor?

MAYOR COCKRELL: Yes.

MR. ROHDE: As a businessman, you and I understand things a little different on this Council. I want to say this that this Board of Trustees are under enough financial distress. They don't need this Council to add to their problems. They've got to go ahead and make sure the power plugs are not pulled on our citizens and cutting off lights. This is very vital. This is one of the most important decisions this Council has to make. I am going to say again this is not an energy crisis, it's a money crisis. You've got to retain this credit because if we don't do it your bonds are going to go higher in interest and things of this sort. If somebody came today, the City Manager said the only way we could get water today for our citizens a dollar a gallon, I would vote for that because energy is that important. It's for our protection and health. And sure we may lose money in this venture and whatnot. We may be down the drain but I'm ready to go for it and I think we take the risks that go with it, moneywise and everything else because we have no other alternative. This is the reason I want to go ahead today and give these people the credit that they need so they can do the job. This is our public utility company. It doesn't belong to a private company. This is for the 275,000 rate payers that own this plant, and the thing that we're thinking about here is that sure if the yellow cake went to \$100 a pound, I would say go get it because it's a war for energy and you're competing with the world market. Why do you think it made Houston so big? It's because it's the energy center of the world and things of this sort and we cannot sit here and put the brakes on this thing. We've got to get into the market and compete with this thing.

MAYOR COCKRELL: All right, Dr. Cisneros.

MR. BERG: As a businessman, I assure you you're not going to lose money.

DR. CISNEROS: It seems that we've got ourselves in a little bit of a procedural box, if I can kind of outline it. One, we want to get a little bit clearer feeling of the negotiations which would...inaudible.. of the price. But we can't do that formally for the Council because the City Attorney has ruled that it's not suitable for an Executive Session. The reason why it's important to have that formal presentation of numbers is because there are a number of us who are uncomfortable with the status of the negotiations. The alternative that I think has emerged is that individual members of the Council meet with the CPS officials and so forth. That was recommended to me earlier and at that point I suggested that that was not the way to proceed because I thought it ought to be a formal presentation for the record. However, it looks as if we are in a procedural box and that's the only way to proceed. So, I would like the opportunity personally.

MAYOR COCKRELL: Could I ask for a ten minute recess?

MR. BERG: Madam Mayor, may I suggest this. That what we could tell you privately is the same as this.

MAYOR COCKRELL: May I make this suggestion, Mr. Berg, I know, yes, I would suggest a ten minute recess. We'll be back in session at 11:45 and at that time the chair will entertain the motion. Thank you.

MR. BERG: Thank you.

\* \* \* \*

The meeting recessed for ten minutes and reconvened at 11:48 A.M.

\* \* \* \*

MAYOR COCKRELL: While we are waiting, we have almost a full group. I see Mr. Henry Munoz is here and I would like to call him if he would like to comment on the CPS Bond issue.

MR. HENRY MUNOZ: Thank you so much Mayor and gentlemen of the Council. I did take off my Santa Claus suit and I am here to address you. Of course, we're talking about \$150 million. That's a lot of pesos in my language, and also...inaudible... Although I'm not opposed to growth in any way, shape or form, because if it's needed, it's needed. That means that we're the tenth largest City and like so we have to have enough energy, electricity, gas and water to attract industry. And industry attracts jobs and that's my main concern. But it wasn't too long ago, if I recall that I don't know if this Council hired an expert on the computer service. If you recall, I commended the gentleman very highly because he knew his business. I was very impressed in the presentation that he made at the City Water Board. If I understand correctly, we should have this particular program under one roof.

MAYOR COCKRELL: That was his recommendation, yes sir.

MR. MUNOZ: As a means of saving our poor taxpayers the money. But, now, lo and behold, the City Public Service Board is reluctant and no, no, kicking and screaming, "we don't want to go that way." I wonder why. I think this is an opportunity for this Council to say, you want the bonds, then say yes. This is not bargaining, because I'm not supposed to use that word but it's a good leverage. We aren't going to give you a darn thing. Not one cent until you put it under this roof. This is one way I think that they predicted that the only one if I recall correctly, that wouldn't buy this was City Public Service Board and that gentleman was right. And I am here that I will do everything in my power to block anything unless they agree that if the City

Public Service Board, the Transit and all of your subordinates, controlled by the City Council, ought to come under one roof and this is one time that you can exercise the power of the people that elected you. Don't give it away. Please, I beg of you. Thank you.

MAYOR COCKRELL: Thank you, Mr. Munoz. On this subject, let me make this comment. It is correct that the City Public Service Board has voted not to participate. As you know, I voted no because I felt that the joint procedure was the best. Several members of the Council have expressed concern about the vote that was taken at CPS. Now, I have told these members of the Council that I will ask for the City Public Service Board and the City Council to sit down together and rediscuss this issue. I believe the City Public Service Board would be willing to sit down and just discuss it again with us. I am not in favor of using the important bond issue as some kind of a club. I think that the issues are very important and I think they have to be considered seriously and separately. I do favor going ahead with the bond issue. That is not to say the other is not important and I think we will sit down and I think that certainly I have assured the members of the Council who have expressed concern that I will request such a meeting to discuss the reasons, pro and con, on the joint computer program. But I am not in favor of trying to use this important bond issue in any way to sort of force a particular decision that should be considered carefully and seriously on its merits.

MR. MUNOZ: I hate to disagree with you.

MAYOR COCKRELL: I know that and I understand your point of view.

MR. MUNOZ: I have appeared here time and time again. City Public Service Board doesn't understand reasoning and logic for little people. They understand one thing. Millions of dollars and when you put the squeeze on the wallet they are going to listen to you. I am not against, I made the statement I'm not against growth. I'm not against it, but if that's the only way we can do it. Because I happen to know and there's a little difference between the business trade and they squeeze the wallet and they say yes sir, we'll be nice. Well, I'm tired of being nice. I'm tired of appearing here and ask them to sit down. What's the sense of bringing experts from the outside? It's wasting money. They tell you yes it would be nice if you put them under one roof, you save money and they say no. What other recourse have you got. Squeeze the wallet, say hell no, until you come across.

MAYOR COCKRELL: Okay, thank you Mr. Munoz.

MR. ROHDE: Mayor, I had hoped this wouldn't have come up because it did come up the other day but I'm glad it did and I'd like to tell you what I'd like to do about it. They've said before there's no textbook how to handle things on the Council. But Henry, I can assure you that it's been going through my mind that the rate payers have to pay this million dollars in savings and this Council effective this month, the CPS have to come to this Council every month to set the rates for the citizens. This Council is going to be the watchdog for the citizens on their energy bills from here on in. And this will give us each month a time to get closer and work in partnership with the Board of Trustees at CPS. Yes, but I am ready to do this. If this isn't turned around, I am going to come to this Council and ask them to pass a Resolution that will protest the manner in which we do this. There are ways of doing things, that are responsible and things of this sort and accountable. But to do this at this time, I don't feel that we should cross that bridge in the way that you are looking at, but I am going to look for the middle ground and when the Mayor goes up there and votes no, and she is overruled when she speaks for the citizens of San Antonio, I am going to

support her from this Council with a Resolution where she can go back and speak for the 800,000 citizens of this City or at least the majority of the voters and that's the way I think you are going to get accountability and when they come here each month to negotiate rates and things of this sort, I think that's when this Council can speak for the rate payers and citizens of San Antonio.

MAYOR COCKRELL: All right, fine. Our time is about getting away from us. We are trying to wind this up and we appreciate your comments Mr. Munoz.

DR. NIELSEN: Madam Mayor, I just have a question in regard to this. I do recall that there was a report voted no on it, and aside from dialogue, do you have any other specific recommendations as to how to, whether you talk about clubs, sweetness, logic or whatever else, to get CPS to cooperate in this venture?

MAYOR COCKRELL: Let me just say, I think it's a very long and complicated subject and I think that in all fairness, you would need to sit down and hear - you have heard the presentation of the expert who was advocating the combined operation. I think you also then need to hear the expert whom the City Public Service Board retained who has a different conclusion and then hear the point of view and then evaluate the total subject and then if this Council feels very strongly that the CPS conclusion is in error, I think the Council could then pass a Resolution again reaffirming our position and ask that it be reconsidered.

DR. NIELSEN: They could still refuse. Now, what specifically should we or should we do in terms of alternatives to...inaudible...

