

REGULAR MEETING OF THE CITY COUNCIL
OF THE CITY OF SAN ANTONIO HELD IN
THE COUNCIL CHAMBER, CITY HALL, ON
THURSDAY, JANUARY 31, 1974

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The meeting was called to order at 8:30 A. M. by the presiding officer, Mayor Charles Becker, with the following members present: COCKRELL, SAN MARTIN, BECKER, BLACK, LACY, MORTON, BECKMANN, MENDOZA; Absent: PADILLA.

74-5 The invocation was given by The Reverend Harold H. Zirkel, Aldersgate Methodist Church.

74-5 Members of the City Council and the audience joined in the Pledge of Allegiance to the flag of the United States of America.

74-5 The minutes of the meeting of January 24, 1974, were approved.

74-5 RECOGNITION OF MAYOR PRO-TEM MORTON

Mayor Becker expressed to outgoing Mayor Pro-Tem Clifford Morton his appreciation for the work he had done on behalf of the entire Council.

74-5 The Clerk read the following Resolution:

A RESOLUTION
NO. 74-5-6

DESIGNATING COUNCILMAN ALFRED G. BECKMANN
AS MAYOR PRO-TEM OF THE CITY OF SAN ANTONIO
TO SERVE DURING THE PLEASURE OF THE CITY
COUNCIL OF THE CITY OF SAN ANTONIO FOR A
PERIOD OF THREE MONTHS, BEGINNING FEBRUARY
1, 1974.

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

SECTION 1. That Councilman Alfred G. Beckmann is hereby designated as the Mayor Pro-Tem of the City of San Antonio.

SECTION 2. That, pursuant to the provisions of Article II, Section 9, of the Charter of the City of San Antonio, said Councilman Alfred G. Beckmann shall serve as Mayor Pro-Tem during the pleasure of the City Council for a period of three months, beginning February 1, 1974.

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

The Oath of Office was administered to Mr. Beckmann by City Clerk Jake Inselmann.

74-5

Mr. Gregory Gaytan, speaking from the audience, introduced Mr. Ralph Garza, father of former Mayor Pro-Tem Gilbert Garza.

Mayor Becker welcomed Mr. Garza to the meeting.

74-5 The following Ordinance was read by the Clerk and explained by Mr. Ron Darner, Director of Parks and Recreation, and after consideration, on motion of Dr. San Martin, seconded by Mr. Mendoza, was passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Padilla.

AN ORDINANCE 43,328

ACCEPTING A GRANT FROM THE U. S. BUREAU OF OUTDOOR RECREATION THROUGH THE TEXAS PARKS & WILDLIFE DEPARTMENT FOR THE EMILIE & ALBERT FRIEDRICH PARK PROJECT; AUTHORIZING EXECUTION OF THE PROJECT AGREEMENT THEREFOR; ACCEPTING A LETTER OF CREDIT FROM NATIONAL BANK OF COMMERCE FOR THE SUM OF \$100,000.00 FROM THE NORMA FRIEDRICH WARD TRUST; AUTHORIZING A TOTAL DEVELOPMENT PROJECT COST; ADOPTING A BUDGET; ESTABLISHING AN ACCOUNT; AUTHORIZING A TRANSFER OF FUNDS; AND APPROPRIATING FUNDS FOR CARRYING OUT SAID PROJECT.

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74-5 The following Ordinance was read by the Clerk and explained by Mr. Tom Raffety, Director of Aviation, and after consideration, on motion of Mr. Morton, seconded by Mr. Beckmann, was passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Padilla.

AN ORDINANCE 43,329

MANIFESTING AN AGREEMENT WITH AMISTAD AIRLINES, INC., TO EXTEND LEASE NO. 30-5 AT INTERNATIONAL AIRPORT FOR AN ADDITIONAL TERM OF ONE YEAR, AT AN INCREASED RENTAL OF \$6.50 PER SQUARE FOOT PER YEAR.

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The Clerk read the following Ordinance:

AN ORDINANCE 43,330

MANIFESTING AN AGREEMENT AMENDING THE CONSULTANT SERVICES CONTRACT WITH QUINTON-BUDLONG FOR PLANNING SERVICES IN CONNECTION WITH SAN ANTONIO INTERNATIONAL AIRPORT.

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The Ordinance was explained by Mr. Tom Raffety, Director of Aviation, who said that the contract with Quinton-Budlong is being changed to conform to the changed scope of work which the Council approved last week. It consists of an additional public hearing, an environmental statement, conversion of the noise contour analysis and photogrammetric work. The total increase in the contract is \$24,080 of which two-thirds will come from a federal grant. He recommended adoption of the Ordinance.

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

74-5 The following Ordinances were read by the Clerk and explained by Members of the Administrative Staff and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Padilla.

AN ORDINANCE 43,331

AUTHORIZING EXECUTION OF A LICENSE AGREEMENT GRANTING THE UNITED STATES THE RIGHT AND PRIVILEGE TO INSTALL, OPERATE, AND MAINTAIN AN APPROACH LIGHT LANE SITE AND INSTRUMENT LANDING SYSTEM AT INTERNATIONAL AIRPORT, AND DIRECTING SUBMISSION OF SAME TO THE DEPARTMENT OF TRANSPORTATION.

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AN ORDINANCE 43,332

AMENDING THE CONTRACT OF EMPLOYMENT OF SAM GRANATA, JR. AS CITY MANAGER BY INCREASING THE ANNUAL SALARY PROVIDED FOR THEREIN BY \$2,500.00.

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AN ORDINANCE 43,333

AUTHORIZING EXECUTION OF A LICENSE AGREEMENT WITH LO-VACA GATHERING COMPANY, PROVIDING FOR USE OF CERTAIN REAL PROPERTY BELONGING TO SAID COMPANY IN CONNECTION WITH THE NEW SAPD COMMUNICATION SYSTEM.

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AN ORDINANCE 43,334

AUTHORIZING EXECUTION OF AN AGREEMENT WITH THE WATER WORKS BOARD OF TRUSTEES, PROVIDING FOR USE OF CERTAIN REAL PROPERTY UNDER CONTROL AND MANAGEMENT OF SAID BOARD IN CONNECTION WITH THE NEW SAPD COMMUNICATION SYSTEM.

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AN ORDINANCE 43,335

AUTHORIZING A CONTRACT WITH ARANDA, KURZ & RIVERA, INC., CONSULTING ENGINEERS, TO PREPARE PLANS AND SPECIFICATIONS FOR THE MISSION OFF-SITE SANITARY SEWER PROJECT AND APPROPRIATING \$2,500.00 PAYABLE TO SAID ENGINEERS AND \$250.00 TO BE USED AS A MISCELLANEOUS CONTINGENCY ACCOUNT.

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AN ORDINANCE 43,336

ACCEPTING THE LOW BID OF H. B. ZACHRY CO. TO CONSTRUCT A PARKING AREA FOR OAKWELL (NORTHEAST) BRANCH LIBRARY; AUTHORIZING EXECUTION OF A CONTRACT COVERING SUCH WORK; APPROPRIATING \$7,506.40 OUT OF LIBRARY BONDS PAYABLE TO SAID CONTRACTOR AND \$500.00 TO BE USED AS A CONTINGENCY ACCOUNT.

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Dr. San Martin read the following Resolution in its entirety:

A RESOLUTION
NO. 74-5-7

DIRECTING THE CITY PUBLIC SERVICE BOARD TO FILE A SUIT IN INTERVENTION IN THE CASE PRESENTLY PENDING IN THE HARRIS COUNTY DISTRICT COURT BETWEEN PENNSOIL PIPELINE CO. AND COASTAL LO-VACA, REQUESTING THE COURT TO SET ASIDE COASTAL LO-VACA'S GAS CONTRACTS WHICH DIVERTED GAS FROM SAN ANTONIO AND DIRECTING THE CITY PUBLIC SERVICE BOARD TO TAKE OTHER LEGAL ACTION.

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

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The following conversation took place:

MAYOR CHARLES BECKER: Last, I should say yesterday, at 9:30 in the morning, when the City Council met with representatives of the City Public Service Board and the attorneys for the City Public Service Board, I was able to stay for about an hour and 15 minutes because I had a doctor's appointment I had to make. The rest of the Council people stayed until 1:30 P. M. and Mr. Morton was the Mayor Pro-Tem in my absence. They hammered out an agreement with the City Public Service Board representatives and the attorney for the City Public Service Board that embraced these following provisions. Now, unfortunately, yesterday we were all operating under the understanding that what we'd been reading was, in fact, current comparisons. This is the part that I was referring to earlier before we started the meeting about the happiness that we're all involved in down here today. There's been considerable discussion about a 44 percent rate increase in utility bills as compared to last month or December, whichever it was. Somehow or other through, I guess just happenstance, I don't know how better else to explain it, a press release that was given out on January 18th, somehow or other was misinterpreted as to indicate that the rate increase in the utility rates would amount to 44 percent. Now, that 44 percent was based on what you would have paid in 1962. I find it hard to understand why anything would be brought forward from 1962 as a basis of comparison but nevertheless it was. The papers picked it up. The news media picked it up and everybody's been operating all this time with the thought and understanding that these rate increases that we're talking about beginning February 1, were going to be 44 percent rate increases. It's no wonder the citizens became aroused. I don't blame them. Thanks to Mr. David Tomlin, who is the City Hall reporter from the San Antonio Express and News, I might also add our new rate analysis expert, called my house last night and said he discovered in some computations that he had made down there in his office at his desk that this 44 percent was, in fact, an erroneous figure and was more like 13 percent. Well, needless to say, all of us that found out about it last night were delighted with the news and David, we thank you very much for being on top of things as you are. One of us should have caught it. I won't exclude myself from that blame.

MR. CLIFFORD MORTON: Mr. Mayor?

MAYOR BECKER: Yes, sir.

MR. MORTON: If it would be in order, I wonder at this time if we could ask our City Manager to ask the General Manager of the City Public Service Board before this meeting is over this morning, we would like for him to come before this Council and tell us how much the average rate payer's bill is going to be next month versus last month. Let's get the percentages out of it because nobody spends percentages. They spend nickels, dimes and dollars. I'd like for him to come before this Council and tell us how much that is going to be and also I would also like for him to explain how he let us labor under this false impression for these past three or four weeks.

CITY MANAGER SAM GRANATA: Mr. Mayor, if I may. After finding out myself last night and considerable time on the telephone, I asked Mr. Deely to come this morning and I believe he's prepared to answer your questions now. Tom, if you'll please come forward.

