

Sample of Previous Transcription for a Board Meeting

MEETING OF THE
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES

January 15, 2019 - 9:00 a.m.

Sixth Floor Board Room #609
Administrative Offices
2800 U.S. 281 North, San Antonio, Texas

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Sample of Previous Transcription for a Board Meeting

(January 15, 2019 - 9:00 a.m.)

CHAIRMAN GUERRA: Good morning and Happy New Year to everyone. The SAWS Board Meeting of January 15, 2019 is now called to order. The San Antonio Water System Board of Trustees will, during the Meeting, close the Meeting and hold an Executive Session pursuant to and in accordance with Chapter 551 of the Texas Open Meetings Act. The Board of Trustees may at any time during the Meeting, close the Meeting and hold an Executive Session for consultation with its attorneys concerning any of the matters to be considered during the Meeting pursuant to Chapter 551 of the Texas Open Meetings Act.

Item 3, Approval of the Minutes is next. Do any of the Trustees have any corrections to the Minutes of the Regular Meeting of November 13, 2018? If there are no corrections, the Minutes are approved as presented. We will move to the next item on the agenda which is the Ceremonial Items. And Pat Jasso will recognize Audubon's exhibit in the lobby and Mitchell Lake. Pat.

MS. JASSO: Thank you, Mr. Chairman. Since 2004, SAWS and the National Audubon Society have partnered to manage and operate Mitchell Lake Wildlife Refuge for the benefit of the community and their protection to the important ecosystem for birds, waterfowl, and other wildlife. SAWS has long recognized Mitchell Lake's unique ecological value as an educational and recreational resource for the community. Just in August, the Board approved a cost-sharing agreement with the Army and the Corps of Engineers for the Aquatic Ecosystem Restoration Feasibility Study at Mitchell Lake. The study would work with nature to restore ecological function and reduce high algae in the lake's water.

We understand the importance of community involvement with

Sample of Previous Transcription for a Board Meeting

Mitchell Lake. And our partnership with the National Audubon Society has made it possible to allow public access to this unique site. SAWS is proud to host the Audubon Photography Exhibit in the lobby of the Headquarters and the Customer Center. The exhibit will be available through January 28th. We have a handout for the Board that provides more information on the exhibit and the winning photographers from across North America. I'd like to recognize the Center Director of Mitchell Lake Audubon Center, Sara Beesley.

MS. BEESLEY: Thank you, Pat. And I want to thank all of SAWS and the Board for being an incredible partner to Audubon, to Mitchell Lake and to the birds and places they meet. Thank you.

CHAIRMAN GUERRA: Thank you, Pat, and thank you for being here. You look so comfortable out there when we go see you. And all of us, you know, I remember visiting with you when that owl and that hawk just come at you and fly by you. And you're going, I hope it doesn't land on my head. And when you took a picture of me with both of the birds, the owl is trying to give me wisdom and the other bird looks like it's angry at me, like what are you doing here, you don't belong here, get out of here. No.

It's a beautiful place and you do a great job. Thank you for your service to this whole community. That is a place we need to take our children and our grandchildren to visit and everyone in the city should visit. It is amazing, so beautiful. Congratulations.

MS. BEESLEY: Thank you.

CHAIRMAN GUERRA: Thank you, Pat, because I know it's in your district.

Sample of Previous Transcription for a Board Meeting

MS. JASSO: Thank you.

CHAIRMAN GUERRA: Folks, our city, our region, and our state loss one of its great water advocates. Kay Kutchins passed away in December. She left a lasting impression with all of us. Many here will remember her as a long time member and Chair of SAWS Citizens' Advisory Panel. Later in today's agenda we will be recognizing new members to SAWS CAP and CCC Committees. And Kay has set the bar high for all of these folks. She was known for more than her water knowledge which was extensive and sometimes delivered in a feisty manner, but what she was best known for was how she greeted everyone, and I do mean everyone with a big hug, a big Kay Kutchins hug.

Kay was a trailblazing consultant for water utilities. She was the first woman to be inducted into the American Water Works Association, better known as AWWA Hall of Fame in 2014. Prior to that, she received the Outstanding Service Award from AWWA for service to the water industry in 2004. A self-described farm girl from Illinois, Kay was a powerhouse volunteer. She loved delivering food through Meals on Wheels and served on their Board of Directors.

And music, music was a big part of her life. She played the organ and French horn and served on the Boards of the Olmos Ensemble and Cactus Pear Music Festival. And if that wasn't enough, she volunteered with the San Antonio Symphony. We thank Kay for her service. And we, all of us will miss her tremendously and I wanted to acknowledge her today.

Steven Seibert, good morning.

MR. SEIBERT: Good morning, Mr. Guerra, Members of the Board, Mr. Puente. Thank you, Mr. Guerra, for those beautiful remarks on Kay

Sample of Previous Transcription for a Board Meeting

Kutchins, a beautiful soul. Thank you, sir.

CHAIRMAN GUERRA: You're welcome.

MR. SIEBERT: This morning, it's my pleasure to acknowledge the Retiring Members of the SAWS Citizens' Advisory Panel. And if I could ask Marcy to come up and Al Arreola to come up join me. It's often been said, "If you want to touch the past, touch a rock, if you want to touch the present, touch a flower; if you want to touch the future, touch a life."

