

From: Patrick Garcia
Sent: Tuesday, October 8, 2019 5:57 PM
To: 'rac@saws.Org' <rac@saws.Org>
Cc: Louis.Lendman@saws.org
Subject: Nominations for RAC Vice Chair

To Whom It May Concern:

I would like to place my name as a possible candidate for this position .

While having served on many SAWS Community Conservation initiatives and amongst other SAWS community roles I have a broad sense of SAWS Operations .

In 2001 and in 2003 I served on as an Advisory Member of the Water Rate Structure Committee to the SAWS Board of Trustees . I mentored Michael Harris former San Antonio Manufacturing President when he served on as a Member of a SAWS Rate Advisory Committee sometime after 2003 .

Relationships are important and I bring that to the table as already having established relationships with some of SAWS key Team Members on the 2019 RAC Committee .

You have my commitment to bringing a strong leadership role as Vice Chair of the 2019 RAC Committee .

Thank you the consideration .

With Regards

Patrick R. Garcia

From: Joe Yakubik [mailto:jyakubik@satx.rr.com]
Sent: Thursday, October 03, 2019 7:35 AM
To: RAC <RAC@saws.org>
Subject: Submission for Vice Chair

RAC members –

I would like your consideration for the position of Vice Chair. I have attached a two-page summary of why I would like the position.

Summarizing those two pages further – I think the current structure is unfair to low use customers and that it was misrepresented to the public in 2015 with an exaggerated emphasis on conservation when it was oriented toward stable revenue. I also would like to affect how SAWS uses and presents data when communicating with the public, the SAWS Board, and the City Council.

Joe Yakubik
District 9 Representative

I am self-nominating for the position of RAC vice-chair.

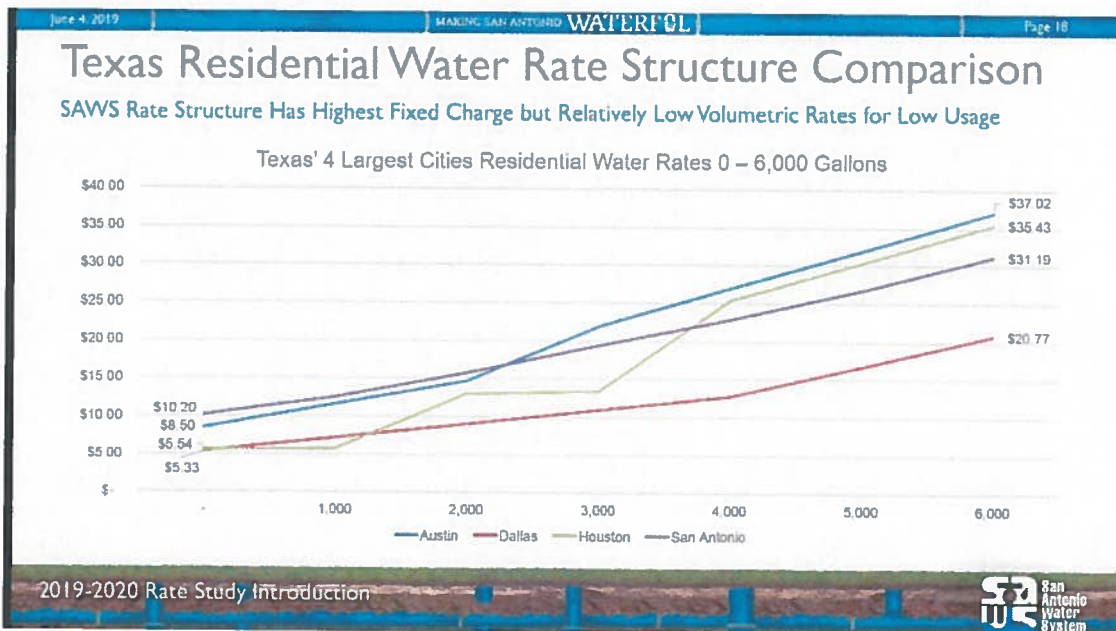
I volunteered for the RAC in order to have an impact on the future rate structure and to affect how SAWS communicates with the public and the City Council.

I've followed SAWS rate changes and information associated with SAWS finances closely since 2015. I feel the current structure was misrepresented to the public as focused on conservation when the actual emphasis was on increasing steady revenue. If you review the 2015 RAC slides you'll see "financial sufficiency" and "revenue/rate stability" as the top objectives for the revised structure; but if you review 2015 media releases from SAWS you will see comments like "[What we're promoting is conservation.](#)"

I believe this disconnect is shown in multiple ways. SAWS has the highest fixed fees for both water and sewer connections of any major city in Texas; but SAWS rarely says this. As discussed in the first meeting, these high fees are great for predictable revenue, but do not offer much in the way of a conservation incentive or a way to lower bills by reducing use.