MR. TOM DEELY: Mr. Mayor and Council members, I have here with me the Manager of Information Services if we have to go into the technical aspects of this matter but I will try to explain as best I can what the situation is in regards to the January bill as compared to the February bill. Before I do that, I would like to, in all humility, apologize to the citizens and especially to this Council for not having gone to the media before in order to straighten out the misunderstanding about the percentage increase in the bill.

MAYOR BECKER: Tom, I would like to interject here, if I may. The news release, and I've just had a chance to scan it here this morning, I don't think the news release as issued by the City Public Service Board ever did really spell out the figure 44 percent. This was an assumption that was made unfortunately and somehow or other it was permitted to ride. That's the thing that caused a lot of the difficulty. The news release never did really state 44 percent. There should have been a point of correction though somewhere in there.

MR. DEELY: That is correct and, of course, this was an act of omission and not commission. We should have caught it. As you say, the buck stops here and I accept full responsibility for not going to the papers on it and the news media.

MAYOR BECKER: Well, I think that's a fine spirit, Tom. I'll say though that chances are that we down here should have doubled checked just anyway, you know, but.....

MR. DEELY: I would like to give you the amounts of the bills--that I should qualify this to the extent that we cannot tell until the end of the month exactly what the fuel correction is going to be because at times we have to burn fuel oil and at times we don't have to burn fuel oil. There are also adjustments that will be made in some of the billings that we receive from Coastal Lo-Vaca. That's another happy note in that, it appears for the month of March the fuel cost will drop somewhat. We don't have the final figures on that but it could possibly be as much as five or six cents over the cost of this month, this past month, which was 58.9 cents. The actual bills that we foresee for February, average bills, for residential customers will be \$24.32. The January bill has been \$20.08.

MAYOR BECKER: That's the average bill?

MR. DEELY: Yes, sir, that's the average bill.

MAYOR BECKER: So that's an increase of \$4.24 as an average bill.

MR. DEELY: Of course, this increase carries with it increases that have been experienced in fuel costs since 1962 as was previously stated. I think that covers it about as simply as I can. If there are any questions, I'll try to answer them.

MAYOR BECKER: Tom, I'd only like to suggest one thing and that is that we never go back to 1962 as a base again because I realize that that was the beginning of a lot of things for computations that are involved in this but just to prevent any misunderstanding again, let's deal with current figures, if we may as far as these press releases are concerned.

MR. DEELY: I can assure you we won't.

MAYOR BECKER: I can't remember what my gas bill was in 1962 if my life depended on it. I might have an idea of what it was the last couple of months but not 1962. So I really think that's unnecessary.

MR. GLENN LACY: I understood that before the erroneous figure, 44 percent, was advanced, that it was at least rumored that 25 percent had already been made and that many people thought it was going to be 25 percent plus the 44 percent which even made it worse. I would like to know--I know that the bill has been increased and what percentage has it already been increased?

MR. DEELY: The January bill, for example, well, let's talk about the February bill. Over January, it is a little better than 20 percent. The February increase over the December bill was 16 percent. So you see, really, we have in that only some 7 percent additional.

MR. LACY: Then the amount that you just stated that you contemplate will be increased, is that taken as the base for January? The last bill--the last month bill.

MR. DEELY: January and February, yes.

MR. LACY: So it will really be more than that because you have already gone up five percent.

MR. DEELY: No, this covers the entire cost--the entire increase.

DR. JOSE SAN MARTIN: I was going to say, Mr. Deely, that in the future that all these figures be double checked with our City Manager because we certainly feel that perhaps what somebody might make another might catch and I think that before you make press releases of any kind that our City Manager and our Finance Director be informed so we can have a double check on these figures.

MR. DEELY: Thank you, Doctor. We do clear those releases with them before they are sent out.

DR. SAN MARTIN: I'm talking about figures. I'm talking about dollars and cents, rates, everything.

MAYOR BECKER: Tom, I'm going to make a request if I may. I have a limited ability to understand a lot of things. I'm used to dealing with columnar arrangements of figures. These things where all these figures are written into prose, I think is where we really get in trouble. If it could be before and after or some means of comparison on a line basis and down in columns. I also refer to this liquidity report that was issued to us on January 9th. I don't care for financial data to be presented to me in prose form. I like for it to be presented just as if it were an operating statement or an annual audit or whatever you might care to call it--a balance sheet operation. Because when you start reading about Peter Rabbit and Cinderella and all that and then you suddenly run across \$37,500,040, it just loses its meaning. It's hard to tie it in with something that happened before or after. So, in the future, could you issue this information to us--fine to put it in prose form for press releases but when it's issued to us over here, give it to us in a businesslike manner of so much down the line and across like on an accounting pad.

MRS. LILA COCKRELL: I think today's information might be called the good news and the bad news. The good news, of course, was that all Council members and all citizens will rejoice in is the fact that the rate increase for this month due to the fuel adjustment clause will be much less than we had all understood. The bad news that I deeply regret is the trauma that has been experienced by the citizens of this community for 13 days. The City Council members and the citizens were all under the impression that this rate increase referred to the February bills over the January bills. I will say that was my understanding from what I heard discussed. It was my understanding all through the meeting yesterday. My misunderstanding was not corrected by any representative present from the City Public Service Board and on behalf of the citizens, I do appreciate your apology.

MR. MORTON: I'd like to ask two questions. When you have something that is so basic as this in a company with the capability of the City Public Service, I share Mrs. Cockrell's shock, I guess that's the right word for it, that something like this could happen. I'd like to ask you one question. Do you, in your calculations on the differentials between current month versus next month, did you take the 14 percent that the City is agreeing to take off of the fuel bill fluctuations?

MR. DEELY: That has not been taken out of that figure.

MR. MORTON: Okay. Before this day is out, I want you to come back and tell these people what that figure is going to be for next month with the 14 percent taken off because you knew yesterday it was going to be taken off so the figures you are giving us right now are not right. The next thing I'd like to know is--I'd like to know how long you have known that this error existed in the public's mind?

MR. DEELY: Well, Mr. Morton, I realized when we sent these releases to the press that this would probably be the type of head that we would get on the story. My mistake was in not going back to the media and, as I say, I accept full responsibility for that.

MR. MORTON: So, in other words, you have known for 13 days?

MR. DEELY: I knew that, of course, the 44 percent was the increased amount created by the fuel clause in the rates, yes.

MR. ALFRED BECKMANN: Mr. Mayor, it's inconceivable to me that an organization as supposedly as efficient as the City Public Service Board could find itself in this position. It's almost unbelievable. Unfortunately, I was out of the City yesterday on business and couldn't attend and you can imagine my shock this morning. Well, I was shocked but I was happy but then concerned that some basic method of giving out the figures of the City Public Service Board should be put out so people can really understand what's really there. Tom, I just don't understand it.

DR. SAN MARTIN: Mr. Mayor, I'd like to also express our concern to the members of the Board of Trustees. I think that perhaps the Board of Trustees of the City Public Service Board should have reviewed these figures along with Mr. Tom Deely. I'm not trying to crucify anyone, Tom. I don't believe anybody around this Council table is trying to do that in any way, shape, or form but I also feel that the Board of Trustees should have set down with you somewhere along the line and kind of reviewed these figures before they created the tremendous amount of unhappiness that all our citizens went through.

REV. CLAUDE BLACK: Mr. Mayor, we do have a resolution before us that calls for Mr. Deely to come before us in terms of what we were discussing. But it seems to me that we need a revision of this resolution because one of the important aspects of the resolution is that before any additional raises in the rates that the City Public Service Board would have the responsibility of presenting that matter before this Council so that we can insure in a very serious way the fact that this kind of thing would not occur again. It seems to me that this is one of the protections against that. So, may I simply suggest that we ask the City Manager to revise this ordinance to meet the conditions as they are now and to bring it back possibly before we leave today, if it's possible.

MR. LEO MENDOZA: Mr. Mayor, I'd like to say that I support Reverend Black's suggestion and I'd like to get some clarification from our City Attorney on it.

MR. CRAWFORD REEDER: That part of it doesn't need changing. We've already told them to get over here every time they're going to increase their billing for any reason and explain why and if you all are not satisfied with it, you don't approve it but what does need changing is the 14 percent part in the last paragraph but I don't know what to tie it to now.

MAYOR BECKER: Section Two. Let's defer that until later in the Council meeting in accordance with Reverend Black's request.

MR. MORTON: I'd like to go further than that, sir--Section One.

CITY ATTORNEY CRAWFORD REEDER: I'm talking about Section Two. Oh, you're talking about Section One. What about Section One?

MR. MORTON: I think that it is not inclusive enough. Really, what we're saying here is simply this--it says to notify the City Council of any further increases in the cost of gas from Coastal Lo-Vaca. I think it should be more inclusive. It should say in the cost of fuel from its suppliers.

CITY ATTORNEY REEDER: You may not be reading the same thing I've got here.

MR. MORTON: Well, I'm reading this right here. Why shouldn't it say fuel instead of gas? It should say oil and gas. You may be using somebody else's other than Coastal and Lo-Vaca tomorrow morning, so why shouldn't it say its suppliers?

CITY ATTORNEY REEDER: All right, let's get that straight right now so as what you want. Let me make sure I got you right. The City Public Service Board is hereby directed as Board representatives have agreed to notify the City Council of any further increases in the cost of fuel instead of gas?

MR. MORTON: Certainly.

CITY ATTORNEY REEDER: Is that all right?

MR. MORTON: From suppliers.

CITY ATTORNEY REEDER: From suppliers.

MR. MORTON: From its suppliers.

CITY ATTORNEY REEDER: From its suppliers. Then is the rest of it satisfactory?

MR. BECKMANN: No, I would like to say, not only increases, but decreases. I think we'd like to know the situation as it stands.

MR. MORTON: We're talking about any adjustments.

MR. BECKMANN: Any adjustments in fuel?

CITY ATTORNEY REEDER: To justify any adjustments.....

MAYOR BECKER: Is that all right now? Okay, and can you rework that, Crawford, and have it back for us before this Council meeting is overwith.

CITY ATTORNEY REEDER: Yes, sir. I would like to call one of my assistants have him get together with Tom Deely and have them work it out. I think everybody now--but let me ask you this--what do we want to tie this 14 percent to? I mean we're not taking 14 percent of increase. Now, what would you like to tie it to? We don't want to waive the 14 percent all together.....

CITY MANAGER GRANATA: We definitely don't want to go back to '62 with our 14 percent.

