

REGULAR MEETING OF THE CITY COUNCIL  
OF THE CITY OF SAN ANTONIO HELD IN  
THE COUNCIL CHAMBER, CITY HALL, ON  
THURSDAY, FEBRUARY 11, 1982.

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The meeting was called to order at 1:00 P.M. by the  
presiding officer, Mayor Henry Cisneros, with the following members  
present: BERRIOZABAL, WEBB, DUTMER, WING, EURESTE, THOMPSON,  
ALDERETE, HARRINGTON, ARCHER, HASSLOCHER, CISNEROS: Absent: None.

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82-06 The invocation was given by Reverend Frank Keiser,  
Grace United Methodist Church.

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82-06 Members of the City Council and the audience joined in  
the Pledge of Allegiance to the flag of the United States.

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82-06 The minutes of the meeting of January 28, 1982, were  
approved.

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82-06 CONSENT AGENDA

Mr. Harrington moved that items 5-28 constituting the  
consent agenda be approved with the exception of item 7 to be  
pulled for individual consideration. Mr. Thompson seconded the  
motion.

On voice vote, the motion carrying with it the passage  
of the following Ordinances, prevailed by the following vote: AYES:  
Dutmer, Wing, Eureste, Thompson, Alderete, Harrington, Archer,  
Hasslocher, Cisneros; NAYS: None. ABSENT: Berriozabal, Webb.

AN ORDINANCE 54,883

ACCEPTING THE PROPOSAL OF VICTOR HOTHO  
AND COMPANY TO FURNISH THE CITY OF  
SAN ANTONIO WITH OUT OF PRINT BOOKS FOR  
A NET TOTAL OF \$5,897.57.

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AN ORDINANCE 54,884

ACCEPTING THE LOW BID OF ECON-O-PRINT  
TO FURNISH THE CITY OF SAN ANTONIO  
WITH THE PRINTING OF THE QUARTERLY  
EVENTS BROCHURE FOR A TOTAL OF  
\$6,419.52, LESS 5%-10DAYS.

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AN ORDINANCE 54,885

ACCEPTING THE LOW BIDS OF ALAMO IRON  
WORKS, ALEMITE COMPANY OF SAN ANTONIO,  
INDUSTRIAL EQUIPMENT COMPANY, AND PME  
EQUIPMENT, INC., TO FURNISH THE CITY  
OF SAN ANTONIO WITH AIR EQUIPMENT FOR  
A TOTAL OF \$6,448.74.

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AN ORDINANCE 54,886

ACCEPTING THE LOW QUALIFIED BIDS OF TOM FAIREY COMPANY, THE TORGERSON COMPANY, AND THE HAUFLER EQUIPMENT COMPANY TO FURNISH THE CITY OF SAN ANTONIO WITH TRACTORS AND MOWING EQUIPMENT FOR A TOTAL OF \$56,988.00.

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AN ORDINANCE 54,887

ACCEPTING THE LOW BID OF STONE'S MARINE TO FURNISH THE CITY OF SAN ANTONIO WITH OUTBOARD MOTORS FOR A NET TOTAL OF \$5,630.50.

\* \* \* \*

AN ORDINANCE 54,888

ACCEPTING THE LOW BID OF THE BLACKWELL BURNER COMPANY TO FURNISH THE CITY OF SAN ANTONIO WITH STEEL BARGES FOR A TOTAL OF \$4,999.00, LESS 1/2% - 10 DAYS.

\* \* \* \*

AN ORDINANCE 54,889

ACCEPTING THE LOW QUALIFIED BID OF ED FLUME BUILDING SPECIALTIES TO FURNISH THE CITY OF SAN ANTONIO WITH STAINLESS STEEL DOORS AND PILASTERS FOR A NET TOTAL OF \$4,632.00.

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AN ORDINANCE 54,890

ACCEPTING THE LOW BID OF EUREKA SHEET METAL, INC., TO FURNISH THE CITY OF SAN ANTONIO WITH A STAINLESS STEEL TANK FOR A TOTAL OF \$4,678.65, LESS 1%-10 DAYS.

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AN ORDINANCE 54,891

ACCEPTING THE LOW BIDS OF S.L. SEAGRAVE SALES, INC., ALAMO FIRE AND SAFETY EQUIPMENT COMPANY AND GRIFFIN MUNICIPAL SUPPLY TO FURNISH THE CITY OF SAN ANTONIO WITH FIRE HOSES FOR A TOTAL OF \$32,778.60.

\* \* \* \*

AN ORDINANCE 54,892

APPROVING THE ASSIGNMENT OF THE CURRENT CONTRACT TO FURNISH THE CITY OF SAN ANTONIO WITH DUST CONTROL SERVICE FROM FRESH UNIFORM RENTAL TO ARATEX UNIFORM RENTAL.

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## AN ORDINANCE 54,893

ACCEPTING THE BID OF E-Z BELL CONSTRUCTION COMPANY IN THE AMOUNT OF \$12,583.00 TO CONSTRUCT THE FRIESENHAHN PARK PROJECT, APPROVING A CONTRACT AND PROVIDING FOR PAYMENT.

\* \* \* \*

## AN ORDINANCE 54,894

ACCEPTING THE LOW QUALIFIED BID OF JOE F. MORALES CONTRACTOR, INC., IN THE AMOUNT OF \$19,000.00 TO PERFORM SITE DEVELOPMENT WORK AT BROOKS PARK; APPROVING A CONTRACT; AUTHORIZING PAYMENT OF THE CONTRACT WORK AND CONSTRUCTION CONTINGENCIES; AND REVISING THE PROJECT BUDGET.

\* \* \* \*

## AN ORDINANCE 54,895

ACCEPTING THE LOW QUALIFIED BID OF W.T. PENGELLY CORP., IN THE AMOUNT OF \$590,152.95 TO PERFORM THE CANTON AND BLUEBONNET STREETS IMPROVEMENT PROJECT; ADOPTING A BUDGET IN THE AMOUNT OF \$695,785.42 FOR THE PROJECT: AND PROVIDING FOR PAYMENT OF THE CONTRACT AND ADDITIONAL ENGINEERING FEES.

\* \* \* \*

82-06 Agenda item number 19, being the authorizing of execution of a Professional Services Contract with Barry F. Johnson, Consulting Engineer, to design and prepare a cost analysis for air conditioning and a sprinkler system at El Mercado; and authorizing payments of \$46,200, was initially enacted with the consent agenda, then later in the meeting rescinded by vote of the City Council and postponed until next week. Ordinance number 54,896 is therefore void.

## AN ORDINANCE 54,897

ACCEPTING THE LOW QUALIFIED BID OF ACE CONSTRUCTION CO., IN THE SUM OF \$25,864 TO BUILD A TEMPORARY FACILITY FOR THE FIRE DEPARTMENT; AUTHORIZING EXECUTION OF A STANDARD PUBLIC WORKS CONTRACT; AND AUTHORIZING PAYMENTS.

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## AN ORDINANCE 54,898

ACCEPTING THE LOW QUALIFIED BID OF BILL SHANNON, INC., IN THE SUM OF \$59,900 FOR THE SALADO CREEK SPRIGGING PROJECT: AUTHORIZING THE CITY MANAGER TO EXECUTE A STANDARD PUBLIC WORKS CONTRACT: REVISING THE PROJECT BUDGET; AUTHORIZING PAYMENTS.

\* \* \* \*

AN ORDINANCE 54,899

APPROPRIATING FROM CERTAIN FUNDS AMOUNTS IN THE TOTAL SUM OF \$245.00 IN PAYMENT FOR EXPENSES INCURRED IN BROOKHOLLOW SUBDIVISION UNIT 1 SANITARY SEWER, DE ZAVALA ROAD RECONSTRUCTION, INTERCHANGE PARK SUBDIVISION UNIT 1 SANITARY SEWER, MAVERICK CREEK SANITARY SEWER OUTFALL LINE, O'CONNER ROAD AND AYRSHIRE DRIVE SEWER EXTENSION PROJECT NO. 81-33 F& P, AND TOYS "R" US SUBDIVISION SANITARY SEWER.

\* \* \* \*

AN ORDINANCE 54,900

AUTHORIZING THE CITY MANAGER TO EXECUTE A SPECIAL WARRANTY DEED CONVEYING A TRACT OF SURPLUS CITY-OWNED PROPERTY TO TOM C. HERRERA FOR A CONSIDERATION OF \$2,700.00.

\* \* \* \*

AN ORDINANCE 54,901

ACCEPTING THE DEDICATION OF TITLE AND/OR EASEMENTS TO CERTAIN LANDS: ALL TO BE USED IN CONNECTION WITH CERTAIN RIGHT-OF-WAY PROJECTS.

\* \* \* \*

AN ORDINANCE 54,902

CLOSING AND ABANDONING A PORTION OF W. GLENN STREET IN NEW CITY BLOCK A-22, AND AUTHORIZING A QUITCLAIM DEED TO SAN ANTONIO INDEPENDENT SCHOOL DISTRICT FOR AND IN EXCHANGE OF A TRACT OF LAND OUT OF NEW CITY BLOCK A-22; AND AUTHORIZING THE SUM OF \$30,000 IN FUND 11 TO IMPROVE BOEHMER STREET.

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AN ORDINANCE 54,903

GRANTING PERMISSION TO ANTONIO AND HELEN RENDON TO MAINTAIN A RESIDENCE OVER A CITY DRAINAGE EASEMENT AT 4802 AVENIDA RITA.

\* \* \* \*

AN ORDINANCE 54,904

AUTHORIZING PAYMENT OF REFUNDS TO PERSONS MAKING OVERPAYMENTS OR DOUBLE PAYMENT ON 42 TAX ACCOUNTS.

\* \* \* \*

AN ORDINANCE 54,905

ACCEPTING THE HIGH BID (S) RECEIVED IN CONNECTION WITH \$7,000,000.00 IN CITY FUNDS AVAILABLE FOR DEPOSIT IN INTEREST-BEARING CERTIFICATES OF DEPOSIT.

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82-06 The Clerk read the following Ordinance:

AN ORDINANCE 54,906

ACCEPTING THE LOW BID OF THE E.N. DEAN  
SUPPLY CO., INC., TO FURNISH THE CITY OF  
SAN ANTONIO WITH THE REPLACEMENT OF WINCH  
ASSEMBLY FOR A NET TOTAL OF \$11,724.70.

\* \* \* \*

Mrs. Dutmer moved to approve the Ordinance. Mr. Harrington seconded the motion.

After consideration, on roll call, the motion carrying with it the passage of the Ordinance, prevailed by the following vote: AYES: Dutmer, Wing, Eureste, Thompson, Alderete, Harrington, Archer, Cisneros; NAYS: None: ABSENT: Berriozabal, Webb; DISQUALIFIED: Hasslocher.

82-06 ZONING HEARINGS

29. CASE 8713 to rezone A 1.946 acre tract of land out of NCB 14735, being further described by field notes filed in the office of City Clerk, in the 10900 Block of Vance Jackson Road from Temporary "R" Single Family Residential District to "O-1" Office District, located on the northeast side of Vance Jackson Road, being approximately 300' northwest of the intersection of Wurzbach Road and Vance Jackson Road, having 201.50' on Vance Jackson Road and a depth of 404.82'.

The Zoning Commission has recommended that this request of change of zone be approved by the City Council.

No citizen appeared to speak in opposition.

After consideration, Mrs. Dutmer moved that the recommendation of the Zoning Commission be approved. Mr. Thompson seconded the motion. On voice vote, the motion carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Dutmer, Wing, Eureste, Thompson, Alderete, Harrington, Archer, Hasslocher, Cisneros; NAYS: None; ABSENT: Berriozabal, Webb.

AN ORDINANCE 54,907

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 1.946 ACRE  
TRACT OF LAND OUT OF NCB 14735, BEING FURTHER  
DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF  
THE CITY CLERK, IN THE 10900 BLOCK OF VANCE  
JACKSON ROAD, FROM TEMPORARY "R-1" SINGLE  
FAMILY RESIDENTIAL DISTRICT TO "O-1" OFFICE  
DISTRICT.

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30. CASE 8726 to rezone a 3.952 acre tract of land out of NCB 15687, being further described by field notes filed in the Office of the City Clerk, in the 4300 Block of Stahl Road, from Temporary "R-1" One Family Residence District to "B-3R" Restrictive Business District, located southwest of the intersection of Jung Road and Stahl Road, having 362.40' on Stahl Road, 426.65' on Jung Road and a maximum depth of 640.32'.

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The Zoning Commission has recommended that this request of change of zone be approved by the City Council.

Mr. Hasslocher moved that the recommendation of the Zoning Commission be approved provided that the applicant work with the Traffic Engineering Division for street dedication if necessary, and for proper ingress and egress. Mrs. Dutmer seconded the motion.

Mr. Hasslocher moved that City staff recommendation for denial of the requested rezoning be approved. Mrs. Dutmer seconded the motion.

Mr. Hasslocher presented to the Council petitions signed by some 41 persons opposed to the rezoning request.

Mr. Pat Orrick, 439 Demina, stated that he is in process of purchasing the property to construct a mini-storage warehouse and carwash, noting that the property is not residential in nature since the area is in transition to a business character at this time.

Mr. William C. Kreger, the property owner, provided a brief background of the property in question and a description, stating that he feels it is not good property for residential usage.

Speaking in opposition, Mr. Donald Tymrak, 4407 Haymarket, stated that he circulated the petition in opposition, and spoke against rezoning the property, stating that there already is enough business property in the immediate area.