And that's what these individuals have done. They have touched the life of our community. They have touched the life and soul of San Antonio Water System and they have touched our lives here at SAWS, and for that we are most, most grateful. Thank you very much for your service. You get a Service Award, he's Al's and Marcy's. Thank you, both.

(Applause.)

MR. RIGGS: Good morning, Chairman Guerra, Mr. Puente, Members of the Board.

CHAIRMAN GUERRA: Good morning.

MR. RIGGS: I'm Nathan Riggs with the Conservation Department here to recognize the Retiring Members of the Community Conservation Committee, the CCC. And I will ask Grant Ellis, Gina Candelario, Gabriel Durand-Hollis, and Monica Maeckle to come up please.

These four individuals are part of a group of eight that left the committee this year and represent three terms of six years and one term of four. So, we are losing a lot of participation but we have had gained friends and we have a gained a lot of experience by knowing these four people. And they have provided a

Sample of Previous Transcription for a Board Meeting

lot of input for conservation programs over the past six years. And we are so grateful for their participation and their time.

So with that, Gina, thank you. Monica, thank you. Gabriel, thank you. And, Grant, thank you all very much for what you've done for us. And, Mr. Chairman and Mr. Puente, would you please come up for a picture.

CHAIRMAN GUERRA: Absolutely.

(Photographs taken.)

CHAIRMAN GUERRA: Before you guys leave, let me say there is no bigger service than what you guys do because it is volunteer work. I think the fact that you give up your time away from your work and away from your families and your personal time, there is no way we can put a price on that. It is really priceless. And as our Board will agree with me, we really appreciate your service. It is the unsung heroes of our communities do what you do. And I can't tell you how much we appreciate you. We are always sad when you leave but we will catch you on the boomerang, catch you on the way back.

I'm sure we'll find something else for you to do, so don't get too comfortable out there. Sort of like we did with Kay Kutchins. We kept recycling her over and over, and she did not mind it at all. So from the bottom of my heart, I want to thank each and every one of you for your service. Have a blessed day.

All right. The next item on our Agenda is Public Comment. And we have -- Happy New Year, Alan. Alan Montemayor, good morning and Happy New Year. Welcome back.

MR. MONTEMAYOR: Good morning and Happy New Year to all of you-all. As usual, thank you for the opportunity to speak with you because you

Sample of Previous Transcription for a Board Meeting

have a full slate. The Sierra Club in no way, shape, form, or fashion endorses the Vista Ridge Project, a topic which I will not belabor you with a lot today. However, suffice it to say when the citizens of San Antonio begin paying big time for water which we don't need, we are very afraid that SAWS will be so awashed in water, that they will be more than waterful, they will be water logged.

In so saying, we understand that the people that understand the economics of the situation have made a determination that the Vista Ridge capital improvement costs, capital costs could fall under the Impact Fees. Sierra Club does support the application of these costs to Impact Fees and we will continued to do so where it is appropriate.

But having said that, I do have to say that we do not endorse Vista Ridge Project but if you are going to continue as you apparently are pushing this forward with all the cost overruns, et cetera, then let's get those Impact Fees back and at least partially pay for it.

Item two that I wanted to talk briefly about today is the Climate Action Plan that's going to be coming out on the 25th. Again, I really hope that the Board will get behind the Climate Action Plan. You guys sit at the nexus of this, one of the nexuses of this water energy interaction. And it's important that you guys understand that you have the ability to make big changes in the way you use energy and the way energy is applied to water in San Antonio.

So, I exhort you to look at your fleet of vehicles, convert more of them to electric vehicles, to look at timing of how you use energy to benefit CPS Energy, and the environment, and the air, etc. Again, that's not a point I'm going to belabor, I just want you to be cognizant that that's going to be happening in the next

Sample of Previous Transcription for a Board Meeting

few months and you guys are going to play a key role, I believe.

The third thing is I understand discussions are ongoing about the application of a big solar array out at the H2Oaks facility, a project which I personally am very much behind and think it's going to be a huge benefit to both SAWS, CPS Energy, and the citizens of San Antonio. I understand that potentially there is going to be energy storage of that solar energy at that facility by you guys, a huge capability to supply San Antonio with water even in the event of a power outage and that's all wonderful and I'm fully behind it.

There is an aspect of that project, a potential aspect of that project that I want to make sure that all of you are aware of. And that is that you have the opportunity to take a small amount of that deionized water and produced at the H2Oaks facility, and spray it on the back of those panels to do evaporative cooling of those panels and recoup the three to 15 percent loss those panels will suffer when they get very hot in our increasingly hot summer days.

That is something that I am pushing CPS Energy to do a study at UTSA to quantify the effect and how much it would cost to do it and what the potential benefit is, but I want to indicate that if you guys do in this cooperation with CPS Energy and it works, you will be world leaders in finding new technology in getting that last bit of energy out of those solar panels.

Because the H2Oaks facility is set up as an educational facility, if you do all of these things out there, you will have a world class educational opportunity, and I assure you that you will be recognized by the world for what you are doing. So, I just want to bring forth that aspect and tell you that I will continue to push for that. Thank you for your time and attention.

Sample of Previous Transcription for a Board Meeting

CHAIRMAN GUERRA: Thank you. Denise Ojeda, good morning.

