1. **Meeting called to order.**

The regular meeting of the Capital Improvements Advisory Committee (CIAC) was called to order at 8:40 a.m. on Wednesday, May 2, 2012 by Dan Koss, Chairman, Capital Improvements Advisory Committee.

**Committee Members Present:**
Arlene Fisher, District 1  
Susan Wright, District 2  
Michael Cude, District 4  
Michael Hogan, District 6  
Robert Hahn, District 7  
Keith Pyron, District 9  
Dan Koss, District 10

**Committee Members Not Present:**
District 3, vacant  
Michael Martínez, District 5  
Mark Johnson, District 8  
Mayor/ETJ, vacant

**SAWS Staff Members Present:**
Dan Crowley, Director of Financial Planning  
Kathleen Price, Manager, Engineering  
Keith Martin, Corporate Counsel  
Lance Freeman, Planner IV  
Dwayne Rathburn, Manager of Program Planning  
Mark Schnur, Planner IV  
Louis Lendman, Sr. Financial Analyst  
Kelley Neumann, Sr. VP, Strategic Resources  
Alla Korostevshy, Project Engineer  
Tom Cunanan, Project Engineer  
Darren Thompson, Manager, Water Resources  
Joe Aceves, EMT
2. **Citizens To Be Heard**

There were no citizens to be heard.

3. **Approval of the minutes of the CIAC regular meeting of November 2, 2011.**

The committee approved the minutes from the November 2, 2011 meeting.

4. **Briefing and deliberation on the status of impact fee related projects and impact fees collected and spent.**

Mr. Rathburn started the meeting by noting that the former BexarMet Water District is now a part of SAWS and known as the District Special Project. The BexarMet CIAC was dissolved but the BexarMet impact fees are still in effect until revised by this committee and approved by City Council. Mr. Rathburn stated that there are still two vacancies on the CIAC for District 4 and the Mayor/ETJ position. Mr. Rathburn introduced Mr. Joe Aceves, who now works for SAWS, Project Manager for the District Special Project.

Mr. Schnur provided an update on impact fees collected, committed, and spent from 2006 through March 31, 2012, and a summary of the status of impact fee eligible projects. Mr. Schnur also showed the link to the CIAC page on the SAWS public web site.

5. **Briefing and deliberation on items relating to the integration of Bexar Met and SAWS.**

Mr. Aceves provided an update on the District Special Project status. He stated that the SAWS and BexarMet merger were more complex than the City Water and Sewer merger, and that BexarMet was in poor financial condition and would have required a 15% rate increase if still operating separately. His role is coordination of the DSP, while SAWS VPs operate the system and make staff decisions. The merger is proceeding faster than expected, due to lots of cooperation from staff. Many of the staffs have already moved to SAWS headquarters and the service centers, leading to efficiencies in travel time. The
City Council ordinance leaves DSP rates and fees in place until they are revised through the committee review process.

Mr. Brad Regnier with DSP presented an update on DSP impact fees collected, committed, and spent and on impact fee eligible CIP projects.

6. **Briefing on the status of the SAWS Aquifer Storage and Recovery Project and the Desalination Project.**

Mr. Chuck Ahrens presented an update on the ASR and Desalination projects. He first noted that adding the DSP customers and the uncertain DSP water supplies made updating the water management plan difficult. He said that the ASR is performing beyond expectations, and is playing a role in the Edwards Aquifer Recovery Implementation Project. There is 95,000 acre-feet of water in the ASR today, and on an average year SAWS uses 200,000 acre-feet of water. The ability to move water is also important, and SAWS is currently recharging the ASR with 5 MGD of water. SAWS is assuming that the ASR can store 120,000 acre-feet of water in the Water Management Plan. SAWS has pump capacity to withdraw 60 MGD of water from the ASR, however this is a large power draw.

Mr. Ahrens discussed the Brackish Groundwater Desalination Project, a key component of the Water Management Plan. Phase 1, bringing in 12,000 acre-feet of water per year, will be online in 2016. SAWS may add more phases to the project. SAWS now has production permits for 13 wells, and is drilling the first injection well. The Regional Carrizo project will deliver water in late 2013, and the agreement with the Schertz-Seguin Local Government Corporation saved $88 million dollars.

The Water Management Plan update is determining what level of water service to provide. The per capita use was 149 gallons per capita per day in 2011 and is 116 gpcd in wet years.

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

Mr. Rathburn discussed updating the impact fees for the integrated SAWS/DSP system, and the need to give a consultant lead time to begin the background work for the study. The CIAC members discussed reviewing the request for proposal prior to issuing it, and writing a more specific RFP to have a starting point consistent with the 2011 study. The members also discussed holding a meeting in September 2012 to review the scope of work in the impact fee update and a combined master plan. Pending an earlier meeting, the next CIAC meeting will be on November 7, 2012.
8. **Adjournment**

The meeting was adjourned at 10:27 a.m.

APPROVAL:

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CIAC Chairman