In rebuttal, Mr. Orrick stated that his requested rezoning would help clean up the property and spoke to plans to improve the drainage through the subject property, noting that he wants the property in proper shape to be utilized.

In response to a question by Mrs. Dutmer, Mr. Andy Guerrero, Planning Administrator, stated that City staff recommends some form of residential zoning on the property.

Mr. Hasslocher spoke of being familiar with the property, and stated his opinion that it could be developed in other ways than commercial.

In response to a question by Mr. Thompson as to his reasons for believing the property is not developable as residential property, Mr. Kreger spoke of the large drainage area running through the property, noting that a portion of that property is within the 100-year flood plain.

In response to a question by Mr. Eureste, Mr. Tymrak stated that he would be against any form of business zoning on the property.

Mr. Eureste stated that few single-family residences are currently being built within the city, with the overwhelming number currently being built in the multi-family or garden-home categories. He spoke of the need for the property owner to be able to make use of his property in some manner.

A discussion of possible uses that would not be objectionable to the residents took place.

In response to question by Mr. Hasslocher, Mr. Guerrero spoke of the 18-foot width of Stahl Road and the fact that it is considered a rural road.

Mr. Hasslocher stated that residents of this area are in a new subdivision, many of whom he has met with to discuss this case, and noted their concern because of the many home burglaries in the area, asking that the area be retained residential in nature.

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Mr. Eureste stated his opinion that vacant land within the city should be developed, to provide more property taxes.

After consideration, on roll call, the motion to uphold City staff recommendation to deny the requested rezoning prevailed by the following vote: AYES: Dutmer, Alderete, Harrington, Archer, Hasslocher, Cisneros; Berriozabal, Webb; NAYS: Wing, Thompson; ABSTAIN: Eureste.

Case 8726 was denied.

31. CASE 8724 - to rezone Lots 12-I and 12-J save and except the East 50' of lots 12-I and 12-J, Block 8, NCB 8084, 2421 & 2427 El Jardin Street from B & B-3R to I-1; The East 50' of Lot 12-J, Block 8, NCB 8084 from B to B-3R, located between El Jardin Street and S. W. 36th Street, being 482' south of the intersection of Highway 90 West and S.W. 36th, having 200' on both S.W. 36 Street and El Jardin Street with a distance of 199' between these two streets. The B-3R being on the East 50' and I-1 on the remaining portion of subject property.

The Zoning Commission has recommended that this request of change of zone be approved by the City Council.

No citizen appeared to speak in opposition.

Mr. Thompson moved that the recommendation of the Zoning Commission be approved provided that the applicant work with the Traffic Engineering Division for proper access for off-street parking, and that a 6-foot solid screen fence is erected and maintain along the east property line, and that a non-access easement is imposed along El Jardin Street. Mrs. Dutmer seconded the motion.

In response to a question by Mr. Thompson, Mr. Andy Guerrero, Planning Administrator, discussed the need for a six-foot solid screen fence in order to protect nearby residences.

In response to another question by Mr. Thompson, Mr. Gregorio Valdez, the proponent, stated that he wanted this site on which to locate his construction company with outside storage for his equipment. He stated that his original request was for "I-1" Light Industry District zoning on all the property, noting that he cannot use "B-3R" zoning on a portion of the property, but has to accept a compromise on a portion of the total property in order to secure the "I-1" rezoning he needed on the other portion.

After discussion, Mr. Thompson made an amended motion to delete the requirement for the six-foot solid screen fence to be erected and maintained along the east property line. Mr. Wing seconded the motion. On voice vote, the amended motion prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Wing, Eureste, Thompson, Alderete, Harrington, Archer, Hasslocher, Cisneros; NAYS: None; ABSENT: None.

The main motion as amended, carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Wing, Eureste, Thompson, Alderete, Harrington, Archer, Hasslocher, Cisneros; NAYS: None; ABSENT: None.

#### AN ORDINANCE 54,908

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

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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 12-I AND 12-J, SAVE AND EXCEPT THE EAST 50', BLOCK 8, NCB 8084 FROM "B" RESIDENCE DISTRICT AND "B-3R" RESTRICTIVE BUSINESS DISTRICT TO "I-1" LIGHT INDUSTRY DISTRICT; THE EAST 50' OF LOT 12-J, BLOCK 8, NCB 8084, 2421 AND 2427 EL JARDIN STREET, FROM "B" RESIDENCE DISTRICT TO "B-3R" RESTRICTIVE BUSINESS DISTRICT, PROVIDED THAT THE APPLICANT WORK WITH THE TRAFFIC ENGINEERING DIVISION FOR PROPER ACCESS FOR OFF-STREET PARKING, AND THAT A NON-ACCESS EASEMENT IS IMPOSED ALONG EL JARDIN STREET.

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82-06

USE OF BARBED WIRE

Mr. Eureste stated that he was against the use of barbed wire atop other fencing material, and asked to discuss this matter with the City Council later in the meeting.

82-06

CASE 8707 - to rezone lots 7 and 14, Block A, NCB 14653, 6000 Babcock Road, from "Temporary R-1" One Family Residence District to "P-1" (R-2)" Planned Unit Development, Two Family Residence District, located between Babcock Road and Strathaven Road, being 1050' southeast of the intersection of Babcock Road and Holly Hock Road having 350' on Strathaven Road, Babcock Road and a depth of 1244.6'

The Zoning Commission has recommended that this request of zone be approved by the City Council.

No citizen appeared to speak in opposition.

After consideration Mr. Harrington moved to approve the recommendation of the Zoning Commission provided that street dedication is provided if necessary. On voice vote, the motion carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Wing, Eureste, Alderete, Harrington, Archer, Hasslocher, Cisneros; NAYS: None. ABSENT: Thompson.

AN ORDINANCE 54,909

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 7 AND 14, BLOCK A, NCB 14653, 6000 BABCOCK ROAD, FROM TEMPORARY "R-1" SINGLE FAMILY RESIDENTIAL DISTRICT TO "P-1" (R-2)" PLANNED UNIT DEVELOPMENT, TWO-FAMILY RESIDENTIAL DISTRICT, PROVIDED THAT STREET DEDICATION IS PROVIDED IF NECESSARY.

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Mayor Cisneros introduced Mr. Abdul Hassen, of Bahrain, visiting San Antonio at the request of the U.S. Department, and welcomed him to the city.

Mr. Hassen explained that he was on a training program in the field of personnel management, a field in which he works in his native country. He briefly described his island nation, a monarchy, and outlined its strong relationship with the United States. He noted that he will be in this country for some 119 days, working with the City's Personnel Department.

Mayor Cisneros noted the strategic location of Bahrain, and asked Councilman Alderete to present Hassan a framed print of La Villita.

After the presentation, Hassen stated that the framed print will be added to Bahrain's new national museum upon his return.

33. CASE 8729 to rezone Lot 42, NCB 10615, 1008 S.W.W. White Road, from "F" Local Retail to "B-3" Business District, located on the east side of S.W.W. White Road, being 200.5' north of the intersection of Lord Road and W.W. White Road, having 180.7' on W.W. White Road and a depth of 254.7'

The Zoning Commission has recommended that this request of change of zone be approved by the City Council.

No citizen appeared to speak in opposition.

In response to a question by Mr. Webb as to whether or not he would accept a B-3R zoning on the property, Mr. Floyd W. Bienek, Sr., 331 Army, stated that he needs the B-3 zoning in order to locate a pawn shop on the property, whereas the present zoning only allows sale of new merchandise. He stated that he must move his existing pawnshop from its present location nearby because he has lost his lease.

Mr. Webb moved that the recommendation of the Zoning Commission be approved provided that street dedication is provided if necessary. Mr. Harrington seconded the motion.

A discussion took place concerning other nearby business zonings.

After consideration, on voice vote, the motion carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Webb, Dutmer, Wing, Alderete, Harrington, Archer, Hasslocher, Cisneros; NAYS: None; ABSENT: Berriozabal, Eureste, Thompson.

**AN ORDINANCE 54,910**

**AMENDING CHAPTER 42 OF THE CITY CODE THAT CONSTITUTES THE COMPREHENSIVE ZONING ORDINANCE OF THE CITY OF SAN ANTONIO BY CHANGING THE CLASSIFICATION AND REZONING OF CERTAIN PROPERTY DESCRIBED HEREIN AS LOT 42, NCB 10615, 1008 SOUTH W.W. WHITE ROAD, FROM "F" LOCAL RETAIL DISTRICT TO "B-3" BUSINESS DISTRICT, PROVIDED THAT STREET DEDICATION IS PROVIDED IF NECESSARY.**

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82-06 CASE 8750 to rezone a 1.487 acre tract of land out of Lot 90, Block 8, NCB 11513, being further described by field notes filed in the Office of City Clerk, 1331 Bandera Road, from "B-2" Business District to "B-3" Business District, located 350.59' southwest of Bandera Road and 54.05' southeast of Willard Drive having a maximum width of 270' and a maximum depth of 381.63'.

The Zoning Commission has recommended that this request of change of zone be approved by the City Council.

No citizen appeared to speak in opposition.

Mr. Alderete moved to approve the recommendation of the Zoning Commission. Mr. Harrington seconded the motion. On voice vote, the motion carrying with it the passage of the following Ordinance, prevailed by the following vote: AYES: Webb, Dutmer, Wing, Alderete, Harrington, Archer, Hasslocher, Cisneros; NAYS: None; ABSENT: Berriozabal, Eureste, Thompson.

AN ORDINANCE 54,911

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 1.487 ACRE TRACT OF LAND OUT OF LOT 90, BLOCK 8, NCB 11513, BEING FURTHER DESCRIBED BY FIELD NOTES FILED IN THE OFFICE OF THE CITY CLERK, 1331 BANDERA ROAD, FROM "B-2" BUSINESS DISTRICT TO "B-3" BUSINESS DISTRICT

\* \* \* \*

82-06 The Clerk read the following Ordinance:

AN ORDINANCE 54,912

AUTHORIZING THE EXECUTION OF A LEASE AGREEMENT BETWEEN THE CITY OF SAN ANTONIO AND THE SAN ANTONIO CONSERVATION SOCIETY FOR THE LEASE OF CERTAIN PREMISES KNOWN AS LA VILLITA SAN ANTONIO FOR THE OPERATION OF THE FESTIVAL KNOWN AS NIGHT IN OLD SAN ANTONIO.

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Mr. Harrington moved to approve the Ordinance. Mrs. Dutmer seconded the motion.

In response to a question by Mr. Hasslocher, Mr. Ron Darner, Director of Parks & Recreation, stated that this lease is fair to the City, and reported that negotiations on a new lease will begin after Fiesta Week.

After consideration, the motion carrying with it the passage of the Ordinance, prevailed by the following vote: AYES: Webb, Dutmer, Wing, Alderete, Harrington, Archer, Hasslocher, Cisneros, NAYS: None; ABSENT: Berriozabal, Eureste, Thompson.

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0415

82-06 The Clerk read the following Ordinance:

AN ORDINANCE 54,913

AUTHORIZING THE EXECUTION OF A GRANT AGREEMENT MODIFICATION WITH THE ECONOMIC DEVELOPMENT ADMINISTRATION (EDA) TO EXTEND THE EXPIRATION DATE OF THE GRANT FROM DECEMBER 31, 1981, TO MARCH 31, 1982.

\* \* \* \*

Mr. Archer moved to approve the Ordinance. Mrs. Dutmer seconded the motion.

After consideration, the motion carrying with it the passage of the Ordinance, prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Wing, Alderete, Harrington, Archer, Hasslocher, Cisneros; NAYS: None; ABSENT: Eureste, Thompson.

82-06 The Clerk read the following Ordinance:

AN ORDINANCE 54,914

AMENDING CHAPTER 17 OF THE CITY CODE (GARBAGE, TRASH AND WEEDS) SO AS TO ADD CERTAIN DEFINITIONS AND SO AS TO REVISE CERTAIN OTHER DEFINITIONS: TRANSFERRING SUPERVISORY AUTHORITY OVER ABATEMENT OF NUISANCES CAUSED BY OVERGROWN WEEDS, OR BRUSH, OR RUBBISH FROM THE DIRECTOR OF PUBLIC HEALTH TO THE DIRECTOR OF BUILDING INSPECTIONS; AND INCREASING TIME PERIODS FOR OWNERS TO VOLUNTARILY ABATE SUCH NUISANCES.

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Mr. Archer moved to approve the Ordinance. Mr. Harrington seconded the motion.

In response to a question by Mr. Wing, Mr. J. Rolando Bono, Acting Director of Building Inspections, spoke in favor of extending the time period for voluntarily abating certain nuisances, stating that the City is receiving good compliance with the program on a voluntary basis, already. He further stated that with the cutback in CETA funds, his department no longer has the manpower necessary to fully police this activity.

In response to a question by Mrs. Dutmer, Mr. Bono discussed problems associated with prosecuting cases of nuisances in these areas.

A discussion then took place concerning procedures to be followed in cleaning vacant lots of overgrowth.

(At this point, Mayor Cisneros was obliged to leave the meeting. Mayor Pro-Tem Hasslocher presided.)

Mr. Webb spoke of the problems in this area caused in his district by construction of expressways, including the deadening of streets and the resulting dilapidation and abandonment of houses, resulting in overgrown lots and other nuisances. He expressed disappointment with the progress being made by the City's new Environmental Court in such matters, stating that vacant lots and dilapidated housing are the major problems in District 2. He spoke against allowing houses to be abandoned and thus become dilapidated.