MAYOR BECKER: No, no.

CITY MANAGER GRANATA: We want to tie it to something so that we'll make sure that all we're giving up is the 14 percent of these incremental increases due to the fuel cost passed through because of added cost to the Public Service.

CITY ATTORNEY REEDER: We were going to tie it to January, I thought.

MAYOR BECKER: It was predicated on the 44 percent increase. That's where it was predicated.

CITY ATTORNEY REEDER: That's right, and that was from January to February everybody thought. But now we know it's not. So, we need to know what base to tie the elimination of our 14 percent to....

CITY MANAGER GRANATA: Why not January 1, 1974?

DR. SAN MARTIN: I thought, Mr. Mayor....

CITY MANAGER GRANATA: Just to do with the incremental increase.....

REV. BLACK: Right.

DR. SAN MARTIN: That we were going back to the December, the last figures we had for December, I thought that was my impression yesterday that from then on from the January bill, yes, the cost in January.

MR. DEELY: Yes, sir, the reason we have not computed this was that we were not perfectly sure either as to what the sense of the Council was--we made up figures from 23 and 3/4 cents that was mentioned yesterday in the meeting. We would have to recompute the December cost was as I recall about 30 cents for the gas so that would be the figure you'd spring from if you went to December.

DR. SAN MARTIN: Somehow, I thought we had agreed on January 1, or something like that yesterday, Mr. Mayor.

MAYOR BECKER: Well, as long as it's consistent.

MR. BECKMANN: As long as it's consistent--let's just take January.

CITY MANAGER GRANATA: If it's January 1st of 1974, what was the fuel cost passed through at that time because I know it goes back to '62. It was 21.75, then in '65, it went to 22.75 and in '72, it went to 23.75. Then all of a sudden in September of this past year is when everything started going skyrocketing. So now if you tie it to January 1st of 1974, what is the cost of gas to the Public Service?

MR. DEELY: That would be the November cost.

CITY MANAGER GRANATA: Which is what?

MR. DEELY: And the cost of gas in that month was about 32 cents.

CITY MANAGER GRANATA: And based on that, it will be incrementally increased or decreased as we go and that's the only portion that our 14 percent will be deleted from.

MR. DEELY: If that's the sense of the Council...

CITY MANAGER GRANATA: Okay?

MAYOR BECKER: Is that all right? Fine, is everybody in agreement?

CITY MANAGER GRANATA: On with the 32, is that correct?

MR. BECKMANN: Whatever it was in January of 1974.

MR. DEELY: That was based on October costs.

CITY MANAGER GRANATA: '73--now what is it.....

MR. BECKMANN: Well, we have to stop somewhere, Tom, I figured January 1, 1974 should do it.

MAYOR BECKER: Let's agree on January 1.

CITY MANAGER GRANATA: Do you have the figure for January 1st, Tom?

MR. DEELY: That's 32 cents....that was the 32 cents.

CITY MANAGER GRANATA: Okay.

CITY ATTORNEY REEDER: You can't agree on a date--you have to agree on a monthly billing, over-all billing period. Now, I thought we were going to the January billing, see.

MAYOR BECKER: Well, that's what we're trying to use as a bench mark. January 1st billing.

CITY MANAGER GRANATA: Up and down from that.

MAYOR BECKER: Right.

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CITY ATTORNEY REEDER: So, I can say then that we're going to delete the 14 percent so that we don't take 14 percent of anything that is above the January monthly billing. Does that satisfy you, Mr. Morton? You're the economist on this Council.

MR. MORTON: I think that this was the intent of the Council.

CITY ATTORNEY REEDER: That's what I thought too.

MR. MORTON: Now, based on that, we would like for him to come back before this Council session is over and tell us what the bill is going to be.

DR. SAN MARTIN: Point of order, Mr. Mayor, I'd like to ask Mr. Reeder.....

CITY MANAGER GRANATA: We may change and tie it down to the 32 cents, that may be better.

MAYOR BECKER: Reverend Black has a statement he'd like to make.

REV. BLACK: It seems to me that it is important that as citizens we understand that the City receives 14 percent in lieu of taxes that goes to the running of our City. But, the Council has recognized that it did not want to assume or receive that finance on this escalation of costs that is tied in with the increased cost of production. So, therefore, it is turning that cost back into the hands of the citizens by not taking it and therefore reducing the bill by that much. I think the citizens ought to understand why this is an important aspect of the decisions that we're making regarding your bills that come out monthly.

MAYOR BECKER: To put it into venacular, what we're refusing to accept are what might be considered windfall profits that would accrue to the City of San Antonio, at your expense. And we're denying ourselves, the City of San Antonio coffers, is being denied these windfall profits so to speak and they're being refunded to you on your billing as it were.

MR. DEELY: It will flow into the customer's bill.

MAYOR BECKER: That's right. It will flow back into the customers bills in the form of a rebate you might say.

MR. DEELY: As a credit.

MAYOR BECKER: All right. Okay, are there any further discussions connected with this situation?

MR. MORTON: Are you talking about City Public Service now?

MAYOR BECKER: Yes.

MR. MORTON: I think it might be well again, while we're on this subject, to be sure that the citizens have an understanding of why we took the action yesterday on the question of setting aside the contracts with TUFCO, and so, I would like to ask the City Attorney these questions. First of all, until we had been before the Railroad Commission, and they said that they do not have the authority to act on this particular question, could we have gotten a court to hear our case?

CITY ATTORNEY REEDER: No, we could not. The Railroad Commission had sole jurisdiction of it until that time.

MR. MORTON: Okay. Now, what happened was we went before the Railroad Commission and on this particular question--setting aside of the TUFCO contracts, they said that they did not have authority, is that right?

CITY ATTORNEY REEDER: That's correct.

MR. MORTON: Now, when did they say this?

CITY ATTORNEY REEDER: They said this approximately six weeks ago.

MR. MORTON: Approximately six weeks ago and subsequently, City Public Service went to the district court with jurisdiction and district court said they did have authority and they should act on it. They have now, the Railroad Commission, has now appealed.....

CITY ATTORNEY REEDER: That's correct.

MR. MORTON: The decision of the district court and so as a result of this appeal, we're talking about a series of legal actions here, if we went back and forth trying to get the Railroad Commission to accept this or appealing it through the court system, it might last for as many as how many years?

CITY ATTORNEY REEDER: It may last two, possibly three years, being very conservative about it....

MR. MORTON: So, based on this, we're saying we have exhausted our administrative remedy and as a result of exhausting our administrative remedy, which meant that you had to go through the front door to get into the house, we can now get in the house where we can take legal action on this one question which the Railroad Commission, the administrative agency, says they don't have the authority to act on. Is this correct?

CITY ATTORNEY REEDER: That's correct.

MR. MORTON: Now, based on this, what we're really saying is, they are going to set aside certain contracts that were entered into on or about 1972, primarily in the northern part of Texas. Is that correct?

CITY ATTORNEY REEDER: Yes, that's essentially correct, with this qualification that the suit that you're directing the Public Service Board to file is it will have the effect, if successful, of setting aside those contracts and they're not all in North Texas, although most of them are, with those two qualifications, that's a correct--you've made a correct statement. And, you might further say, excuse me for upstaging you, Mr. Morton, I don't mean to do it but if we can set aside those contracts, it's going to mean that San Antonio is going to get 20 to 25 percent more gas than we're getting now at a lower cost--so it will help tremendously.

MR. MORTON: Okay, something else I would like to be sure that is brought out to the citizens is this. At the present time, this series of contracts, called the TUFCO contracts, are getting gas at the original contract price. Is this correct?

CITY ATTORNEY REEDER: That's right.

MR. MORTON: They are not being curtailed, is that correct?

CITY ATTORNEY REEDER: That's right. Well, I haven't heard of their being curtailed, if they are.

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MR. MORTON: Now, would you tell me what feature there is, in this contract which permits them to have their contract honored in toto when ours is absolutely modified at the whims of the Railroad Commission.

CITY ATTORNEY REEDER: I don't think there's any feature in the contract. I think that frankly the Railroad Commission is completely erroneous in the action that it failed to take in setting aside those contracts. There is not anything different about that contract from our contract. In fact, all the equities are on our side and every lawyer in the State of Texas who knows anything about it knows that.

MR. MORTON: All right, would you tell me what part of the contract law that we're dealing with here that we're basing our suit on, on setting aside these contracts?

CITY ATTORNEY REEDER: Well, of course, you have just authorized us to file the suit yesterday and directed us, and frankly, I hadn't stuck my nose far enough in a law book yet to figure out the precise legal theory but I think the idea is that we're going to go on equitable basis of first in time, first in right. We made our contract long before they did and they undermined our contract by making contracts with third parties. Loosely, that's known in equity in first in time and first in right and when we're asking for the rescission of a contract, we invoke equitable powers of the Court. That's the best I can give you right at this point.

MR. MORTON: Okay, but there's a possibility that two things could occur out of this action, other than our being denied. One would be that all people who have contracts with Lo-Vaca or Coastal will be treated the same. Is that correct?

CITY ATTORNEY REEDER: No, I can't quite say that because some of the people who have contracts with Coastal are not cities like we are. Some of them are industries and so forth and the Railroad Commission is going to apportion that gas out in such a way that it will...cities will get priorities. I'll put it that way.

MR. MORTON: Let's go back. Let's answer the question this way. All municipalities could be treated on the same basis as far as rate is concerned and next between new gas and old gas as well as on allocation.

CITY ATTORNEY REEDER: That's correct.

MR. MORTON: We would say this is the minimum that we would hope for.

CITY ATTORNEY REEDER: That's the minimum.

MR. MORTON: But the maximum that we're hoping for is that we are going to get those contracts set aside to where we will not be using the high percentage of new gas but with a 25 percent reduction in the contractual obligations that Lo-Vaca and Coastal have by setting aside those contracts, it is a possibility that for all practical purposes, we would be using almost entirely old gas and there would be a quantity there enough to satisfy the needs of the old customers.

CITY ATTORNEY REEDER: I think that's essentially correct.

MR. MORTON: Is this right, Mr. Deely?

MR. DEELY: That's as I understand it.

MR. MORTON: Okay, very good.

MRS. COCKRELL: Mr. Mayor, there is one other aspect of this that I think that we ought to touch on. In the ruling by the district judge regarding these contracts with TUFCO, while the judge apparently did not rule on the point of the fact that they had the jurisdiction to set aside the contracts, he did say to the Railroad Commission that they had the authority to re-allocate in the public interest. Is that correct?

