

**TRANSPORTATION, TECHNOLOGY, & UTILITIES COUNCIL COMMITTEE
MEETING MINUTES
WEDNESDAY, SEPTEMBER 9, 2015
11:00 AM
PLAZA ROOM B, MUNICIPAL PLAZA BUILDING**

Members Present:	Councilmember Ray Lopez, Chair, <i>District 6</i> Councilmember Rey Saldaña, <i>District 4</i> Councilmember Shirley Gonzales, <i>District 5</i> Councilmember Ron Nirenberg, <i>District 8</i> Councilmember Joe Krier, <i>District 9</i>
Members Absent:	None
Staff Present:	Peter Zanoni, <i>Deputy City Manager</i> ; Ben Gorzell, <i>Chief Financial Officer</i> ; Lisa Biediger, <i>Assistant City Attorney</i> ; Jeff Coyle, <i>Director, IGR</i> ; Choco Gonzalez Meza, <i>Chief of Staff, District 5</i> ; Terry Bellamy, <i>Assistant Director of TCI</i> ; Joseph Cortez, <i>District 6</i> ; Charles Mazuca, <i>District 9</i> ; Justin Renteria, <i>District 9</i> ; Errol Reid, <i>City Manager's Office</i> ; Alexander J. Pytel, <i>Office of the City Clerk</i>
Others Present:	Alan Montemayor, <i>Sierra Club</i> ; Meredith McGuire, <i>Sierra Club</i> ; Terry Burns, <i>Sierra Club</i> ; Mel Feldman, <i>S.A.S.S.S.</i> ; Robert Nathan, <i>CPS Energy</i> ; Robert Puente, <i>SAWS</i> ; Gavino Ramos, <i>SAWS</i> ; Cecilia Picazo, <i>SAWS</i> ; Byron Gipson, <i>SAWS</i> ; Mary Bailey, <i>SAWS</i> ; Doug Evanson, <i>SAWS</i> ; Donovan Burton, <i>SAWS</i> ; Chris Trevino, <i>Bexar County</i> ; Clay Smith, <i>VIA</i>

Item 1. Citizens to be Heard

Chairman Lopez announced that citizens signed up to speak on a specific item would be called after the presentation of said item. He called on the citizens registered to speak who were not signed up to speak on a specific item.

Mr. Mel Feldman spoke of the issues of affordable housing and transportation and their importance to the senior citizen community. He described the services of San Antonio Senior Shopper Shuttle (S.A.S.S.S.) and highlighted the need for Senior Transportation Services in Bexar County.

Item 2. SAWS Briefing on Recommendations to make Certain Modifications to the SAWS Water and Sewer Rate Structures

Councilmember Gonzales entered the meeting at this time.

Mr. Robert Puente presented an overview of the SAWS Rate Structure and available Affordability Plans. He highlighted the SAWS Inland Desalinization Plant and stated that it was currently under construction and would be online in October 2016. He mentioned SAWS Efforts to convert methane gas to energy in order to lower energy costs and rates. He noted that per capita water use continues

to drop through numerous Conversation Programs and added that SAWS retained the lowest rates of any major city in the State of Texas.

Mr. Puente mentioned that the SAWS Rate Advisory Committee included Council Member Appointees as well as Interest Group Appointees. He stated that a pricing structure had been developed based on input received from the Committee. He listed Committee Objectives:

- Cost Recovery and Delivery
- Treating Wastewater
- Lifeline Rates
- Conservation
- Distinction between Residential and Commercial Consumers

Mr. Puente stated that an additional goal of the Rate Structure was to achieve reduction in rates paid by consumers who conserve and decrease their water consumption. He highlighted the role of price signals in the new Tier System and stated that 60% of bills in the rate structure would be reduced. He mentioned changes in the Waste Water System and noted that SAWS would maintain a minimum allowance of 1,500 gallons for usage. He reported that the tiered structure change would help increase affordability for consumers.

Mr. Puente described partnerships with the Alamo Area Council of Governments (AACOG), San Antonio Food Bank, San Antonio Housing Authority, and City Council District Offices in order to increase awareness of Affordability and Conservation Programs. He noted Bill Discount Programs, such as Project Agua, which would help alleviate economic hardships for consumers.

