

AN ORDINANCE

99228

**AUTHORIZING AN AGREEMENT WITH SOUTHWESTERN BELL TELEPHONE TO PROVIDE EXCLUSIVE PAYPHONE, DEFAULT LONG DISTANCE AND INTERNET KIOSK SERVICE IN CITY FACILITIES AND NON-EXCLUSIVE PAYPHONE AND RELATED DEFAULT LONG DISTANCE SERVICE IN THE CITY'S RIGHTS-OF-WAY.**

\* \* \* \* \*

**WHEREAS**, the proposed Agreement will authorize Southwestern Bell Telephone, L.P., d/b/a SBC Southwest (SBC) to provide exclusive payphone service, default long distance and Internet kiosk service in City facilities, as well as non-exclusive payphone and default long distance service within City right-of-way; and

**WHEREAS**, some of the City facilities in which SBC will provide payphone services include Airport, Alamodome, Convention Center, Municipal Courts and the Central Library; and

**WHEREAS**, the term of the Agreement will be from June 1, 2004 to May 31, 2006 with two (1) year options to extend with the mutual consent of the parties subject to City Council approval; and

**WHEREAS**, as consideration for the rights granted to SBC under this proposed Agreement, the City will receive 25% of revenue received by SBC on payphones which average \$3.00 or more in total daily average revenue; 25% of revenue received by SBC as defined in the Agreement on default long distance; and 10% of revenue received on Internet kiosk payphone calls; and

**WHEREAS**, SBC may remove payphones that fail to generate daily average revenue of \$2.00 per payphone; and

**WHEREAS**, the projected revenues for payphone commissions in Fiscal Year 2005 is \$171,000 which is approximately \$10,000 less than the Fiscal Year 2004 re-estimate and it is anticipated that revenues from payphone use will continue to drop due to a variety of factors, including the use of cell phones and the Internet; and

**WHEREAS**, this action has been coordinated with the Airport, Alamodome, Convention Facilities, Parks, Library, Municipal Courts, Community Initiatives, Health, Police, Public Works Departments and City Attorney's Office; **NOW THEREFORE:**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SAN ANTONIO:**

**SECTION 1.** The Agreement with Southwestern Bell Telephone, L.P., d/b/a SBC Southwest (SBC) to provide exclusive payphone service, default long distance and Internet kiosk service in City facilities, as well as non-exclusive payphone and default long distance service within City right-of-way, is hereby approved. A substantially final form of the Agreement is attached hereto and incorporated herein as Attachment I. A fully executed Agreement will be attached hereto and incorporated herein as Attachment II.

KAM  
05/20/04  
Item no. 45

**SECTION. 3.** This Ordinance shall take effect on the tenth day after the date of passage hereof.

**PASSED AND APPROVED** this 20<sup>th</sup> day of May, 2004.

*Ron Hegman*  
**MAYOR**

**ATTEST:** *Jolanda G. Ledesma*  
City Clerk

**EDWARD D. GARZA**

**APPROVED:** *Tom Zetucha*  
for City Attorney