

The mayor stated that he had received the contract as drawn up and passed at the last regular meeting of the council relative to the water works compromise. The contract was thereupon read by the clerk, as follows:

STATE OF TEXAS,)
COUNTY OF BEXAR,)

It is agreed by and between the San Antonio waterworks company of the one part, and the city of San Antonio of the other part, the waterworks company acting by and through its president, who is thereunto duly authorized, and the said city of San Antonio acting by and through its mayor, who is thereunto duly authorized by the city council of said city, that the contract heretofore entered into between the said parties to supply the said city with water for fire protection, sanitary, public and domestic purposes, which contract was also made and is set forth in an ordinance of the city council, passed October 8, 1877, shall be and is hereby modified as follows, to-wit:

1. From and after the first day of January, 1881, the said city of San Antonio shall pay for the use of the one hundred fire hydrants which are now established in accordance with the directions of the city council, an annual rent of fifty dollars for each of said hydrants instead of one hundred dollars as in the aforesaid original contract provided. And in consideration of this reduction of the rent of said one hundred fire hydrants, the said city of San Antonio releases and relinquishes the payment of the rent reserved, to-wit: The sum of five hundred dollars per annum for the use of the property leased to the waterworks company in and by said contract. And the said city, for the consideration aforesaid, further remits and relinquishes to the waterworks company all city taxes whatever which might otherwise be assessed and levied upon any of the property of the waterworks company and owned or held by said company for the purpose of operating their works, such property, however, not to exceed in value the sum of two hundred and fifty thousand dollars, the city of San Antonio undertaking hereby to pay and arrange all city taxes upon the property aforesaid, not exceeding in value the sum aforesaid, so that said waterworks company shall be discharged from the payment of all city taxes during the continuance of the original contract aforesaid by the terms thereof.

2. The city of San Antonio shall have the use of the water, free of charge, for all public buildings owned or used by said city, and for drinking fountains, the cost of pipeage for such public buildings and drinking fountains, as well as of the hydrants and fountains, shall be borne by said city.

3. The fire hydrants now established, and all that may hereafter be established, shall be used for fire purposes only, and in case of actual necessity for flushing the gutters for hygienic purposes under the direction of the health officers of the city.

4. Additional fire hydrants shall, when demanded by the city council, be hereafter established, and such additional fire hydrants, when so demanded, shall not be more than three hundred and fifty feet apart, and the annual rent of each shall not exceed the sum of fifty dollars.

5. The fire hydrants now established, or hereafter to be established, shall in no case be used for street sprinkling purposes, but the waterworks company shall and will erect, from time to time as may be ordered by the city council, a convenient and sufficient number of 1½ inch stand pipes for the purposes of taking from them water for sprinkling two streets. Such stand pipes shall be erected along the line of the company's main pipes and where fire hydrants are now established, and along the lines of its mains which may hereafter be established and along which the city may rent additional fire hydrants, and the water to be used from such stand pipes shall be free of charge.

6. In case meters are used by private consumers of water, such private consumers may furnish their own meters or pay rent for the same, if furnished by the waterworks company, and water shall be supplied to private consumers at a rate not to exceed five cents per hundred gallons, as stipulated in the original contract.

7. In case the said city should, at the time of the expiration of the aforesaid original contract, avail itself of the right, therein provided, to buy the works of said waterworks company, and if in such case the said city and the said company should not agree upon the price to be paid for such works, then their value shall be ascertained by arbitration.

8. In all other respects the contract aforesaid shall be and remain in full force and effect as the same was originally entered into between the said parties.

In testimony whereof the said parties have hereunto affixed their corporate seals respectively, and this agreement is signed by George W. Brackenridge, president of the San Antonio waterworks company, on behalf of said company, and by James H. French, mayor of the city of San Antonio, on behalf of said city, the said president and the said mayor being thereunto duly authorized as aforesaid, this the 20th day of January, A. D., 1881.

GEORGE W. BRACKENRIDGE,

President San Antonio Waterworks Co.

JAMES H. FRENCH,

Mayor City San Antonio.

Attest: THEO. BALDUS, City Clerk.

Alderman Lockwood moved that the consideration of the matter be postponed until the next meeting, upon which motion a vote was taken as follows: Ayes, Callaghan, Degener, Jonas, Lockwood, Niggli, and Wulding; nays, Bruni, Berg, Caldwell, Heuermann, Schreiner and Steves.

The vote was a tie, and the mayor gave the casting vote in the negative.

Alderman Berg said he had discovered an ambiguity in the contract, in the fixing of the property of the company to be taxed at \$250,000, and afterwards relinquishing the property of the company from taxation for the period of twenty-five years.

Aldermann Steves moved to strike out the objectionable portion.

Alderman Callaghan moved that the whole contract be referred to a special committee of three, which motion prevailed, and aldermen Berg, Callaghan and Schreiner were appointed as the committee.