

# Water

N E W S

## SAWS 2006 Financial Results Reflect Operating and Financial Strength

While adapting to the dual challenges of responding operationally to drought conditions and developing new water supply projects, San Antonio Water System still managed to achieve strong financial and operational results for the second year in a row with an astonishing 56 percent increase in net income for 2006.

Operating income increased 26.9 percent over last year's results to a record amount of \$110.1 million and capital contributions were \$126.3 million, a 55.2 percent increase from last year.

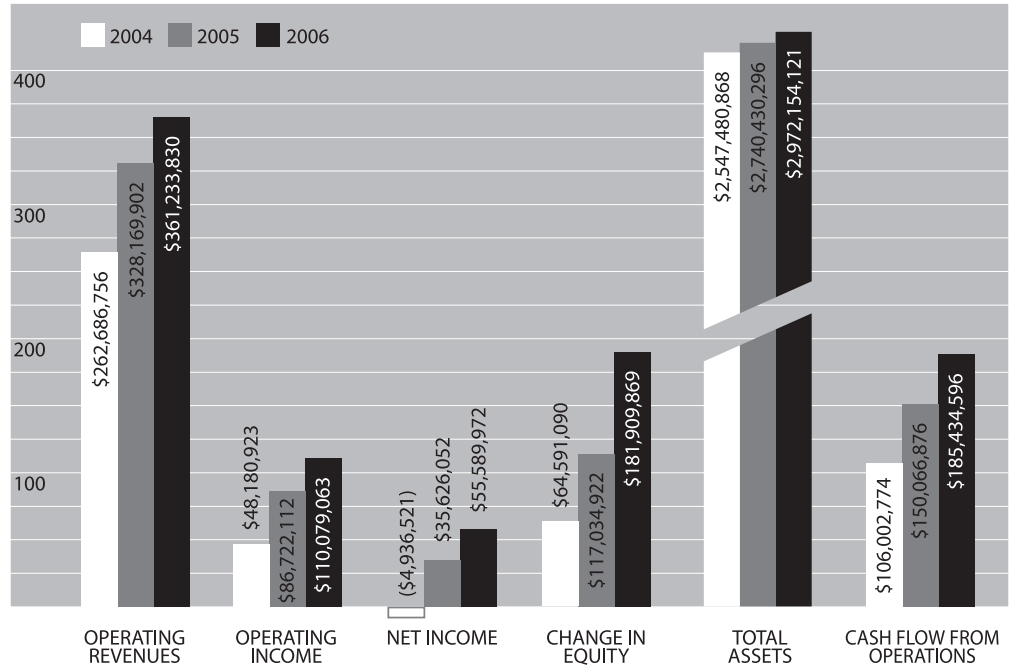
"Above-average revenues were certainly a part of the success story," said President/CEO David Chardavoigne. "But improved management practices, and the efforts of the 1,600 or so men and women who enable SAWS to run on a daily basis were key to these impressive results."

"The continuation of the financial and operational efficiency program that started two years ago," continued Chardavoigne, "ensured that we were able to make the most of the available income for a strong finish to 2006."

SAWS ratepayers faced no rate increase in 2007, an astounding improvement from a projection two years earlier of a 17.6 percent increase. The same projections showed a rate increase of over 8 percent for 2008, but SAWS officials continue to analyze whether such a high increase will be needed next year.

"We're fairly confident we won't need an increase as high as 8 percent next year, but we'll know more after our 2008 budget process is completed later in the summer," said SAWS CFO Doug Evanson.

Controlling debt has also been an instrumental tool over the last two years in controlling rates. By reinvesting higher-than-expected revenues, SAWS was able to finance major projects with cash, resulting in a reduced reliance on debt.



## SAWS Desalination Project Nets State Award

The Texas Water Development Board recently awarded a \$205,000 grant to San Antonio Water System to study the use of innovative processes in the production of brackish groundwater.

The study is a joint effort with the Evergreen Underground Water District, which is partnering with SAWS to turn so-called "bad" groundwater into a high-quality drinking water source for the region.

"This particular grant will allow us to explore an innovative technology," said Dr. Calvin Finch, SAWS water resources director. "The more we can enhance the technology of desalination, the more effective we can be in reducing cost and protecting the environment."

Brackish groundwater is an untapped resource that could potentially supply up to 22,000 acre-feet of water a year to help offset peak demands during the summer months. The overall desalination project, expected to be online by 2010, puts SAWS among other desalination leaders in Texas and demonstrates the utility's commitment to diversify and secure the region's future water supply.

*(continued on pg.2)*

## SAWS 2006 Financial Results Reflect Operating and Financial Strength *(continued from pg. 1)*

From an operational standpoint, the utility successfully managed the challenges of responding to an 82 percent increase in main breaks during the 2006 drought season, as well as meeting the demands of customer growth in excess of more than 3 percent – while maintaining flat staff levels.

Since 1988, SAWS has served an increase of over 30 percent in customers, while pumping amounts from the Edwards Aquifer have gone unchanged. Strong conservation programs have been key to this trend. SAWS Conservation Program was recently recognized by The Ash Institute for Democratic Governance and Innovation at Harvard University’s John F. Kennedy School of Government as one of the Top 50 Programs in the 2007 Innovations in American Government Awards competition – the only Texas finalist in the competition.

## 5th Annual San Antonio Summer Art & Jazz Festival

Come and enjoy fine arts and crafts, great music and delicious foods with good friends.

**When:** Friday, June 1, from 5 p.m. to 10 p.m.

Saturday, June 2 and Sunday June 3, noon – 10 p.m.

**Where:** At Crockett Park, located at Cypress Street and North Main Avenue, across from the cypress tower.

**Admission:** Free

For more information please visit their website at [SanAntonioSummerArtJazzFestival](http://SanAntonioSummerArtJazzFestival.com) or call (210) 229-9204 or (210) 229-9595.

## 10th Annual Festival of Flowers

Highlights of the event include the City-Wide plant exchange, watersaving plant and landscape seminars, an organic gardening roundtable, farmers market and the indoor garden mall. Come early and get a free xeriscape plant compliments of SAWS. You’ll also be able to sign up for SAWS’ Seasonal Irrigational Program and a free SIP Kit.

**When:** Saturday, May 26 from 9 a.m. to 5 p.m.

**Where:** Alzafar Shrine

901 N. Loop 1604 West

Between Hwy 281 and Blanco Road

**Admission:** \$5 for Adults, children under 10 are free

Parking is also free. For more information, visit the Festival of Flowers website at [SAFestivalofFlowers.com](http://SAFestivalofFlowers.com), or call (210) 930-1100.



Clip for savings!

**\$1 Off**

**Festival of Flowers**

May 26, 9am-5pm;

Alzafar Shrine Temple

This year water-saving landscape design will be featured. Top horticulturalists and landscape experts will speak on selecting the best plants for our climate.

For more information call 930-1100 or visit their website at [SAFestivalofFlowers.com](http://SAFestivalofFlowers.com).

### Watering Reminder

Remember daily landscape watering times:

- Before 10 a.m.
- After 8 p.m.

Mid-day watering is only allowed with a hand-held hose or a five-gallon bucket.

Charity car washes are only permitted at certified commercial car wash facilities.

Water waste is prohibited at all times.

### Drinking, bathing, cleaning, cooking....



Many people take water for granted. But every day, families risk losing water service because they can't afford to pay their water bill. If you'd like to help keep water flowing to our neighbors in need, you can contribute to Project Agua, a non-profit program from SAWS helping customers pay their water bill. It's simple and no contribution is too small to help. Just look for the donation box on the return portion of your SAWS bill.