Mr. Bono stated that the new prosecutor in the Environmental Court is doing a good job representing the prosecution in the Municipal Court process on environmental matters.

Mr. Thompson spoke of having turned in some 176 complaints after taking a riding tour of District 6, and asked the status of these complaints he had filed.

Mr. Bono stated that he would check into this.

In response to a question by Mr. Thompson as to how the department was prioritizing complaints, Mr. Bono stated that it was being done as the calls come in. Mr. Bono then spoke of plans to clean vacant lots with contractors who are bidding on the costs to do so.

After consideration, on voice vote, the matter carrying with it the passage of the Ordinance, prevailed by the following vote: AYES: Webb, Dutmer, Wing, Thompson, Alderete, Harrington, Archer, Hasslocher, NAYS: None; ABSENT: Berriozabal, Eureste, Cisneros.

82-06 The Clerk read the following Ordinance:

AN ORDINANCE 54,915

AUTHORIZING PUBLICATION OF NOTICE OF INTENTION TO ISSUE CERTIFICATES OF OBLIGATION OF THE CITY OF SAN ANTONIO, TEXAS, FOR INTERNATIONAL AIRPORT IMPROVEMENTS.

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Mrs. Dutmer moved to approve the Ordinance. Mr. Webb seconded the motion.

In response to a question by Mrs. Dutmer, Mr. Michael Kutchins, Acting Director of Aviation, stated that the Certificates of Obligation are to be used for permanent improvements, including construction of the new airport terminal building.

In response to a question by Mr. Alderete, Mr. Carl White, Director of Finance, stated that the bond counsel is from the law firm of Ralph Brown, a Dallas-based firm which has offices located in San Antonio.

After consideration, on voice vote, the motion carrying with it the passage of the Ordinance, prevailed by the following vote: AYES: Webb, Dutmer, Wing, Eureste, Alderete, Harrington, Archer, Hasslocher; NAYS: None; ABSENT: Berriozabal, Thompson, Cisneros.

82-06

RAPE PREVENTION AND CRISIS SERVICES GRANT

Mr. William Donahue, Director of Human Resources and Services, presented City Council with a written report relative to a request from the Alamo Area Volunteer Advocate Program (AAVAP) for the City to withdraw its request for funding of a rape prevention and crisis services grant under the Texas Department of Health, a copy of which report is attached to the papers of this meeting. He noted that the City has been denied access to a copy of the AAVAP proposal for like funding, then outlined the background of City involvement in this area, citing statistics from the San Antonio Police Department. Mr. Donahue concluded his report by citing reasons why he believes the City can do a better job than AAVAP in this area.

In response to a question by Mr. Alderete, Ms. Deborah Mason, representing AAVAP, stated that her organization feels it would rather operate these services autonomously, rather than in concert with the City.

Mr. Archer stated that it is his opinion this discussion is not the direction Council gave to City staff when the matter came up last week.

Mr. Louis J. Fox, City Manager, stated that he would provide a tape recording of last week's discussion to show the direction given staff by the Council in this matter.

In response to a question by Mr. Harrington, Mr. Donahue stated his belief that the State would not consider funding both AAVAP and the City in this area. Mr. Donahue further stated that if the City receives the grant, it intends to sub-contract a portion of the grant to AAVAP for its services and noted that the two groups had worked together contractually for years in this area.

In response to a question by Mr. Eureste, Ms. Mason discussed how AAVAP works and provided some breakdown as to the ethnicity of victims served by the group in the past.

(At this point, Mayor Cisneros returned to preside over the meeting.)

Mr. Eureste spoke to the need to have adequate representation among workers from all areas and ethnic backgrounds.

In response to a question by Ms. Berriozabal, Ms. Mason discussed AAVAP's hours of operation and staffing.

Ms. Berriozabal spoke of how the City program operates and noted the two programs, the City's and AAVAP's, are two different programs. She stated that she favors the City application because of its success in the past accomplishments in this area.

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82-06 The Clerk read the following Ordinance:

AN ORDINANCE 54,916

PROVIDING ADDITIONAL FUNDS FOR THE BETHEL  
DAY CARE CENTER.

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Mr. William Donahue, Director of Human Resources and Services, stated that in response to the request of the City Council, the Texas Department of Human Resources has replied in writing relative to whether or not the state agency had required a local match in funds from Bethel Day Care Center in order to secure a state grant for child care services. (A copy of the letter from Mr. Marco A. Lucio, Regional Director of Procurement and Purchased Services, Texas Department of Human Resources, is attached as a part of the papers of this meeting). Mr. Donahue stated that the letter states that "The Texas Department of Human Resources has made no requirement of Bethel for local match."

Mr. Eureste stated that several other day care centers have contacted him in the past week, stating that they too want to be considered for additional funding if Bethel receives additional City funds for day care services for children.

In response to a question by Mr. Webb, Reverend L.A. Walker, representing Bethel Day Care Center, stated that he had not seen the Lucio letter, only heard about it from the news media.

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Mr. Webb noted that the letter states that Bethel does not need new City funds in order to get state funding.

In response to a question by Mr. Hasslocher, Mr. Donahue explained the background of day care funding in the City budget.

In response to a question by Mr. Alderete as to whether \$58,216 is the amount Bethel needs from the City in order to get a state contract, Rev. Walker stated that that figure came to him in a message related to him from TDHR sources via his accountant.

Ms. Jerry Anthony, accountant for Bethel Child Care Center, provided a history of City grant funding of the center, noting that some \$8,500 should be left unspent at the end of February to cover hospitalization. She further stated that \$58,216 is needed to carry Bethel through the end of the state grant period which ends September 30, 1982, and noted that under the proposal, Bethel would add an additional 46 children to its day care services for the 12-month period. She stated that there is no way that Bethel can handle 136 children for the presently-granted \$198,661, noting that \$58,216 is the difference in funds between what Bethel will get from the state and what is actually needed to do the job.

Mr. Alderete stated that Bethel really doesn't need the additional money from the City to get the TDHR grant, but rather needs the funds to cover its planned services. He further stated that the Lucio letter backs up Mr. Donahue's statements of last week, in support of the City staff position on additional funding of Bethel.

Mr. Thompson stated that the need for additional funds is there, and spoke to reasons why Bethel did not ask for more money from the state, including the realization that the nearby Madonna Center program also would need state grant funds. He spoke to the good accountability of funds by Bethel.

Mr. Harrington stated his opinion that Rev. Walker last week left unclear a full explanation of the need for the additional funding by the City, noting that Bethel's original request apparently was for five months in funds, while the City grant is based upon a full fiscal year. He spoke of the integrity of the Bethel operation, and expressed his opinion the operation should not be ended.

Mrs. Dutmer spoke in support of Mr. Harrington's comments.

Mr. Thompson moved that the City grant Bethel Day Care Center an additional \$58,216. Mr. Webb seconded the motion. On roll call the motion carried by the following vote: Berriozabal, Webb, Dutmer, Thompson, Alderete, Harrington, Hasslocher, Cisneros; NAYS: Wing, Eureste, Archer; ABSENT: None.

Mr. Eureste expressed his opinion that if the request is granted, other day care centers will come in with similar requests, and fears it could cost the City an additional \$200,000.

Mr. Eureste made an amended motion to grant these additional funds to Bethel Day Care Center only if the same consideration is given other day care Centers funded by the City. Mr. Alderete seconded the motion.

Mr. Thompson stated that he cannot support such a blanket request, but will hear and decide upon each request as a separate matter.

A discussion followed relative to TDHR's bid process for funding day care centers.

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Mr. Louis J. Fox, City Manager, stated his opinion that Bethel submitted the lowest bid for the grant, then simply ran short of needed funds to carry out what it had promised. He stated that the Council, if it enacts the request for additional funds, will see others ask for the same consideration. He stated his opinion that sensitivity to the situation is not the question, but rather the fact that the City does not have this additional money in its budget.

He stated that the Council must decide on its priorities, since the only available funding would be to take it from the Contingency Fund.

Mr. Eureste stated his support for funding of human services, but spoke in opposition to this request, stating that to grant this would be to destroy the state's competitive bidding process for grants for day care centers.

In response to a question by Ms. Berriozabal, Mr. Donahue stated his opinion that there would be no loss of service slots in child care in this area, even if Bethel were to shut down, since other agencies would take up the slack. He displayed for Council a large map showing the locations of area child care delivery functions, and stated his belief that the Headstart Program could absorb any slots lost by the closing of Bethel, along with the Madonna Center program.

Rev. Walker spoke in disagreement to this, stating that all the children to be displaced could not be taken care of by Madonna because of lack of space.

Ms. Berriozabal asked City staff to put together a chart on the number of families needing day care services, etc., by neighborhood. Mr. Donahue stated that staff would do so, but it could not be done in one week.

(At this point, Mayor Cisneros was obliged to leave the meeting. Mayor Pro-Tem Hasslocher presided.)

After consideration, the amended motion to grant these additional funds to Bethel Day Care Center only if the same consideration is given other day care centers funded by the City failed to carry by the following vote: AYES: Wing, Thompson, Alderete; NAYS: Berriozabal, Webb, Dutmer, Eureste, Harrington, Archer, Hasslocher, Cisneros; ABSENT: None.

Mr. Harrington made an amended motion to subtract \$8,546 from the Bethel request for \$58,216. Mr. Thompson seconded the motion. On roll call, the amended motion prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Thompson, Alderete, Harrington, Hasslocher, Cisneros; NAYS: Wing, Eureste, Archer; ABSENT: None.

The main motion, as amended, carrying with it the passage of the Ordinance, prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Thompson, Alderete, Harrington, Hasslocher, Cisneros; NAYS: Wing, Eureste, Archer. ABSENT: None.

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Bond Discussion - \$60,000,000 Electric and Gas Systems

82-06 The Clerk read the following Ordinance:

ORDINANCE 54917

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS, APPROVING AND AUTHORIZING THE GIVING OF NOTICE OF INTENTION TO ISSUE \$60,000,000 "CITY OF SAN ANTONIO, TEXAS, ELECTRIC AND GAS SYSTEMS REVENUE IMPROVEMENT BONDS, NEW SERIES 1982", AND DECLARING AN EMERGENCY.

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Councilman Hasslocher moved to approve the Ordinance.  
Councilwoman Dutmer seconded the motion.

MAYOR HENRY CISNEROS: Yes, madam, Mrs. Dutmer.

MRS. HELEN DUTMER: We had it all explained to us a number of times - the bond sale for CPS, so I don't see any reason to go through it again for my part. If someone else has it, it's fine with me.

MAYOR CISNEROS: Mr. Eureste.

MR. BERNARDO EURESTE: I move to deny.

MAYOR CISNEROS: Motion to deny the bond sale, is there a second?

MR. JOE WEBB: Second.

MAYOR CISNEROS: There's a motion and a second. Is there discussion by the Council? Mr. Eureste, do you have any further discussion?

MR. EURESTE: Yes. Can they tell us how much of the bond request is being allocated to the nuclear project?

MAYOR CISNEROS: Yes. I'll be happy to get that information for you. Mr. Spruce, would you come forward please. Mr. Spruce, Mr. Eureste had a specific question.

MR. JACK SPRUCE, GENERAL MANAGER OF CPS: I'm sorry, I didn't hear the question.

MR. EURESTE: What percent, how much of that bond sale is going to the South Texas Nuclear Project? How much of the 60 million?

MR. SPRUCE: Probably about a third of it, sir.

MR. EURESTE: 20 million?

MR. SPRUCE: No, that's it. Howard, will you help me on that. It's probably more than that.

MR. HOWARD FREEMAN, ASST. GENERAL MANAGER FOR FINANCING AND ADM.: Our budget for the year is about 58% of the total construction budget for the South Texas Project, so on this particular issue it would be roughly \$36 million out of the 60.

MR. EURESTE: \$36 million. Why is that project requiring support when there is no construction going on over there?

MR. SPRUCE: Ok, I had some information on that, if the Council will bear with me, I will give you a little bit of a statement on the expenditures connected with the project. As Council knows, the project participants terminated the services of Brown & Root as architect engineer last year and has since hired Bechtel Engineering, Incorporation to perform those services. Subsequent to that, Brown & Root terminated their own

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position as contractor and have not been replaced. Since that time, they have been in a phase-down situation of where they now just have housekeeping chores going on. To describe the activities anticipated for 1982, I'd like to give you this information: Total requirements for 1982 - 2% of the money expended in 1982 will be for Brown & Root site maintenance labor until a new contractor takes over. Six percent of the fund expended this year is for the remaining Brown & Root engineering effort. We still have the Brown & Root phase out on engineering and Bechtel picking that up. Nine percent of the funds allocated this year will go to a new contractor, thirty percent will be for Bechtel Engineering and Construction management, forty-eight percent of the funds are for continuing permanent material deliveries, subcontracts, Houston Lighting and Power and other owner costs, and five percent for contingency. So you see, while we do not have a contractor down there with a large number of people on site, we do have still continuing expenses paid to Brown & Root for phase down on engineering, pick up Bechtel Engineering, and later in the year, construction by a new contractor. A large part of the money does go for fixed material costs and other commitments to the project.

