

**Citizens Advisory Panel
August 8, 2006
Meeting Summary**

Attendance:

Howard Peak	Ben Youngblood	Andy Johnston
Gene Dawson Jr.	Steven Schauer	
Orlando Cisneros	Dr. Ed Roy	
Dave Barton	Dr. Weldon Hammond	
Jerry Green	Marianne Kestenbaum	
Rene Cortez	Eiginio Rodriguez	Eddie Gonzalez
Richard Araujo	Luci Cockrell	Nettie Hinton
Joe Fulton	Evelyn Bonavita	
Tony Navarrete	Gerald Mullin	

Excused:

Absent:

Jack C. Jordan

SAWS Staff:

Calvin Finch	Janelle Okorie
Michelle Eisenhauer	Rene Gonzalez
Joseph Rippole	Darren Thompson
Charles Ahrens	Mario Aguilar
Debra Nichols	Lyn Pitman
Kenneth Brooks	

Board Member:

Doug Leonhard	Alex Briseño
Michael Lackey	Roberto Anguiano

Call to Order

The meeting was called to order by Mr. Howard Peak at 6:05 p.m.

Approval of Minutes

Mr. Peak asked if there were any changes to the minutes. Mr. Cisneros moved to approve the minutes, and Ms. Cockrell second the motion. The minutes were approved for the May 9th meeting.

Water Resource Committee Update (Open Discussion)

Mr. Finch asked Marianne Kestenbaum to give the committee an update on the CCC-CAP sub-committee on the surcharge. Ms. Kestenbaum discussed the different restrictions the committee has talked about and the timing of the restrictions. She also discussed the concern of City Council that SAWS will become too aggressive, so the committee is trying to make the best decisions to make sure that they are fair and equitable for all SAWS users. Mr. Youngblood asked about the current steps in supply reduction from the Edwards. Mr. Finch provided the stages and the steps in reduction of supply for each stage. Mr. Peak asked how enforcement was coming along. Mr. Finch said that topic was another debate that the sub-committee is looking at. Ms. Okorie explained the System is receiving approximately 4500 water waste calls a day, and that temporary staff was doubled to meet the demand of the additional calls. Mr. Dawson asked if SAWS was bumping up against its permit at this time since we have to reduce our demand by 5% because of Stage 1. Mr. Finch stated SAWS feels comfortable this year with the adequacy of our water supply. Mr. Finch talked about the reserves that SAWS has like ASR. Mr. Youngblood asked at what J-17 level will SAWS start to utilize stored Edwards from ASR. Mr.

Finch stated that it depends on whether we need to use it this year or not. If J-17 was to get near stage II there would be a good possibility that we would implement the return of water from the facility. Mr. Finch asked Ms. Okorie if she had any comments that she would like to add on the topic. Ms. Okorie stated the policy that SAWS has in place at this time is a tentative use as a long term reserve supply option. She added that SAWS has roughly 25,000 ac/ft stored to date, which equates to 9 months of supply. The intent is to forecast out the drought to see what it is going to look like from the severity of the drought. Mr. Dawson asked what the July pumpage was for SAWS, how many ac/ft does SAWS utilize. Mr. Finch stated that our goal is to average under 200 million gallons a day. Mr. Dawson then commented that if ASR has the capacity to pump up to 10 percent of our monthly demand it would appear if we bumped up to our EAA permit and we were required to take a 10 percent reduction then ASR should be able to meet our demand. Mr. Finch then introduced the new chairman of the Board of Trustees Mr. Briseño. Mr. Briseño gave a short speech thanking the CAP for their efforts. He discussed the roles of the board, staff and of the CEO on how to conduct SAWS business. Mr. Briseño briefed the CAP on the Strategic Workshop and how the mission statement had been revised to meet the current and future responsibilities of SAWS. He said the new mission statement was “Proudly Serving our Customers and Helping Communities Flourish with Plentiful Quality Affordable Water Services.” He thanked everyone for their continued participation and stated that the committee was composed of a very impressive group and that he looks forward to working with them in the future. Mr. Peak moved the meeting back to the finalization of the LCRA Benchmarking. Mr. Finch asked Dr. Roy to moderate the open discussion as he had in the past meetings.