MS. OJEDA: Good morning, ladies and gentlemen of the Board. Thank you so much for honoring Kay this morning. I had the pleasure of serving with her on Citizens' Advisory Panel, but let me introduce myself. My name is Denise Ojeda. I am a lifelong San Antonian who had the wonderful benefit of growing up in the shadow of our beloved Mission Concepcion. And so like Pat, I am very fierce about District 3 and the South Side community.

So, the reason I wanted to sign up as Citizen to be Heard today is because I want to take a moment out of your day to formally acknowledge Steven Siebert. Steven has done a phenomenal job of shaping and facilitating the group discussions that occur during our CAP. And they are a model for civil discourse and professional decorum.

Why is this worth mentioning? It is because I know we're talking about being world renowned but in my world what's very important to me is my son and allowing him to learn through spaces that are completely safe, inclusive and truly diverse. And Steven has somehow magically been able to build a space that models all of those things.

And as we become a more inclusive society, I just want you to understand what beautiful work Steven is doing and the authentic way that he connects through caring with our community. And it is with that sincere, caring, and servant leadership that I just really want to thank Steven for everything that he does for our community and the way he goes about it. So, thank you, Steven.

(Applause.)

Sample of Previous Transcription for a Board Meeting

CHAIRMAN GUERRA: Thank you very much, Denise. Well, good morning, Mike Frisbie. Good to have you here today and I understand you are going to say a few words.

MR. FRISBIE: Thank you for the opportunity, Mr. Chair and Board Members. I look forward to working with you-all. Especially thanks, Robert, for this opportunity to be the Chief Operating Officer here at SAWS. I'm excited about it. I'm a month in already, time flies but I look forward to working with you-all.

You know, if you want to recognize Steve Clouse, I know at the December Board Meeting you gave him a great send-off. Steve has been my go-to guy working for the City for 11 years. All that time, I came to Steve if I needed something and vice versa at the City. So, he's been a great partner throughout.

You know, 33 years, those are big shoes to fill. So, I will follow his trail but I'm not going to fill those shoes, I'm going to have to wear my own shoes, I think. And I think that will work but one of the items on the agenda today is actually a contract. We have an opportunity to continue to have that relationship with Steve and all that expertise. And there is about a dozen things or more that I'm working with him on a regular basis. We had a couple of weeks overlap in December but that contract is going to be important as we move ahead a number of things, you know, from the future of the chilled water system to the business continuity plan, big projects, the Vista Ridge Project, Mitchell Lake, coordination with CPS, Bed and Banks, Consent Decree, so on and on. So, it's really a great opportunity to keep that continuity as we move forward.

So, for my 30-year career, I've always been alongside water and wastewater, but it really wasn't until 2005 that I gained a real passion for the industry.

Sample of Previous Transcription for a Board Meeting

And that's when I went to Sumatra, Indonesia for a tsunami relief effort. You all will remember the tsunami of 2004, 2005 and the impact to Indonesia and all around the Indian Ocean. And I had an opportunity to go and see firsthand the impact to a water and wastewater system for storm drainage and everything else to a community that was devastated.

So, we often take it for granted as a community but SAWS provides life and health to almost two million people, and it will be two million people soon and more than that eventually.

So, this is critical work. I'm excited to be a part of it and helping to move it forward. Congratulations to SAWS as to where you are today as a Board and Robert and team. Much has been accomplished as diversification of water supply is here and in the future. Consent Decree response is well done and that's a lot work ahead of us there, too.

Robert and others have developed really a culture of respect and continuous improvement. I've seen that in my short time here and I'm looking for advancing that.

Now, it's time to execute, continue to execute quality projects on time, within budget, moving ahead like I accomplished at the City but with this team, I know we will accomplish that here as well, so SAWS, CPS Energy, the City, all part of public service here. And I look forward to continuing that public service here with SAWS. We know who is at the top of the org chart. And it is the business owners, it's the residents that we serve, so I look forward to that. Thank you very much for the opportunity.

CHAIRMAN GUERRA: Thank you so much. Thank you very

Sample of Previous Transcription for a Board Meeting

much. So, next item on the Agenda is the Consent Agenda Items 6 through 40. Are there any items on the Consent Agenda that should be pulled for individual discussion or consideration? None. Do I hear a motion and a second for approval of the Consent Agenda Items 6 through 40?

MR. PARRA: I move.

MS. JASSO: Second.

MS. MERRITT: Second.

CHAIRMAN GUERRA: Moved and seconded. Are there any questions, comments, or concerns on those items? If not, call in favor, signify by saying, aye. All opposed, same sign. Motion carries.

So, we will move on to Item No. 41. Steven, good morning again.

MR. SIEBERT: Good morning again. This is my favorite time of year when I get to report for the Board's consideration new and returning Citizens Advisory Panel Members. The CAP background was created by the SAWS Board of Trustees in 1998 to bring forth citizen participation and feedback to staff and the Board on current water supply policies and projects. The membership is between 16 and 25. This year, we will have a total of 24. We do have one vacancy that we can come back at a later date to the Board.

The Members serve two-year term. So, the new appointees will serve through the end of 2020, and then they can serve three consecutive two-year terms for a total of six years. They are nominated by the President/CEO, they are appointed by the Board. And the Chairperson can serve a term of one year or three consecutive -- not necessary consecutive but three one-year terms.

