

TO: Capital Improvements Advisory Committee

FROM: Jaclyn Kneupper, Planner III

DATE: July 6, 2015

SUBJECT: July 2016 Update

The purpose of this letter is to provide a summary of SAWS and DSP impact fee eligible Capital Improvement Projects .

SAWS owns and operates an infrastructure-intensive system comprised of treatment facilities, pumping stations, storage facilities, and pipelines that are continuously improved and expanded. The schedule for future investment in the water and wastewater system is known as the Capital Improvements Plan (CIP). Projects included in the CIP can serve to rehabilitate and renew the system, enhance the system to improve efficiency and meet regulatory requirements, increase the system capacity, or achieve a combination of these objectives. SAWS staff prepare and maintain a draft CIP that forecasts projects to be designed and/or constructed over the next five years. The draft five year CIP is used to develop current year CIP which is funded as part of the SAWS annual budget approved by the SAWS Board of Trustees. The 2016 funded CIPs is approximately \$260M. The 2017 to 2021 unfunded CIPs are approximately \$325M/year. The actual 2017 to 2021 CIPs are contingent upon future SAWS Board approval of the annual budgets, of which funding is likely to require rate increases that are contingent upon approval by the San Antonio City Council.

The portion of the CIP related to increasing the system capacity (Growth CIP) is defined by SAWS Water and Wastewater Master Plans. The Master Plans are developed to ensure adequate capacity for a 25 year planning period. The Master Plans are adjusted as needed by SAWS staff based on current development trends. In addition, the Master Plans are peer reviewed and updated by outside consultants approximately every five years. The current impact fee CIP relates to the Growth CIP between 2014 and 2023.

The San Antonio City Council approved the San Antonio Water System’s Land Use Assumptions Plan (LUAP), Capital Improvements Plan, and Maximum Impact Fees on May 27, 2014. The revised fees went into effect on June 9, 2014. The Water Supply impact fee was set at \$1,590 and increased to \$2,796 on June 1, 2015. The following table shows a summary of SAWS impact fees collected and total commitments for impact fee eligible projects from June 2014 through April 30, 2016. The District Special Project (DSP) impact fees are included in this table.

JUN 2014 – APR 2016	IF Collected	IF Commitments
Flow	\$ 30,395,830	\$ 429,788
System Development	12,947,589	30,191,592
Collection	28,710,437	25,435,149
Treatment	14,676,956	(885,498)
Water Supply	31,046,562	84,302,554
Total	\$ 117,777,374	\$ 139,473,585

The approved impact fees are meant to reimburse SAWS for costs associated with existing excess capacity and help fund infrastructure required to create new capacity. Since 1993, SAWS, including DSP, has collected \$535,404,907 and spent \$373,314,104 in impact fees through April 2016. SAWS is projected to spend another \$45.5 million on impact fee eligible jobs currently in process.

Beginning in 2015, in accordance with state law, SAWS has elected to “recoup” impact fees associated with the reimbursement for existing excess capacity and use those impact fees to fund capital projects not directly associated with providing additional capacity. These recouped impact fees thereby serve as a tool to minimize rate increases. Through April 2016, impact fee spending includes \$51,911,083 of recouped impact fees. Over the next 6 to 12 months, SAWS intends to recoup an additional \$38 million in impact fees to help fund other capital projects included in the current CIP.

SAWS is currently developing the 2017 operating budget and Capital Improvement Program. During that process, the availability of impact fees will be evaluated to determine the amount of impact fees utilized for the 2017 Capital Improvement Program.

The attached table shows the impact fee eligible projects with commitments from June 2014 through April 2016.

SAWS will update the impact fees again for the 2019-2028 timeframe, unless there is a need to update them sooner.

As identified as part of the City of San Antonio’s SA Tomorrow initiative, thirteen (13) growth areas across San Antonio have been identified as areas of the city that will experience major growth in the near future. The 13 SA Tomorrow growth areas were already included in SAWS’ LUAP and Growth CIP. SAWS will include the city’s updated population projections for the 13 growth areas in the next LUAP update.

Please feel free to contact SAWS staff at any time for information on CIP projects.

Flow	Commitments
Borgfeld Drive Phase 2 ROW	(147,744.71)
FM 1937 Phase 2	(574.76)
Purchase Pipe Inland Storage	(83.52)
Micron 48in Wtr Mn Ext to Andr	263,500.60
Hidden Springs Water Project	18,340.88
Dominion Fire Flow Improvement	7,639.46
Royal Oak Estates Unit 1	87,315.36
Redbird Ranch Reeves Lp Ph 2	33,074.00
Redbird Ranch Reeves Lp Ph 1	33,074.00
Public WTR MN EXT @ Chavaneaux	67,114.00
Redbird Ranch Unit 11A	17,859.96
AFTON OAKS WTR MN OVERSIZE	50,272.48
Total	429,787.75

System Development	Commitments
Zoeller Tank (General McMullen	10,162.94
Watson Tank (AKA Applewhite) (2.00
Culebra Tnk & PS aka Cnty Line	(492,116.45)
Anderson Pump Station Improvem	79,541.80
Indian Hills PZ 12 PS(IH10 BS)	2,634.24
Turtle Crk No3 Pump Stn	462,398.34
Naco PS Improvemnts PH8	307,905.05
DSP Swanson Fac 182	2,445,458.69
DSP New World GST and HSP	7,458,145.78
DSP Borgfeld Rd. 12-inch main	604,632.60
DSP TAMUS E/W Arterial Mn	868,076.76
Southeast Tank and Pump Stn	8,946,421.90
Southeast Tank and Pump Stn	5,548,631.30
Evans Rd 16&24 OS (Judson ISD)	2,000,824.73
McCoy Subdivision Unit 1	16,358.58
Artesia PS New Wells	93,906.71
DSP-Hill Country Village	90,159.46
DSP-Bitters Aspen Interconnect	65,169.97
DeZavala Storage Tank	2,891.00
Wtr Prd Fac Rehab Ph11-Wurzbch	1,680,386.08
Total	30,191,591.48

Collection	Commitments
Boerne Stage Rd. Sewer Partici	(37,198.05)
C-01 Sewer Relief Main (PFS)	415.63
Westover Hills Main Oversize	(1,552.74)
SBSP Legal & Constr Management	186,700.46
C-33 Brdwy Corridor: Carnahan	1,594,034.23
Far West Swr Relief Mn (FW-01)	(14,028.31)
W31:IH10 Boerne Stg-Old Frdrck	325,915.88
Lift Station Elimn Ph 2	500,034.33
WWRL - Upper Segment	197,959.88
W-6:Western Wtrshd SwrRifLn-P1	68,307.44
Lift Station Elimination Ph3	25,043.52
SW Bexar SWR Pipeline Seg 3	83,662.34
Cibolo Crk Swrshd Flw Divrsn	9,848,400.63