CITY ATTORNEY REEDER: Yes, madam.

MRS. COCKRELL: Now then, they have announced publicly that the Railroad Commission intends to appeal from this decision by the district court.

CITY ATTORNEY REEDER: Yes.

MRS. COCKRELL: I think this Council should make an earnest appeal to the Railroad Commission to reconsider the decision to appeal. I think that it is not in the public interest for the Railroad Commission to appeal this ruling in the equity of all the facts, there's no question but that the Railroad Commission did move to hear this expeditiously and should not delay to involved legal action any further...moving right to this situation.

CITY ATTORNEY REEDER: All right.....

MRS. COCKRELL: I think that we might certainly address ourselves to this and really sincerely and earnestly request that they reconsider their decision to appeal.

CITY ATTORNEY REEDER: I drew up a resolution at the instance of the City Council yesterday afternoon and I tried to include that although I did not spell it out, Mrs. Cockrell. Mr. Inselmann has the resolution directed to the Railroad Commission and I made it broad enough to include what you have said although I didn't, you see, I didn't want to be in the position of telling the Railroad Commission what to do. I can rework the resolution but it's....

MRS. COCKRELL: I don't want to tell them what to do but I want to sincerely and earnestly request that they reconsider their decision.

CITY ATTORNEY REEDER: Have you seen the resolution that I drew to see if you think it will do the job...if it won't, I'll draw another one.

MAYOR BECKER: Well, I think what Mrs. Cockrell is trying to say, Crawford....

CITY ATTORNEY REEDER: Well, I know what she's saying, let's tell them to drop that appeal and get on with the re-allocating of this gas.

MAYOR BECKER: We have as a city, a municipality, certain preemptive rights due to the fact that our contracts were made prior to TUFCO. That's what she's trying to say. Now, at this juncture, I'm not so sure that maybe the Railroad Commission doesn't need telling. I know that's dangerous. It can be highly inflammatory when you approach it from that standpoint. It seems to me that our patience has been rather lengthy in this situation and I'm not sure but what the squeaking hinge doesn't get the oil.

CITY ATTORNEY REEDER: I'm sure it does.

MAYOR BECKER: Almost in every instance and perhaps it's time for the City of San Antonio to not request as much any more as they've been doing in the past and maybe if they start using a little stronger phraseology with the request and almost make them in the form of you might say directives. We've been dealt with rather shabbily. Is there any doubt?

CITY ATTORNEY REEDER: Oh, I think we've been dealt with shabbily. I think the main person who's dealt with us shabbily is Coastal States Gas Producing Company. Now I really, truly don't have the argument against the Railroad Commission that other people do but that's for the City Council to decide. I don't agree with their order. I don't agree with the Railroad Commission's order that is entered.

MR. LACY: Mr. Mayor, the only thing that I can see is perhaps the Railroad Commission has already obviously acted, I think, most unfairly and in that connection, we may be placed in the position of having to appeal ourselves because if the Railroad Commission does take that responsibility and it seems as though they want to shirk it for some reason because that's the very reason they're appealing, if they should go ahead and uphold the distribution as they have, giving full recognition to TUFCO and the other contracts, while denying us our part, we may be unhappy and want to appeal from that ourselves. I, personally, because of the past actions and reading the things that the Railroad Commission has done, it seems to me that I'd much rather have it in the hands of a judge and a court. I believe we can have a more fair shakedown. I don't know about the legal (inaudible) the Railroad Commission, I don't know why they give full recognition to the much later contracts when ours were first in time and we certainly should be first in line and under that principle of law and maybe it would be better if it could get into the hands of the court and out of the Railroad Commission, unless they have some new commissioners appointed.

MRS. COCKRELL: Mr. Mayor, the point that I'd like to make in connection with this is that our City Attorney has advised us that this court action could take as long as two years and the only thing is that if the Railroad Commission would reconsider its appeal from the district judge's ruling, they could very quickly move to re-allocate those funds, those available supplies of fuel, in the public interest and I think we could possibly get it sooner but I certainly concur heartily with going ahead with the suit but I think we...I would also like to ask the Railroad Commission to reconsider this appeal from the district judge's ruling.

CITY ATTORNEY REEDER: Mrs. Cockrell, you're right in what you say but this suit which you all are directing to me and to Mr. Matthews to file, setting aside the TUFCO contracts and so forth is not going to be possible to maintain if the Railroad Commission takes the matter back under its jurisdiction. Their appealing from it and that's why we're filing the suit, for the reason that Mr. Lacy and you were suggesting. Now, frankly, I'd really rather be in the court than be before the Railroad Commission and I think that's the right way to go. I agree with you and Mr. Lacy both and that in fact is what we're doing but I don't know that we want the Railroad--I disagree to this extent, I don't know if we want the Railroad Commission to take that back, I think I'd rather be in court on it.

MRS. COCKRELL: I was just concerned about the time. You know it's going to be...take two years.

CITY ATTORNEY REEDER: Well, it's going to take...whatever happens in the Railroad Commission, Mrs. Cockrell, Coastal Lo-Vaca is going to appeal from, anyhow, so I mean we're looking at that no matter what happens.

REV. CLAUDE BLACK: Mr. Mayor, my understanding as I heard the authority of the Railroad Commission described on yesterday was that they have a prevailing responsibility for the allocation of these resources to the various cities and customers of the distributors of this... of gas and in its scarcity system, it is my opinion that we're going to be dealing with the Railroad Commission for a long, long time. If they maintain the kind of authority that they have and it seems that they are going to maintain that authority, it seems to me that whatever strategy we use in terms of dealing with that Commission must be a strategy that relates to a long range program of depending upon that commission for the allocation of gas to the various customers. Now, any effort that we make that would tend to jeopardize a long range dependence upon the allocation of gas to the various customers, seems to me would not be in the best interest of the city. While I'm saying this, I recognize there are times when you have to say very directly what needs to be said but I think we must recognize the political reality that is ours and one of the political realities is that this is the commission that determines the allocation of gas to the various customers.

MRS. COCKRELL: Mr. Mayor. I think it is always dangerous for a layman to disagree with a lawyer but I've been thinking about what Crawford said and, Crawford, I want to argue with you about it for this reason. That, in going with the lawsuit, we are asking the court to set aside these contracts. If we return to the Railroad Commission, we would simply be addressing ourselves to that portion regarding their right to allocate the gas resources.

CITY ATTORNEY REEDER: That's right. We're asking the courts to wipe out the contract altogether and give us all the gas that if we are in the Railroad Commission, we're going to get part of the gas if we're lucky.

MRS. COCKRELL: So I don't see that going to the Railroad Commission to reactivate this question of the allocations would wipe out our suit.

CITY ATTORNEY REEDER: Well, the reason---perhaps it wouldn't, Mrs. Cockrell, but if I were representing Coastal-LoVaca, I would claim it did and I could take that to the Supreme Court. So you see, it could just clutter up a lawsuit, is what I'm trying to say.

MAYOR BECKER: Well, there's one thing that is most apparent about all this mess and that is that the Federal government, the Congress of the United States is going to have to, in short, establish a system of priorities for the use of gas, natural gas. Now the usage of natural gas in this nation of ours for industrial use, such as that is going to have to come to a halt. I know you can't phase that out overnight because there is more of that than there is of either gas or fuel oil or oil for that matter. But our government has been derelict in not establishing a system of priorities. All natural gas should be retained for the use in the home as much as humanly possible because I would hate to think of having a city the size of San Antonio with everybody hooked up on butane, for example, or some type of propane or something that's highly combustible as some of that stuff is...with each person having an individual container of it in their own back yard or their own kitchen. So, we're dealing with a problem here that has a great many ramifications beyond what we're just discussing here today. If any of you citizens out there care to urge your Congressman, start establishing through the due process of Congress of the United States, a system of priorities for the usage of natural gas, the usage of fuel oil, and for the usage of coal, I recommend you do so. That's really where we're going to start getting relief from this whole situation for the years to come.

MR. LEO MENDOZA: I'd like to ask Crawford a question. Do I understand that the Railroad Commission does not have the power to regulate prices?

CITY ATTORNEY REEDER: No, Leo. That's completely incorrect. They have complete power to regulate prices of gas. That's part of their biggest power.

MR. MENDOZA: They do have the power?

CITY ATTORNEY REEDER: Yes, they do have and they've regulated it upward and that's why these people are paying more money.

MR. MENDOZA: Okay.

MAYOR BECKER: Well, are there any further questions on the subject we've been discussing? Do we have any further questions of Mr. Deely? Thank you very much, Tom, for appearing here this morning. Now, then it's my understanding we're setting aside this item No. 12 until it can be written particularly with respect to Sections 1 and Sections 2, is that correct?

CITY ATTORNEY REEDER: Yes sir, that's correct.

MAYOR BECKER: All right then, let's go on to item No. 13 then.

* * * *

74-5 The following Ordinance was read by the Clerk and explained by Mr. Carl White, Director of Finance, and after consideration, on motion of Mr. Beckmann, seconded by Mrs. Cockrell, was passed and approved by the following vote: AYES: Cockrell, Becker, Black, Lacy, Beckmann; NAYS: None; ABSENT: San Martin, Morton, Padilla, Mendoza.

AN ORDINANCE 43,337

AUTHORIZING EXECUTION OF A CONTRACT WITH O'BRIEN & GERE ENGINEERS, INC. TO FURNISH THE CITY WITH CONSULTATION SERVICES PERTAINING TO THE RATE INCREASE REQUESTED BY THE CITY PUBLIC SERVICE BOARD; AUTHORIZING PAYMENT OF \$30,000.00 TO SAID FIRM AND APPROVING A TRANSFER OF FUNDS.

* * * *

74-5 The following Ordinance was read by the Clerk and explained by Mr. Winston Martin, Director of the San Antonio Development Agency, and after consideration, on motion of Mrs. Cockrell, seconded by Mr. Beckmann, was passed and approved by the following vote: AYES: Cockrell, Becker, Black, Lacy, Beckmann; NAYS: None; ABSENT: San Martin, Morton, Padilla, Mendoza.

AN ORDINANCE 43,338

AUTHORIZING THE CITY MANAGER TO EXECUTE A QUITCLAIM DEED OF CERTAIN PARCELS OF PROPERTY VALUED AT \$60,625.00 FROM THE CITY TO THE URBAN RENEWAL AGENCY OF THE CITY OF SAN ANTONIO IN CONNECTION WITH THE VISTA VERDE PROJECT, TEX. R-109.