Sample of Previous Transcription for a Board Meeting

Our recruiting efforts really never stop. One thing that's dangerous if you're seated next to me at a conference because I'm always looking for good members. So, officially, we reach out to the Board of Trustees in the fall and we reach out to City Council Districts. This year on the CAP, we do have every council district represented with at least one member. Those were our Retiring Members that we acknowledged earlier.

And I'd like to present the recommendation for our CAP Chair for 2019. Bob Sheldon is here with us today. Bob has served on the Chair since 2015. He served as Vice Chair in 2017 and 2018. He is a Member of the College of Fellows for Public Relations. He owns his own public relations firm which will put those outreach skills to work very, very quickly. And Bob has been very engaged in the community for a long time and very engaged on the CAP. And we're ready to hit the ground running.

These are our suggested reappointments. These individuals -- and Rachel is with us here this morning, as is Bob -- they are seeking their third two-year term. So, they have already served four years, they will be starting year five. And so, we are very grateful to that dedicated to our volunteer committee.

This group of individuals, they were appointed in 2017, so they're seeking their second two-year term. And they will be starting year three. And the new candidates, and I think today on Dr. King's 90th birthday, it's good to remember that he said, "Everybody can be great because everybody can serve." And so, we have some really great individuals that we present to you this morning looking to serve SAWS. Mr. Garcia was not able to be with us this morning. He is a

Sample of Previous Transcription for a Board Meeting

dedicated Veteran of the Vietnam Era serving in the Air Force, and he's also a retired civil servant. And he came to us through Melinda Lechuga, who is with us today. And what value that is when we recruit new members when current members know individuals and find value in their committee and recommend that to their neighbor. And we're very, very appreciative of that.

Rachel does that as well. She's practically on retainer, she's so helpful with the selection process.

Monica is here. We had to guard the door so she didn't leave. She just retired from the CCC. And so, I hope you enjoyed that down time, Monica, because it's over because. So, now you're on the CAP. Thank you very much for wanting to continue. We love to hold onto that institutional knowledge. After six years at SAWS, we are looking for another six years. No pressure, so thank you very much. And by the end of the year, we will be looking forward to utilizing her journalistic and her writing expertise as we expect to become butterfly experts on the CAP.

Mitchell Sowards sends his regrets for not joining us today. He is doing an Executive MBA program and did an overseas stint in Vietnam and Southeast Asia and came back with a bug that he did not wish to share with the rest of us. So, he's watching us this morning. Mitchell comes to us from the South Central Texas Regional Water Planning Group, which Mr. Puente sits on as well representing his municipalities. And Mitchell came to us from the North San Antonio Chamber and owns his own small business. And what a great way to learn more about water than to sit on SAWS' water committee and learn more about regional water planning. We are very grateful for his time. And he actually

Sample of Previous Transcription for a Board Meeting

moved his own meeting as President of his company to accommodate our meeting schedule, which was very, very gracious.

We have Carla Walker. And Carla is with us today. Thank you for being us here today. Carla came to us through District 2. We have a mutual acquaintance. Charlotte retired from the CAP. She fell in love and got married and moved to Houston. And she said, well, I need to find someone good from District 2. So, to succeed her, Carla is coming to us. And Carla is actively engaged with outreach and the MLK Commission. And we'll put those outreach skills to use very, very quickly as well. We have lots on our agenda for 2019.

So, our recommendation this morning is respectfully appoint the identified returning members and nominees for a two-year term and Robert Sheldon as CAP Chair for a one-year term for 2019. Thank you very much.

CHAIRMAN GUERRA: Very good. Do I hear a motion?

MR. PARRA: I move to appoint the Chairman and the slate as presented.

MS. HARDBERGER: Second.

CHAIRMAN GUERRA: Moved and seconded. Any discussion, questions or comments? If not, let's vote. Motion carries. Again, thank you to all the volunteers. Thank for your service. We look forward to working with you for the next few years. Item 42 is next. Good morning.

MR. RIGGS: Good morning once again. All right. Well, I am here in the same crowd way as Steven is to present our new slate of nominees and reappointed members to the CCC. And the CCC was begun in 1997 as a grass roots committee to provide the Conservation Department with input and programming

Sample of Previous Transcription for a Board Meeting

guidance. And over those years, the conservation program has more from an indoor centric conservation program where we give away toilets and all kind of efficient fixtures, to now we are doing targeted marketing efforts to customers for outdoor programs and getting the biggest bang for our buck as you would say.

So, we are very proud to present this group to you-all. We have the same membership requirements as the CAP as far as numbers go. And we are going to have 22 members this year. We are leaving some spots open so we can continue to recruit throughout the year and fill those spots.

As Steven mentioned, the CCC is nominated the same way as the CAP is. Nominated by the CEO and brought forward to you-all. We serve the same type of terms, a maximum of three two-year terms if they choose. The Chair serves as maximum of three one-year terms; it doesn't have to be consecutive. And we also send our letters to the Board, to the Mayor, to the City Council, as well as Chambers of Commerce. And we do a lot of outreach programs educationally and we use those as marketing and recruiting tools as well.

So, you-all saw our eight retiring members. One of those retiring members now works for SAWS as a matter of fact. A few days after her last meeting, she started over in Environmental Health & Safety. That's Anna Lisa, by the way, so we are proud to bring her on.

Our Chair Nominee is Laurie Casias. She has been the Chair and has served very well. She is actually out doing irrigation work today and couldn't be with us, but has provided a lot of input on the programs as we have developed them for outdoor.