MAYOR COCKRELL: All right. Let me just say this. I think the Council should go through the procedure that I am stating. I do not think that we can take unto ourselves final decisions that has to be made by the City Public Service Board. I think that we can sit down with them and review this very carefully and get their explanation and reasons for why they did not choose to go ahead with it. If you do not like their reasons, if you don't buy them, then this Council can again pass a second Resolution reaffirming our previous position and asking that they reopen this issue and I will make every effort to carry that and certainly will do it.

DR. NIELSEN: But, realistically, if the Council felt strongly enough, when you get right down to it, I think Mr. Munoz is right, the only particular point of leverage, persuasion or whatever or whatever you want to call it, in terms of dialogue and, honest differences opinion resolving, it would simply be at the point of bond issue or rates.

MAYOR COCKRELL: All right, fine. Now, then are we ready to proceed, Mr. Pyndus, do you have a motion?

MR. PYNDUS: Yes madam. I would like to move to Item VII with regards to the approval of the \$150 million proposed bond issue. I was mainly in objection to the approval of this entire figure because of the financial uncertainty of the venture. I have in the last ten minutes utilized my time in speaking with the City Public Service Board people and I am convinced that, based on their knowledge and in negotiations that are going on at this time, that we have no choice and I would like to state emphatically and as clearly as I can that I am not completely satisfied with my motion nor my vote. To vote on a clouded picture and with incomplete answers is not my nature. I think that the overall situation has such grave implications for the City that I personally have no choice and I would like to make the motion that we approve this Ordinance.

MR. BILLA: I second the motion

MAYOR COCKRELL: There is a second to the motion. All right, we need to have the caption read. The caption will be read. Fine.

The City Clerk read the caption of the proposed Ordinance as follows: "An Ordinance by the City Council of the City of San Antonio, Texas, acknowledging its understanding of the financial needs of the City Public Service Board of San Antonio for capital improvements to the San Antonio Electric and Gas Systems during the fiscal year 1976-77; agreeing to assist and cooperate in meeting the financial needs of said Board; approving and authorizing the issuance of approximately \$150,000,000 in revenue bonds in installments necessary to meet said financial needs for the fiscal year 1976-77; and declaring an emergency."

\* \* \* \*

MAYOR COCKRELL: All right, will you make your motion now. So move, all right, moved and seconded.

DR. CISNEROS: Mayor, I honest to God really don't know what I am going to do yet. I am still pondering and having a great deal of difficulty. But I do want to make a comment about the process involved here. The fact that a City Councilman of the City of San Antonio had to take a ten minute recess, or a City Councilman generally, to get essential facts in a vote, in a situation where to me is just not the way government ought to work or decisions of this kind ought to be made. Granted, that not everything is a vote like this can be public information because there are negotiations involved, the market and fluctuations in price and also litigations. So, I understand that those things sometimes happen, but my goodness, we have had weeks of preparations in this and many sessions of preparations of this and CPS, and I respect the Board members and I respect the staff members too, but it is not right to withhold that kind of information necessary to individuals to make individual decisions whether we ever got together in an Executive Session or not until, you know, the day before or two days before, I mean this is something that is inner growth of this City and I just have to make a strong protest about the greatest extent of open government possible when it is absolutely not possible then complete forthrightness in information and full information necessary.

MAYOR COCKRELL: All right, let me ask this. Have you been denied any information which you have requested?

DR. CISNEROS: We have been pussyfooting around this issue and dancing around these gut questions now for weeks and took a recess ten minutes before the vote to get the facts.

MAYOR COCKRELL: Dr. Cisneros, let me clarify this just a little bit further though. If I think that since you have raised the issue, I feel that as a matter of public record, I also need to say that I did ask if you would like any further briefing individually prior to the start of this meeting and at that time it was your hope and mine that there could be a full Council Executive Session. I have been making every effort to see that every Council member has had access to any information needed in the process.

MR. BILLA: I just want to say I am very confident that my colleague, Dr. Cisneros, should know more how government operates than anybody on this Council. I think that he has been closer associated with it. But I received the same information he had received and it had no bearing.

January 8, 1976

-25-

img

I think that there is no absolute facts that were presented. It was still sort of general and I don't see that it influenced my colleague, Mr. Pyndus, especially because I think he voted or made the motion because he is somewhat confident now that this is something that has to be done or should be done and certainly the information we received had no bearing on my decision any way. I have been satisfied that this is essential and we have to get on with this. There is no difference in the amount of money that is projected that was projected for the costs of these plants now or when it was originally projected. So, I just don't see that problem.

MAYOR COCKRELL: All right, Dr. Nielsen, I believe was next.

DR. NIELSEN: All of which however have not addressed a very fundamental business principle that is until there is a contract, there is no way that CPS can realistically present us any cost figures or anything else. They can show us on paper. But until there is a contract, it says here signed January 7th, for the engineering system, Houston Lighting and Power officials are projecting a three to six...inaudible...to complete the uranium supply negotiations and until that's done, we are still sitting here operating in the dark and some of us got to see a few figures back here on a piece of paper which may, in fact, come out to be the figures in the contract, but until you have the contract, you are still operating in the dark.

MAYOR COCKRELL: Thank you. Mr. Teniente.

MR. TENIENTE: Madam Mayor, the comments by colleague Cisneros may lead some people to believe that we were all influenced by the ten minute recess. As a matter of record, my position was stated quite clearly last Tuesday at our briefing and the information that I have, additional information that I have received has just strengthened my position. I just have to work with the information I have and I just don't feel that some of the comments were pertinent to my particular position and may have influenced one Councilman, this ten minute break may have influenced one Councilman and I would hope that if we have other issues like this that are pressing and things that perhaps I favor that I would ask for a ten minute break whenever Phil Pyndus votes against me from now on, I will just ask for ten additional minutes.

MAYOR COCKRELL: All right, we have had, yes, Reverend Black.

REVEREND BLACK: I just wish I knew what went on in the ten minutes.

MAYOR COCKRELL: Reverend Black, let me just say this. Before we recessed I asked, I made the point that there were two members who stated that they needed additional information about that particular contract, information which was in the negotiation stage. The City Attorney had ruled that it was not the proper subject for an Executive Session. It was an opportunity for the two members as individuals to advise themselves as to what stage negotiations were in. So, that was stated very publicly and clearly.

REVEREND BLACK: But I am sure you would agree that in spite of the public position of the Councilman, that all information is available to any Councilman should be available to all Councilmen. We should not make judgments on what Councilman we're going to hear. I think I agree with Councilman Cisneros that when we get into the process of ten minute breaks, we get into the process of somehow eliminating some Councilmen and including others by getting a majority vote. I know that's not the issue with me but I still think it ought to have been, I ought to have been included in that. Now, I would like to offer a substitute motion. That substitute motion is that the figure of \$150 million would be changed to \$110 million which would be designed to eliminate the allocations that would be made for the nuclear program.

MAYOR COCKRELL: Reverend Black has offered a motion to substitute. Is there...

DR. NIELSEN: I would second it if you'll make it \$111, I think they said \$39 million.

REVEREND BLACK: Okay, \$111, whatever it takes to eliminate.

MAYOR COCKRELL: All right. There's been a motion and a second on a substitute motion which was to reduce from \$150 to \$111.

REVEREND BLACK: The purpose and intent of the substitute is to eliminate the allocations to the nuclear program and I want that clearly defined.

MAYOR COCKRELL: I think most everyone at this point understands the motion and those voting for this would be voting to eliminate the nuclear from the program. Those voting against wish to vote for the entire package. All right, can we proceed.

DR. NIELSEN: It seems to me for the record said that although I don't know that Claude might necessarily agree although I assume he might, that once, in my opinion, the contract is brought to us, whether it's three or six months or whatever regarding the uranium supply we can deal with that then.

MR. PYNDUS: Mayor Cockrell, I'd like to speak against the motion. First of all it should be clearly understood that in that the minute break, everybody that wanted to avail himself of additional information, such information was available. I think the officials of the CPSB will substantiate this and for anyone to be left out was not their intent. I will tell you that the figures that were revealed to us, and these gentlemen are negotiating a business deal that has to remain unpublic or not public, and inasmuch as my objections were not on the nuclear part of the monies that we are noting on this morning, I feel that my objections were based on the financial reliability of this contract. As I have stated I am not completely satisfied because it has not been consummated but I feel that this Council has no choice other than go forward at this time. I would vote against your motion, Reverend Black.

