

**MINUTES**  
**MEETING OF THE SAN ANTONIO WATER SYSTEM**  
**CAPITAL IMPROVEMENTS ADVISORY COMMITTEE**  
**Wednesday, February 21, 2018**  
**9:00 A.M.**

**SAN ANTONIO WATER SYSTEM**  
**ADMINISTRATION BUILDING**  
**EXECUTIVE CONFERENCE ROOM A-695**

**1. Meeting called to order.**

The regular meeting of the Capital Improvements Advisory Committee (CIAC) was called to order at 9:12 a.m. on Wednesday, February 21st, 2018 by Dan Kossl, Chairman, Capital Improvements Advisory Committee.

**Committee Members Present:**

Arlene Fisher, District 1  
Susan Wright, District 2  
Michael Cude, District 4  
Michael Hogan, District 6  
Fred Rangel, District 7  
Amy Hardberger, District 8  
Michael Moore, District 9  
Dan Kossl, District 10  
Stephen Colley, Mayor/ETJ

**Committee Members Not Present:**

Debra Ann Guerrero, District 3  
Henry Reyes, District 5

**SAWS Staff Members Present:**

Andrea Beymer, Vice-President, Engineering and Construction  
Mary Bailey, Vice-President, Business Planning and Controller  
Sam Mills, Director, Special Projects  
Keith Martin, Corporate Counsel  
Lou Lendman, Manager, Budget  
Mark Schnur, Senior Resource Analyst  
Jackie Kneupper, Planner III  
Patrick Middleton, Planner II  
Tracey Lehmann, Interim Director, Development  
Darren Thompson, Director, Water Resources  
Adam Conner, Planner IV  
Rene Gonzalez, Planner III  
Donovan Burton, Vice-President, Water Resources & Governmental Relations  
Stacey Isenberg, Chief, Internal Audit

Antonio Ramsey, Internal Auditor

**Other Representatives Present:**

Theodore Sims, COSA

Jeff Pullin, COSA

Jim Koenig

Garland Scott

Brandon Bradley, CCMA

**2. Citizens To Be Heard**

There were no citizens to be heard.

**3. Approval of the minutes of the CIAC regular meeting of August 9, 2017**

The committee approved the August 9, 2017 minutes.

**4. Briefing and deliberation on the status of impact fee related projects and impact fees collected and spent**

Mr. Mills presented a report on the status of the Capital Improvements Program, and the status of impact fee funds and projects. At the request of the CIAC this presentation included a table showing what was collected versus what was committed annually by impact fee component. Mr. Kossl asked Mr. Mills to clarify what is meant by commitment. Commitment describes projects that are taken to the Board for approval, and which have some growth component to them. Ms. Hardberger asked for clarification on the dollar amount collected in 2014 under the "Flow" category. Specifically, was the \$107,898.10 the impact fee eligible amount, or the total collected? Mr. Mills explained that this was the total amount committed to projects which had a Flow component to them in 2014, and impact fees would not necessarily be used to pay the total amount. Furthermore, this amount could reflect additional money that was requested from the Board for projects which were exercised in previous years, or inversely could reflect projects that had deductions in cost, (represented by negative numbers), such as the SAWS desalination plant. Mr. Hogan asked if the approximately 50 million dollar gap between the amount collected in 2014 and the amount committed in 2014 was all due to timing in project scheduling. Mr. Mills affirmed that it is mainly due to timing of scheduling. Mr. Mills added that every project built has three components: existing customers, ten years growth, and post ten years growth. Because the planning process is using a 25 year horizon, only a small share will fall in the ten year window. Mr. Colley asked for clarification on the negative numbers in the chart. Specifically, the 2017 Water Supply fee of negative \$6,087,181.39, and whether the money left in that gap is allowed to go to another area of the CIP? Ms. Bailey explained that generally funds in excess of what the Board originally approved would be returned to the R&R fund to be used for other projects. However, fees collected in the Water Supply component would only be able to be used for Water Supply related projects. Some fees collected, such as collection or treatment, have the ability to cross categories, but most must stay within the same category. Mr. Moore asked if Water Supply included distribution projects. Ms. Bailey responded no, this category only includes the development of new water supplies and the infrastructure associated. Mr. Cude asked if the next impact fee update will occur earlier than the 2019 to 2028 timeframe mentioned

in the report. Mr. Mills responded that the impact fee study would begin in the coming months. Mr. Mills explained that SAWS staff will be providing the consultant with the Capital Improvements Plan, the Land Use Assumption Plan (LUAP), and the definition of an EDU in order to allow the consultant to calculate the impact fee.

Mr. Mills presented a graph showing the LUAP versus actual EDUs added to the system since 2006. Mr. Kossel asked if the numbers presented on the graph represented actual meters set, or commitments made through utility service agreements. Mr. Lehmann explained that these numbers represent permits issued and "closed out". Meaning that, yes, these meters are operational. Mr. Moore asked what the EDU proportions of single family residential, multifamily residential, commercial and industrial are. Mr. Lehmann responded that those numbers are not available on hand. Mr. Mills commented that these numbers will be evaluated in the coming CIAC meetings. Mr. Lehmann clarified that the EDU count is artificially high for 2015 due to a change in work process software. A back log of permits from previous years remained "open" in SAWS Construction Inspections. When this backlog was remedied it attributed projects from previous years to 2015, thus inflating the number of actual EDUs added to the SAWS system for that year.

Mr. Hogan asked if there was a way to determine if the EDU allocation per meter size reflects actual water used accurately. Mr. Mills replied that this was done in the 2006 impact fee study, when an analysis was performed on the usage of all meter sizes. The result of this was increasing the 3/4" meter to 1.5 EDUs, and apartments were reduced to 0.5 EDU per apartment. Overall, the aggregate usage of the meter table was deemed accurate. Mr. Mills added this year's study will examine the EDU from a total production perspective to determine if the 313 gallons per EDU per day for water and 240 gallons per EDU per day for sewer remains accurate.

Mr. Mills ended the presentation with the proposed schedule of the upcoming impact fee update.

**All meeting presentation materials can be found on the SAWS website:**

[http://www.saws.org/business\\_center/developer/ImpactFees/meetings.cfm](http://www.saws.org/business_center/developer/ImpactFees/meetings.cfm)

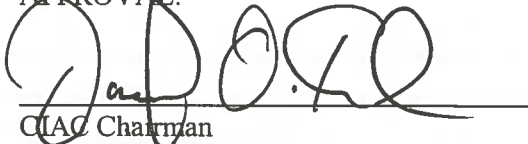
**5. Briefing and deliberation on the SAWS Water Management Plan**

Mr. Darren Thompson, Director, Water Resources, delivered a presentation on the SAWS 2017 Water Management Plan.

**6. Adjournment**

The committee agreed to meet on June 13, 2018 at 9:00 a.m. The meeting was adjourned at 10:40 a.m.

APPROVAL:



CIAC Chairman