We have a bevy of members who are up for reappointment,

Sample of Previous Transcription for a Board Meeting

ranging from their second term to their third term. And so, we are so glad to have all of them back. And we have five mid-term members who are either in the middle of their third term or their second term.

And you are going to see some familiar faces here. We actually have two nominees that used to be on the CAP who also, like Monica, wanted to continue their service at SAWS. So, Marcy Andrade came to us from the CAP and does a lot of work with non-profits. And we are so glad to have her in the group and to bring forward some of the new goals that we have for 2019.

Carlos Otterbach is a small business owner and also a real estate investor, and is one of those that came to us from a term nomination by one of our CCC members. He has a lot of interesting ideas and is very excited to look forward to working with us.

Aubrey Lewis is here today. Mr. Lewis is the President of the Denver Heights Homeowners Association and Second Vice President of the NAACP here in San Antonio. We are looking forward to working with him. He is a very busy man. And we are glad that we get to have some of his time on the CCC.

Ann Newman lives close by as a Master Naturalist Volunteer and is very interested in helping us with some of the irrigation programs and outdoor programs that we are working on to deal with large properties, large residential properties. She owns a large residential property herself. So, Monica was very gracious to bring her name forward to us. Monica is gone but we're really excited to have Ann with us.

Brice Moczygamba was on the CAP as well. We are thrilled to have him with us and his knowledge from the CAP standpoint as well as what he is

Sample of Previous Transcription for a Board Meeting

doing with the San Antonio River Foundation. They're sort of the tied together with the San Antonio River Authority, and we have one of our CCC members that's on SARA and works for SARA as well. So, we love that synergy and to be able to bring all of these things together.

Michael Berger is also here. He is a realtor with Kuper Sotheby's International and nominated by retiring member Gina Candelario, who happens to be his wife. So, we're glad to pass the torch along and to keep that expertise and knowledge. We have goals of working with realtors and builders to develop more programs for those new housing stock moving forward.

David Eastman, who wasn't able to make it today, owns Eastman Builders, another cog in the wheel that we're looking to add that experience. He is a gardening volunteer and works a lot with landscape design, so we're glad to have Dave. He's already provided us with a lot of energy and we're looking forward to David's participation.

Joe Shinnars is here. And Joe is a Master Gardener and gardening volunteer. He used to be President of the Men's Garden Club and has a lot of input already and is contributing energy for what we want to do. So, those outdoor programs that we're working on are going to benefit from a lot of this expertise that's coming in.

So, we ask that you-all consider and appoint our returning members and nominees for a two-year term and to reappoint Laurie Casias to serve as our Chair for 2019.

CHAIRMAN GUERRA: Thank you very much. Do I hear a motion?

Sample of Previous Transcription for a Board Meeting

MS. MERRITT: So moved.

MR. PARRA: Second.

CHAIRMAN GUERRA: So moved and seconded. Any questions, comments? Hearing none, let's vote. Motion carries. Thank you, Nathan.

MR. RIGGS: Thank you very, very much.

CHAIRMAN GUERRA: Again, thank all of you who are volunteering for these two committees. We really appreciate you very, very much. And have a great day today.

Moving on to Item No. 43, our Briefing Session, starting with Marty Jones. Good morning.

MR. JONES: Good morning, sir. Good morning, Trustees, Mr. Chairman, Mr. Puente. I'm Marty Jones, one of the Managers here for SAWS for the Vista Ridge Project. I want to give you a brief update and let you know where we're at on everything now.

So construction is moving along as planned. Garney has currently installed approximately 105 miles of the 142-mile pipeline. That's about 74 percent of the pipeline. The diagram here shows where they have completed the installation. The portion of the pipeline shown in red is all they have remaining. There are four crews installing pipe in different areas much, so that's why you see the gaps. They now have pipe installed in all seven of the counties we are crossing, so that's exciting. Garney is doing a great job. They are really moving fast, despite all the wet weather that we had. We've all been very impressed with their progress.

Well field construction up in Burleson County is also moving

Sample of Previous Transcription for a Board Meeting

along as planned. There are nine well sites in the well field. Each well site has two wells, one in the deeper Simsboro Aquifer and one in the shallow Carrizo Aquifer. The well drilling is complete for all 18 of the wells now, but they're still waiting on the pumps and the electrical gear. So, Garney is concentrating their construction efforts on the well pump foundation and the electrical building that you see here in the picture.

Construction for the nine well sites right now is about 20 percent complete. The seven miles of well field collection piping that connect all the well fields to the nearby High Service Pump Station is about 95 percent complete. All they really lack there is making the piping connections at the individual well sites.

Construction at the High Service Pump Station located right next to the well field is about 35 percent complete right now. This is where they collect all the groundwater and treat it to drinking water standards before they send it to us here in San Antonio. The site houses a four-million-gallon ground storage tank, disinfection facility, and a pump station with four 11 million-gallon per day pumps.

And then, this huge cooling tower that you see here in the bottom photo, the groundwater coming out of the well field is about 110 degrees Fahrenheit. And the project company is contractually obligated to deliver water at about 83 degrees. So, they're constructing this huge cooling tower that you see here to send all the groundwater through and they cool it down before delivery.