MAYOR COCKRELL: All right. Clerk will call the roll.

REVEREND BLACK: Yes.

MR. HARTMAN: I would like to precede my - well, I will first of all record a no vote, and I would like to make this statement. I think looking back over all of the votes that I have cast since being on this Council that there's always a, I can't recall a single vote where there was not some element of faith involved. One can never vote in absolute knowledge based on facts. There have been cases, perhaps, where I voted with 99 per cent facts and still one per cent faith. I would regard this particular issue as perhaps being something in the order of 50 per cent absolute fact and 50 per cent faith. Unfortunately, this is an issue that involves a number of things. It involves contractual negotiations. It involves the matter of when we can exercise options. It involves the matter of what has been decided before. Harking back to Councilman Nielsen's point with regard to the fact that we do not have a contract, I think this is perhaps the part that bothers me most to use the expression, gives me the most degree of heartburn. However, that problem, I think, can be laid to rest, not totally comfortably, but to some extent and with some degree of faith, the fact that we will have another option, another crack at this thing, when the CPSB comes back with a request for a second increment. So, again with the judgment that this is perhaps a vote that I cast very uncomfortably perhaps 50

per cent fact and 50 per cent faith, I very reluctantly vote no against this.

MR. ROHDE: First, I want to comment that because I wasn't recognized a while ago, but I had reservations about this matter, and I went to see the Mayor and as a member of the Board of Trustees, talked several items over with her and ably demonstrated to me that, changed my viewpoint, the reasons that this is very important for San Antonio, and I think every Councilman should avail himself to the Mayor's office when they have reservations like this because she convinced me that this was in the best interest of the City, and I vote no.

MR. TENIENTE: No, and my ten minutes were spent with the Councilman from Puebla, Mexico.

DR. NIELSEN: I think, Madam Mayor, you as a member of CPS have a serious responsibility to see, in light of all information you have, and all that every member of this Council, without any prejudgment as to what their values, opinions, politics or whatever else is, that that information is made available by every legal means possible. I personally want to say that, as I evidenced in my brief conversation with you that there was a, nothing malicious, but not perhaps the fullest degree of responsibility exercised to see that every member of the Council had the brief chance to talk with Mr. Poston and Mr. Berg and Mr. Spruce. I just want to say that.

DR. NIELSEN: Aye.

MAYOR COCKRELL: No.

MR. PYNDUS: No.

MR. BILLA: No.

DR. CISNEROS: No.

CITY CLERK: Motion failed.

MAYOR COCKRELL: All right, the vote is now on the motion which is the main motion which is to approve the ordinance, it was listed as ordinance number seven.

DR. NIELSEN: Madam Mayor...

MAYOR COCKRELL: Yes.

DR. NIELSEN: I would offer as a substitute motion to delay any further discussion on this for one week. I so move.

MAYOR COCKRELL: There has been a motion to substitute, that the item be postponed for one week.

REVEREND BLACK: I second the motion.

MAYOR COCKRELL: It has been moved and seconded. Those in favor of the motion say Aye, any opposed no. All right, the motion has, all right, on the roll call vote, yes, a question, Dr. Cisneros?

DR. CISNEROS: Is there going to be a roll call on the motion or not?

MAYOR COCKRELL: If you wish, yes.

DR. CISNEROS: I think that a lot of procedural problems that we've been discussing in the last few minutes could be resolved if we did have some additional time. I'm not even sure a week would be necessary, procedural problems if everybody had the same information, and that sort of thing. What would be the implications if I may ask of a delay?

MAYOR COCKRELL: I think that we need to go ahead and vote. There is a time to bite the bullet, and I think the time is here. We've had, everybody has had opportunity for access to the information. We have had one test vote, and I think the time is here to go ahead and finish up our job. I think that at least one person has announced that his feeling is such that in opposition to the nuclear that the financial data is not the important issue with him, and so I think that we need to go ahead and that's my recommendation. Let's have a roll call vote. Yes, Dr. Nielsen?

DR. NIELSEN: On the other hand too, I think there's a serious responsibility. You said we're going to kind of end something. I think what we're really doing is beginning, if you will, a serious kind of relationship, not only with CPS and management and all, but to every citizen in this community. It goes way beyond the question of nuclear. It goes beyond a pretty serious economic question of just how in the world, we in terms of economic development and a whole host of priorities, really finally put the squeeze on everybody to fund the necessities. If you don't have the citizens with you in terms of paying those bills, you just pay for it later down the road.

MAYOR COCKRELL: All right, then we have before us a pending motion to postpone. Let's have a roll call vote whether you're in favor or not.

MR. HARTMAN: I would vote to abstain. I'm sorry, I would vote to delay, I would vote yes.

MR. ROHDE: I'm not going to cut the lights off of our citizens. The answer is no.

MR. TENIENTE: My record is, at the request of the Councilman to delay for one week on any motion a support for this Councilman, and at this point I would have to vote yes.

DR. NIELSEN: Yes.

MAYOR COCKRELL: No.

MR. PYNDUS: I would like to prefix my vote. I'm speaking against the motion and I will ask, I would hope that it influences the rest of the Council people that are waiting to vote. The information that we seek cannot be obtained in a short period of time, and I think that to delay at this time would be unnecessary, and I would vote no.

MR. BILLA: No.

DR. CISNEROS: Yes.

REVEREND BLACK: Yes.

CITY CLERK: The motion carries.

MAYOR COCKRELL: All right, there is a five to four vote. All right, the item is on the agenda for next week.

CITY MANAGER GRANATA: It's the zoning week, do you want it first?

MAYOR COCKRELL: All right.

January 8, 1976  
img

DR. NIELSEN: How big is the zoning agenda?

CITY MANAGER GRANATA: Right now, we think it's about approximately 25 cases.

MAYOR COCKRELL: All right, it's the desire of the Council that this be scheduled first next week.

DR. CISNEROS: First yes.

MAYOR COCKRELL: Okay.

MR. PYNDUS: I'd like to make a motion please.

MAYOR COCKRELL: Yes.

MR. PYNDUS: I would like to take the following item and I would like to make the motion for approval.

MAYOR COCKRELL: All right on Item VIII, the motion, the caption will now be read on Item VIII.

The City Clerk read the caption of a proposed Ordinance as follows: "An Ordinance for the City Council of the City of San Antonio, Texas, approving and authorizing the giving of notice of intention to issue \$60 million City of San Antonio, Texas, Electric and Gas System Revenue Bonds, New Series 1976 and declaring an emergency."

\* \* \* \*

MR. PYNDUS: I so move for adoption.

MAYOR COCKRELL: All right, the motion, may I ask the City Attorney, is it possible to approve this without having approved the other? He says yes. All right, there is the motion for approval of the Ordinance as listed in Item VIII. Is there a second to that motion?

MR. ROHDE: I second it.

MR. PYNDUS: I would like to speak to the motion. The delay, in your sincere and intense desire to get more facts, could be harmful if this Ordinance is not passed. If this Ordinance is passed you will initiate the procedure to issue the sale of these bonds and I would ask that you approve this resolution.

MAYOR COCKRELL: All right, any further discussion? Reverend Black.

REVEREND BLACK: I would like to speak against the motion because I think it would make moot the action that was taken in the first motion. If this portion of the motion was passed, I think the real substance of that motion that involved Ordinance No. VII was that we would have ample time or there would be ample time for those who wanted to examine. Otherwise, if you simply go to VIII you have made that motion of no effect.

MAYOR COCKRELL: I think there is a difference in the overall program. Yes, Mr. Pyndus.

MR. PYNDUS: Just previously, Reverend Black, you voted for a motion for approval of \$110 or \$100 million worth of bonds, \$111. And in a sense, I am doing the same thing. If you voted for that, I feel that you should vote for this because this, in effect, will not jeopardize the financial payment of bills by the City Public Service and this has a lot more relevance at this time to get through.

MAYOR COCKRELL: Yes, Dr. Nielsen.

DR. NIELSEN: I think some of us, well, there was some understanding, I think there was a motion, it would just seem to me that in light of what was discussed, because we can discuss in the briefing the fact, you know, that one week's delay would not cripple the critical path or the PERT chart or anything else. It would just seem to me that we just simply as a procedural matter deal with both of these next week.

MAYOR COCKRELL: All right, there is a motion for approval. The Clerk will call the roll.

