

**MINUTES**  
**MEETING OF THE SAN ANTONIO WATER SYSTEM**  
**CAPITAL IMPROVEMENTS ADVISORY COMMITTEE**  
**Wednesday, October 13, 2010**  
**8:30 A.M.**

**SAN ANTONIO WATER SYSTEM**  
**CUSTOMER CENTER BUILDING**  
**ROOM 137**

**1. Meeting called to order.**

The regular meeting of the Capital Improvements Advisory Committee (CIAC) was called to order at 8:37 a.m. on Wednesday, June 30, 2010 by Dan Kossl, Chairman, Capital Improvements Advisory Committee.

**Committee Members Present:**

Felix Alvarez, district 1  
Michael Cude, District 4  
Michael Martinez, District 5  
Michael Hogan, District 6  
Robert Hahn, District 7  
Mark Johnson, District 8  
Keith Pyron, District 9  
Dan Kossl, District 10

**Committee Members Not Present:**

Susan Wright, District 2  
Jose Limon, District 3

**SAWS Staff Members Present:**

Kelley Neumann, Sr. Vice President of Strategic Resources  
Sam Mills, Director, Infrastructure Planning Dept.  
Dan Crowley, Director of Financial Planning  
Kat Price, Manager, Engineering  
Keith Martin, Corporate Counsel  
Lance Freeman, Planner IV  
Felipe Martinez, Planner  
Dwayne Rathburn, Manager of Program Planning  
Mark Schnur, Planner IV  
Tom Cunanan, Project Engineer

Alla Korotshevsky, Graduate Engineer II  
Samuel Johnson, Graduate Engineer II  
Darren Thompson, Manager, Water Resources  
Allison Greer, Manager, Intergovernmental Relations  
Byron Gipson, Coordinator, Intergovernmental Relations

**Other Representatives Present:**

Morris Harris, City of San Antonio  
Alfred Chang, City of San Antonio  
Susan Matthews, BexarMet  
Brad Regnier, BexarMet  
Gabriel Garcia, Asst City Attorney  
Jeff Pullin, COSA  
Jennifer Ivey, Red Oak Consulting  
Rick Giardina, Red Oak Consulting  
Susan Zachos, Red Oak Consulting

**2. Citizens To Be Heard**

There were no citizens to be heard.

**3. Approval of the minutes of the CIAC regular meeting of June 30, 2010.**

Keith Pyron made the motion to approve the minutes from the June 30, 2010 meeting and Mike Martinez made the second. The motion passed.

**4. Briefing on SAWS Capital Improvements Plan and Maximum Impact Fees**

Mr. Rathburn began the briefing and stated that the previous three meetings had been postponed while SAWS staff and consultants worked on preparing the Capital Improvements Plan (CIP) and draft impact fee calculations. He stated that the plan and impact fees presented today were not the final product and that the briefing is designed as a high level overview. SAWS staff and the consultant will be prepared to go into as much detail as the committee desires in future meetings. He asked the committee to make a list of information requirements, and stated that the consultant will provide a draft report prior to the next committee meeting.

Mr. Rathburn introduced Jennifer Ivey and Rick Giardina with Red Oak Consulting. Mr. Giardina started the briefing by discussing the background and basic concepts of impact fees, stating that impact fees pay for growth and expansion of the utility's system. He also listed the financial assumptions used in preparing the proposed fees. Ms. Ivey continued the briefing, discussing the current and proposed impact fee service areas, the Land Use Assumptions Plan (LUAP), and the CIP.

The committee members asked questions about, and the staff and consultants discussed the change in impact fee service areas, the CIP numbers and impact fee eligible capacity, rate credits, the reasons for increase in the proposed impact fees, and comparison to other utilities. The committee Chairman stated that the proposed fees represent a substantial, serious increase. The committee requested more information on the COSA redevelopment plan, maps where growth is projected to occur, the CIP project cost estimates, CIP master plans, and how the existing infrastructure was valued. The Chairman asked that committee members e-mail him their additional questions and information requests, and he will then compile them and send to staff. Staff will provide the information either posted on SAWS' impact fee web site, e-mailed to committee members, or presented in future meetings.

**5. Discussion of the Next CIAC Meeting**

The committee agreed to meet next on November 5<sup>th</sup>, 2010, at 10:00 a.m.

**6. Adjournment**

The meeting was adjourned at 10:47 a.m.

APPROVAL:

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CIAC Chairman