* * * *

74-5 The following Ordinances were read by the Clerk and explained by Mr. John Brooks, Director of Purchasing, and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Cockrell, Becker, Black, Lacy, Beckmann; NAYS: None; ABSENT: San Martin, Morton, Padilla, Mendoza.

AN ORDINANCE 43,339

ACCEPTING THE LOW BID OF BEXAR COMMUNICATIONS, INC. TO FURNISH THE CITY WITH AN ENCODER AND RECEIVERS FOR A TOTAL SUM OF \$2,276.00.

* * * *

AN ORDINANCE 43,340

ACCEPTING THE LOW BID OF PUMP & POWER ENGINEERING COMPANY TO FURNISH THE CITY WITH CERTAIN PORTABLE SEWAGE TREATMENT PLANTS AT A UNIT PRICE OF \$26,900.00 AND \$26,500.00.

* * * *

AN ORDINANCE 43,341

AUTHORIZING PAYMENT OF \$15,671.00 TO HONEYWELL, INC. FOR TEMPERATURE CONTROL MAINTENANCE AT VARIOUS CITY DEPARTMENTS FROM MARCH 1, 1974 TO MARCH 1, 1975.

* * * *

74-5 The following Ordinance was read by the Clerk and explained by Mr. John Brooks, Director of Purchasing, and after consideration, on motion made and duly seconded, was passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton, Beckmann, NAYS: None; ABSENT: Padilla, Mendoza.

AN ORDINANCE 43,342

AMENDING THE CURRENT CONTRACT WITH COMMERCIAL SUPPLY CO., INC. /DBA/ INTERNATIONAL TIRE & RUBBER CO. TO FURNISH THE CITY WITH CERTAIN TIRES AND TUBES FOR PASSENGER CARS AND TRUCKS AND HEAVY EQUIPMENT BY ALLOWING CERTAIN PRICE ESCALATIONS.

* * * *

CITY GASOLINE CONTRACT

CITY MANAGER SAM GRANATA: Mr. Mayor, before Mr. Brooks leaves and before the Clerk reads Item No. 19, may I get the feeling of the Council on one item?

You know Dr. West has been appointed to the City Public Service Board of Trustees and it is my understanding that he will divest himself of his gasoline contract with the City. That being the case, I have had Mr. Brooks contact the Gulf Oil Corporation, who was our previous supplier who must supply us. However, it will take Gulf 30 days to prepare the fuel and equipment to start serving the City of San Antonio because we

are top priority. They have to supply us with all of our needs but they first have to divest themselves of some people who do not have a priority because they have sold all their gas and it will take 30 days. The point I'm making, John, if you can add anything is that this being the case if you will authorize us as of now that we can start this move, then it will take 30 days before Dr. West can take his oath of office.

I would like some guidance there. Should we proceed with engaging Gulf?

MAYOR CHARLES BECKER: I would think so.

CITY MANAGER GRANATA: Okay, fine. Thank you.

MAYOR BECKER: While we are on the subject of Dr. West....

CITY MANAGER GRANATA: As for price, excuse me, Dr. San Martin said they won't be able to tell us the price. John, will you explain that? We think it will be in the same area as we are paying the other company. It is pretty well controlled. There is a possibility of a penny cheaper.

MR. JOHN BROOKS: By a mandatory control by the government, if your supplier cannot serve you fuel for any reason, the supplier that served you the fuel in 1972 has to respond and give you your requirements. Due to our priority nature of essential services, they have to give us 100 percent of our current requirements--not of our 1972 requirements. The prices are established by the federal government and upon written request notification that you do want to buy gas from this company, they will in turn tell you, "yes, we will supply you and give the current price which is controlled by the government." We feel that this price will not exceed what we are paying now. It could be slightly cheaper.

CITY MANAGER GRANATA: In about 30 days then we will come back to cancel the Tesoro contract if everything works out.

MAYOR BECKER: While we are on the subject of Dr. West and how he came about to have this gas contract, last year the City of San Antonio twice sent out bids for gasoline. The first time you sent bids--how many firms did you send bids to?

MR. BROOKS: Thirty-four.

MAYOR BECKER: And none replied. You sent bids out the second time to 33 companies and none replied. Is that correct?

MR. BROOKS: Yes, sir.

MAYOR BECKER: And Dr. West with his Tesoro Petroleum Company did this City a tremendous favor by selling enough gasoline to the City of San Antonio to keep all of the vehicles going, including police vehicles, fire engines and everything else. Now, in that connection and his appointment to the City Public Service Board, he has absolutely no difficulty in divesting himself of these contracts because he can sell the product elsewhere at probably more money than he is selling it to the City or the City Public Service Board.

The reason why Dr. West was appointed to the City Public Service Board was simply that here was a man who knows oil, gas, coal and all forms of energy and he has tremendous qualifications and right now he is in Denver, Colorado because I spoke to him last night for quite awhile on long distance trying to keep him on the City Public Service Board. He is very disenchanted with all of the criticism he has received, particularly that by certain radio broadcasters and people like that who have,

I think, been most unfair with him, particularly since they don't understand what they are talking about. I am hopeful that he will stay on as the appointee.

He is in Denver, Colorado because he was invited to be there by Dr. Edward Teller, who is one of the noted nuclear physicists in the world. It is for that reason that he is in Denver, delivering a paper on energy supplies of the world right at this particular time. The City of San Antonio is most fortunate to have in its midst a gentleman with these qualifications. I guarantee you that I think some of the difficulty that was expressed here this morning could have been avoided had Dr. West been on that Board earlier--two years, three years or even five or ten years ago. He is a man that knows.

People have asked me about cronyism. Yes, he is a friend of mine but beyond that, I have tremendous admiration and respect for him. That transcends cronyism in my book. As far as dealings with him, I own no Tesoro stock. My corporation owns no Tesoro stock. I have no business deals with Dr. West in oil and gas business personally. The only thing that did happen was that they were moving out of their headquarters building. I found out about it and made a bid on it and was able to buy it from them much cheaper than I could build one for my own company at today's prices. Beyond that, I am delighted that he is with us. I hope he stays.

DR. JOSE SAN MARTIN: I would like to ask one question. Mr. Reeder, does this keep Dr. West from taking the oath of office until we actually are getting our gas and oil from another source?

CITY ATTORNEY CRAWFORD REEDER: That's a question that I have wrestled with for a long time, Dr. San Martin. Let me answer it this way if I may. In the first place, I want to make the observation that the opinions that I have given to the City Council that Dr. West's contract with the City Public Service Board and with the City amounts to a conflict under the City Charter has nothing to do with morals or nothing to do with his integrity. Everyone, I think, who is aware of the situation knows that. The provision in the Charter that prohibits a City official from having any interests direct or indirect in a contract is not aimed---is not aimed only at people who have improper motives. It is aimed at anybody and, unfortunately, Dr. West did have these contracts so there is no impugning of his integrity or his morals as a result of the ruling.

The second thing is that the Charter does prohibit any official of the City from having any interest direct or indirect in a contract with the City. I think that provision was aimed at preventing any City officials after they are City officials from entering into any contracts. I think that's what the purpose was. Most legal authorities agree. However, there is no law saying that it does not apply except to an official who makes a contract after he gets a City position. I have been completely unable to find any such law.

So, I would have to say that out of an abundance of precaution in order to be sure that we are not getting Dr. West into an embarrassing position, it would be best that he did not assume his position on the Board until he has succeeded in divesting himself of his interests in those contracts since we know that he already has opponents. That's the best answer I can give you.

DR. SAN MARTIN: In other words, what you are saying, he will have to wait until we have a new supplier.

CITY ATTORNEY REEDER: I would think that it would be prudent to wait or at least until he has divested himself. Now, we may have a gap. The key is not when we get a new supplier. The key is when he divests himself before we get a new supplier, we're not going to have any gas.

MAYOR BECKER: Okay. Item No. 19 please.

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74-5 The following Ordinance was read by the Clerk and explained by Mr. Bob Fisher, Administrative Assistant, and after consideration, on motion of Dr. San Martin, seconded by Mr. Beckmann, was passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Padilla.

AN ORDINANCE 43,343

MANIFESTING AN AGREEMENT BETWEEN
THE CITY OF SAN ANTONIO AND BEXAR
COUNTY, TEXAS, RELATIVE TO MUTUAL
OBLIGATIONS FOR FURNISHING OF LIBRARY
SERVICES AND HEALTH SERVICES FOR 1974.

* * * *

74-5 The following Ordinances were read by the Clerk and after consideration, on motion made and duly seconded, were each passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Padilla.

AN ORDINANCE 43,344

INCREASING THE NUMBER OF MEMBERS ON
THE SAN ANTONIO BICENTENNIAL COMMISSION
BY ADDING TO THE MEMBERSHIP OF SAID COM-
MISSION TWO ADDITIONAL PERSONS, FOR TERMS
EXPIRING DECEMBER 31, 1976.

* * * *

Mr. James R. Chism
Mr. Charles P. Dempsey

* * * *

AN ORDINANCE 43,345

APPOINTING MRS. JOHN C. WHITE AND
MRS. ALFRED BECKMANN TO THE FINE
ARTS COMMISSION, TO SERVE FOR TERMS
EXPIRING DECEMBER 31, 1976.

* * * *

Mrs. John C. White is replacing Mr. Jose Castilla, Jr.
Mrs. Alfred Beckmann is replacing Mrs. Alfred Negley.

* * * *

74-5 Ordinance No. 43,346 is voided.

74-5

CITIZENS TO BE HEARD

ARENA RENTAL RATES

Brother William Dooling, Administrative Assistant to the Principal of Holy Cross High School, spoke to the Council concerning the rental rates for the Arena. This is in connection with the annual Vicki Carr Show. He said that in view of the fact that Miss Carr performs free of charge each year on behalf of the school, he was asking the Council to review the high rental rates charged. In 1972, the fee was \$1,000. This year the fee has been set at \$2,500. He suggested that different categories be established to determine rental rates.

After discussion, City Manager Granata said that he would have the date of May 7th reserved for this show. Meanwhile, the staff will work out a schedule of fees on a category basis, that is, rock and roll, non-profit, etc.

MR. RAUL RODRIGUEZ

Mr. Raul Rodriguez complained about the five minute time limit imposed on citizens to be heard. He said that many people just require more time.

Mayor Becker assured Mr. Rodriguez that the Council would allow adequate time for all persons to be heard.