The motion failed on the following roll call vote: AYES: Rohde, Cockrell, Pyndus, Billa; NAYS: Black, Hartman, Teniente, Cisneros, Nielsen; ABSENT: None.

MAYOR COCKRELL: All right, the motion has failed. Is it your desire that this be reconsidered next week? All right, the item will be placed on the agenda also next week. All right, it is now time to recess for lunch.

- - -  
76-1 The meeting recessed for lunch and reconvened at 2:00 P.M.

- - -  
76-1 CITIZENS TO BE HEARD

ELLA AUSTIN COMMUNITY CENTER

Mrs. Dolores Ratliff, Director of the Ella Austin Community Center, said that she had previously appeared before the Council to request that \$1.6 million be allocated to the Ella Austin Community Center out of Community Development Funds to meet the emergency needs of that organization. She said that she did not feel that the Council gave serious consideration to her request and had therefore returned. She reiterated the great need for funds to repair the building so that it will be usable.

Mayor Cockrell reminded Mrs. Ratliff that she had asked for a listing of needs by priority as it is possible that the Council will be able to allocate only a portion of her request.

Speaking in support of Mrs. Ratliff's request were:

Mr. Gene Leggett  
Mary Ester Gaitan  
Melissa Wayne  
Tommy Ammerson

- - -  
KARL WURZ

Mr. Karl Wurz read a prepared statement concerning the question of the Edwards Aquifer protection saying that protection of the Aquifer should be a burden that the land owners should carry. (A copy of Mr. Wurz' statement is included with the papers of this meeting.)

E. L. RICHEY

Mr. E. L. Richey, 1118 West Craig, spoke of raids being made at local bars by agents of the Texas Alcoholic Beverage Commission and said that many persons are manhandled and arrested who are not drunk. He spoke against this and said there is a bad government.

RAUL RODRIGUEZ

Mr. Raul Rodriguez, 719 Delgado, spoke again about conditions at the Police pound. He said that the explanation given by Police Chief Emil Peters at today's "B" Session was not satisfactory.

HELEN DUTMER

Mrs. Helen Dutmer, 739 McKinley, said that according to newspaper accounts all of the street projects in the Southeast part of San Antonio are being cancelled.

Mr. Stewart Fischer, Director of Traffic and Transportation, said that the story she read was misleading but, in fact, the projects she was concerned about were being funded in another way.

ALBERT SCHNEIDER

Mr. Albert Schneider, Fredericksburg, Texas, said that he had invented a machine to generate electricity which would use gravity as fuel. All he needed was \$235,000 participation by the City.

Mayor Cockrell referred Mr. Schneider to the City staff to go over the project.

76-1 Mayor Cockrell was obliged to leave the meeting and Mayor Pro-Tem Teniente presided.

PHIL KOEHNE

Mr. Phil Koehne spoke again about the solar energy project he has proposed. He said that he would like to arrange for the Council to make a field trip to Dallas this week before acting on the CPSB bond request to visit with scientists on the solar energy project and to inspect a model.

76-1 Mayor Cockrell returned to the meeting and presided.

MICHAEL POHERANTZ

Mr. Michael Poherantz, owner of a shop at HemisFair Plaza called Far Out, complained that he has been obstructed by construction in the area and has been unable to get any cooperation from the management.

City Manager Granata said that he would have the complaint investigated.

Mr. Teniente asked for a report of the City Manager's findings.

76-1 The following Ordinance was read by the Clerk and explained by Mr. Roy Montez, Assistant Director of Community Development and Planning, and after consideration, on motion of Mr. Pyndus, seconded by Mr. Billa, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Hartman, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: None.

AN ORDINANCE 46,090

AMENDING THE FIRST YEAR COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM BUDGET BY ADDING THE HEMISFAIR PARK BEAUTIFICATION PROJECT; ALLOCATING THE AMOUNT OF \$207,100.00 THERETO, REDUCING THE AMOUNT BUDGETED FOR THE LAKE PAVILION PARKING STRUCTURE PROJECT BY THE AMOUNT OF \$207,100.00, AND AUTHORIZING TRANSFER OF SAID AMOUNT TO THE NEW PROJECT.

\* \* \* \*

76-1 The following Ordinance was read by the Clerk and explained by Mr. Bob Hunter, Assistant Director of Planning and Community Development, and after consideration, on motion of Mr. Teniente, seconded by Mr. Pyndus, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Hartman, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Black.

AN ORDINANCE 46,091

AUTHORIZING THE CITY MANAGER TO ENTER INTO A CONTRACT WITH TEXAS A & M UNIVERSITY FOR THE SERVICES OF DESIGNATED GRADUATE STUDENTS.

\* \* \* \*

76-1 The following Ordinance was read by the Clerk and explained by City Attorney James Parker, and after consideration, on motion of Mr. Hartman, seconded by Mr. Pyndus, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Hartman, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Black.

AN ORDINANCE 46,092

RATIFYING AND APPROVING THE CHARGES MADE FOR ELECTRIC AND GAS SERVICE THROUGH THE SAN ANTONIO ELECTRIC AND GAS SYSTEM OPERATED BY THE CITY ACTING THROUGH THE CITY PUBLIC SERVICE BOARD, PURSUANT TO ADJUSTMENT PROVISIONS OF THE ORDINANCE FIXING RATES FOR SUCH SERVICE; AND DECLARING AN EMERGENCY.

\* \* \* \*

76-1 The Clerk read the following Ordinance:

AN ORDINANCE 46,093

APPROVING AND SETTING THE ADJUSTMENTS TO CHARGES FOR ELECTRIC AND GAS SERVICE PURSUANT TO ORDINANCE 43862, AS AMENDED, FOR THE MONTH OF JANUARY, 1976, AND DECLARING AN EMERGENCY.

\* \* \* \*

Mr. Don Thomas distributed prepared papers showing the monthly calculation for the billing adjustment for the month of January. (A copy of the calculation is included with the papers of this meeting). Mr. Thomas went over the figures briefly with the Council and answered questions. He said that in the future he would appear before the Council at its meeting on the last Thursday of each month to explain the revised adjustment charges.

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

76-1 The following Ordinances were read by the Clerk and explained by Members of the Administrative Staff, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Hartman, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Rohde.

AN ORDINANCE 46,094

AUTHORIZING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE CONTRACT WITH JACK GOEBEL CONSTRUCTION COMPANY, WHEREBY THE EXISTING TEMPORARY BUILDING ON THE SOUTH ZARZAMORA HEALTH CLINIC SITE MAY BE RENOVATED FOR USE AS A VECTOR CONTROL BUILDING AT A COST OF \$27,379.00; AND AUTHORIZING A REVISION IN THE BUDGET OF THE PROJECT IN FEDERAL REVENUE SHARING FUNDS, THEREBY PROVIDING MONEY TO PAY FOR SAID RENOVATION AND MISCELLANEOUS CONTINGENT EXPENSES.

\* \* \* \*

AN ORDINANCE 46,095

MANIFESTING THE CITY'S CONSENT TO AN ASSIGNMENT OF STINSON AIRPORT LEASE NO. 612A FROM J. R. VIN SANT TO TED LeBLEU.

\* \* \* \*

AN ORDINANCE 46,096

MANIFESTING AN AGREEMENT WITH MR. PHILIP POLICE FOR A TWO YEAR EXTENSION OF THE PRESENT LEASE AGREEMENT OF CERTAIN SPACE IN THE PUBLIC TERMINAL BUILDING AT INTERNATIONAL AIRPORT FOR USE AS A BARBER SHOP.

\* \* \* \*

AN ORDINANCE 46,097

MANIFESTING AN AGREEMENT WITH AMISTAD AIRLINES, INC., TO EXTEND LEASE NO. 30-5 AT INTERNATIONAL AIRPORT FOR AN ADDITIONAL TERM OF ONE YEAR.

\* \* \* \*

AN ORDINANCE 46,098

ACCEPTING THE AWARD OF A \$13,141.00 GRANT BY THE CRIMINAL JUSTICE DIVISION OF THE OFFICE OF THE GOVERNOR TO SUPPORT THE COST OF SENDING POLICE OFFICERS TO RECEIVE SPECIALIZED TRAINING IN CERTAIN SCHOOLS IN 1976; ESTABLISHING A FUND FOR THE PROJECT, AND APPROVING A BUDGET FOR EXPENDITURE OF THE FUNDS.