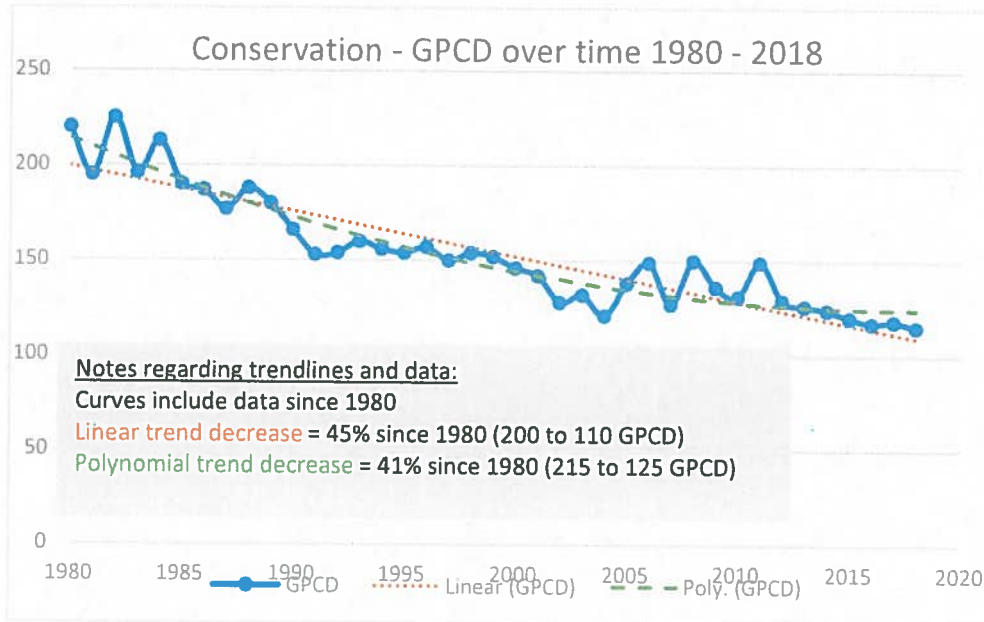
I strongly recommend the RAC review CFO Doug Evanson's briefing to the Board linked here: <https://vimeo.com/340244237#t=4425s&autoplay=1> While watching, listen carefully for Mr. Evanson's assessments on the impact of the high fees on revenue. Listen carefully to where he describes the "price signal" to affect consumption. High fixed fees start at zero gallons; but the "price signal" to discourage consumption doesn't come into play until 20,000 gallons – in the highest use block.

SAWS charges low use customers more per gallon, when all the fixed charges are considered, than at any other point on the usage scale.



I also have significant concerns about SAWS' presentation of numbers and graphics to present a skewed narrative. For example, in the briefing for RAC 1, it appears some data points were removed from older SAWS data – I questioned that graphic during the meeting. In future meetings we'll discuss the Water Management Plan (WMP). I took information from the 2009 WMP, and produced the same graphic used in that presentation but added those edited points back in and let software do the analysis.

SAWS' claim of a 49% reduction in use from 1982 compared to 2018 is a mathematically accurate number comparing only two years, but it's also exaggerates the general trend. There is more data, and the data covers wet and dry years, and the majority of that "49%" reduction occurred in the 1980's. A more comprehensive assessment would show only 45% or 41% reduction overall (depending on selection of type of trend) using all of the data instead of only selecting certain data points.



San Antonio, both pre- and post- SAWS formation in '92, does have a good legacy of conservation; but that is largely in the past and has already flattened out. It benefits no one to rest on those decades-old data points when looking forward. San Antonio may be reaching the limits of conservation using traditional means. The Raftelis briefer cited this on slide 46 "When does the decline in consumption due to high efficiency fixtures plateau?"

Combine that flattening curve with a high-fee structure when considering future rate models: high fixed fees that support revenue stability but diminish the conservation incentive, an already predominant culture of "low use" among many SAWS customers coupled with diminishing options for customers to incorporate things like "low-flush toilets" or low-cost water-saver shower heads or expensive new energy- and water-saving washing machines.

San Antonio also has a legacy of income disparity, and widely divergent water usage patterns. Are low-use, frugal customers subsidizing high-use wasteful customers with the current high fees and the "low rates" structure? Are medium-sized, middle-class families actually benefitting from a "lifeline rate discount" if that usage tier is unrealistically low for a multi-person household? Are low-income residents paying higher bills because they have to hold on to old, inefficient appliances while SAWS applies incentives to other areas, like landscaping?

I want to be Vice Chair to have a greater impact on getting good data that is accurately presented in order to produce a revised structure that meets goals beyond simply ensuring SAWS' "financial sufficiency."