MR. EURESTE: Let me ask you, if you had a projected expenditure level for the Nuclear Project in 1982 at this time, what level would that have been at, and what is the actual level today? What is very mysterious to me is, how in the world can you have Brown & Root, having been kicked out of the project, no construction going on in that project, and the amount of money that is required from San Antonio is being maintained almost at the same level as if there was construction going on? Now can you explain that to the taxpayers of San Antonio, to me, to the rate payers of CPS - how in the world can you have a requirement to feed money into that monster over there that is just sitting there dormant not doing anything, and you're sitting here asking us to support this, and of the 60 million you're going to commit \$36 million, and you're coming back again when, in October or November?

MR. SPRUCE: Probably late summer.

MR. EURESTE: Late summer.

MR. SPRUCE: Yes, sir.

MR. EURESTE: Even before the fall?

MR. SPRUCE: Yes, sir.

MR. EURESTE: How much money are you going to be asking for then?

MR. SPRUCE: We project maybe total bond funds during this year of \$145 million. This issue is for 60 million.

MR. EURESTE: So you're coming . . .

MR. SPRUCE: Next year would be for 85 million.

MR. EURESTE: For 85 million.

MR. SPRUCE: That's right.

MR. EURESTE: How much of that would be dedicated to the Nuclear Project?

MR. SPRUCE: Well based on what we just talked about, the same percentage, it would be 50 . . .

MR. EURESTE: About 50 something million?

MR. SPRUCE: Well, the same percent . . .

MR. EURESTE: 58 percent.

MR. SPRUCE: Yes sir.

MR. EURESTE: 60 percent of 85, 60 of 80 is 48, and 58 of 85 would be about \$50 million.

MR. SPRUCE: Yes sir, that would be about right.

MR. EURESTE: 50 and 36, that's 86 million. 86 million of 100 and 40 million dollars. Do you understand that the rate payer feels that they are putting money into what essentially is the biggest rat hole that - as a matter of fact, that's a Texas size rat hole. If you get the word, if you get the message, if you get the picture?

MR. SPRUCE: I'm sure there are some rate payers that feel that way, yes, sir.

MR. EURESTE: Ok, well, I think that, have you taken a look to see, and I would assume that this requirement in bonds was projected two years ago. Is this not correct? When you laid out your long term 5 year program that you were looking at this kind of bonds for 1982?

MR. SPRUCE: What we had in the budget two years, or what we projected two years ago we would need in bond funds for 1982. Is that pretty much the same schedule?

MR. FREEMAN: I think that it would be fair to say that the dollar amount is probably comparable. Two years ago we would have be projecting on a higher level of activity, but a lower total cost of the project. So, I would say that the level of dollars is probably not changed a great deal.

MR. EURESTE: Could you tell me about, nothing better than to put CPS officials here on the, right before the public and to ask them this great question that gets asked every time you come here, and should be asked: What is the current cost of the San Antonio's participation of the Nuclear Project?

MR. FREEMAN: It would be 28 percent of \$4.8 billion.

MR. EURESTE: How much is that? About \$1,344,000,000, sir.

MR. FREEMAN: That would be pretty close, yes sir.

MR. EURESTE: \$1,344,000,000!

MR. FREEMAN: The numbers that we have are \$1,338,000,000 for the plant cost.

MR. EURESTE: Ok. Is that the low end, or the high end? Because remember they gave two estimates.

MR. FREEMAN: High end.

MR. EURESTE: High end?

MR. SPRUCE: Yes, that's on 4.8. That's pretty close.

MR. EURESTE: The first unit would be completed, according to this new schedule, when? In 1987?

MR. SPRUCE: During the summer of 1988.

MR. EURESTE: 88. How about the second unit?

MR. SPRUCE: A year later.

MR. EURESTE: 1999.

MR. SPRUCE: 1989.

MR. EURESTE: Do you think there's going to be - here's a great

question - Do you think that there's going to be any more slippage in time?

MR. SPRUCE: I don't think I'm prepared to assess the accuracy of that at this time. We're under a complete new evaluation by the new architect engineer, and his evaluation of the project, and its ability to be completed by a certain time schedule and cost will be made this summer.

MR. EURESTE: Ok. Number two. Do you think that the current cost of \$1,338,000,000, do you think that that cost will escalate in the future, and do you think that San Antonians will be paying more for that project, before now and the time its completed?

MR. SPRUCE: My assessment of that again, has to just, I just have to defer to the re-evaluations being made, I say it has a potential to escalate, yes sir.

MR. EURESTE: What was the original cost that you, what is the base line cost that you use as the original cost of this project? I know we've had a lot of figures the size of the units have changed from the original date of this project, but what do you use as your base line for the original cost of this project, given the megawatts that are currently projected for this project?

MR. SPRUCE: What you're wanting is the first official estimated cost of the project?

MR. FREEMAN: Make it 1.2.

MR. SPRUCE: \$1.2 billion.

MR. EURESTE: For the City of San Antonio?

MR. SPRUCE: No, total project.

MR. EURESTE: Total project.

MR. SPRUCE: Yes sir.

MR. EURESTE: \$1.2 billion.

MR. SPRUCE: Yes sir.

MR. EURESTE: And today we only get 28 percent, and it's 1.34.

MR. SPRUCE: Yes, sir. That's current estimate based on total project cost of 4.8 billion. It'd be 4 times the original estimate.

MR. EURESTE: What kind of percentage increase is that?

MR. SPRUCE: Four hundred percent.

MR. EURESTE: Four hundred percent. When was this figure 1.2. stated?

MR. SPRUCE: 1975.

MR. EURESTE: And so its seven years since that has happened. What kind of increase average per year would you say could be attached to this cost to the original cost, and given what they tell us today is the cost?

MR. SPRUCE: The rate of increase on an annual basis, I think-what did we figure, 22 percent.

MR. EURESTE: Annual.

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MR. SPRUCE: It's probably in a range of 20 to 22 percent.

MR. EURESTE: I don't think you remember me telling you that that was the rate of increase that you had, and that if you really wanted to be on target, that that's the kind of rate increase that you ought to be looking at for this project. And I remember sitting here and comparing your salary with mine, and I couldn't understand how you could be so off, and I could be so much on target. And so, today I am going to make another great prediction for the record, and that is that when the announcement comes in mid-summer about this project that there's going to be an announcement that shoots the project up by another 20 percent and that two years down the road, there will be escalations that reflect about a 20 to a 22 percent increase. The whole industry will tell you anything that you read about this project will tell you regardless of where you're at, the annual rate of escalation for this project is at about 20 to 22 percent over what you have last stated as the cost.

And if you wanted to be real, real up front with the people of San Antonio, you would say between now and the year 1988, 1989, that the cost of this project is going to escalate at a rate of 20 to 22 percent per year, and that in truth, five, six, seven, eight years, seven years down the road, that we're talking about an increase of another possibly 150% on top of the cost that we've got right now. So instead of costing the City of San Antonio \$1.34 billion, that we're talking possibly maybe \$3 billion cost to the City of San Antonio in principal alone. Add the interest to that, which was running at one point at about 130% of the principal, you've got a project that is running anywhere from \$6 to \$7 billion total cost to the City of San Antonio. I had said it, Lenny Sinkin had said it, and a bunch of people who are somewhat experts in this area have said it, and all of the time we've been rebuffed with other kinds of figures that our figures aren't correct. Yet I contend that our figures are correct, and that we're not talking about a \$1.34 billion project, we're talking about a \$7 billion project by the time we're through with this. To make matters worse, is that we don't even know that this thing is going to get ready to go in the fall. You don't know what Bechtel is going to say. They might just come back and say "you might as well scrap it, cause it's not worth it". So all that we are putting in, and right now we are voting bonds for a project that is sitting there, it's just like buying, putting money into a junk car that's never going to run. Because from the looks of it, it's now going to go anywhere. If this council wants to sit here and vote you bonds to the tune of \$60 million, they can do so. When are you going to come back to us for the part that pays for all of this, what they call the rate increase?

MR. SPURCE: Well, .....

MR. EURESTE: You are going to come to us for a rate increase, aren't you?

MR. SPRUCE: Yes sir, I have written a letter within the last two or three weeks to the City Manager and I reminded him that CPS had a rate request pending before the Council last fall, which was not acted upon, and it was expected that that would be taken up again and I have asked the City Manager to, if possible, schedule an opportunity for us to come over and talk to the Council about the need for a rate increase.

MR. EURESTE: How much are you going to be asking for?

MR. SPRUCE: Well, there are some alternates there, the tentative request is for 2.4% and that's what it was last fall. That would need to be followed, and we've told the Council that when we asked for that one it would need to be followed by another rate increase in fall of 1982. Present prospects are that increase would

be in the order of 4.8%. An alternative would be to consider some other number be applied so that there would just be one rate increase during the year. We thought that there would be an opportunity for us to discuss with Council those alternatives and the need for funds and see what your purpose would be in wanting to consider those requests.

MR. EURESTE: So, if you vote bonds, you also vote rate increases, right? You don't think that it would be responsible to vote bonds and not rate increases?

MR. SPRUCE: Well, I guess what we have to say is that we have a program that we're embarked on and it requires a funding; in order to provide for that funding it's not possible, of course, to generate those funds from the rates, we therefore go to bonds, and incur debt service, other inflationary factors also add to the cost of operating the utilities, so I feel that it's just part of the total program that the utility will have to be requesting rate increases from time to time.

MR. EURESTE: But the bonds right now are driving rate increases, right?

MR. SPRUCE: They have an impact on it, no question about it. But that service is part of the need for funds.

MR. EURESTE: Yes sir, that's right. Of course, if there was not a assurance of repaying the money to the bond, then the bond would not be sellable, it all goes together. That's true anytime you borrow money; you are expected to repay it, and our ability to repay it has to do with the rate structure.

MR. EURESTE: Is it possible today, well, maybe this is not in your league, but is it possible today that if you vote for bonds you also vote in the rate increases?

MR. SPRUCE: Well there's nothing contingent on these bonds about a rate increase nor is there nothing tied to this that says we, that the Council is guaranteeing us anything about repaying the bonds. As I have indicated we will be back to talk about a rate increase later on.

MR. EURESTE: What kind of debt service funds are required this year for this bond issue?

MR. Van Archer: For this bond issue?

MR. FREEMAN: That service for this particular bond issue, we have estimated 12.5%. I would say today that we probably could not issue bonds at 12.5%, it might go up to about 13.

MR. EURESTE: Ok, but what kind of debt service .....

MR. FREEMAN: The debt service on it in about \$8 million a year.

MR. EURESTE: \$8 million. What percent of that is that of your rate structure, or at least of your revenues? In other words, what kind of rate increase would you need to come up with that kind of debt service revenues?

MR. FREEMAN: Revenues for the past year are about \$425 million so, 1% of it would be \$4½ million, so that's about 2% of the total revenues.

MR. EURESTE: And so, and you have listed your request at 2.4%, right?

MR. SPRUCE: 2.4%; of course, that was based on a rate study that

was done last fall. We are a little bit out of perspective because the cash flows that were developed using that considered that that would be implemented last fall, and it was not. So that changes what we would have to come back for. If we really do the rate request right, we go back and take the test year and go through the whole need for funds, then we allocate the cost of the different rate places, and that's how we come up with a percent. So, it just really depends on how long you want that particular change to be in effect before you consider another change, that's of course, determines the amount of the rate request.

MR. EURESTE: Actually you can come in here and ask a rate request in any really type of configuration, the end result that you need more revenues to deal with the obligations that you are incurring at CPS. You can come in here and ask us for 2.4 last year, and you're coming in here and asking us perhaps in a few months, or in a few weeks, perhaps for an increase around 2.4 or 2.5, or I don't know what it's going to be. What kind of rate are you going to ask for?

MR. SPRUCE: Well, as I mentioned earlier, assuming that Council wanted to respond to the request that was presented earlier, the current request is for 2.4% based on that, and to assume that we would implement one additional rate increase during 1982, and if that then would carry for 12 months, what we feel that we would need would be 2.4% early in 1982, 4.8% in October of 1982 that would carry us till October 1983. The Council will remember that we furnished you about during 1981 a long-term projection or probable rate increases that would be required.

MR. EURESTE: Right. Do you think your staff could do a very simple calculation of 22% increase on top of this \$1,388,000,000. Do you think you could do that?....

MR. SPRUCE: Right now you want us to do that?

MR. EURESTE: Yes, right now. How long would that take?

MR. SPRUCE: We'll get on it, I think we've got somebody here that can do that. Do you want to know what the increases would be per year based on a 22% interest per year?

MR. EURESTE: Yes. Compounded, yes sir. Over the next-why don't we just say through the completion date, and not through of both units, and not through the operating start point for both units. Because I think your completion...

MR. SPRUCE: We'll say 1988 and 1989.

MR. EURESTE: For both.

MR. SPRUCE: Alright. The expense drops off, of course, you see when the first unit comes on.....

MR. EURESTE: Yes, but the key to this whole thing, Mr. Spruce, is that you can take 22% on the original cost and you compound it, and you get to this point here today. That's the point I'm trying to make. And I know that your expenses decrease, but the average is what we're looking at.

MR. SPRUCE: We'll have that for you.

MR. EURESTE: And to be very frank with you, if you wanted to talk about a 22% increase that might be too overall when you stretch it out. But two years ago you all gave us estimates. In the fall of last year you gave us another estimate-that cost had increased by 78% over a two year period. You know that as well as I do.