\* \* \* \*

76-1

S.W.A.T.

Councilman Cisneros inquired of Chief Peters regarding the SWAT project.

Chief Peters said that this special training has been completed and the program has been implemented. The morale of the team is very high and they continue to train.

In reply to the question of Councilman Teniente, Chief Peters said that it is in the curriculum that monthly unannounced alerts are to be held to maintain efficiency.

76-1 The following Ordinances were read by the Clerk and explained by Police Chief Emil Peters 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, Cockrell; NAYS: None; ABSENT: None.

AN ORDINANCE 46,099

AUTHORIZING EXECUTION OF AN AGREEMENT ACCEPTING A GRANT AWARD IN THE AMOUNT OF \$27,277.00 ENTITLED SAN ANTONIO POLICE DEPARTMENT ACCELERATED REPORTS; ESTABLISHING A FUND FOR THE PROJECT; AND APPROVING THE BUDGET AND PERSONNEL COMPLEMENT THEREFOR.

\* \* \* \*

AN ORDINANCE 46,100

ACCEPTING THE AWARD OF A \$14,000.00 GRANT BY THE CRIMINAL JUSTICE DIVISION OF THE OFFICE OF THE GOVERNOR FOR PURCHASE OF TRAINING FILM FOR THE SAN ANTONIO POLICE ACADEMY AND ESTABLISHING A FUND FOR THE GRANT AND APPROVING A BUDGET THEREFOR.

\* \* \* \*

76-1

The Clerk read the following Ordinance:

## AN ORDINANCE 46,101

AUTHORIZING THE CITY MANAGER TO SUBMIT AN APPLICATION TO THE TEXAS CRIMINAL JUSTICE COUNCIL FOR A GRANT AS PRIME SPONSOR FOR THE YOUTH GUIDANCE PROGRAM, A JUVENILE DELINQUENCY PROJECT.

\* \* \* \*

Mr. John Rinehart, Operations Manager, Fiscal Planning and Control, said that this ordinance authorizes an application for a grant to continue an already existing program at Ella Austin Community Center.

Members of the Council expressed concern at the high salaries being paid to some of the staff and urged that salaries be kept more in line with City salary scales.

Mr. Rinehart said that prior to requesting an ordinance accepting this grant, he will insist that salaries be brought in line or he would not ask the Council to accept the grant.

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, Hartman, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: None.

76-1 The Clerk read the following Ordinance:

## AN ORDINANCE 46,102

AUTHORIZING PAYMENT OF THE AMOUNT OF \$4,359.75 TO THE HARBOUR CASTLE HOTEL, TORONTO, ONTARIO, CANADA, FOR A BREAKFAST AND RECEPTION HOSTED BY THE SAN ANTONIO CONVENTION AND VISITORS BUREAU.

\* \* \* \*

The Ordinance was explained by Mr. Henry Nussbaum, Director of Convention and Visitors Bureau, who said that approval of this ordinance was requested of the Council because the amount involved exceeded \$3,000. He said that this covers a reception given to the Canadian Tour and Travel agencies in Toronto last October. There was a very good response and already results are being obtained from the trip.

Mr. Nussbaum then introduced Patricia O'Connell who has been employed as Manager of the International Relations Department of the Convention Bureau.

He reminded Council that on February 10th there will be a review of 1975 activities and a preview of 1976 goals of the Convention Bureau. It will be in Fiesta Rooms 1 and 2 and he personally invited the Council to be present for the report and luncheon following the report.

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

76-1 The following Resolution was read by the Clerk and explained by Finance Director Carl White, and after consideration, on motion of Dr. Nielsen, seconded by Mr. Pyndus, was passed and approved by the following vote: AYES: Pyndus, Billa, Black, Hartman, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Cisneros.

A RESOLUTION  
NO. 76-1-4

DECLARING THE ADOPTION BY THE CITY OF  
SAN ANTONIO OF CERTAIN RULES OF FISCAL  
RESPONSIBILITY IN THE MANAGEMENT OF  
FINANCES.

\* \* \* \*

76-1 The following Ordinances were read by the Clerk and explained by Members of the Administrative Staff, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Pyndus, Billa, Black, Hartman, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Cisneros.

AN ORDINANCE 46,103

AMENDING ORDINANCE NO. 38695 OF JULY 2,  
1970, SO AS TO SET THE 1976 RATE FOR  
TRANSPORTATION AND TREATMENT OF SEWAGE  
BY THE CITY OF SAN ANTONIO FOR OUTSIDE  
CITY LIMITS ENTITIES AT \$0.1724 PER  
THOUSAND GALLONS OF SEWAGE, BASED UPON  
70% OF WATER CONSUMPTION, AND PROVIDING  
FOR EXCEPTIONS IN CASES WHERE SEWAGE FLOW  
IS MEASURED BY SEWAGE METERS, OR WHERE  
EXISTING CONTRACTS PROVIDE FOR A DIFFERENT  
RATE OR A DIFFERENT METHOD OF DETERMINING  
FLOW.

\* \* \* \*

AN ORDINANCE 46,104

AUTHORIZING PAYMENT OF \$22,835.19 TO THE  
ALAMO AREA COUNCIL OF GOVERNMENTS, CON-  
STITUTING THE CITY'S MEMBERSHIP DUES FOR  
THE CALENDAR YEAR 1976.

\* \* \* \*

AN ORDINANCE 46,105

AUTHORIZING EXECUTION OF AN AGREEMENT  
WITH JIMMY M. GAUSE FOR CONSULTANT  
SERVICES IN CONNECTION WITH DOWNTOWN  
REVITALIZATION.

\* \* \* \*

AN ORDINANCE 46,106

AMENDING ORDINANCE 44284 OF SEPTEMBER 5,  
1974 BY REPLACING NICARAGUA WITH GUATEMALA  
AS ITEM NUMBER 1.

\* \* \* \*

## AN ORDINANCE 46,107

AUTHORIZING EXECUTION OF AN AGREEMENT  
WITH THE MISSOURI-KANSAS-TEXAS RAILROAD  
COMPANY PERTAINING TO A TEMPORARY CROSSING  
AT ROTARY STREET.

\* \* \* \*

76-1MAINTENANCE OF RAILROAD CROSSINGS

Councilman Teniente said he wished to call to Mr. Stewart Fischer's attention the condition of some of the railroad crossings in town. He particularly mentioned Martin Street crossing and Comal Street.

Mr. Fischer said that he would again call this to the Railroad's attention.

76-1 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, Black, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Cisneros, Hartman.

## AN ORDINANCE 46,108

ACCEPTING THE LOW BID OF R. L. JONES, CO.,  
INC. IN THE AMOUNT OF \$62,336.99 FOR CON-  
STRUCTION OF THE REMOUNT HEIGHTS SANITARY  
SEWER SYSTEM, AUTHORIZING EXECUTION OF A  
STANDARD PUBLIC WORKS CONSTRUCTION CONTRACT,  
AUTHORIZING A TRANSFER OF FUNDS, APPROPRIATING  
FUNDS, AUTHORIZING PAYMENT, AND PROVIDING  
FOR A CONTINGENCY ACCOUNT.

\* \* \* \*

## AN ORDINANCE 46,109

AUTHORIZING EXECUTION OF A CONTRACT FOR  
PROVIDING FIRE PROTECTION SERVICES TO AN  
AREA ADJACENT TO THE CITY LIMITS DESIGNATED  
AS AN INDUSTRIAL DISTRICT BY ORDINANCE  
45245 OF MAY 8, 1975.

\* \* \* \*

## AN ORDINANCE 46,110

AUTHORIZING THE CITY MANAGER TO EXECUTE  
A STANDARD PROFESSIONAL SERVICES CONTRACT  
WITH R. W. OPITZ & ASSOCIATES FOR ENGINEERING  
SERVICES FOR A SEWER SYSTEM IN CERTAIN  
UNSEWERED AREAS, AND APPROPRIATING \$40,500.00  
FOR PAYMENT FOR CONTRACTUAL SERVICES.

\* \* \* \*

76-1 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, Cisneros, Black, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Hartman.