LCRA Benchmarking Review (Open Discussion)

Dr. Roy read the conclusion for question #1 of the document and asked the committee if they had any new comments. Mr. Rodriguez asked if there needed to be a comment that specifies this project has a temporary yield. Mr. Youngblood asked if his comment referred to the temporary nature of the project. Mr. Dawson stated that issue is declared in one of the concluding comments. With no further comments Dr. Roy proceeded to the conclusion for question #2.

Comments on Conclusion for question 2: Mr. Rodriguez asked if the construction for the project was being overseen by SAWS or LCRA. Mr. Rippole stated that LCRA has to develop a river management plan that encompasses all of the areas that will be affected by the project. He added that LCRA is already looking at how they will manage the river system as this project comes online. Ms. Bonavita asked if the Board has discussed if the amount of the water is closer to 150,000 ac/ft rather than 50,000 ac/ft. Mr. Finch stated that topic is one of the issues that we have to keep on top of and answer it as we get more information. Dr. Roy asked the committee to look at bullets 2 and 3 and stated that the staff and the Board need to be aware of each of the aspects of the studies to be sure that SAWS will get what we have anticipated from the beginning. And that SAWS really needs to re-negotiate to ensure that SAWS has a stronger voice and gets what they expect. Mr. Youngblood wanted the comments to state that as of May 2006 a number of fatal flaws have been identified, but currently the research to date is inconclusive at this time. Mr. Dawson reminded the committee that the topic was specific to the down stream users and the citizens of the LCRA area, and that there does not seem to be opposition in the region. Ms. Bonavita stated that there has been opposition in the region that has concerns with the off channel storage facilities. Mr. Green stated that the benchmarking is highly critical of the cost of the project, but that the positives should also be incorporated into the document before the recommendations go to the Board of Trustees. Mr. Dawson wanted to

remind the committee that the issues that Mr. Green has been talking about are included in the committee statement for question number 11. Dr. Roy reminded the committee that this is a long term project. A year from now the committee would probably be benchmarking the project again with new information to take into consideration. Mr. Youngblood wanted the conclusion to include that there are firm yield issues, and environmental issues which are just as important as cost. Mr. Dawson stated that the conclusion pertains to the specific question where does the project rank compared to other projects. So compared to other projects the committee thinks it should have a fail safe range so it does not get out of the scope of financial possibilities. Mr. Peak commented the knowledge of firm yield, total cost and potential demand, the committee has to get past those concerns and let the answers come to the questions that the committee has posed to the concerns that they have raised. Mr. Dawson asked Mr. Rippole if there were benchmarks already built into the 10 year study plan. Mr. Rippole stated that LCRA lays out their tasks by phase, and each phase is based on the previous phase. The milestones we have are the timelines that the studies will be completed and when the permit activity will be submitted to the COE. Ms Bonavita mentioned that LCRA does provide a project viability assessment. Dr. Roy stated that the committee should make it known that their input is guidance for staff and the Board. He added that staff is in the best position to make the determination when this project needs to be re-benchmarked by the committee. Mr. Peak affirmed that the committee should go thru the rest of the document, but the committee should understand that this is not the end of this project and to make sure all of the concerns are represented in the document. The committee discussed the possibility of including fatal flaw language for this conclusion. With no further comments Dr. Roy proceeded to the conclusion for question #3.

Comments on Conclusion for question 3: Mr. Green felt that an attachment needed to be included that reflected costs and determined timelines for the project. Mr. Dawson reminded the committee that Mr. Rippole had provided all of that information in the last presentation that he had given. Mr. Rodriguez asked if the mission statement needed to be included into the document. Mr. Dawson stated that the mission statement if included should probably be placed in the executive summary and not under a bullet point in the middle of the document. With no further comments Dr. Roy proceeded to the conclusion for question #4.

Comments on Conclusion for question 4: Mr. Green had concerns with the fact that 1992 and not 2006 would be the benchmark for the quality of the river. Mr. Finch replied that SAWS should not be responsible for conditions before somebody else changed them unless we know exactly what is happening and why we are making a conscious decision to go back to those conditions. Mr. Youngblood stated that it should be a go-no-go if our increment so degrades the bay that it is environmentally unsound it doesn't matter if we want to mitigate it or not the project is not a go. So he does not think it makes sense to say that SAWS is only responsible for the effects after 1992. Mr. Dawson feels that a lot of what is in this benchmark helps staff as they deal with LCRA and the re-negotiations since they are already raising questions that are costing money for the citizens of San Antonio. With no further comments Dr. Roy proceeded to the conclusion for question #5.