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And the time prior to that when you gave us the estimates about 2½ years ago, those figures had increased beyond the earlier prediction by about 40%. So you had a 40% increase, and a 78% increase, 118% increase in about a four year period. The last two years increased by 78%. I know that you are decreased in the amount of dollars that you have involved in that project, but you know, it's just like right now, it's just like right now the costs are so great that they in comparison to two years ago that the expenditure rate is about the same level regardless of whether your're constructing or not. And if you were constructing, I think you'd have a larger obligation right now, if you were in actual construction.

MR. SPRUCE: Well yes, sir, of course, it isn't fair to say that nothing is going on, obviously there's a lot of activity going on, there's even more activity going on in engineering right now than there was before because we've got Brown & Root there and we've also got Bechtel. We had some numbers on construction. I've got them in here somewhere. The construction forces on the job are not the greatest percentage of cost of the project.

MR. EURESTE: It's material....

MR. SPRUCE: Well, that's part of it. The labor, of course, I believe we were looking here at a figure that engineering costs were possibly \$5 Million a month, when we would need probably a little more than that now with Brown & Root and Bechtel. Maximum labor was probably in the order of \$6 million a month when they had four thousand people on down there, we're just going down to where that's hardly anything now. But still the labor component is not an extra total project. That's not San Antonio's part. That is a fairly low level.. We'll be glad to give you some breakdowns on those, but actually there are many other things, see we, we pay 28% of Houston Lighting and Power's engineering's staff, which is dedicated to that project. We charge 28% of our staff's activities on the project, well we charge the other partner for their share which we get reimbursed for the differences between 28 and 100% on our people that work on it. There are the large expenditures such as the turbine generator, the reactor and stuff that has to be bought on the job: Concrete, steel, valves, pipes...

MR. EURESTE: You don't think that Houston, given their financial crisis that they're into, you don't think that Houston would be dipping into this fund to handle their own financial problems temporarily do you?

MR. SPRUCE: No, I don't. The expenditures are carefully audited. We only reimburse Houston for what they pay the contractors and the suppliers, and those are audited weekly and monthly. We have a large number of, we have an audit committee which consists of auditors from each of the participating utilities, then we have an outside auditor, a national firm Coopers & Lybrand who have followed right through there. We do not think that Houston is using any of our funds.

MR. EURESTE: Do you compute the daily dollar requirement for San Antonio's participation in this project?

MR. SPRUCE: Daily?

MR. EURESTE: Yes.

MR. SPRUCE: No, I don't think we do.

MR. EURESTE: How do you compute it, weekly or monthly?

MR. SPRUCE: We get an invoice once a week for the Houston expenditures and some of those are estimated, and then theirs

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a correction each week as to what went, and what didn't go.

MR. EURESTE: How many categories do you have this expenditure broken down to?

MR. SPRUCE: We have about five categories.

MR. EURESTE: Ok. Have you shorted out the expenditure rate by category over the past 48 months?

MR. SPRUCE: Yes, sir. Would one of you want to come up here and talk to that-to attempt to explain what the invoices contain, and the items that are listed on them. Mr. Poston.

MR. JESSE POSTON; Assistant General Manager for Operations, CPS: We have the categories on the project broken down, these categories- we have land, sidework, and then we have the Brown & Root payment, which includes their engineering and construction, some materials, overheads and things like this. And then we have an item called "other", which is the payment we make to Houston Lighting and Power for all their personnel and for the personnel of consultants and things like this, and then we have the land for the transmission corridor, and then we have totaled that and then we also have a tabulation of fuel, what we spent for fuel.

Now, in response to your question for the last- for example, in June of '81 when Brown & Root was going full tilt, more or less full tilt, they spent-they invoiced us for \$15,000,000, which includes their on site construction labor, engineering, minor materials, and things like that. In July, the invoice was for \$19,000,000; August - \$16,000,000; I'm rounding, September - \$18,000,000; October - \$18,000,000; and November - \$19,000,000; and then they were left the job, and then it dropped down to \$12,000,000.

MR. EURESTE: How about January?

MR. POSTON: We don't have it for January yet. We tried to get it this afternoon, but it wasn't ready, but I would imagine January would be in the range of \$10,000,000. Now the reason why they didn't drop to "0" as Mr. Spruce pointed out earlier, is because of that amount, for example, there may be about, say for example, a 2100 level work force, and that's the work force we probably had in about 3 months ago, 2100 persons on the site- that would be invoiced to us, or to the total project, not San Antonio's share, but the total project of \$4,000,000 a month. They had 3 months ago, 1300 engineers working on the job, Brown & Root did. That would invoice to the project \$6.2 million, so you have \$10.2 million right there for Brown & Root construction and Brown & Root engineering.

Now that's happening now is we have cut Brown & Root back from the 2100 down to 600, and it's going even more than that. In fact, probably when we get this month's report, it will be in the range of maybe two or three hundred. Their engineering force, we cut back from 1300 to 868, now we kept 868 there in what we call a transition team. We need those persons in engineering there to explain to the new engineer what to make the transition, to explain what the plans consists of, so forth. And that takes about- that's a four or five month activity. So they have dropped from 2100 to 600 in construction personnel. Now both those numbers are dropping, on the other hand, we have brought Bechtel aboard we've put 163 people of Bechtel's construction management force to get in and get their act together, get their programs started and so forth. And we've got 392 Bechtel engineers hired that are taking this, working on this transition program, wo we've got 555 Bechtel people down there, so as Bechtel phases up, Brown & Root phases out.

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MR. EURESTE: But on the construction there should be a difference though, right?

MR. POSTON: Yes, well as I .....

MR. EURESTE: I mean like in the month of June.

MR. POSTON: We reflected .....

MR. EURESTE: You don't think you're going \$10,000,000 for construction?

MR. POSTON: No, the numbers that I just gave you probably average around \$18,000,000 and it dropped to \$12,000,000 so you've got that \$6,000,000 drop just as suddenly when the construction stopped.

MR. EURESTE: Well, it seems to me that you have that six times maybe eight, that's \$48,000,000.

MR. POSTON: You mean for the period of time you're down?

MR. EURESTE: Yes.

MR. POSTON: Well, yes, it would be less. I don't think it'll be the full six for that eight months because, as we said, Bechtel will be phasing their manpower up.

MR. EURESTE: Yes, but that's the engineering, and you've already accounted for that and I mean that's understandable.

MR. POSTON: No, I haven't. No, I haven't accounted for that yet. Bechtel, as I said, only had 392 engineers, and they're probably going to end up with 7 or 800 engineers in the next three or four months. And then we're going to be faced with a new contractor coming on, the new contractor is going to be selected and they will be phasing up.

MR. EURESTE: Do you know what the cost of having kicked Brown & Root out as the engineer and as the construction contractor what cost that added to the project. For example, the phase-in period of the, what do you call that, the .....

MR. POSTON: Phase of transition.

MR. EURESTE: Right - transition period. You get to a point where you've got two teams.

MR. POSTON: That's true.

MR. EURESTE: You don't know what that would .....

MR. POSTON: No, I would say that the biggest cost involved would be assuming that you efficiently use both teams, the biggest cost would be to stretch out your cost of money, the interest on the money while you are essentially in a low production mode, and that is an extra cost, yes, sir.

MR. EURESTE: Millions of dollars?

MR. POSTON: I'm sure.

MR. EURESTE: Okay. Well, thank you very much. It's been real nice to have you with us. Oh, yes .....

MR. SPRUCE: I have an answer to your earlier question. If you take the increase of 400% from 1.2 billion to 4.8 billion and you divide it over a 7 year period you come up with 21.9% increase per year.

MR. EURESTE: Wow! Right on target. You know, I told you that three years ago.

MR. SPRUCE: Yes, sir. I recall that you did, that's right. Now if you project that to 1989, you take the number where we are now, the 1.3 billion and multiply - increase that by 21.9% a year for the next 7 years to '89 that number then would turn out to be 4.27 billion. That's the mathematics of projection.

MR. EURESTE: The mathematics of projecting that - 21.9 using today's base of \$1.38 billion.

MR. SPRUCE: Yes, sir, for the 1982.

MR. EURESTE: By 1987 that would be 4. what?

MR. SPRUCE: 4.27 billion.

MR. EURESTE: \$4,200,000,000.

MR. SPRUCE: Yes, sir.

MR. EURESTE: Wow! What is the - on this \$60 million, how much interest total are we paying back on this \$60 million?

MR. SPRUCE: Well, based on the estimated rate .....

MR. EURESTE: Yes, between 12½ to 13½ what is the total pay back? On 60 about 100,000,000?

MR. FREEMAN: Yes, just about 100,000,000, maybe slightly more.

MR. EURESTE: Okay. So, if I were to look for a percent, because I've done this before, way back when - about 3 years ago, I worked out about 128%. Today of the principle, would it be about 130%? About 135?

MR. FREEMAN: Probably so.

MR. EURESTE: Probably about 100.....

MR. FREEMAN: The old rule of thumb was that the cost of interest, and principle usually double.

MR. EURESTE: Right. It's over that now, it's about 132.78%. Okay, now, let me - can you multiply that to give us the total cost of the project given this 21.9% increase times 232.85%?

MR. FREEMAN: I'll multiply that to give me the numbers, again .....

MR. EURESTE: Yes, give us that new cost on 21.9%, what was that new cost - 4 billion, 4.7 or 4.2?

Essentially what we're saying is that probably about half of what we're paying is going to hardware and fixed items. The labor component is just an element.

MR. THOMPSON: I understand that.

MR. SPRUCE: The construction element right now is way low, the engineering effort has not diminished. The engineering effort is going along up here and as soon as Brown and Root begins to phase down, Bechtel begins to phase up, so we don't reduce that very much. The activity of the Houston Lighting and Power people may be drops down a little bit, they don't have to have as many inspectors and on site people out there. The other costs that are long term or let's say are large hardware costs, those go on. Things that are on site materials that are used, such as concrete, steel, and those items that, of course, would be way down. That's a roughly small percent. Then there's equipment costs.

MR. THOMPSON: Well, in trying to shave off tenths of a percent in rate increase really, because I can't, yesterday Councilman Eureste's statement was not one of pure inquiry, not on your life. The statement has its purpose - the linkage between approving your bond and then contracting by that vote, as he will state for the rate increase. So I can't vote on your rate increase independently. What we vote for in the rate of rate increase today has to be bare bone, 100% justified, believed in, no faith required kind of rate increase. And I can switch those like that because I believe you can interpose one with the other. And that's why I'm concern about the next 6 months expenditure in the project. I'm concerned in the face of the highest possible bond market I have ever seen. I don't think any of us have ever seen any higher.....

MR. SPRUCE: That's true.

MR. THOMPSON: I don't know where it's going. I can't believe that we're at the threshold of bad times, you know it's worse ahead of us. I just don't know, I hope not. But when you come in and we're asking for \$60,000,000 today with a prospect of going to the bond market, could we get by with 50? Could we get by with 40? What, 60 is a nice figure, it supplements 85 for \$145 million this year, whatever. I want to know - I can incrementally get to your judgement or I can let you do it. Mr. Eureste took an hour, and I call that speech number 3. He's got those programs and I can recognize them now by numbers.

MAYOR CISNEROS: Mr. Thompson, I'll ask you to refrain from mentioning another Council member because that only lights, lights.

MR. THOMPSON: I would like to hear .....

MR. SPRUCE: The rationale on the 60,000,000 has to do with our assessment and our financial advisor's assessment of the best time to go to the market, the need for funds, and the number of factors. I'm informed that it's considered probably the best times of the year to go to the market or early in the year like January, February, and possibly in August, September. And we've tried to consider those to be the most desirable times to go. We also try to tailor the size of the bond issue to where we feel like we will get the maximum competition for the bond, thereby getting the best rates. I guess our feeling was, the best advice we had was that perhaps the situation might be a little better later in the year. We can't be over here every month asking for bonds, of course, we came up with \$60 million for February and the other \$85 million

MR. SPRUCE: 4.27.

MR. EURESTE: 4.27. Okay, do you have that many spaces on your calculator?

MR. FREEMAN: And you want to multiply that by 1.3?

MR. EURESTE: Multiply that by 2 hundred, I mean by 2.35.

MR. FREEMAN: 10.03 billion.

MR. EURESTE: So, it's possible that San Antonio's payback, it's possible that San Antonio's payback could be 10 billion, in excess of \$10 billion.

MR. SPRUCE: We think that's highly improbable, but that's what the mathematics produce using those numbers.

MR. EURESTE: I'm going to be around here in 1987, Mr. Spruce, and I have a feeling that I'm going to be on target. And that's not improbable. I think it's pretty much on target because I said this, I could, you could of paid me nothing instead of paying consultants \$200,000 and I could have told you what the cost would be today, and we would be on target.

MR. SPRUCE: I don't want to say .....(inaudible)..... but I hope you're not on target.

MR. JAMES HASSLOCHER: Are you seeking employment, Councilman Eureste?

MR. EURESTE: Well, I might if we have a look at the market over there, we just might. We might trade off. Thank you very much.

MAYOR CISNEROS: Mr. Thompson.

MR. HASSLOCHER: Mayor, Benny needs to teach mathematics instead of what he does at the Lake.

MR. ROBERT THOMPSON: The bond issue that you asked for today, I asked about two or three weeks ago that our staff asked through your office, or someone's office the question that Mr. Eureste posed a while ago about the increase where the constant demand with the apparent decrease in activity. And I don't know how that perceived gap has been explained. I didn't hear that.

MR. SPRUCE: You want to have an explanation as to how the phase-down.....