MR. HENRY MUNOZ

Mr. Henry Munoz said that there was a group of poor people in attendance who simply wanted to know what was going on. He assured the Council that his past criticism was only for the common good. Now that the matter with the City Public Service Board is understood, the recall signatures he had obtained will be used instead to back the Council. He assured the Council that he and his delegation would back them for correcting inequities against the poor people. Mr. Munoz then translated his remarks into Spanish.

Mayor Becker told Mr. Munoz that he should commend the full Council for their efforts in the rate problem.

Mr. Munoz then commended each of them in Spanish.

Councilman Mendoza and Lacy greeted the delegation in Spanish. They thanked them for their attendance and assured them of the Council's desire to assist them.

REV. C. C. HOUSTON

Rev. C. C. Houston, speaking for the Texas Ministers and Citizens Leadership Council, said that the school drop-out problem is bad. The worst problem is among young girls who stop going to school and go into prostitution. He asked that the Council do whatever it can to aid in stopping this practice. He said that his organization wants to set up a program to provide counseling and referral services to drop-out students and estimated that \$500,000 per year would be needed to start the program.

Rev. Black said that there is a serious problem. One approach might be an urban center program to help deal with the problem in a constructive way. He suggested the City Manager be asked to have the Human Resources Department look into the possibility of a program similar to the program instituted in the housing centers.

City Manager Granata said that he should ask the Director of Human Resources to look into this. A request for Revenue Sharing Funds should be made in writing.

Mrs. Cockrell suggested that Rev. Houston might also contact the school boards concerned as to the enforcement of their truancy laws.

Mr. Mendoza also suggested that Rev. Houston make a full report of this situation to the Criminal Justice Council for review.

CITY PUBLIC SERVICE BOARD REPORT

MAYOR CHARLES BECKER: Earlier, we requested of Mr. Deely that he come back with the exact information about the amount of increase for the bills. I see him sitting there and I'm going to ask if he would like to speak to that at this time. Tom....

MR. TOM DEELY: Yes, I would, Mr. Mayor. We have now computed the effect of what the Council decided should be the base month, insofar as fuel costs are concerned--the month of November. The January bill, of course, remains the same. The average residential bill is \$20.08 as stated before. The February bill has been reduced to \$23.54, the average bill. This is for gas and electric which represents an increase of 17.2 percent over January.

MAYOR BECKER: That's taking into account the rebate?

MR. DEELY: Yes, sir.

MAYOR BECKER: All right. Do you have any further questions of Mr. Deely? All right. Thank you very much, Tom. We appreciate your coming back with that information.

MR. ROBERT L. WILLOUGHBY

Mr. Robert L. Willoughby, 4438 Bayliss Drive, spoke for the homeowners residing on Bayliss Drive and Basswood Drive and said that they had just learned that an adjoining tract of land had been zoned "B-3" Business. This rezoning was Case No. 4880 and occurred July 5, 1973. No one within the 200 foot limit was given notice of a hearing. He asked that the case be reheard to give the surrounding property owners a chance to be heard.

Mr. George Vann, Director of Building and Planning Administration, said that at the time of the hearing, the property was in the name of the developer, Mr. Lloyd Denton, who developed this area. Mr. Vann said also that signs had been placed on the property to give everyone notice that rezoning was being considered.

Mrs. Clarice C. Youngman, 4434 Bayliss, also said that she did not receive a notice but should have.

The Council discussed with Mr. Vann and Mr. Carl White, various safeguards to assure that all eligible property owners are properly notified of zoning hearings.

After discussion, City Manager Granata said that he would make arrangements for a meeting between Mr. Vann and the property owners to discuss the matter. If the property owners are not satisfied, the matter will be placed on the agenda for next week's meeting.

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CITY PUBLIC SERVICE BOARD RATE INCREASE
A STATEMENT BY MR. JOHN NEWMAN

MAYOR CHARLES BECKER: Mr. John Newman would like to make a statement with respect to the City Public Service Board.

MR. JOHN NEWMAN: Members of the City Council, Mr. Mayor. I didn't come over here to defend an indefensible position. I came over here to apologize. I would have been here earlier this morning but I had an appointment in Junction, Texas and it was impossible to get in touch with the people up there to cancel it and there was no way that I could arrange it so I did it as fast as I could so that I would be able to appear before you all today.

This was a gross misunderstanding and one, in my opinion, that frankly is inexcusable. I was of the opinion yesterday, we were talking about an increase from one month to the next of 44 percent. I asked the question about a week ago and I received a reply of 44 percent and my understanding was that we were talking about an increase in utility rates that the consumers would receive from the month of January to the month of February of 44 percent. I couldn't believe it and if I had thought further I would have immediately transferred gas, the BTU, into kilowatts as a percentage of cost and I would have come up with the answer. For not doing so, again, even with that, I have no apology..I mean, no excuse but I do apologize. I want to say one thing to you. Believe me, there was no malice aforethought. Negligence? Yes, sir. Malice aforethought or anything that would in any way cause you folks problems, we wouldn't do that.

MAYOR BECKER: I accept that, John. I don't think that you would engage in that. Frankly, none of us have time for that kind of thing.

MR. NEWMAN: No way. I was extraordinarily humiliated. I am humiliated right now. I'm terribly sorry that this happened. I assure you that every effort will be made in the future to see to it that it doesn't happen. I thought our meeting yesterday was a wonderful meeting. I was horrified to find out last night that this was the result. But please believe me, folks, we wouldn't engage in anything in which we didn't sincerely believe....

MAYOR BECKER: John, we appreciate your taking your time to come over here and offer this apology and we accept it within the spirit with which you give it and let's hope that we are able to work together in the future as well as we have done in the past. We appreciate it very much.

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MR. JOSE OLIVARES

Mr. Jose Olivares spoke of the appointment of Dr. Robert West to the City Public Service Board and said that he should be able to take criticism. He said that he felt that rather than Dr. West divesting himself of the City contract, it would be best if Dr. West did not accept the appointment.

January 31, 1974

74-5 The meeting recessed at 11:50 A. M. and reconvened at 12:10
P. M.

74-5

CITIZENS TO BE HEARD

(CONTINUED)

MR. BOB BOUBEL

Mr. Bob Boubel, representing the San Antonio Building and Construction Trades Council, thanked the Council for having confidence in him and supporting his nomination to the City Public Service Board. He expressed disappointment at not being appointed.

Mr. Boubel said that he has learned that legislation can be introduced to take away the self-perpetuation of the City Public Service Board. He suggested that the Council should confer with legislation in Austin in this regard.

Mr. Boubel pointed out to the Council that his organization operates the Granada, which is a senior citizens housing center. The budget for the Granada is very spare and any significant utility rate increase would necessitate higher rents. He urged the Council to see if something can be done to lighten utility bills for the poor people.

Mayor Becker said that he was very sorry for any disappointment that Mr. Boubel may feel. He said that he did not doubt that Mr. Boubel would have made a very good representative. He spoke of the high qualifications of Dr. West and said that he would serve the Board well.

Mr. Mendoza spoke in agreement with Mayor Becker's remarks to Mr. Boubel.

Dr. San Martin called attention to the fact that the Council has already granted a \$3,000 tax assessment exemption for senior citizens and has also been responsible for reduced bus fares for senior citizens.

MR. AND MRS. ANTHONY CANGELOSI

Dr. San Martin recognized Mr. and Mrs. Anthony Cangelosi who were visiting the Council meeting.

MR. CONNIE TRUSS

Mr. Connie Truss, representing the Central Labor Council, said as a result of recent events the City Council will find labor organizations to be much more active in the coming year. He expressed regret that Mr. Boubel was not appointed to the City Public Service Board and also said that he felt that Dr. West is well qualified but that there is a conflict of interest there.

MR. JOE FLORES

Mr. Joe Flores, 1209 S. Flores, again appeared before the Council and asked that the Clerk read a memo that he had received from Mr. Stewart Fischer concerning the traffic situation at the intersection of S. Brazos and Colima. After reviewing the situation, Mr. Fischer had suggested that school children be trained to cross Brazos Street at its intersection with Guadalupe where there is a signal light. (A copy of Mr. Fischer's memo is included with the papers of this meeting.)

Mr. Flores said that Mr. Fischer's recommendation is not satisfactory and he still wanted a police officer at this corner for one hour each morning.

After discussion, City Manager Granata said that he would take the matter up again with Mr. Fischer and Chief Peters to see what can be done.

MRS. HELEN R. WALTER

Mrs. Helen R. Walter, 5286 Round Table, expressed appreciation for the Council's efforts in working on the rate problem with the City Public Service Board. She said that some means should be found for changing the "self-perpetuating" aspect of the Board. She also said that she felt that the comptroller area of the City Public Service Board needs investigating and offered to furnish the name of a good comptroller who is available.

Mayor Becker commented to Mrs. Walter concerning the improved communication between the City Council and the City Public Service Board. He also advised her that the consultant which was employed by the Council this morning will review all of the activities and procedures of the City Public Service Board and provide an analysis.

CITATION

Mr. Mendoza asked that the City Clerk prepare a citation to recognize Mr. David Tomlin, a reporter of the San Antonio Express-News, for his contribution to the solution of the rate problem.

MRS. MARIA DOMINGUEZ

Mrs. Maria Dominguez, 250 Freiling, said that she felt that education is the City's responsibility. She was referring to Brother Dooling's comments about the Arena rental fee. She asked that the City permit Holy Cross High School to use the Arena free. She also said that there is no provision for sick leave for the Mama Patrol and yet they must stand out in all kinds of bad weather.

City Manager Granata said that the Mama Patrol is paid an hourly rate and there are no fringe benefits such as sick leave.

Mayor Becker asked that the matter of sick leave be looked into to see what type of arrangement could be worked out.

MRS. HELEN DUTMER

Mrs. Helen Dutmer, 739 McKinley, said that she is happy with the outcome of the rate problem and is glad to know that the Council has urged the City Public Service Board to file suit against Coastal States. Mrs. Dutmer said she agreed that Dr. West should divest himself of the City's contract for gasoline.

MR. DONALD JONES, SR.

Mr. Donald Jones, Sr., called attention to the congestion of Interstate Highway 35 between S. W. Military Drive and San Pedro. He said that the City has ample right-of-way to expand this expressway by at least two lanes. This would improve the flow of traffic and reduce accidents. He said that two additional lanes on each side are needed. If they should be built, one lane should be reserved for business and emergency vehicles.