This thing is truly impressive. It's 300 feet long, 50 feet wide, and four stories tall. The photos really don't do it justice. It's worth the trip out there just to go and see this thing. It's really neat. As I mentioned, we're about 35 percent complete right now. Garney has completed construction of the

Sample of Previous Transcription for a Board Meeting

four-million-gallon ground storage tank and all the yard piping. They're currently working on the disinfection facility, the electrical buildings, the pump station foundation, and putting the finishing touches on the big cooling tower.

There are two booster pump stations along the pipeline that keep all the water moving towards San Antonio. We call these intermediate pump stations. Intermediate Pump Station 1 near Elgin, Texas, that's just above Bastrop, is about 25 percent complete right now. The site houses a four-million-gallon tank and four big pumps. Tank construction is complete and they're currently working on the electrical building and the pump station foundation there.

Intermediate Pump Station 2 is near Seguin, Texas. This is about 55 percent complete. It also houses a four-million-gallon tank and four pumps. The tank, electrical building, and pump station foundation are just about complete here. They're really just waiting on the pumps to be delivered and for the electrical gear.

Things are really picking up at the Terminus facility here in San Antonio that's located in the Stone Oak area. Lots of activity there. Garney has finished construction of their 10-million-gallon tank on the site that serves as the drop-off point for all of the Vista Ridge water here in San Antonio. They still have a little bit of buried piping and electrical to install there, but Garney is about 90 percent done with their work at this site.

This is the same site where SAWS is constructing the Agua Vista Station that will treat all the Vista Ridge water and make sure that it's compatible with the Edwards supply before we blend it into our system.

SAWS contractors are just about done constructing the second

Sample of Previous Transcription for a Board Meeting

10-million-gallon tank on this site. They're currently trenching for all the buried piping and the electrical that are required there. SAWS improvements at the site include calcium addition facilities, pressure filters, disinfection and fluoride facilities, and solids handling facilities. There will also be four pumps at the site to move Vista Ridge water into the SAWS Stone Oak area. Construction for the Terminus site as a whole is about 10 percent complete right now.

So, as you know, SAWS is also responsible for getting the electrical service to all of the Vista Ridge facilities. We came to you for approval of several payments to the electrical service providers during the year last year. Construction for the electrical service is well underway for all the different facilities right now. Bluebonnet Electrical Co-Op in Bastrop is installing electrical service to the High Service Pump Station, the well field, and Intermediate Pump Station 1.

Service to the well field is about 10 percent complete right now. It should be done some time this summer. Service to the High Service Pump Station is about 70 percent complete. It should be completed this spring. And then, service to Intermediate Pump Station 1 near Elgin is about 60 percent complete. It will also be completed some time in the spring.

GVEC in the Schertz area is constructing the electrical service for Intermediate Pump Station 2. Service there is about 60 percent complete. It should also be done in the Spring of this year. And then, SAWS is also working with CPS Energy to get power to the Terminus Site here in San Antonio. Construction of that service is about 50 percent complete, and it should be done some time this summer.

So, that kind of wraps up the construction update. We have all

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accomplished a lot in 2018 but there is still a lot to do. We are going to be working very closely with the project company this coming year, a lot of coordination between SAWS and the project company. We'd like to share with you some of the key things that we're going to be working on. With regards to construction, the project company plans to be substantially complete with the Vista Ridge pipeline and all of their facilities this summer so that they can start doing some testing on their system.

The project company would like to start delivering some water to SAWS in December so that both SAWS and the project company can do some testing together in preparation for the big performance test that's going to take place in January of 2020. That's when the project company will actually operate their system at full capacity for a few weeks to achieve acceptance of the system.

So, obviously the main focus to SAWS will be getting all of the integration components constructed and tested so that we can accept this water in December and so that we can integrate the water that we're going to receive during the performance test into our system.

Operating Protocol. The project company will be working closely with SAWS to develop this protocol that will basically serve as the guide for the day-to-day operations, maintenance, and communication between the project company and SAWS once we are up and running. Project company is currently working on the first draft for this and we expect to see that in a month or so.

Start-up and Commissioning Plan. SAWS and the project company will be working together on a plan that will outline the procedures and the responsibilities for both parties for the activities that are going to take place during the performance testing in January of 2020 and for the formal start-up of the system

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that's scheduled for April of 2020. SAWS is already working on this internally and meetings with the project company are currently scheduled for this coming spring.

Water Made Available. This is the accounting system that SAWS is developing for tracking the water supply and delivery to make sure that everything aligns with the WTPA requirements. We had several meetings with the project company on this and plan to have it all wrapped up a little bit later this year.

O&M Budget Panel. In the coming months, both SAWS and the project the company will be selecting panelists for the Vista Ridge O&M Budget Panel. This is a five-member panel that will be meeting monthly once we're up and running to review the efficiency and the cost for the Vista Ridge supply system. We will be coming to you for approval of our selected member in the coming months.

And then lastly, as part of our obligations to provide electrical service for all of Vista Ridge facilities, we're going to be working with the electrical service providers to bring power to the Cathodic Protection Equipment that the project company is installing all along the 142-mile pipeline. This equipment basically provides a very low voltage electrical charge to the steel components of the buried pipeline to protect it from corrosion.

So, we're going to be working with the electrical service provider to get power to 48 different Cathodic Protection stations that are located along the pipeline. So, we will be coming to you in the coming months for approval for funds to pay for the construction of this electrical service to this equipment.