MR. THOMPSON: I've heard what was said, but what I, what you have said is there is no gap, that the demand has been constant. Is that true?

MR. SPRUCE: It depends on how you look at it. For example, we were paying 10, 12 million dollars a month last year on the average, and some months big invoices come in for large pieces of equipment, or other items, so it does vary. In January, I believe Howard told me, the total expenditures were only about 5 million. Well, that was probably about 1/2 of what it was last year but it'll jump up - probably will jump up again. If the Council wants to hear a little more about this, we would ask Mike Hardt to make a review of those variances and perhaps I could ask him to come up and talk about that a little bit, if you would like. I think he can give you some specifics on that.

tentatively probably August, sometime in that time frame. Just the best assessment of the market, need for money, number of times it's feasible to go, marketable packages. Can you add anything to that?

MR. FREEMAN: Let me just say this, our construction budget for the year is \$197,000,000 of which \$119,000,000 is South Texas Project. The balance is the meters, transformers, the services, whatever it takes to run service to our customers to meet their needs, substations, transmission lines, all of these things. In order to issue bonds, it takes a minimum of two months, that's at best, from the time we get the first resolution from our Board of Trustees until we can deliver the bond and obtain the funds we're talking about at least two months. We started this process, for example, on the 25th of January. Today was the earliest date we could get on the Council's agenda. I think we recognize that we don't get enough votes to get an emergency provision enacted, so by the time we can give notice and have a sale date it's at least a month from today. From that time by the time you get the bonds printed up, and can get them delivered you have another 30 days. So the time that we'll be able to get the money that was put in process in January will be April. At the \$197,000,000 level you can see that if you just average it out, it's somewhere in the range of about \$17,000,000 a month. So using a \$15,000,000 just to make the calculation simple, we're talking about a \$60,000,000 issue giving us four months of money for construction activity, and we have felt that that's about the minimal we can go. We've got to stay out of the market some, we can't be on the market continuously during the year. So \$60,000,000 bond issue is what we consider to be about the minimum that we can go.

We have tailored our bond issues. We have said that we think we will have to come back with an \$85,000,000 bond issue. If we get into the next period which may be August, we will have to be back over here. And if we see that the interest rates are higher and if the forecast is that rates will come down, okay, if it looks like that we ought to try to come back we will probably come back with another \$60,000,000 bond issue instead of going 85. Just like we thought right now that this was our best time to issue bonds during the year, we should be going for a larger bond issue if we think that rates are going to be higher later on. Nobody knows what they're going to do, so we've decided that the best strategy would be to go to a bond issue size which is sort of minimum that will get us - buy us enough time to come back and go to the market again, hopefully at a better rate. So there's an amount of money that we need on an annual basis, we think, is in the \$145,000,000 range for bond issues. But how we set that up if we don't go for 85 million in August that means that we just got to come back earlier on the next one. So, it's really trying to get what we absolutely need. If the interest rates were consistent, then we would split the 145 in August. That means we just have to come back earlier on the next one, so it's really trying to get what we absolutely need. If the interest rates were consistent then we would split the 145, maybe 70, 75, if we thought the rates were lower now, we'd go for 15 and worry about the 60 later on. So it's kind of tailoring it with using the \$60,000,000 as a minimum amount.

MR. THOMPSON: Well, at today's market I can say we certainly need to be with a minimum amount.

MR. FREEMAN: I wished that I could say that in August or the next time that we go, that the rates are going to be down. I can't with certainty, to be quite honest with you. The same strategy was used in the last bond issue we went with the \$60,000,000 bond issue hoping that people were right

that the recession was going to be over; the interest rates were going to be lower this time and they weren't. So we had really thought we'd come in with a larger issue in the spring.

MR. THOMPSON: Well, all of those things are packaged, and they come in almost a tied up package, that is to say at \$60,000,000 and here's what, here it is and I guess that's the result of having your Board and your policies and so forth, and they come across with judgment already closed up. It comes \$60,000,000, it doesn't come to Council - here are the effects and here are the values we have used in coming up to this conclusion of the judgment we have used. If you do 45, 50, 55, 60 or whatever, and we have any kind of choice it comes to 60,000,000 printed, take it or leave it. I am more and more convinced of my inflexible options in dealing with CPS because I don't have any and it's getting difficult, more difficult in doing that. I don't, I certainly don't like to see us increasing in the face of gas prices, now we're going to have to come up with an increase in the rates. Golly, I'm the one that has to wring the hand. I know you all don't like standing out there in the hall and getting ready to come in here and make this appearance. I know you don't like that, but I detest that rate. I only say that in fairness to what I have to answer to.

MR. SPRUCE: I'd just like to say this, Councilman Thompson, that alot of the demands that are made on the utility are just not our choice either. You see, once we commit to a program, once we commit to serve customers, once we commit to provide the community with gas and electricity there's certain things that have to be done to accommodate those needs. A lot of things drive us, we just don't sit over there with complete unlimited number of options. Our selection range is somewhat narrow too, and I understand the position of the Council, and certainly the Council is aware that we get many, many questions and agonizing calls from people, and I think that we're just as sincerely concerned as everyone who sits on this Council about trying to keep these rates as low as possible and trying not to come over here with something that's a take it or leave it thing. We're trying to run the utility in the very best possible manner, as economically as possible consistent with giving the citizens a good service, and we're willing to consider suggestions that City staff has, or the Council or anybody else. We have to try to operate unilaterally. We do have a Board of Trustees and a budget and everything we have to accommodate. A lot of it is just driven by the customer demand.

MR. THOMPSON: In sixty seconds I'll summarize and close. My input in it comes in voting for bonds and for rates and no other. I sit in a position of eleven people, five of which oppose. So, not only must I carry a very heavy burden in two ways, I feel heavy. There are five that say we shouldn't carry it, makes it even more difficult. We just have to have some news, some refreshment in this at some point. We've just got to see something positive happening in this program, and it has to be based on truth. Gosh, we've got to do something that causes us to turn the corner, to start up, and I hope this Bechtel thing does it. If it's not I don't know how much longer I can hold my breath on this thing. Thank you very much.

MAYOR CISNEROS: All right. Next speaker, Mrs. Dutmer.

MRS. DUTMER: All right. We can stand here and throw figures around all day and question them and put them on the hot seat and everything else, but there are some very simple facts that will decide it: number one - not this Council, but the Council previous to us signed a contract or CPS signed it with concurrence of the Council. For the sake

of \$6 million you're going to forfeit \$750 million also with, plus opening a bunch of lawsuits up, open to breach of contract, How much does it cost to build a coal plant?

MR. SPRUCE: A coal plant of equal size to this, what do you figure, 1800?

MR. MIKE HARDT: The difference is about \$1912, give a lot to the present estimate of South Texas versus 1700 for a coal plant.

MR. SPRUCE: About \$200 a kilowatt. So, the difference on this plant would be between the plant this size and a coal plant would be what, 50 million or 5 million?

MRS. DUTMER: \$140 million. Okay, but you would make it up in your fuel because it can still be economically proven that nuclear will give the greater saving to the consumer even at the prices that are quoted. So that is fact number two. Number three - we keep hearing that it's not going to work, "I bet it'll never be built." We don't know that, that's all speculation. You can guess that it's not going to work or you can guess that it is going to work. It's a fifty-fifty proposition one way or the other, it's going to be so. If you want cheaper fuel you'll take the chance. Uranium is at a glut on the market right now. There are people getting out of mining uranium because costs have gone so low. Coal on the other hand is going up. The shipping of it is going up. And if you think that you've got a Texas size rat hole over there, wait till you get your gas bill this month. I think in all, that if you don't vote this, you are being penny wise and pound foolish because the facts are there. You have a contract, you break it, you're in trouble. Austin would like it. If you find a buyer for it, fine. You save the money but you don't have a buyer for it and you're not going to find a buyer for it. So the only alternative you have is to go forward and hope that it comes out alright and just not forfeit the \$750 million like they did in Washington. And now the people are sorry they said no because they found out that they're the ones that have to pay it off. So do what you want to do, I'm voting for it.

MAYOR CISNEROS: Mrs. Berriozabal.

MRS. BERRIOZABAL: I just want to say that I'm going to continue being consistent with my vote, and I'm going to vote with Mr. Eureste. In denying this I know it's going to lose but I'll continue voting that way. One thing that's happening, I was talking to Mr. Webb about it, is the past couple of months there has been a very big increase in my office of people calling with problems with their utility bills, either that the power has already been turned off because they just can't meet the payments or people who are wanting to prepare for that day when they know that they won't be able to pay. I heard, I didn't hear it myself, on the radio but two families called me. You have an advertisement over the radio inviting people to go, to call a certain number for some kind of relief on their utilities so you won't have to turn it off. What is it that you're offering the people?

MR. SPRUCE: No specific formula, what we said was that if someone has a bill that they feel is too large for them to pay if they will call us or come in to talk to us, we'll do everything possible to work with them on making partial payments so we don't have to disconnect the power. Many of those people that we have to cut off we never hear from. We have, I guess last month I believe the figure was 4,000 some-odd that come in and talked to us and said that they can't pay it all, I can pay this much. If they've got a good pay record we say fine, pay us so much, we'll work

out something later on. Because the people who have the most trouble paying their bills are the people that are being affected this time of the year when gas costs and gas consumption is very high. So in the spring when the weather warms up, the gas bills are not that high, the people can, we will give them an extension and they can get caught up at that time. Unfortunately we see gas bills coming in this time of the year from people who use incredibly large amounts of gas and we also think maybe we can help some of those people. We have people who go out, visit the homes and make recommendations as to how they might save money and the service is free.

MRS. BERRIOZABAL: Who do you have in charge of that program there?

MR. SPRUCE: Well, Richard Gonzalez is Supervisor of Customer Services and he has the energy auditors. I think he also was one of those that was quoted yesterday when we put out that message because we saw so many people experiencing large gas consumption and this time of the year is when that is at its highest. So the announcement said, if you have trouble paying it, you feel you can't, well, just communicate with us, keep talking to us, make partial payments. Do what you can, we'll work with you. Obviously somebody owes us \$400 we can't keep them on if they only want to pay us \$20, but we will work with them. That's what you heard on the radio.

MRS. BERRIOZABAL: Okay, well, I'm still voting against this. But you know, one of the most difficult things is to talk to people who come asking what to do or asking me what they should do and this is not being dramatic about it. This is a fact and this is what people come and ask or not come and ask, come and tell me that they are having to make a choice between getting medicines and food and paying their utility bills. And it's very, very difficult because there's nothing we can do.

MAYOR CISNEROS: Okay, next speaker. Mr. Wing.

MR. FRANK WING: Obviously, Mayor, the decisions are never easy and I've met with a lot of community people and I'm going to be voting for the bond issue. I just want my Council colleagues to know that I feel that we were at a major crossroads as it relates at this particular point to STNP. A vast majority of the Council, for example, as voted on a fiscal and energy needs assessment study for the City of San Antonio and obviously we did it because we want to know exactly where we stand on all our energy related matters.

At the moment the Bechtel Corporation is doing something I have advocated many, many months ago, possibly years ago, that what we needed at STNP was an engineering and management study so that we could get a hold on the project, what could be done to expedite, where you could cut costs, etc. I think that if we make these different citizens groups meetings and we tell them that certain things are going to take place, such as the different studies by Bechtel and the own Council initiated study that we also point out to them that what do we do with the excess of \$700 million that we already have invested. It's a terrible decision to not to want to protect that particular investment; it's terrible to say that we cannot go on because we already have over a \$700 million debt and the only thing that we can see in the future is not more energy but a more debt, a more debt that the City would be liable for because of contractual obligations. I feel that the project, again, is at a crossroads where it's moving and as the result of these studies that some hard decisions will have to be made but they're going to be made based on sound data that we get both from the energy and fiscal analysis study that the City will make and when Bechtel is through with their engineering and management study, and I think that in the interim we need to protect our

interest so that until this data is available so we can have a grasp on a decision that obviously is one that is not only based on economics but can make or break the future of the City of San Antonio. Thank you.

MAYOR CISNEROS: The following speaker is Mr. Eureste.

MR. EURESTE: I think I've asked them all the questions.

MAYOR CISNEROS: Yes, I want to provide just one piece of information that is not directly related to the vote but is important to the general pace of the issue. We received a call in the last day from Don Jordan of Houston Lighting and Power that there will occur a meeting in Houston on Monday at 10:00 A.M. to which I have been invited, the Mayor of Austin is invited, and others, at which time the criteria for selection of the contractor will be discussed. I would like to proceed along the lines of what precedent I've established before now of involving the Council in that process. I understand that Mayor McClellan has asked Councilman Roger Duncan, the Councilman who attended the meeting here, to be present on that occasion and I'd like to extend an invitation to the Council, two members of the Council as I did before. There is one logic that says that it ought to be the same two members who have begun to develop an expertise in the area and there's another that says that we ought to spread the opportunity around and let others participate.

I would like to take the opportunity of asking two different people, with the Council's permission, I'd like to ask Councilman Frank Wing, if there's any possibility that he is one who generally supports the project and Councilman Alderete, as one who generally has been in opposition to the project, if they would be able to accompany me to Houston on Monday morning at 10 o'clock. I will not be going from San Antonio because I will be involved in the Expo activities, but the meeting is at 10 o'clock, I assume at the offices of Houston Lighting and Power in Houston. So that is basically what I need to say about that. I think it's a very important point as Mr. Wing has indicated, it's a very important point in the life of the project which is the decision about who the contractor is going to be. It is my understanding that they're down to three and based on that criteria, it is my understanding from the information that I received that the decision will be made about the contractors. Is that a correct statement, Mr. Spruce?