AN ORDINANCE 46,111

ACCEPTING THE LOW QUALIFIED BID OF H. B. ZACHRY CO., IN THE AMOUNT OF \$24,900.00 FOR CONSTRUCTION OF THREE CONCRETE MODULAR RESTROOMS AT ST. TIMOTHY AND CENTENO PARKS AND AT WILLOW SPRINGS GOLF COURSE, AUTHORIZING A REVISION IN THE BUDGET OF THE MODEL CITIES PROGRAM FINAL PERIOD FUND TO PROVIDE FUNDS FOR THE ST. TIMOTHY AND CENTENO PARKS CONSTRUCTION; AND APPROPRIATING \$8,010.00 FROM THE 1970 PARK IMPROVEMENT BOND FUNDS FOR PAYMENT OF THE WILLOW SPRINGS GOLF COURSE RESTROOM AND FOR CONTINGENT EXPENSES ASSOCIATED WITH SAID CONSTRUCTION.

\* \* \* \*

AN ORDINANCE 46,112

AUTHORIZING EXPENDITURES OF THE ADDITIONAL SUM OF \$50,000.00 FOR PRODUCTION OF ADDITIONAL MAPS BY TOBIN RESEARCH, INC., AND THE ADDITIONAL SUM OF \$3,000.00 FOR USE OF CITY WATER BOARD MAPS, PURSUANT TO AGREEMENTS AUTHORIZED BY ORDINANCE 44349; AUTHORIZING EXPENDITURE OF \$13,500.00 FOR MISCELLANEOUS EXPENSES IN THE COORDINATED MAPPING PROJECT; AND AUTHORIZING A REVISION IN THE BUDGET OF THE PROJECT IN THE FEDERAL REVENUE SHARING FOURTH ENTITLEMENT PERIOD FUND.

\* \* \* \*

76-1

THOUSAND OAKS SUBDIVISION UNIT III

Mr. Mel Sueltenfuss, Director of Public Works, said that he brought to Council a review of Thousand Oaks Subdivision Unit III which is located over the Edwards Recharge Zone. It is a part of the same subdivision which the Council reviewed last week. It simply involves making small lots into larger lots for single family residences.

The matter was referred to the Planning and Zoning Commission.

Mr. James Parker, City Attorney, said that he had previously stated that the City Council has no authority in approval of plats. However, he called to the Council's attention a change in state statutes which now provides that the Council can pass an ordinance giving the Council power to review subdivision plats if it so desires. It does require an ordinance from the Council.

The Council expressed a desire to leave matters as they are in this area.

January 8, 1976  
el

-39-

76-1 The following Ordinance was read by the Clerk and explained by Mr. John Brooks, Director of Purchasing, and after consideration, on motion of Dr. Nielsen, seconded by Mr. Teniente, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Hartman.

AN ORDINANCE 46,113

AUTHORIZING THE PURCHASE OF TWO ADDITIONAL PORTABLE SEWAGE TREATMENT PLANTS FROM CAN-TEX INDUSTRIES FOR A NET TOTAL OF \$80,344.00.

\* \* \* \*

76-1 The following Ordinance was read by the Clerk:

AN ORDINANCE 46,114

ACCEPTING THE HIGH PERCENTAGE QUALIFIED BID OF SNACKS, INC. TO FURNISH THE CITY OF SAN ANTONIO WITH FOOD AND BEVERAGE CONCESSION AT LA VILLITA ON A CONTRACT BASIS IN THE AMOUNT OF 37%; AND AMENDING SAID BID DOCUMENT TO EXCLUDE THE ARNESON RIVER THEATER FROM THE CONTRACT WHEN A NON-PROFIT ORGANIZATION REQUESTS TO HANDLE ITS OWN CONCESSION OPERATION.

\* \* \* \*

The Ordinance was explained by Mr. John Brooks, Purchasing Agent, who said that last month after bids had been opened on concession contracts at La Villita, Council had instructed him to go back to the bidder to exempt the Arneson River Theatre at any time a non-profit organization wishes to use the premises. It also exempts the Conservation Society for four nights during Fiesta Week. Snacks, Inc., the concessionaire, has agreed to these changes.

Mr. Hartman said that he still was not satisfied that there is a need for this type of concessionaire in the La Villita area. He felt that more business could be generated in La Villita if this agreement were not in force.

Representatives of the Conservation Society and other affected groups were present in the Council Chamber and said that they were in accord with the amended agreement.

Councilmen expressed appreciation to Snacks, Inc. for their cooperation in this matter.

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

76-1 The following Ordinance was read by the Clerk and explained by Mr. John Brooks, Director of Purchasing, and after consideration, on motion of Mr. Pyndus, seconded by Dr. Nielsen, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Hartman.

AN ORDINANCE 46,115

AUTHORIZING THE PURCHASE OF 22 COMPUTER  
TERMINALS FROM GENESIS I COMPUTER COR-  
PORATION IN THE TOTAL AMOUNT OF \$68,520.00.

\* \* \* \*

76-1

POLICE COMPUTER

Councilman Rohde said that he has a scanner in his office and he has been concerned about the frequent breakdown of the police computer early each morning.

Chief Peters said that every morning it is taken down because of the booking process and it is done early in the morning because there is not much call on the computer at that time. He said that the head of his computer section could better explain the matter.

After discussion, Mayor Cockrell asked that Council be provided with a report on this problem.

76-1 The following Ordinance was read by the Clerk and explained by Mr. Carl White, Director of Finance, and after consideration, on motion of Mr. Pyndus, seconded by Mr. Billa, was passed and approved by the following vote: AYES: Pyndus, Billa, Cisneros, Black, Rohde, Teniente, Nielsen, Cockrell; NAYS: None; ABSENT: Hartman.

AN ORDINANCE 46,116

EXTENDING THE TERMS OF THE MEMBERS OF  
THE BOARD OF EQUALIZATION.

\* \* \* \*

There being no further business to come before the Council, the meeting adjourned at 4:25 P. M.

A P P R O V E D

*Lila Cockrell*

M A Y O R

ATTEST:

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



# CITY OF SAN ANTONIO

SAN ANTONIO, TEXAS 78285

STATE OF THE CITY

SAN ANTONIO, TEXAS

JANUARY, 1976

1 | 7 | 76

TRUE COPY

*Lila Cockrell*

LILA COCKRELL - MAYOR

As we are entering into the Bicentennial Year of 1976 in San Antonio, it seems an appropriate time to review the past eight months of City activity in terms of major directions and policies set by the City Council and implemented by staff, and also to look at our forecast for 1976.

Our backward look over the issues of the past eight months would include the following highlights:

Budget Making-Accounting

In 1975, City Council members participated in intensive review of departmental budgets - the first time this type of Council participation has been done. Council members have taken strong interest in all budget processes looking toward improvements which can be made.

As part of a continuing effort to improve fiscal stewardship and financial accountability, the City retained an accounting firm to develop a fully computerized financial accounting management information system. This system is based on the single transaction concept of processing, whereby all relevant files and reports are updated from a single input of information.

In addition, the system provides the basis for implementing zero based budgeting for all departmental activities of the City. The zero base budgeting concept requires that budget formulation be commenced from a zero base and each program is challenged for its very existence.

Tax Reappraisal Program

Appraisal of property for purposes of taxation is a governmental function of fundamental importance. That it be done as equitably and efficiently as possible is of utmost significance to both taxpayer and government.

When the City-County-School reappraisal program was launched several years ago, it was in the belief that a cooperative approach to tax assessing and collecting produces economies, better service, and fairer treatment of the taxpayer. Also, savings can be achieved by

eliminating functional duplication.

A Board of Directors composed of County Judge Blair Reeves, County Commissioner Albert Bustamante, City Councilmen Bob Billa and Phil Pyndus has been recently appointed to straighten out problems in the program. This Board is presently working on selection of a competent administrator to supervise the program as well as looking into other areas that need attention. The Board's objective is to make the program a success by achieving equity and credibility. The City Council appointed Board of Equalization has already made great strides in correcting some of the inequities in tax valuations.

#### Utility Policies

This City Council has taken strong policy positions in relation to its publicly owned utilities and also in relation to Southwestern Bell Telephone Company whose rate structure it must approve. At a time when inflation has heavily impacted all aspects of our society, it was to be expected that the utilities would be in need of additional funds. The City Council has tried to be responsible in providing the funds while reviewing carefully the impact on the consumer.

