

BYLAWS OF THE RATE ADVISORY COMMITTEE

ARTICLE I — NAME AND PURPOSE

Section 1 — Name: The name of the committee is the San Antonio Water System (SAWS) Rate Advisory Committee (RAC). The RAC is a special purpose advisory group to the SAWS Financial Services group and the SAWS Board of Trustees. The RAC is purely advisory in nature.

Section 2 — Purpose: The RAC will provide input to the Board of Trustees on a comprehensive study of SAWS rates and fees which SAWS will undertake beginning in 2019. The purpose of the Rate Design Study is to provide SAWS with recommendations regarding the rate structures for water, wastewater and recycled water services.

ARTICLE II – MEMBERSHIP

Section 1 — Membership and role: The RAC will review, discuss and analyze rates, fees and charges with the staff and the Board of Trustees. Appointment of members to the RAC shall be made by the SAWS Board of Trustees. Each RAC member represents a constituency and shall facilitate the flow of ideas and concerns from the community to SAWS staff and the Board of Trustees.

Section 2 – Eligibility for membership: Membership of the RAC shall be open to:

- Any individual nominated by a member of City Council
- Any ratepayer, resident, property owner, or business operator within the SAWS area
- Any individual that is a member of a business or civic association representing businesses or citizens operating or living within the SAWS area

Section 3 — Composition: Membership of the RAC should reflect a balanced representation of the greater San Antonio area. RAC members are selected from throughout the community. RAC membership should strive to reflect members from each of the following:

- City council districts within the SAWS service area
- Outside the San Antonio city limits within the SAWS service area
- Each water rate class, to include Affordability Program customers and high water use customers
- Neighborhood associations
- Multi-family residential customers
- Recycled water customers
- Major manufacturers, large businesses, small business, and land developers
- Professional planning, economic development, environmentalist and community advocate groups

Section 4 — Terms: RAC members will serve until the completion of the 2019 Cost of Service and Rate Design Study. RAC members will be eligible to serve no more than two consecutive terms. The SAWS Board of Trustees may reconsider a member who serves a total of two consecutive terms for an additional term after leaving the RAC for at least one term.

Section 5 — Nomination procedures: Each City Council member has the opportunity to nominate one RAC member. Additionally, SAWS staff will request nominations from community groups in an attempt to ensure that RAC members meet the composition goals outlined in Section 3. SAWS staff shall be responsible for recommending an official slate of prospective RAC members to the Board for consideration. The Board of Trustees may choose to appoint all, none, or some of the nominees.

Section 6 — Resignation, termination, and absences: Resignation from the RAC must be in writing and provided to the Chairperson of the RAC. A RAC member may be terminated by written notice from the Chairperson from the RAC due to three total absences from meetings in a year. A RAC member may also be removed for other reasons by a majority vote of the remaining RAC members.

Section 7 — Vacancies: When a vacancy on the RAC exists mid-term, SAWS staff may nominate a replacement to the Board of Trustees, who may approve the individual to serve out the term of the member creating the vacancy.

ARTICLE III — SELECTION OF CHAIRPERSON AND VICE-CHAIRPERSON

Section 1 — Selection and term of Chairperson: The Chairperson shall be nominated by the President/CEO and appointed by the SAWS Board of Trustees. The Chairperson will serve for the duration of the 2019 Cost of Service and Rate Design Study effort.

Section 2 — Chairperson Duties: Responsibilities include, but are not limited to, presiding over all RAC meetings; encouraging members to participate in discussions and to arrive at decisions in a timely and democratic manner; undertaking certain administrative duties, such as approving RAC agendas, draft minutes, proposed meeting venues, and dates. The Chairperson shall also serve as the principal spokesperson for the RAC, maintain communication with SAWS staff, and report on the RAC's progress to the Board of Trustees.

Section 3 — Selection and term of Vice Chairperson: The Vice Chairperson is to be selected from the general membership by the membership. The Vice Chairperson will serve for the duration of the 2019 Cost of Service and Rate Design Study effort.

Section 4 — Vice Chairperson Duties: The Vice Chairperson is responsible for assisting the Chairperson on all assigned tasks and fills in for the Chairperson when necessary.

ARTICLE IV — MEETINGS OF MEMBERS

Section 1 — Regular meetings: Over the course of the 2019 Cost of Service and Rate Design Study effort, it is anticipated that the RAC will meet approximately ten times between September 2019 and May 2020. The term of the RAC may be extended if circumstances require. The committee will work closely with the selected rate consultant and SAWS staff.

Section 2 — Special meetings: Special meetings of the RAC shall be called at the request of the chair or a majority of the RAC.

Section 3 — Notice of meetings: Printed notice of each meeting shall be given to each voting member, by mail, not less than one week prior to the meeting.

Section 4 – Meeting Agenda: SAWS staff shall draft meeting agendas for review and approval by the Chairperson. Any three members can request an item to be added to the agenda for a meeting agenda.

Section 5 — Quorum: More than half of the currently appointed membership must be present to constitute a quorum. A meeting may proceed without a quorum; however, no action may be taken without a quorum present.

Section 6 – Decision Making: There shall be an effort extended to achieve a consensus of members present for all issues that require decision making. It is particularly desirable for an issue to be resolved through consensus, but the Chairperson may decide to proceed with resolution of a given issue through a vote. If the Chairperson deems that a vote is necessary, issues to be voted on shall be decided by a simple majority of the RAC membership present provided there is a quorum.

ARTICLE V — SUBCOMMITTEES

Section 1 — Subcommittee formation: The RAC may create subcommittees, as needed, to further discuss matters in more detail. If so charged by the RAC, subcommittees shall make recommendations to the RAC, which will in turn make decisions regarding the recommendations of the subcommittee.

ARTICLE VI — AMENDMENTS

Section 1 — Amendments: These bylaws may be amended when necessary by two-thirds majority of the RAC members vote after reading and consideration of the amendment at two consecutive meetings followed by approval of the Board of Trustees. Proposed amendments must be submitted to SAWS staff in writing to be sent out with regular RAC announcements.

CERTIFICATION

These bylaws, if approved by the SAWS Board of Trustees, will take effect immediately upon approval.