Chairman Lopez called upon the citizens registered to speak.

Mr. Terry Burns stated his support for more tiers in the rate structure for commercial consumers in order to add incentives for companies to reduce water consumption. He requested that the Vista Ridge item be considered separately in order to examine the cost associated with the project. He spoke on alternative rate methodologies that could be more equitable and further stabilize revenue. He noted that additional highways and roads would be insufficient to address congestion and traffic concerns in the City.

Dr. Meredith McGuire offered an alternative rate structure that would show how both conservation and affordable rates for residents can be accomplished while stabilizing SAWS Rates Revenue. She expressed concern that the 2014 Water Study had not yet been released.

Mr. Alan Montemayor expressed concern that the proposed SAWS Rate Structure does not adequately incentivize commercial consumers to reduce water consumption. He noted that the 2014 Water Study results had not been yet been released but that SAWS provides good quality water to the City of San Antonio.

Chairman Lopez asked for clarification on how tier categorization is communicated to ratepayers. Mr. Doug Evanson responded that the information was provided on every ratepayer's bill. Chairman Lopez asked for detail on how commercial ratepayers were incentivized to reduce consumption. Mr.

Puente responded that through the reduction of water use, companies could fall into a lower tier and realize a subsequent reduction of their rates. Ms. Mary Bailey added that commercial customers have reduced their water use by 21% since 2001. She stated that profit motivation is a primary incentive to reduce water consumption.

Councilmember Gonzales noted the importance of personal outreach efforts to educate consumers on different Affordability Programs offered by SAWS. She asked for detail on the Tier System. Mr. Puente detailed the different tier levels and added that the system was designed to provide an earlier price signal to customers which would incentivize water conservation and help reduce rates. Councilmember Gonzales commented on the difference between residential and commercial ratepayers. Mr. Puente noted that pricing was based on the cost of service to commercial ratepayers. He stated that unfair pricing or subsidization could potentially violate State Laws. Councilmember Gonzales asked for detail on the Commercial Base Rate. Mr. Puente responded that the Base Rate was based on water consumption last year. He reported that if use remains the same or goes down; commercial ratepayers would see a reduction in their rates.

Councilmember Nirenberg asked for detail on how the price signal would alert consumers to changes in the Tier System. Ms. Bailey reported that the Proposed Rate Structure would lower the price signal, giving consumers an earlier notice than they receive under the current system. Councilmember Nirenberg asked what efforts would follow the rate structure to recover the cost of service. Mr. Puente stated that raising the fixed cost would have a disproportionate impact to ratepayers. He noted that a millionaire would pay the same as a senior citizen on disability. Ms. Bailey added that the earlier price signal would reduce volatility of the market and help stabilize revenue. Councilmember Nirenberg asked for detail on SAWS Conservation Efforts. Mr. Puente responded that per capita use is the lowest in Texas and one of the lowest in the nation. He stated that the only cities with greater conservation are desert cities. He mentioned collaborative efforts with private businesses to help reduce consumption through Conservation Program Participation and increasing efficiency of infrastructure.

Councilmember Krier asked for information on the lifespan of water meters used to measure consumption. Mr. Puente reported that water meters become less accurate with age and noted that SAWS had instituted a Water Meter Replacement Program approximately four years ago. Mr. Evanson stated that over 50% of water meters were replaced since the inception of the program and mentioned that the lifespan of the average meter is 15 years. Councilmember Krier asked for more information regarding the Proposed Rate Structure and Tier System compared to other major Texas Cities. Mr. Evanson responded that the Proposed Rate Structure is similar to those of Austin, Houston, and Dallas.

Councilmember Saldaña asked for detail on the Tier System of the current Proposed Rate Structure. Mr. Puente highlighted the progressive nature of the Tier System and the process of going from one level to the next. Ms. Bailey noted that customers consuming below 6,000 gallons would see a slight reduction in their rates. Councilmember Saldaña asked how the Proposed Tier System would apply to households with large families. Mr. Evanson responded that SAWS Affordability Programs offer robust discounts to large family households. He noted that alternative rate structures based on family size would be unsustainable. Mr. Puente added that over a quarter of residential consumers in San Antonio are in Tier One. Councilmember Saldaña asked for a status report on the 2014 Water

Study. Mr. Peter Zanoni reported that the results of the study were currently being reviewed by both City Staff and SAWS for factual accuracy. He stated that edits would be made over the next several weeks before the report is finalized.