#### CPS

At the beginning of this City Council term, the City Public Service Board requested approval of a \$50,000,000.00 bond issue, and an independent financial advisor to review the funding plans for the Capital Improvement Program of CPS. The City Council authorized retaining The City's consultant and the CPSB financial advisor both recommended an immediate change to the Junior Lien Bond financing method. Following the process of preparation of the agreement and documents involved, City Council gave approval for the issuance of the \$50,000,000.00 bond issue under a new junior lien bond indenture. The effect of the revision in financing procedures will be to spread the cost of new facilities so that the major portion will be paid for over the term of the bonds rather than trying to carry the major portion of costs of capital improvements in the current utility rates as was done in the past. This action postponed for at least one year the need for consideration of a rate hike by CPSB, and also lessened the amount of the rate increase which will be requested.

The City Council, under the leadership of the Mayor, took a strong role in support of the \$50,000,000.00 bond issue and in urging no delays in delivery of bonds. The Council currently is studying pending

proposals from CPS on its current request for authorization of additional bonds.

The City Council has been very concerned about the impact of rising fuel costs on the consumer bills. While CPS is moving ahead with plans for use of alternate fuels to help to stabilize costs, the Council has promised to review several alternate proposals for relief of hardship cases as soon as financial data from the tax rolls is available and the impact of the City-County property reappraisal is reviewed.

#### CWB

When presented with a rate request for a 30% increase in water rates, City Council granted only a 19% rate increase which it felt was absolutely necessary to maintain current services and provide at least moderate bond coverage. A City Council Committee, chaired by Councilman Glen Hartman, was assigned the responsibility of reviewing existing Water Board expansion policies to determine their impact on the rate structure before the balance of the requested increase would be considered. A recommendation will be forthcoming to the City Council in the near future regarding those policies and their impact.

#### Southwestern Bell Telephone Co.

The rate request of the Telephone Company (which was pending from the last City Council) was reviewed and the rate was restructured to provide that cost of installation of new service be paid by those new customers instead of being factored into the bill of old customers. As a result, the revised rate structure had minimal impact on residential customers and moderate impact on commercial service.

#### San Antonio Transit System

Significant events in mass transit marked the final months of 1975 in San Antonio. For the first time in several years, drivers and mechanics for the Transit System did not walk off their jobs following expiration of their labor contract. In contrast to a 23-day strike that idled Transit System buses the previous year, 1975 marked immediate acceptance by union workers of a five percent pay increase plus fringe benefit package.

In late October, the City Council approved recommendations of the System's trustees to adopt a 10-cent fare for senior citizens and handicapped riders.

In November, at the request of and assistance from several City Council members, the Transit System initiated the El Centro downtown shuttle system, connecting City parking lots beneath expressways on the fringes of downtown San Antonio with the central business district.

#### Public Safety

The Mayor has appointed a City Council Task Force on Crime, chaired by Councilman Claude Black, and co-chaired by Councilman Al Rohde, to review ways that City Council can strengthen law enforcement efforts in the City.

The City has an outstanding police department which has consistently worked at improved professional methods and also has in recent years worked to strengthen the area of community relations.

#### Economic Development

A major area of Council concern has been to strengthen the economic base of the City through close cooperation with those efforts in the private sector working toward this goal and also in funding public projects which might serve as a catalyst for economic development.

The Council has offered full cooperation to the privately funded Economic Development Foundation. In the past eight months, three new industry announcements have been made, and several other prospects may be nearing decisions.

An example of specific cooperation which contributed to one of the new industries decision to locate in San Antonio was the pledge by the City Council to a 7-year moratorium on annexing the area where Bakerline Industries located, which is in the City's extraterritorial jurisdiction.

Additional economic development activities are two energy related projects which have substantial potential economic impact.

The City has sponsored, working with a group of local citizens, an EDA grant application for a three-phase feasibility study for a coal gasification plant in this area. We should be receiving information on this study very soon.

Additionally, the City is making strong efforts at putting together an application for location in San Antonio of the Solar Energy Research Institute. A task force of citizens is working with staff in assisting with the application including gathering information and planning strategy.

Economic development efforts also include an extensive manpower program that has as its goal the reduction of unemployment locally. The City of San Antonio is prime sponsor of this federally funded and most productive program.

Our manpower program encompasses generally the territory of the Alamo Area Council of Governments, under terms of the Comprehensive Employment and Training Act of 1974. By mid-1976, we estimate 38,990 persons will have benefitted from one or more of our programs on which a budget of \$10,533,816 will have been expended.

To coordinate all of our economic development efforts, I have appointed a Task Force composed of City and County officials, AACOG representatives, Chamber of Commerce, and private citizens. Subcommittees of the Task Force are actively dealing in areas of federal legislation and municipal lobbying, special employment and job bank development, and long-range economic development. (Special employment and job bank development chaired by Mayor Pro-Tem Richard Teniente, and long-range economic development chaired by Councilman Henry Cisneros.)

#### Housing

A Housing Committee chaired by Councilman D. Ford Nielsen has worked with the Community Development Program, City and SADA staff to assist in the direction of the Housing Program including the loan fund for housing rehabilitation in designated census tract areas. While the program has progressed slowly, it is felt that it will have greater impact in the Spring of 1976.

Trade Fair - International Trade Efforts

The City Council has given strong backing to the Mexican Trade Fair, which in three short years has grown from a \$17 million direct sales exposition to a week-long international spectacular that last fall produced almost \$80 million in orders for the products shown.

The 240 commercial and industrial exhibitors that made up the 1973 Trade Fair have grown to 654 in 1975. Buyers numbered 3,400 at the first Trade Fair, mostly from the United States. When "MexFair 75" closed last September, more than 5,000 buyers from throughout the United States, Canada, Japan and western Europe had registered.

The Republic of Mexico recognized the great potential of an annual Trade Fair in San Antonio, and soon after completion of that 1973 Trade Fair the Mexican Institute for Foreign Trade established a full-time office in San Antonio to coordinate future Trade Fair operations.

Construction is underway on the \$4 million expansion of the San Antonio Convention Center, which houses the annual Trade Fair event. Completion is expected by fall of 1976 and, when completed, the 80,000 square foot expansion of the Exhibit Hall will provide 190,000 square feet of designated exhibit space.

As a direct result of the spectacular success of the Mexican Trade Fair, the position of International Relations Manager was created within the City's Convention and Visitors Bureau to seek more foreign trade fair business for San Antonio, especially Mexico, Central America and Canada. The Mayor and Convention Bureau Manager recently were participants in a trade mission to Central America sponsored by the Greater San Antonio Chamber of Commerce, and just this week, the Mayor and Mayor Pro-Tem officially received a high official of the government of Spain and held discussions about a possible permanent Spanish cultural and trade exhibit to be located in San Antonio.

Strengthening the cultural and economic ties with Mexico and Spain, the City of San Antonio maintains official Sister City relationships with Guadalajara and Monterrey, Mexico and Las Palmas, Canary Islands. The most recent Sister city affiliation to be formalized was between San Antonio and Las Palmas, recognized by City Council ordinance in July, 1975, recognizing the significance of Canary Islanders on the history of San Antonio as its first permanent settlers.

In September, 1975, three representatives from the City of Guadalajara, Mexico, and their wives visited San Antonio for five days, taking

part in Mexican-American Friendship Week September 12-16 and the celebrations of Mexico's Independence Day. The visitors were honored guests for the annual Diez y Seis parade and reception, as well as for numerous other events culminating with their appearance before the San Antonio City Council in special session September 16.

A delegation of municipal leaders from San Antonio led by Mayor Pro-Tem Richard Teniente returned that formal visit with a trip to Guadalajara in November.

#### Downtown

The City Council has named the Centro 21 Task Force to function under the leadership of Pat Legan. The Task Force is charged with advising and giving direction in the renewal and redevelopment of downtown San Antonio. Acting on Centro 21's recommendation, the City Council recently approved proceeding with planning and design of a 600-space, \$5 million parking garage to be built in an area bounded by Commerce, Casino, Market, and Presa Streets.

Plans for development of at least three new major downtown hotels have been announced and one appears near construction stage. The City Council has given strong encouragement to these efforts.

In cooperation with San Antonio Development Agency, the City is well on the way to completion of a \$4 million renovation of the old Farmers Market-Produce Row area into Market Square. The project includes a new two-level Farmers Market and parking facility, a \$1.4 million project opened last month and for which formal ceremonies are scheduled for January 17.

Also included is renovation and rehabilitation of the old Market House and creation of a pedestrian mall between the Market House and businesses along the 200 block of Produce Row, many of which are renovating their facilities at their own costs, in keeping with the spirit of area renewal.