That kind of wraps up the look ahead. These are just some of the things that we're going to be working on this year. And we will make sure to keep you up to date on our progress in the future of Vista Ridge update meetings.

Sample of Previous Transcription for a Board Meeting

CHAIRMAN GUERRA: Thank you very much. MR.

JONES: You're welcome.

CHAIRMAN GUERRA: Any questions for Marty? Yes, sir.

MR. PARRA: Marty, I think that was a great presentation.

Thank you. I don't know if you have this number but maybe if you don't have it today, next time. So, the Cathodic Protection, how long will it extend the life of the pipeline?

MR. JONES: Not real sure how long it will extend the life. We are going with an impressed current Cathodic Protection System. Typically, well, not typically but in some cases you can just install what are called buried sacrificial anodes that basically will take the brunt of the corrosion for the buried pipeline and they basically diminish, and then you replace them over time. Project company did an evaluation and found that it was going to take an enormous amount of anodes for this big pipeline, I mean, this is a monster.

So, what they decided to do was to put this impressed current system in that would replace the electrons that than anodes lose and keep them from corroding so fast. They still will deteriorate over time but there are far, far fewer anodes to replace and they will last a lot longer.

I don't have the numbers. I'm not exactly sure how much longer but the electrical usage for this impressed current system is very, very low. And in the long-run, this will definitely pay for itself.

MR. PARRA: Thank you.

CHAIRMAN GUERRA: Ms. Hardberger?

MS. HARDBERGER: Apologies if you said this but on the O&M

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appointee that you talked about, what are the parameters? Is that somebody from SAWS? Is that somebody from the outside community? What is it that you are looking for, for participation?

MR. JONES: Actually, I do have a slide on that.

MS. HARDBERGER: Oh, sorry. I missed that.

MR. JONES: It was in the background. So, basically here is -- the qualifications for this is it's going to be a senior industry expert.

MS. HARDBERGER: Which industry is that? I'm sorry. Construction or water?

MR. JONES: In the water field. Then need to have knowledge of Operations and Maintenance. We are not exactly sure who we're going to get. There are some really tough qualifications in the WTPA right now, but there is a little flexibility built into the WTPA that if both parties agree on the appointees, that maybe we can relax the qualifications that are listed in the WTPA a little bit. We are going to select one member, the project company will select one member. And then, those members will select the third and fourth members. And then, those four members will select the chair.

So, we are currently doing some evaluation in trying to determine who might we want to serve on this panel. And then, we will look at the qualifications, I guess, and see, you know, see what we can do, see if the project company will agree to the people that we select.

MS. HARDBERGER: And then, in terms of that slate that you're talking about because it does sound like a very narrow.

MR. JONES: It is.

Sample of Previous Transcription for a Board Meeting

MS. HARDBERGER: Is that something that you guys are just sort of coming up with based on who you know? Is there any kind of testing or way to distribute?

MR. JONES: Yeah. We're just kind of kicking it around right now, just people that we think would do a really good job that have some experience with Operations, a little bit of Engineering experience, some experience with Maintenance. So, you can review the costs that's being submitted and know and understand what it is that you're looking at with regards to pump repair and some of the regular maintenance that they're going to see come across on a regular basis.

MS. HARDBERGER: Yeah. I don't know how this would work but it might not be helpful, but it might be helpful to figure out some sort of job posting, per se, but some sort of distribution of request because it is so narrow, there might be folks that you're not thinking of that may be out there.

MR. JONES: Oh, absolutely sure.

MS. HARDBERGER: I don't know. It might be unrealistic. It might be, you know, look, we do know because it is so few of these, but I do want to make sure that -- I mean, that's a pretty important position, so we want to have the most options possible because the people that are volunteers aren't a good fit but they might be.

MR. JONES: Agreed.

CHAIRMAN GUERRA: Thank you, Amy. Any other comments or questions? All right. Thank you very much, Marty.

MR. JONES: All right. Thank you.

CHAIRMAN GUERRA: Next, we have Donovan Burton. Good

Sample of Previous Transcription for a Board Meeting

morning.

MR. BURTON: Good morning, Mr. Chairman and Board Members. I'll be very quick. I had a long presentation ready to go for this legislative thing. I think we're going to push some of that off until next month.

So, just very briefly on Legislative Session, they are up and running. Everything is running great. Today is the Inauguration. You might have time to still get there, maybe not but a fun day in Austin. So far, we've had about 1,200 bills filed. We are tracking about 90 of them, so, we're full speed ahead. They've got a lot more bills that will be filed up until the March deadline, so we'll be watching that. They still don't have committees assigned. Today is the day that House Members will submit their preferences cards of the committees that they want to be on. And then, the Speaker will go through a process of determining who is going to be on what committee, and the same on the Senate side.

So, all that's still moving. No updates on committee assignments. House will probably be towards the end of January. Senate usually gets going a little bit quicker on that, so we should see something in the next week or so.

The only change on committees is on the Senate side. There was what was called the Agricultural Water and Rural Affairs Committee. They have split off, Agriculture has it's own committee. And so, now the water committee is called Water and Rural Affairs together. So, similar, not a big change but they did at least split some of that. So, we will see if some of those members want to go onto the agriculture side or stay with water.

Sample of Previous Transcription for a Board Meeting

Otherwise, we have seen lots of bills on all sorts of different topics. Imminent domain is going to be a big one again that we talked about before. On the water side, we have had three or four bills filed on ASR, flooding, and storage of various types of water, again surface water, also an Edwards Aquifer Storage Recovery bill by New Braunfels.