Comments on Conclusion for question 5: Mr. Rodriguez asked about the taste of the water that will come from the project. Mr. Finch stated that the taste will be comparable to the existing water sources that SAWS distributes. Dr. Roy agreed with Mr. Dawson. With no further comments Dr. Roy proceeded to the conclusion for question #6.

Comments on Conclusion for question 6: Mr. Youngblood stated that we might want to add that there won't be any long-term aquifer mining. With all of the committee members agreeing, Dr. Roy proceeded to the conclusion for question #7.

Comments on Conclusion for question 7: With no comments from the committee, Dr. Roy proceeded to the conclusion for question #8.

Comments on Conclusion for question 8: Mr. Green asked if the committee is benchmarking as of August, is the committee saying that 80 year issue has to be resolved before the committee recommends to the Board in order to move forward with this project. Mr. Dawson replied that the committee is identifying the many issues that concern the committee. Mr. Youngblood wanted the statement to say that the project could provide more water than is needed. With no comments from the committee, Dr. Roy proceeded to the conclusion for question #9.

Comments on Conclusion for question 9: Mr. Youngblood wanted the comment to say "may provide water." With no comments from the committee, Dr. Roy proceeded to the conclusion for question #10.

Comments on Conclusion for question 10: No New Comments. Dr. Roy proceeded to the conclusion for question #11.

Comments on Conclusion for question 11: Mr. Youngblood wanted to change "neighborhoods with geographical areas will accept integration." Mr. Peak wanted the grammatical change of "insure to ensure." Ms. Bonavita agreed. With no comments from the committee, Dr. Roy proceeded to the conclusion for question #12.

Comments on Conclusion for questions 12a: For 12a, Mr. Youngblood stated that the social-economic study mentioned in #4 should be moved to this section.

Comments on Conclusion for questions 12b: No New Comments. Dr. Roy proceeded to the conclusion for question #12c.

Comments on Conclusion for questions 12c: Mr. Green said that there should be a clarification of the cost per ac/ft in this section. Mr. Rippole stated the ac/ft cost does not change and it is based on the max 150,000 ac/ft contract amount. He added if the yield changes to 50,000 then the factors change in the equation and the total would have to be re-evaluated to determine the actual ac/ft cost. Mr. Youngblood did not think that was an unfair requirement, he felt that it was worth having out there for people to look at to determine if the project is a go-no-go. Mr. Finch stated that it is not automatic that a smaller project would be more expensive. When you look at the off channel reservoirs the cost increases exponentially as they get larger. Mr. Youngblood stated he felt that difference needed to be identified. Mr. Green agreed. With no comments from the committee, Dr. Roy proceeded to the conclusion for question #12d.

Comments on Conclusion for questions 12d: Mr. Youngblood stated the ratepayers deserved a better understanding on how much their rates will be in the future by approving this project. He

added prior to a commitment to the project the effect to the rates be calculated and made public. With no comments from the committee, Dr. Roy proceeded to the conclusion for question #12e.

Comments on Conclusion for questions 12e: Mr. Cortez asked if the studies would be completed by 2010. Mr. Rippole replied the studies would be completed by 2008. He added that the water right, groundwater and the 404 permits need to be approved and received by February 2010. With no comments from the committee, Dr. Roy proceeded to the conclusion for question #13.

Comments on Conclusion for question 13: Mr. Peak asked if we anticipate or if there is a possibility to move forward with the project, what is the plan for the excess water that would be available from the project. Mr. Rippole replied that SAWS is looking at how much to buy. Based on cost how to allocate into the system or use it for the 2005 Water Resource Plan Update. Mr. Peak just wanted to make sure the System was not going to get stuck with the excess water. Mr. Naverrete asked if there should be other factors emphasized other than cost. Mr. Youngblood replied staff had provided a report on cost and risk analysis which ranked all the projects based on those issues.

Citizens to be Heard

No Citizens signed up to be heard.

Schedule Next Meeting: September 12, 2006.

Adjournment: With no further business to discuss, the Citizens Advisory Panel Meeting was adjourned at 8:33 p.m., by Mr. Howard Peak.