Mr. Zanoni stated that this item would be presented on September 16, 2015 at a B Session Meeting. He added that Mr. Ben Gorzell would be preparing a memo to the City Manager later this week with details on the next several steps including proposed dates for discussion as well as the anticipated delivery date for the Water Study. He noted that copies would be distributed to City Council.

No action was required for Item 2.

Item 4 was addressed at this time.

Item 4. Briefing on a Council Consideration Request from Councilwoman Gonzales on the Pedestrian Safety Plan Vision Zero

Mr. Terry Bellamy reported that traffic studies were conducted and that infrastructure was upgraded to better protect pedestrian safety. He noted the following efforts:

- Upgraded Street Signs
- Maintenance of Flashing Beacons
- Improvement of Pavement Markings
- Creation of Pedestrian Z Crossings (for large roadways)
- Upgraded School Zones

He mentioned that a Council Consideration Request was received from Councilmember Gonzales earlier in the year and noted that Vision Zero Plans had been successfully achieved by smaller cities throughout the United States.

Councilmember Gonzales stated that Vision Zero would help with air quality, improve walkways, trails, and public transit, and the quality of life for the citizens of San Antonio. She mentioned the need for inclusion of pedestrian safety in the Comprehensive Plan.

Councilmember Krier thanked Councilmember Gonzales for her leadership on the Vision Zero Plan. He stated that the TCI Department had been instrumental in implementing pedestrian safety plans in District 9 and throughout the City.

Councilmember Saldaña recognized Councilmember Gonzales for her efforts to implement Vision Zero and noted that the community would benefit in multiple ways from the Plan.

Chairman Lopez thanked Councilmember Gonzales for her initiative and stated that it was vital to protect mobility and safety of citizens in the community.

Councilmember Gonzales moved to forward the Item to the Criminal Justice, Public Safety, and Services Committee for review. Councilmember Saldaña seconded the motion. The motion carried unanimously by those present.

Item 3 was addressed at this time.

Item 3. Briefing on the \$825 Million Regional Transportation Plan

Mr. Bellamy noted that the \$825 Million Regional Transportation Plan includes US 281 North, I-10 North, and 1604 West. He stated that the Plan includes funding received from the State of Texas as well as funding from the City of San Antonio 2012 Bond Program. He reported that \$180 million was allocated to I-10 North, \$187 million allocated to 1604 West, and \$458 million for 281 North. He explained that the I-10 Project calls for the addition of two managed lanes approximately 5 miles in length, while the 1604 West Project calls for the addition of four lanes of expressway approximately 13 miles in length. He detailed the 281 North Project which entails the addition of four managed lanes, including two express lanes for the length of approximately 8 miles.

Mr. Bellamy reported that Proposition 7 would be presented to the voters on November 3, 2015 and would reallocate existing funding in the State Budget, as well as add an estimated \$200 million to the San Antonio Region for transportation improvement. He noted that allocation of funds could help ensure that managed lanes of US 281 are non-tolled. He added that managed lanes are not exclusively toll roads and explained that possible Prop 7 Funding will not be sufficient to satisfy the transportation improvement needs of the region.

Chairman Lopez commented on the concept of fiscally constrained projects. He noted that until recently, US 281 had a fiscally constrained component that was toll lanes. He added the need for transportation improvements on US 281 as one of the most congested areas of the City.

Councilmember Gonzales asked for clarification regarding the use of the allocated funding in Proposition 7. Mr. Bellamy responded that the criteria would be decided after the passage of the Proposition.

Councilmember Saldaña asked for clarification on managed lanes on US 281. Mr. Bellamy responded that managed lanes are not exclusively toll roads. He stated that many West and East Coast Cities had utilized managed lanes as carpool or high occupancy lanes and added that they could be tailored to meet the specific requirements of the community.

No action was required for Item 3.

Adjourn

There being no further discussion, the meeting was adjourned at 1:01 pm.

Respectfully Submitted,

Ray Lopez, Chairman

*Alexander J. Pytel,
Office of the City Clerk*