MR. SPRUCE: If the project management committee will be meeting several times between now and then to review the various propositions that were given and the applications and the capabilities of these people. As I understand it, yes, sir, that's correct. I understand that they've narrowed the field down to three prime candidates. The project management committee through Houston Lighting and Power's manager will be wanting to make a recommendation to this group of owners, representatives, and hopefully we'll get concurrence that they can go forward with one of those applicants, candidates.

MAYOR CISNEROS: Let me just say, in terms of my own position with respect to this vote that's coming up, I think it's, I've made my position clear over the last couple of months, that if an opportunity were available to sell some portion of the project, as much as half of what we've originally planned, that I would take that opportunity because it's my judgment that there's something what you call, cutting your losses and that this is the time to think in those terms. I am completely disgusted with the cost escalation on the project. I've also suggested publicly that another approach might be to basically cut the project in half, finish Unit 1 and not finish Unit 2 and that's one that has not been looked on favorably from the technical people. So, my position is clear, that's what I would

do if the opportunity were available to me. But what we face is a situation where we do not have a buyer. There isn't anyone who is anxious to buy a part of the project, any part of the project and the technical feasibility of the half, half a loaf solution has at least up to now not been looked upon or commented upon favorably by the people who are in the best position to know. So, I find myself in the position of concluding that we have to protect the 700 million we have in there and concluding that the only way we're going to get value of any kind from the course that was begun in 1974-75, well before this Council, well before my becoming Mayor or even a Councilman. The only way that we are going to get value from what we have done is either to get electricity, which we will use at a cheaper price than anything else or to get electricity which then we will sell to some other entity once it's producing; or to sell our interest but no one is going to buy our interest until they see that it's a project on the way to completion because there's nobody really interested in buying concrete and steel in a project that is not on it's way to operation. So, fundamentally, the only course that I see, absolutely only course that I see, is keeping it on the road to some operation or operational level. It's the only road that I see. I wish that I could say that there was a way to walk away from it and not pay a price, but the price for walking away from it is \$700 million and that is one immense amount of money, \$700 million. I figured, when you stack up \$20 bills, just one right on top of the other, just stack up \$20 bills, just keep stacking them one right on top of the other is two miles high, \$700 million which is - yes, those are new bills, no, that's just the stack. I did it at my house one afternoon. So that's the only, the only road that I know.

Now, there's possibly another road and that road is - goes something like this, we decide not that we want to get half of the power or anything, but we decide that we don't want anything to do with the nuclear project anymore and then we use every possible legal strategy and otherwise to force someone to buy it, which I don't see that strategy on hand or just literally do walk away from it. Now, if you do walk away from it, there's a possibility of default; if you do walk away from it there's the implications for your bond rating; if you do walk away from it there is the immense suit involved by the other partners for a transaction of this magnitude, the likes of which I don't think we would have seen before. Generally, with the positive economic climate that is occurring in San Antonio, I think we would quickly cloud all of that, just very quickly instantaneously cloud everything good that's happening with the Front Street Wall Street Journal articles that would be associated with that action independently unilateral action.

Now you say, maybe that's good, that may be the price that the people of San Antonio are paying for this project is so high that that's worthwhile. I don't think it is. I think when you put this thing in perspective, it is a problem, it is a serious problem but it is not yet reached what you might call crisis proportions. The energy to be delivered is still, by the technical people and I have my reservations about it, too. It boggles the mind but it is still slightly more favorable than coal and greatly more favorable than natural gas. It's a tight call; it's a tough decision; it's a hard one to explain to the people of San Antonio, but I see no alternative but to float the bonds, to keep it going on the track toward completion and so I'll vote for it. I will tell you that I have reservations. I cannot use strong enough language to express my dissatisfaction and disgust with the tragedy of Brown & Root's performance with the arrogance of Houston Lighting and Power's treatment of us, but after having said that I don't know of another strategy of extracting ourselves from this situation. Mr. Thompson.

MR. THOMPSON: Quickly I just discussed with one of the people in the

hall about our bonds selling and really maybe there is a chicken and egg argument but what we are now voting in the way of bonds will not require a rate increase. The way this is structured, pardon me.

MR. ARCHER: I just said everytime somebody says something, you've got to talk again.

MAYOR CISNEROS: It's all right, Mr. Thompson has the floor.

MR. THOMPSON: I think it's very relevant to know that and maybe you already knew it, but I didn't. The rate increase is not required in passing and approving \$60 million worth of bonds today. You must have that rate increase so as to be able to sell the bonds. We've already voted the rate increase that allows the sell of the \$60 million bonds. The next rate increase we would vote for would not be to cover this but to cover the next bond issue. I think that it's important to know that in passing the bonds today we are not, in fact, requiring a future rate increase, future participation of the project. Yes, it will require a rate increase, is that correct, sir?

MR. SPRUCE: Yes, sir, I'm sorry we failed to make that perfectly clear.

MR. THOMPSON: Well, it was muted in some other terms.

MR. SPRUCE: Yes, sir.

MAYOR CISNEROS: Mr. Wing.

MR. WING: Mr. Mayor, two points, I just want to restate my position again as one of protecting our investment that we already have in the nuclear power plant with the understanding that we're in the process of gathering data, that myself and the rest of my Council colleagues and the people from my district could use to make a sound decision for the future; and secondly, that I have complete faith in the work that Councilman Eureste and Mr. Archer are doing as it relates to the meetings with STNP and I would still like for them to go, as a matter of fact, I don't want to go.

MAYOR CISNEROS: Mr. Eureste.

MR. EURESTE: I can't go. I have too many important things to do here in town. I figure the calculations that I have to do over the weekend are just going to super occupy me. I'm talking about the calculations on the cost of this project. I way toying around with the, because we've got a new way of figuring out the value that we have in this and that is by altitude.....

MR. THOMPSON: Beg your pardon?

MR. EURESTE: Altitude - the height. I figure that the 10 billion - we have to work with altimeter readings and that the true cost of this project by the time that it gets escalated with all of the percentages and the interest costs will be \$40 billion for everybody and the City's share of that is about 10 billion and I figure that if you stacked \$20 bills worth of \$40 billion in \$20 bills on top of one another, that would be 112 miles high, well, that would be twice that. If you stacked that amount or \$20 bills for \$10 billion which would be our share, that would be 28 miles high and to be very frank with you, if you are two miles high with the investment today, or if you are 28 miles high with the overall investment you're going to have because you do this project and you fall off, ain't no way you're going to live, okay. We're already in this thing too deep, that's really about the way it looks. Too high.

MAYOR CISNEROS: Mr. Harrington

MR. G. E. HARRINGTON: I want to make two brief points, Councilman, you mean the fall doesn't bother you, it's the sudden stop that gets you.

MR. EURESTE: That's about right.

MR. HARRINGTON: Mr. Mayor, I'd like to move, if it's proper, if Mr. Wing does not wish to accompany you to Houston, that Mr. Hasslocher be allowed to do so.

MAYOR CISNEROS: Well, let's not draw a motion on that if we can because we're going to vote on the bonds. We'll treat that as a separate matter after the bond vote. Is there a motion?

CITY CLERK: Yes.

MAYOR CISNEROS: And there is a second.

CITY CLERK: Yes.

MAYOR CISNEROS: Motion and a second. Further discussion. The original motion that was made as the caption was read.

CITY CLERK: The original motion was Mr. Hasslocher; the substitute was Mr. Eureste's, seconded by Mr. Alderete.

MAYOR CISNEROS: Right. The substitute motion is for denial. We'll call the roll on the vote to deny the bonds.

MRS. DUTMER: Denial, no.

MR. WING: No.

MR. EURESTE: Yes.

MR. THOMPSON: No.

MR. ALDERETE: Yes.

MR. HARRINGTON: No.

MR. ARCHER: No.

MR. HASSLOCHER: No.

MAYOR CISNEROS: No.

MRS. BERRIOZABAL: Yes.

MR. WEBB: Yes.

CITY CLERK: Motion failed.

MAYOR CISNEROS: Motion failed, we go now to the original motion, those in favor say "aye, those no. Motion carried, but we'll have a roll call.

MR. WEBB: No.

MRS. DUTMER: Yes.

MR. WING: Yes.

MR. EURESTE: No.

MR. THOMPSON: Yes.

MR. ALDERETE: No.

MR. HARRINGTON: Yes.

MR. ARCHER: Yes.

MR. HASSLOCHER: Yes.

MAYOR CISNEROS: Yes.

MRS. BERRIOZABAL: No.

CITY CLERK: Motion carried. Yes, I have an accompanying ordinance.

ORDINANCE 54918

AN ORDINANCE BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO, TEXAS, APPROVING THE "OFFICIAL NOTICE OF SALE" (INCLUDING ABBREVIATED FORM TO BE PUBLISHED) AND "OFFICIAL STATEMENT" PREPARED IN CONNECTION WITH THE ISSUANCE OF THE PROPOSED \$60,000,000 "CITY OF SAN ANTONIO, TEXAS, ELECTRIC AND GAS SYSTEMS REVENUE IMPROVEMENT BONDS, NEW SERIES 1982"; AUTHORIZING EXECUTION OF SAID DOCUMENTS AND THE PUBLICATION OF SAID ABBREVIATED NOTICE OF SALE; AND DECLARING AN EMERGENCY.

\* \* \* \*

MRS. DUTMER: Move approval.

MR. THOMPSON: I second.

MAYOR CISNEROS: Motion seconded. Is there discussion? Call the roll.

MRS. DUTMER: Who, me, again first? Yes.

MR. WING: Yes.

MR. EURESTE: No.

MR. THOMPSON: Yes.

MR. ALDERETE: No.

MR. HARRINGTON: Yes.

MR. ARCHER: Yes.

MR. HASSLOCHER: Yes.

MAYOR CISNEROS: Yes.

MRS. BERRIOZABAL: No.

MR. WEBB: No.

CITY CLERK: Motion carried.

MAYOR CISNEROS: Motion carried. Let me determine, are there volunteers who would like to make a trip to, I would say one from the side that has voted "for", and one from the side that has voted "against" is the way I would like to approach it. Mr. Wing has indicated that he will not be able to. I earlier suggested that Mr. Alderete might want to be present Monday at 10 o'clock in Houston; it would probably require an early, early morning flight, Continental Flight about seven if I'm not mistaken at Houston Lighting and Power to discuss the criteria of selection of a contractor. If it's acceptable to the Council, would Councilman Alderete and Councilman Hasslocher be a good balance? Yes, we do have to authorize the gentlemen the money to fly. So those, there has been a motion and second on that point? Those in favor say "aye" and no. Motion carries. That's for Alderete and Hasslocher.

AYES: Berriozabal, Webb, Dutmer, Wing, Eureste, Thompson, Alderete, Harrington, Archer, Hasslocher, Cisneros.

NAYS: None.

ABSENT: None.

Mr. David Garcia, Project Coordinator, stated that both parties, Vanir Properties and Control Data Corporation, have met and agreed in principle on how to resolve their differences on leases in Vista Verde South, and he expected the agreements to be formally signed next week, at which time the City will contact the Department of Housing and Urban Development for release of the remaining grant funds for the project.

Mayor Cisneros thanked the Council's Housing Committee for its hard work in helping to resolve these issues and bring the two parties to agreement so that that project can go on.

82-06 Agenda item 46, an Ordinance amending Ordinance #54,879, appointing the Chairman and other members to the Centro 21 Task Force, was removed from Council consideration.

82-06 The Clerk read the following Ordinance:

AN ORDINANCE 54,919

REAPPOINTING AND APPOINTING MEMBERS TO SERVE ON THE MARKET ADVISORY BOARD FOR A TERM TO EXPIRE OCTOBER 15, 1983.

\* \* \* \*

Mr. Thompson asked that Mr. Tom Van de Walle represent District 6.

Mr. Thompson moved to approve the Ordinance. Mr. Webb seconded themotion.

The following individuals are hereby reappointed and appointed to serve on the Market Advisory Board: Reappointments: Mr. K.W. Houston, District 2; Ruben Munguia, District 1; Sylvia Torres, District 5; Consuelo Zaragoza, District 7; Julian Rodriguez, District 8; Henry Guerra, Mayor. Appointments: June Deason, District 10; Ted G. Thomas, District 9; Charles Doria, District 3; Tom Van de Walle, District 6; Pete Berlanga, District 4.

After consideration, the motion carrying with it the passage of the Ordinance, prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Wing, Thompson, Harrington, Cisneros; NAYS: None; ABSENT: Eureste, Alderete, Archer, Hasslocher.

82-06 The Clerk read the following Ordinance:

AN ORDINANCE 54,920

AMENDING THE ANNUAL BUDGET BY APPROPRIATING \$80,000.00 FOR EMERGENCY REPLACEMENT OF AN AIR CONDITIONING UNIT AT THE POLICE DEPARTMENT HEADQUARTERS.

\* \* \* \*

Mr. Thompson moved to approve the Ordinance. Mrs. Dutmer seconded the motion.

After discussion, the motion carrying with it the passage of the Ordinance, prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Wing, Thompson, Harrington, Archer, Hasslocher, Cisneros; NAYS: None. ABSENT: Eureste, Alderete.

82-06 Mayor Cisneros asked that agenda item 19, passed on the consent agenda, be rescinded and reconsidered next week, because he has questions concerning the matter.