#### HemisFair Plaza

In addition, to the \$4 million expansion to the Convention Center, a new entry road into HemisFair Plaza from the east is under construction as part of the project to link Market and Durango Streets along the eastern Boundary of the Plaza. The former Lake Pavilion is being converted into a multi-level parking structure. Landscaping and beautification are underway.

Other projects include: [REDACTED] [REDACTED] [REDACTED]

### Milam Park

A \$300,000 renovation program is in progress next to Market Square.

### Spanish Governor's Palace

Rehabilitation has been completed in recent weeks on this prime tourist attraction.

### Rosa Verde

San Antonio Development Agency is developing this area of downtown San Antonio, with a new motor inn near Santa Rosa Medical Center and Plaza National Bank planned by private groups.

### Ursuline Academy

Federal and City funds have helped restore this one time educational institution into an arts center.

### Alamo Plaza

The streets and plaza in front of the shrine to Texas liberty are scheduled for improvement as a Bicentennial project.

### St. Paul's Square

\$858,000 in Community Development funds are planned to develop this area near Southern Pacific depot on the city's east side.

### Federal Building and Federal Courts

Renovation of former U. S. Pavilion at HemisFair Plaza into a new federal courts building, flanked by the newly-completed and occupied \$7.4 million federal office building, provides San Antonio with a distinctive new federal complex and new life for HemisFair Plaza.

### La Villita

Major renovation of the southwestern quadrant of La Villita, that area occupied by the old Joy Kist Candy Company in recent years, was completed last fall at a cost of more than \$585,000. Dedication ceremonies in November were held for Plaza Nacional, the result of that renovation effort that adds a significant new area to historic La Villita.

### Streets

Downtown traffic has been improved by recent widening of Santa Rosa, Martin, and West Houston Streets, current reconstruction of Buena Vista and San Saba Streets, and engineering work now being completed for Pecan and Martin Streets.

In the private sector, redevelopment activity in downtown San Antonio continues every day.

### River Corridor

Projects within the overall River Corridor program, after many

004  
months of planning, now are being completed. Following approval by the City Council in 1974, several key segments already have been completed. Others are underway in the area from Olmos Dam to Loop 410, near the south edge of the city.

A \$68,000 inspection and survey of Olmos Dam and its flooding-restraint capabilities recently was completed. The U. S. Army Corps of Engineers now is developing its projected costs for recommended changes and additions to the dam.

The Missions of San Antonio Park plays a vital role in development of the River Corridor Plan. Allocations of some \$284,000 have been made for acquisition of parklands within the River Corridor area.

1970 municipal bond funds are providing \$268,000 in street improvements within the Park area, while another \$300,000 in revenue sharing funds are being spent for other Mission Park projects such as land acquisition, installation of picnic units and lighting, fencing, and landscaping, among others.

The City Council has submitted the Missions of San Antonio National Park project for designation as a national park.

The Advisory Council of the National Parks Service has given its wholehearted approval and backing to designation of the Mission Park as a national park. That approval came last October.

#### Capital Improvements

A major accomplishment during the past year was the progress made in the City's Capital Improvements Program. During this Council's administration, the City completed a total of \$17,092,057.97 Capital Improvements. Projects in the amount of \$46,279,881.28 were under construction, with another \$137,793,216.03 under design.

At a time of declining economy, the impact of the City's Public Works program is of great importance. With the projects under construction and the anticipated projects to be constructed in the coming year, the City's Public Works projects will play a major role in stabilizing the economic conditions and provide for direly needed employment.

The volume of activities is particularly significant when it is considered that the general construction monies are increased by an economic impact multiplier of 2.25.

Attached is a summary of the Capital Improvements work accomplished. Projects of significance include the completion of the Walters-

Moore Overpass and the beginning of construction of the Nolan Street underpass which should be completed sometime during the summer of next year.

#### Forecast For 1976

As we look ahead to what city government has in store for 1976, I feel that our Bicentennial Year will be a year of great citizen participation and grassroots involvement in government.

This City Council has laid a framework for open government which will stand us in good stead for the coming year. Major new events will include:

#### Referendum of January 17 on mall zoning on the Aquifer Recharge Zone

Thus far the citizen participation has been at a level of intelligent discussion and debate of the issues. It is my hope that the balance of the voter education campaign will continue on the same high plane on both sides.

Following the referendum on the zoning case, City Council will take the necessary steps to reach Council concensus on the policy issues involved.

#### Development of the Comprehensive Master Plan

The City Council has given strong direction that it wishes to have staff move forward with the comprehensive master plan with a view to completion by January of 1977.

The process will involve citizen participation through public hearings, and area meetings. It will involve time and hard work on the part of the Planning Commission and City Council and the need to make some difficult decisions. The need for such a planning process and the resultant comprehensive master plan is recognized by all Council members.

#### Development of a Comprehensive Capital Improvement Bond Program

The last comprehensive bond program was in 1970 and the city is moving toward completion of that program. There are many needed improvements in drainage, streets, parks, libraries, and public facilities which should be considered for funding.

The City Council has requested City staff to take the initial steps in suggesting a time table and reviewing amount of bonds which could be sold without an increase in taxes due to the bond payment schedule. Again, citizen participation will be a major factor in working with City staff and the City Council in the task of setting priorities.

388  
713

Review of Council Manager Government and the City Charter

One other major project for the Bicentennial Year will be a review of Council Manager government and a decision as to whether or not to convene a new Charter Revision Commission. As a first step, I have asked the City Manager to review the possibilities for a Research Organization to do an evaluation of how Council Manager government is actually operating in our city at present and to make recommendations on options for the future.

Any consideration of change in the City Charter will ultimately be a decision for the voters.

To sum up my findings, City Government in January 1976 is alive and well in this dynamic and interesting city of San Antonio.

As Mayor, and as leader of this City Council, I am proud of the work this City Council has accomplished and I am confident for the future of our city.

- Police Department Map and Slide System (Part of the overall police communications system) completed at a cost of \$19,828.00
- Two double company fire stations and the fire training and maintenance center completed at a cost of \$1,317,099.24
- One double company fire station started at an estimated cost of \$326,798.20
- Three drainage projects completed under the Model Cities Program at a cost of \$2,681,517.25
- Two recreational facilities (one for Boys Club) completed under the Model Cities Program at a cost of \$1,258,474.26
- One street reconstruction project and one school sidewalk construction project completed under the Model Cities Program at a cost of \$573,509.08
- One drainage project started under the Model Cities Program at an estimated cost of \$1,655,931.70
- Two park development projects started under the Model Cities Program at an estimated cost of \$620,114.00
- One neighborhood health clinic completed at a cost of \$289,680.09
- Two neighborhood health clinics started at an estimated cost of \$593,922.00
- Eight Parks projects completed at a cost of \$1,281,818.12
- Seven Parks projects started at an estimated cost of \$336,451.67
- One airport landing area improvement project completed at a cost of \$2,615,705.92
- Three airport terminal area improvement projects completed at a cost of \$2,176,389.48
- One airport runway improvement project and one terminal area improvement project started at an estimated cost of \$3,715,952.00
- Three bridge and culvert projects completed at a cost of \$505,480.99
- Three street reconstruction projects started at an estimated cost of \$1,827,858.95
- One storm drainage project completed at a cost of \$1,618,810.89
- Two storm drainage projects started at an estimated cost of \$4,650,082.97
- Two sanitary sewer outfalls, twelve off-site sewer mains, and one sewer main relocation completed at a cost of \$2,006,117.52

Two sanitary sewer outfalls, two treatment plant improvement projects, four off-site sewer mains, and one sewer system for an unsewered area started at an estimated cost of \$1,957,290.51

Three municipal buildings (Convention Center, Auditorium and Governor's Palace) re-roofed at a cost of \$664,649.09

Two metal storage buildings for Public Works Department (Building Maintenance) completed at a cost of \$44,040.00

One pedestrian overpass completed at a cost of \$28,603.38

Carver Community Cultural Center renovated at a cost of \$308,535.85

Two recreation facilities (YWCA and Boys Club) started at an estimated cost of \$2,044,435.00

Convention Center additions started at an estimated cost of \$4,177,562.00

Stage lighting and sound system for Carver Community Cultural Center started at an estimated cost of \$149,679.00

Re-roofing of Beethoven Hall started at an estimated cost of \$25,000.00