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The meeting adjourned for lunch at 12:30 P. M. and reconvened at 2:00 P. M.
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J. CASE 5273 - to rezone the west 400' of P-61A, NCB 14862, from Temporary "R-1" Single Family Residential District to "B-2" Business District; and P-61A, save and except the west 400', NCB 14862, from Temporary "R-1" Single Family Residential District to "R-3" Multiple Family Residential District.

The "B-2" zoning being located on the east side of Babcock Road, being 626.4' north of the intersection of Melissa Lane and Babcock Road; having 299.87' on Babcock Road with a maximum depth of 400'.

The "R-3" zoning being located on the east side of Babcock Road, 626.4' north of the intersection of Melissa Lane and Babcock Road, being 400' east of Bandera Road and having a maximum width of 299.87' and a maximum length of 1044.20'.

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

No one spoke in opposition.

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

AN ORDINANCE 43,347

AMENDING CHAPTER 42 OF THE CITY CODE
 THAT CONSTITUTES THE COMPREHENSIVE
 ZONING ORDINANCE OF THE CITY OF SAN
 ANTONIO BY CHANGING THE CLASSIFICATION
 AND REZONING OF CERTAIN PROPERTY
 DESCRIBED HEREIN AS THE WEST 400' OF
 P-61A, NCB 14862, FROM TEMPORARY "R-1"
 SINGLE FAMILY RESIDENTIAL DISTRICT TO
 "B-2" BUSINESS DISTRICT; AND P-61A,
 SAVE AND EXCEPT THE WEST 400', NCB 14862,
 FROM TEMPORARY "R-1" SINGLE FAMILY
 RESIDENTIAL DISTRICT TO "R-3" MULTIPLE
 FAMILY RESIDENTIAL DISTRICT, PROVIDED
 THAT PROPER REPLATTING IS ACCOMPLISHED.

* * * *

K. CASE 5368 - to rezone Lots 4 and 5, Block 4, NCB 11894, 7800 Block of Broadway Street, from "O-1" Office District and "R-2" Two Family Residential District to "R-3" Multiple Family Residential District, located on the east side of Broadway, 365.8' south of the intersection of Terra Alta Street and Broadway; having 305.6' on Broadway and a maximum depth of 520.9'.

Mr. Gene Camargo, Planning Administrator, stated that Mr. Ralph Bender, representing the applicant, was present and wished to request a postponement.

Mrs. Julia C. Kasmeier, 7835 Broadway, stated that she lives across the street from the proposed apartment complex. She had no opposition to the project but wished to have an understanding that when the building gets under construction that the owner be sure that he has his own water on the job site. She said also that no one has shown her what the apartments will look like.

Mayor Becker suggested that Mrs. Kasmeier contact the owners of the property with regard to her desires.

Mr. Ralph Bender stated that Mr. Freiden, who is actually purchasing the property, is requesting a postponement for 30 days to give him time to work out the permanent financing for the project. He said that he would be happy to meet with Mrs. Kasmeier to go over the project with her.

After consideration, it was agreed by the City Council to postpone this case.

L. CASE 5384 - to rezone Lots 4 and 5, Block A, NCB 11531, 1513 Bandera Road, from "F" Local Retail District to "B-3" Business District, located on the southwest side of Bandera Road, being 347.58' northwest of the cutback between Bandera Road and West Quill Drive; having 185.5' on Bandera Road and a maximum depth of 399.9'.

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

No one spoke in opposition.

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

AN ORDINANCE 43,348

AMENDING CHAPTER 42 OF THE CITY CODE
THAT CONSTITUTES THE COMPREHENSIVE
ZONING ORDINANCE OF THE CITY OF SAN
ANTONIO BY CHANGING THE CLASSIFICATION
AND REZONING OF CERTAIN PROPERTY
DESCRIBED HEREIN AS LOTS 4 AND 5,
BLOCK A, NCB 11531, 1513 BANDERA ROAD,
FROM "F" LOCAL RETAIL DISTRICT TO "B-3"
BUSINESS DISTRICT, PROVIDED THAT A SIX
FOOT SOLID SCREEN FENCE IS ERECTED ON
THE SOUTH PROPERTY LINE.

* * * *

A. CASE 5321 - to rezone Lots 8 and 12, NCB 11925, 7700 Block of Broadway, from "R-6" Townhouse District to "B-2" Business District, located on the east side of Broadway between Hiler Road and Nottingham Drive; having 300' on Broadway and 110' on both Hiler Road and Nottingham Drive. This Case was postponed.

B. CASE 5381 - to rezone the south 967.41' of the east, 538.89' of Tract H, NCB 11693, 5245 Blanco Road, from "A" Single Family Residential District to "B-2" Business District; and the south 967.41' of the west 300' of Tract H, NCB 11693, from "A" Single Family Residential District to "B-3" Business District.

The subject properties are located on the east side of Blanco Road, being 1035.3' south of the intersection of Jackson-Keller Road and Blanco Road; having 967.41' on Blanco Road and a total depth of 838.89'. The "B-3" being on the west 300' of subject property and the "B-2" being on the remaining portion.

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

Mr. James W. Young, representing the Estate of Charles and Jean Baumberger, stated that it is necessary that this property be sold by the estate to satisfy taxes. The purchaser intends to develop a shopping center on the site. The Planning Commission has recommended that a non-access easement and fence be imposed on the east property line, but it is felt that better traffic circulation could be had without these restrictions.

Mr. Robert Diaz DeLeon, who is a land planner and engineer, said that the purpose of the non-access easement was to prevent Dresden Street from being cut through to Ave Maria. He said this could be prevented without an easement. He reviewed the zoning of other properties in the area and the traffic patterns. He displayed a proposed layout of the shopping center.

Others speaking in favor of the rezoning were Mr. G. J. Frey and Mr. Vick Ulmer and Mr. Lauro L. Lopez.

Mr. Tom Notestine, 358 Ave Maria, speaking for 45 families in the area said that rezoning would lower values in the residential area, it would cause increased traffic, noise, vandalism, and would certainly increase flooding conditions. He had a plat of the area showing lots facing on Ave Maria which are owned by the applicant and could be used as a means of egress and ingress to the tract being considered. His plat also depicted the flow of water and he said that even more water would be thrown onto Ave Maria by this construction.

It was pointed out to Mr. Notestine by the City Attorney and Mayor Becker that it is illegal to throw excess water on another's property. In the course of replatting this property drainage requirements would be taken care of.

Mr. Notestine agreed that the portion immediately facing Blanco Road should be zoned for business but the remainder should be single family.

Others speaking in opposition were:

Mrs. Catherine Wilson, 205 Meliff
Mrs. G. A. Martinez, 7110 Dubies
Mrs. Minnie Hayman, 218 Ave Maria
Mrs. Minnie Grimes, 335 Ave Maria

All of the opponents were opposed to increased traffic and increased flooding.

Mr. Young and Mr. DeLeon both spoke briefly in rebuttal.

After discussion, Mr. Morton moved that in the event the property is rezoned that a non-access easement be imposed on the east and south property lines. The motion was seconded by Dr. San Martin and passed unanimously.

After further consideration, Dr. San Martin moved that the recommendation of the Planning Commission be overruled and that rezoning be granted, provided that proper replatting is accomplished, that a six foot solid screen fence is erected on the east property line and that a non-access easement be imposed on the east property line. Mr. Mendoza seconded the motion. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Padilla.

AN ORDINANCE 43,349

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS THE SOUTH 967.41' OF TRACT H, NCB 11693, SAVE AND EXCEPT THE SOUTH 483' OF THE WEST 300', FROM "A" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-2" BUSINESS DISTRICT; AND THE SOUTH 483' OF THE WEST 300' OF TRACT H, NCB 11693, FROM "A" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT, PROVIDED THAT PROPER REPLATTING IS ACCOMPLISHED INCLUDING DRAINAGE FACILITIES WHICH MAY BE REQUIRED, THAT A SIX FOOT SOLID SCREEN FENCE IS ERECTED ON THE EAST PROPERTY LINE OR THE WESTERLY LINE OF THE DRAINAGE EASEMENT AND THAT A NON-ACCESS EASEMENT BE IMPOSED ON THE EAST AND SOUTH PROPERTY LINES.

* * * *

C. CASE 5377 - to rezone Lots 12 through 16, NCB 2873, 145-213 Furnish Avenue, from "C" Apartment District to "I-1" Light Industry District, located on the north side of Furnish Avenue, being 710' northwest of the intersection of Furnish Avenue and South Flores Street; having 250' on Furnish Avenue and a maximum depth of approximately 138.69'. This Case was postponed.

D. CASE 5171 - to rezone Lot Q, NCB 8596, 455 S. W. 34th Street, from "C" Apartment District to "B-2" Business District, located northwest of the intersection of Jewett Street and S. W. 34th Street; having 130.8' on Jewett Street and 50' on S. W. 34th Street.

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

Miss Maria Teresa Cruz, representing her father, spoke in favor of the application. She said that he intends to build a small convenience store, or ice house, on this property which he purchased two years ago. The rumor in the neighborhood is that he will build a lounge. There are four girls in the family so she knows he does not intend to do that. Also, "B-2" zoning does not permit a lounge but it would permit beer to be sold for off-premises consumption. She had talked to many neighbors and they felt that a small store would be desirable.

Mr. Manuel Arteaga, 5535 San Fernando, spoke in opposition. He said that there are many places in that area that sell beer now and he is opposed to any more beer sales. He said there are three schools nearby and there is no need for more stores although he would agree to a store without beer or music.

Miss Cruz spoke again in rebuttal and said that her father would be willing not to sell beer. There would not be any loud music.

After consideration, Mr. Mendoza made a motion that the recommendation of the Planning Commission be overruled and the request for rezoning granted. The motion was seconded by Reverend Black. On roll call, the necessary seven affirmative votes were not received and the motion failed. AYES: Cockrell, Becker, Black, Beckmann, Mendoza; NAYS: San Martin, Lacy; ABSENT: Morton, Padilla.

E. CASE 5122 - to rezone Lots 1, 2, 3, 4, and 5, Block 1, NCB 8269, 4500 Martin Street, from "C" Apartment District to "B-3" Business District, located northwest of the intersection of Martin Street and N. W. 26 Street; having 100' on Martin Street and 120' on N. W. 26th Street. This Case was postponed.

F. CASE 5246 - to rezone Lots 26 and 27, Block 6, NCB 11326, 1819 Calle Allende, from "B" Two Family Residential District to "B-3" Business District, located on the east side of Calle Allende, being 340.1' north of the intersection of Ceralvo Street and Calle Allende; having 50' on Calle Allende with a maximum depth of 122.8'.