Mr. Harrington moved to rescind agenda item 19, passed on the consent agenda, and reconsider the matter next week. Mr. Hasslocher seconded the motion. On voice vote, the motion prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Wing, Thompson, Harrington Archer, Hasslocher, Cisneros; NAYS: None; ABSENT: Eureste, Alderete.

82-06 The Clerk read the following Resolution:

A RESOLUTION  
No. 82-06-09

COMMENDING ONE TEXAS BANK PLAZA FOR  
THEIR PART IN THE FURTHER DEVELOPMENT  
OF SOUTHEAST SAN ANTONIO.

\* \* \* \*

Mr. Webb moved to approve the Resolution. Mrs. Dutmer seconded the motion.

Mr. Webb read the full Resolution, and invited all Council members to the opening of One Texas Bank Plaza on February 16.

Mrs. Dutmer asked that in paragraph 3 of the Resolution, the words "a significant" be substituted in place of the work "first". The maker and seconder of the motion agreed to accept the change in wording.

After consideration, the motion carrying with it the passage of the Resolution, prevailed by the following vote: AYES: Berriozabal, Webb, Dutmer, Wing, Thompson, Harrington, Archer, Cisneros; NAYS: None. ABSENT: Eureste, Alderete, Hasslocher.

82-06 The Clerk read a proposed Ordinance providing for the service of Municipal Court judges to terminate on December 31, 1982.

Mrs. Dutmer moved to approve the Ordinance. Mr. Archer seconded the motion.

Mr. Wing then made a substitute motion (1) that a Council committee, appointed by the Mayor, outline policy issues it wishes Municipal Court to follow in the traffic and environmental issues; (2) that the Mayor and Council committee meet with the presiding Municipal Court judge quarterly to discuss the number of cases filed and disposed of in both traffic and environmental courts; (3) that the Mayor and Council Committee, during the course of three months, make a thorough examination and fiscal analysis to arrive at a determination of the viability of a full-time Environmental Court; (4) provide for a yearly review of Municipal Court, beginning in December 1982; (5) that the Council Committee, working with the following departments: Legal, Fire, Police, Health, Building, Zoning and any other department having policing authority or function, arrive at a system that will insure that cases filed in Municipal Court meet the standards necessary for successful prosecution; and (6) these efforts be coordinated with County officials so that cases appealed to County Court can be rigorously prosecuted. Mr. Thompson seconded the motion.

Ms. Bonita L. Blayney, 1107 Highland Oaks, spoke of the attitude of some persons in Municipal Court not being in favor of An Environmental Court and spoke of several appearances she has made in Municipal Court, noting that Municipal Court is not bound by the City ordinance calling for increased fines for violation of

animal control laws.

Ms. Cathy Powell, Coalition of Neighborhood Associations, stated that her organization is interested in an Environmental Court, and spoke of problems encountered with environmental issues in Municipal Court. She also spoke in support of definite terms for judges of Municipal Court.

Mr. George Grimes, Mahncke Park Neighborhood Association, spoke in support of terms for Municipal Court Judges and an annual review of the Courts, and also asked that citizens have an input into this matter.

Mr. Webb made an amendment to the substitute motion, that policy be established so that a City Council member cannot extract Municipal Court records without approval of the City Council. Ms. Berriozabal seconded the motion.

Mr. Thompson spoke against removing all Municipal Court judges at one time, and voiced support for Mr. Wing's motion. He further stated that he is not in favor of closing access to Municipal Court records to individual members of the City Council.

Mr. Alderete spoke in support of a separate Environmental Court.

After discussion, the amendment to the substitute motion, that policy be established so that a City Council member cannot extract Municipal Court records without approval of the City Council, failed to carry by the following vote: AYES: Berriozabal, Webb, Eureste, Alderete; NAYS: Dutmer, Wing, Eureste, Thompson, Harrington, Archer, Hasslocher, Cisneros; ABSENT: None.

Mr. Alderete made an amendment to the substitute motion that a position ombudsman be established to follow up on complaints filed with City departments, so that complaints could be followed through the City system by this person as a representative of the consumer. Ms. Berriozabal seconded the motion.

Mr. Wing spoke against the use of an ombudsman.

Mayor Cisneros spoke in support of the general idea, but stated that it should not be done at this time.

Mr. Louis J. Fox, City Manager, stated that one of his appointed Task Forces is to report on general areas of staffing in the Manager's office by March 6, and noted that report also will deal with staff support to City Council.

Mrs. Dutmer spoke against the use of an ombudsman.

Mr. Webb spoke of instances where Council members have allegedly hindered the work of Municipal Court and the judges.

Mr. Eureste spoke in support of an ombudsman as a worthwhile effort, and spoke also of the large amounts of money having to be spent to clean up vacant lots and other environmental issues of citizens, including a specific instance of a generator at a plant emitting whistling sounds which adversely affects the surrounding area's environmental standards.

Ms. Berriozabal spoke of frustrations of citizens seeking to have laws enforced through use of the established system.

Mr. Alderete stated his belief that the present system of followup of complaints from citizens is ineffective and inefficient, and that an ombudsman is needed.

Mrs. Dutmer expressed her concern that an ombudsman would overstep into the City Manager's area.

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After discussion, the amendment concerning establishment of the position of ombudsman failed to carry by the following vote: AYES: Berriozabal Webb, Eureste, Alderete, Archer; NAYS: Dutmer, Wing, Thompson, Harrington, Hasslocher, Cisneros; ABSENT: None.

Mr. Wing's substitute motion then prevailed by the following vote: AYES: Wing, Eureste, Thompson, Alderete, Harrington, Archer, Hasslocher, Cisneros; NAYS: Berriozabal, Webb, Dutmer; ABSENT: None.

Mr. Eureste made an amendment to the substitute motion to include wording that reflects that the service of all Municipal Court judges, including the presiding judge, be terminated effective December 31, 1982 and, commencing on January 1, 1983, new terms for Municipal Court judges shall be for four years each, and selection of those judges to be on staggered terms with half to be selected every two years. Implementation of this staggered-term method shall be achieved by having one-half the judges selected after January 1, 1983 to serve two-year terms and the remainder four-year terms, this staggering to be achieved by the drawing of lots. Mr. Archer seconded the motion.

After discussion, the amendment prevailed by the following vote: AYES: Berriozabal, Eureste, Harrington, Archer, Hasslocher, Cisneros; NAYS: Webb, Dutmer, Wing, Thompson, Alderete.

The main motion, as substituted and amended, then failed to carry by the following vote: AYES: Eureste, Harrington, Archer, Hasslocher, Cisneros; NAYS: Berriozabal, Webb, Dutmer, Wing, Thompson, Alderete.

Mr. Wing then made a motion to adopt a Resolution incorporating all six of his previously-stated points except for number four, and in lieu thereof to substitute the following wording: "That it is the intent of the City Council in the future to review the appointment process and to periodically review the terms and qualifications of prospective Municipal Court Judge appointees, prior to making these new appointments." Mr. Thompson seconded the motion.

Mr. Fox stated that he would incorporate Mr. Wing's points into the staff review of the matter, if the Resolution passes.

After discussion, the motion carrying with it the passage of the following Resolution prevailed by the following vote: AYES: Berriozabal, Webb, Wing, Eureste, Thompson, Alderete, Archer, Hasslocher, Cisneros; NAYS: Dutmer, Harrington.

A RESOLUTION  
No. 82-06-10

WHEREAS, the Municipal Court Judges serve at the pleasure of the Council; NOW, THEREFORE,

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

SECTION 1. That a Council Committee, appointed by the Mayor, outline policy issues it wishes Municipal Court to follow in the traffic and environmental areas.

SECTION 2. That the Mayor and Council Committee meet with the Presiding Municipal Court Judge quarterly to discuss the number of cases filed and disposed of in both traffic and environmental courts.

SECTION 3. That the Mayor and Council Committee, during the course of three months make a thorough examination and fiscal analysis to arrive at a determination of the viability of a full time environmental court.

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SECTION 4. That it is the intent of the City Council, in the future, to review the appointment process and to periodically review the terms and qualifications of prospective Municipal Court Judge appointees, prior to making new appointments.

SECTION 5. That the Council Committee working with the following departments: Legal, Fire, Police, Health, Building, Zoning and any other department having policing authority or function, arrive at a system that will insure that cases filed in Municipal Court meet the standards necessary for successful prosecution and to coordinate these efforts with County officials so that cases appealed to County Court can be rigorously prosecuted.

82-06

WATER LEAK

Mr. Wing stated the circumstances surrounding a major water leak at a home in his district, where a 76-year-old woman resides. He stated that she has been taken to Municipal Court and fined \$150 for non-compliance with orders to fix the leak. Mr. Wing stated that he has had three plumbers sent to the home to attempt to fix the leak, but they were unable to do so for lack of permission by the property owner. Mr. Wing asked the City Attorney to look into the entire matter, review the circumstances and see what can be done to both fix the leak and keep the property owner from being fined in the case.

82-06

NIGHT JUDGE ANTONIO JIMENEZ

Mr. Wing noted that Night Judge Antonio Jimenez has resigned that position, and asked that a Citation be prepared by the City Clerk's office for presentation to Mr. Jimenez.

82-06

SEAT BELTS ON VIA BUSES

Mr. Eureste noted that Mr. Manuel Holguin, former transit bus driver now retired because of being crippled, is seeking to have seat belts installed on all VIA Metropolitan Transit buses. He noted that the newer VIA buses have driver seat belts, but older buses do not, and spoke to the possibility of a major traffic mishap should a busdriver be injured or incapacitated by being thrown from his seat, and the out-of-control bus crash. He asked that the Council's Transportation Committee meet with VIA officials on this matter.

82-06

FIRE

Ms. Berriozabal noted that four persons had died overnight in a fire at an apartment house in the King William area, and asked what might be done to possibly prevent such occurrences in San Antonio in the future. Ms. Berriozabal asked that the Fire Department check on exactly what happened, whether there was enough water pressure, and also check on the response time for firefighters responding to the alarm. She also asked that it be determined if any violations of fire prevention regulations were present at the time of the fire, and asked that City staff look into the possibility of periodic inspections of such apartment-type residences and buildings in the city's historic areas.

Mr. Hasslocher commended Firefighter Bill Davenport for taking excellent photographs at the scene of the fire.

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CITIZENS TO BE HEARD

82-06

REV. R.A. CALLIES, SR.

Rev. Callies spoke to the City Council about the Freedom Bridge signs which have been smeared with paint. ( A copy of his statement is on file with the papers of this meeting.) Rev. Callies stated that he has been in contact with Mr. Roland Garza of the Public Works Department who suggested a better location for the signs which would be more inaccessible to vandals. The cost or relocating signs is \$6,000 and asked the City Council to bear the cost of relocating these signs.

Mr. Webb suggested that a City crew be assigned to re-paint the signs rather than pay the \$6,000 for relocation of the signs.

Mr. Frank Kiolbassa, Director of Public Works, stated that the city would bear a greater cost to paint and re-paint the sign and also repair the damage to the sign. He suggested relocating the sign. There is no money in the current budget. However, it can be placed in a next year's budget.

City Manager, Louis Fox suggested that this item be included in next year's budget.

The Council concurred with this recommendation.

82-06

MS KATHRYN SCHEER

Ms. Scheer asked that City Council establish a minimum maintenance code and that cases be prosecuted. She spoke about cases which are not prosecuted. She expressed appreciation to the Council about their interest in environmental and sub-standard housing cases and other type cases which are heard in Municipal Court.

Ms. Scheer suggested that the Staff investigate the manner in which other cities enforce maintenance codes.

Ms. Berriozabal and Mrs. Scheer both stated that there are problems with enforcement.

82-06

MR. LEROY RIOS

Mr. Leroy Rios appeared to hear the report from his request of last week to place long horns ornaments on his taxicab.

Mayor Cisneros referred to a report from Mr. Roger Ybarra, Supervisor of Public Utilities, and stated that the permit holder would need to submit an application to materially change the physical appearance of the vehicle. He stated that he would be in favor of granting Mr. Rios' request.

Mr. Thompson spoke against the request and stated that it would not project to a good image.

Mrs. Dutmer concurred with Mr. Thompson's request and stated that if Mr. Rios' request is granted other similar type requests will be coming in.

Mr. Wing moved to allow Mr. Rios' request for fourteen days during this Rodeo Period. Mr. Harrington seconded the motion.

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The motion carried by the following vote: AYES: Berriozabal, Webb, Wing, Eureste, Harrington, Cisneros; NAYS: Dutmer, Thompson, Hasslocher; ABSENT: Alderete, Archer.

82-06 Mr. Thompson asked the City Attorney for a legal opinion if the City Council would be liable if someone would be hurt as a result of this Council Action.

82-06 MS. KAY BROWN

Mrs. Brown, V.O.I.C.E., suggested a process by which complaints could be handled by the Building Inspections Department. She suggested a sort of centralized part of building inspectors which she feels would result in a letter process by which complaints could be monitored. She stated that most citizens feel that the City ignores their complaints.

Ms. Berriozabal stated she had met with a group of interested citizens on this issue and asked if City staff could investigate the suggestion made by Mrs. Brown and explore its feasibility.

82-06 There being no further business to come before the Council, the meeting was adjourned at 6:52 P.M.

A P P R O V E D

Henry Cisneros  
M A Y O R

ATTEST: Norma S. Rodriguez  
City Clerk

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