A few Disaster Notification and Funds bills. We've had a couple of environmental permitting bills, and then we've also had our bills, some of our bills filed. So, the Export Bill that we have talked about, that's actually been filed in two different locations. Representative Ashby has filed the direct bill and Representative Larson has filed another bill overhauling groundwater permitting general and it has our component in there.

So, the Export Bill has already been filed in two different locations. And the Brackish Bill, again, Representative Larson filed a number of brackish bills. He's very focused on brackish. And the bill that we've been pushing on brackish is also a part of that. So, a couple of our bills, and I say ours, not only SAWS, they're two different EPA type bills but a lot of people invest.

Anyway, things are up and moving. Again, you have the Chamber of Commerce Viva deal which is on the 5th of March. I think that's one of our Board Meetings. So, if you wanted to go up in the afternoon, there certainly are opportunities for that as well.

That's all I have, Mr. Chairman. The other thing I was going to mention, as you know, Justin Rodriguez moved on to the County Commissioners Court. And deadline for filing was yesterday. Five candidates applied for that position, so we will see a Special Election to fill Justin Rodriguez's seat in February.

Sample of Previous Transcription for a Board Meeting

And he was our Bexar County Appropriation Member. That's all.

CHAIRMAN GUERRA: Very good. So, there were five candidates that filed for that position as a State Representative to replace Justin?

MR. BURTON: Justin Rodriguez. That's Ray Lopez and former City Council Member Art Reyna, Former Member, some others, one Republican and four Democrats have filed.

CHAIRMAN GUERRA: Keep us posted on that, Donovan, if you don't mind. Questions?

MR. BURTON: Yes.

MS. HARDBERGER: Any indication on who the Chair might be for the Water and Rural Committee?

MR. BURTON: No. On the Senate side?

MS. HARDBERGER: Uh-huh. They're going to split off.

MR. BURTON: I don't know yet but I know -- I think it will probably be Senator Perry, Charles Perry from Lubbock. He certainly has shown interest.

MS. HARDBERGER: You don't think he will move to Ag?

MR. BURTON: No, I think he will be on the Water side.

CHAIRMAN GUERRA: Any other comments or questions for Donovan? Yes, sir.

MR. PUENTE: Mr. Chairman, he mentioned two candidates. There is a third candidate. And I'm sure Pat Jasso would want to mention her name since he mentioned two of the candidates' names.

CHAIRMAN GUERRA: Yes, ma'am.

Sample of Previous Transcription for a Board Meeting

MS. JASSO: Coda Rayo Garza. Election is February 12th, Early Voting is January 28th.

CHAIRMAN GUERRA: All right, Donovan. Let's get it straight, brother. Thank you, Donovan. We'll move on to Item 44. Robert?

MR. PUENTE: Mr. Chairman, I'm going to ask that you pull this item. This is a legislative and legal history of the Edwards aquifer. It is coming to us from some of the questions that Trustee Hardberger asked last meeting about Chapter 36 and the Aquifer Authority. And then, Pat has also asked some questions about it but the more as we were putting the presentation together, just more and more information was coming in.

And it's just a great story to tell. And it's such a great story to tell, that I wanted the Mayor and David McGee to be here to hear this story but for an example of what has happened, Items 35 through 38 where this Board appropriated over \$5 million for leak repair. This is money that's actually coming from the Edwards Aquifer Authority, part of an \$18 million contribution that they're making to SAWS to fix leaks in our system. That actually helps SAWS because someone else is paying for our leak repair, but it also helps the Edwards Aquifer Authority because under the EARIP, which is the Habitat Rehabilitation Program, they are obligated to implement some water conservation programs. And that's what they chose to do is to help us out with our leak repair.

So, these things that come up in the creation of the Edwards Aquifer Authority because of legislation that was created to -- that was passed to create them is something that I want to talk to the whole membership about, the whole SAWS membership about. And that's why I'm asking that we pull this

Sample of Previous Transcription for a Board Meeting

particular item.

CHAIRMAN GUERRA: So noted. We will pull it until the next meeting. Thank you, Mr. President. We will move on to Item No.45. Do any of the Trustees have any topics they would like a future briefing or follow-up action on? Hearing none, we will move to Executive Session, Item No. 47.

So, the Regular Session of the January 15, 2019 Regular Board Meeting is hereby recessed to hold an Executive Session and discuss the matters listed pursuant to Section 551.071 of the Texas Open Meetings Act. We stand recessed.

(Executive Session at 10:10 a.m.)

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STATE OF TEXAS)

COUNTY OF BEXAR)

I, BARBARA DURAND-HOLLIS, Certified Shorthand Reporter, in and for the State of Texas, do hereby certify that the above and foregoing pages contain and constitute a true and correct transcription of the Meeting of the San Antonio Water System Board of Trustees, taken January 15, 2019, all of which occurred at the San Antonio Water System Administrative Offices, 2800 U.S. 281 North, Sixth Floor Board Room #609, San Antonio, Texas, and were reported by me.

TO WHICH I CERTIFY on this, the 28th day of January, 2019.

/s/ Barbara Durand-Hollis
BARBARA DURAND-HOLLIS, CSR, RPR
The State of Texas

CSR No. 2349 - Expires 12-31-19
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