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

Mrs. Rebecca Ledesma, representing her father said that her father operates a second-hand furniture store. It is a non-conforming use. He wishes to make improvements to the building but cannot get a permit unless the zoning is changed. The proposed repairs and improvements would make its appearance much better.

In answer to a question, Mr. Camargo confirmed that "B-3" zoning is required before a permit can be issued.

Mrs. Cockrell said that she was opposed to zoning this property "B-3" in the middle of a residential neighborhood. She would prefer that the case be referred to the Board of Adjustment for a variance.

Mr. George Vann, Director of Building and Planning Administration, said that the Board of Adjustment will not take a case where it involves the enlargement of a non-confirming use. The theory is that eventually a non-confirming use will be completed and revert back to normal zoning. He suggested going back to the Board of Adjustment with this case to get their feeling. If nothing can be done there, the case would be referred back to the Council.

After consideration, Dr. San Martin moved that this case be recessed to give the applicant sufficient time to go before the Board of Adjustment to see if a variance and relief can be obtained. The motion was seconded by Mr. Lacy, and on roll call, was passed and approved by the following vote: AYES: Cockrell, San Martin, Becker, Black, Lacy, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Padilla.

M. CASE 5389 - to rezone Lots 31 and 32, NCB 11149, 700 Block of Chavaneaux Road, from "B" Two Family Residential District to "B-3" Business District, located on the north side of Chavaneaux Road, being 100' east of the intersection of Chavaneaux Road and Commercial Avenue, having 100' on Chavaneaux Road and a maximum depth of 161.12'.

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

No one spoke in opposition.

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

AN ORDINANCE 43,350

AMENDING CHAPTER 42 OF THE CITY CODE
THAT CONSTITUTES THE COMPREHENSIVE
ZONING ORDINANCE OF THE CITY OF SAN
ANTONIO BY CHANGING THE CLASSIFICATION
AND REZONING OF CERTAIN PROPERTY
DESCRIBED HEREIN AS LOTS 31 AND 32,
NCB 11149, 700 BLOCK OF CHAVANEAUX ROAD,
FROM "B" TWO FAMILY RESIDENTIAL DISTRICT
TO "B-3" BUSINESS DISTRICT.

* * * *

N. CASE 5392 - to rezone a 0.237 acre tract of land out of NCB 7184, 2000 Block of Capitol Avenue, being further described by field notes filed in the Office of the City Clerk, from "B" Two Family Residential District to "B-3" Business District, located south of Sacramento Street between Capitol Avenue and the Southern Pacific Railroad Tracks; having 46.46' on Sacramento Street, 250' on Capitol Avenue, and 250.17' on the Southern Pacific Railroad Tracks.

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

No one spoke in opposition.

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

AN ORDINANCE 43,351

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS A 0.237 ACRE TRACT OF LAND OUT OF NCB 7184, (BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK), 2000 BLOCK OF CAPITOL AVENUE, FROM "B" TWO FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT.

* * * *

G. CASE 5305 - to rezone the north 150' of Lot 304, Block E, NCB 11553, 4200 Block of Horseshoe Bend West, from "A" Single Family Residential District to "B-3" Business District; and Lot 305 and the south 70' of Lot 304, Block E, NCB 11553, 4200 Block of Horseshoe Bend West, from "A" Single Family Residential District to "R-3" Multiple Family Residential District.

The subject properties being located southeast of the intersection of Callaghan Road and Horseshoe Bend West; having 333.48' on Horseshoe Bend West and 99.42' on Callaghan Road. The "B-3" zoning being on the north 150' of Lot 304 and the "R-3" zoning being on Lot 305 and the south 70' of Lot 304.

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

Mr. John White spoke in favor of the proposed rezoning. He pointed to the surrounding area and the other uses. He said that it is an old area and that it would be proper to zone this property for business.

No one spoke in opposition.

After consideration, Mr. Mendoza made a motion that the recommendation of the Planning Commission be overruled and the request for rezoning granted. The motion was seconded by Mr. Beckmann. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: San Martin, Becker, Black, Lacy, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Cockrell, Padilla.

AN ORDINANCE 43,352

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS THE NORTH 150' OF LOT 304, BLOCK E, NCB 11553, 4200 BLOCK OF HORSESHOE BEND WEST, FROM "A" SINGLE FAMILY RESIDENTIAL DISTRICT TO "B-3" BUSINESS DISTRICT; AND LOT 305 AND THE SOUTH 70' OF LOT 304, BLOCK E, NCB 11553, 4200 BLOCK OF HORSESHOE BEND WEST, FROM "A" SINGLE FAMILY RESIDENTIAL DISTRICT TO "R-3" MULTIPLE FAMILY RESIDENTIAL DISTRICT.

* * * *

H. CASE 5399 - to rezone the east 80.56' of the north 208' of Lot 45, NCB 11520, 1400 Block of Hillcrest Drive, from "A" Single Family Residential District to "R-3" Multiple Family Residential District, located southwest of the intersection of West Quill Drive and Hillcrest Drive; having 80.56' on West Quill Drive and 208' on Hillcrest Drive.

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

No one spoke in opposition.

After consideration, Mr. Lacy made a motion that the recommendation of the Planning Commission be overruled and the request for rezoning granted. The motion was seconded by Mr. Beckmann. On roll call, the motion, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: San Martin, Becker, Black, Lacy, Morton, Beckmann, Mendoza; NAYS: None; ABSENT: Cockrell, Padilla.

AN ORDINANCE 43,353

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS THE EAST 80.56' OF THE NORTH 208' OF LOT 45, NCB 11520, 1400 BLOCK OF HILLCREST DRIVE, FROM "A" SINGLE FAMILY RESIDENTIAL DISTRICT TO "R-3" MULTIPLE FAMILY RESIDENTIAL DISTRICT.

* * * *

I. CASE 5376 - to rezone Lots A2, and A3, NCB 1884, Lots A, B, and C, NCB 1861, 137 West French Place, from "B" Two Family Residential District to "B-1" Business District for a hospital, located on the north side of W. French Place, being 150' west of the intersection of Main Avenue and W. French Place; having 360' on E. French and a maximum depth of approximately 465'.

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

Mr. Camargo said that written opposition had been filed representing more than 20 percent of the area within 200 feet which makes it necessary that there be seven affirmative votes in order to approve the rezoning.

Mr. John R. Shaw, spoke to the Council on behalf of the applicant, Morningside Manor. The property is presently owned by Chandler Memorial Homes, Trustees, who wants to donate it to Morningside Manor. For the last 50 years it has been used as a home for the elderly. It is intended to build a 12-story 150-unit apartment building for senior citizens. In conjunction will be a three-story 120 unit nursing home. The cost will be around \$3.5 million. Mr. Shaw pointed out the zoning of surrounding properties and described it. He asked that the request be approved.

Mr. Bill McCabe, 123 W. French, spoke in opposition to the proposed rezoning. He said that Morningside Manor will not make a commitment to build if the property is rezoned. The Council could approve "B-1" zoning but it may never be used for what has been described. He pointed out the residences of seven other people who oppose the rezoning. He then referred to other cases in law which he claimed were similar to this. He expressed fear that the neighborhood would rapidly deteriorate if this property were rezoned to "B-1".

Mr. Morton said that he was familiar with the area, having lived there several years. He pointed to the many apartment complexes and the converted residences on Main Avenue. He also said that the proposed use would be the same--that is, the care of elderly persons. Mr. Morton then asked Mr. McCabe to summarize his case as time was short.

Mr. McCabe said that he had more to say and wished to complete his statement.

Mayor Becker explained to Mr. McCabe that the Council had recently spent many long hours and asked that the hearing of this case be postponed for three weeks.

Mr. McCabe agreed to this and the case was postponed.

74-5

COMMITTEE ON PROCEDURE

Mr. Morton said that he would like to address the question of how many minutes the proponents, opponents and rebuttals would be allowed on any zoning case. He asked that this matter be referred to the Council's committee on procedures for study and recommendation.

January 31, 1974

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A RESOLUTION
NO. 74-5-8

DIRECTING THE CITY PUBLIC SERVICE BOARD, AS AGREED TO BY ITS REPRESENTATIVES, TO NOTIFY THE CITY COUNCIL OF ANY FURTHER INCREASES OR DECREASES IN THE COST OF FUEL FROM COASTAL-LO VACA REQUIRING THE CITY PUBLIC SERVICE BOARD TO JUSTIFY BEFORE THE CITY COUNCIL, IN OPEN SESSION, ANY FURTHER PROPOSED ADJUSTMENTS IN BILLING BY THE CITY PUBLIC SERVICE BOARD; AND ALTERING CITY PUBLIC SERVICE BOARD'S PAYMENTS TO THE CITY SO AS TO ALLEVIATE THE IMPACT OF NECESSARY BILLING INCREASES.

* * * *

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

74-5 CASE 5404 - to rezone the east 150' of the north 230' of Lot 1, Block 57, NCB 12621, 8600 Block of South Flores Street, from "B-2" Business District to "B-3" Business District, located south of the intersection of Deely Place, and South Flores Street; having 150' on Deely Place and 230' on South Flores Street.

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

No one spoke in opposition.

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

AN ORDINANCE 43,354

AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS THE EAST 150' OF THE NORTH 230' OF LOT 1, BLOCK 57, NCB 12621, 8600 BLOCK OF SOUTH FLORES STREET, FROM "B-2" BUSINESS DISTRICT TO "B-3" BUSINESS DISTRICT.

* * * *

74-5

HEMISFAIR PLAZA

Dr. San Martin asked that the study of HemisFair Plaza plans be postponed from Friday to another time. It was agreed. No time was specified.

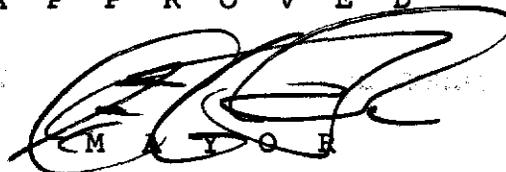
74-5

MUNICIPAL COURT JUDGES SALARIES

Dr. San Martin asked that the City Manager prepare a resolution for consideration next week raising the salary of Judge Mike Machado from \$20,000 to \$22,000 and the associate judges from \$17,500 to \$19,000.

There being no further business to come before the Council, the meeting adjourned at 6:00 P. M.

A P P R O V E D



Charles L. Becker

ATTEST:

J. H. Durlmann
C i t y C l e r k

