



CITY OF SAN ANTONIO MAYOR'S OFFICE

Utility Task Force Short-term Action Plan April 3, 2017

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Executive Summary

San Antonio is one of the fastest-growing large urban areas in the country. In order to provide a cost-effective product for wholesale, retail and residential customers, the City's municipal utilities need to operate predictably and responsively. In the summer of 2016, Mayor Ivy R. Taylor appointed a cross-section of local design, construction, engineering and real estate professionals, as well as representatives from CPS Energy and SAWS, to serve on Utility Task Force. The mission of the Utility Task Force is to examine the processes followed by municipal utilities that are related to land development, construction and service delivery.

After presentations from CPS Energy on October 14, 2016 and SAWS on November 14, 2016 regarding the status of their current improvements, the Utility Task Force identified four specific vision oriented goals that outline the success of improvements detailed below:

1. A strong, responsive internal organization whose culture identifies the development community as a customer;
2. A responsible, cooperative, and collaborative relationship between the development community and the utilities that encourages communication between these entities;
3. Transparent and consistent processes and procedures that ensure accurate reviews & inspections and provide certainty and predictability;
4. Performance measures that deliver a cost-effective product to the customer, encouraging economic development and job creation throughout our community.

Based on the four vision oriented goals, the Utility Task Force developed five focus areas to purpose action items. For each focus area in the plan, a subcommittee was established to identify short-term opportunities to improve the land development, construction and service delivery process to help provide a cost-effective product for wholesale, retail and residential customers.

1. Technology Improvements;
2. Quality Customer Service;
3. Outsourcing Opportunities;
4. Staffing to Workload Demand; and
5. Consistency of Policies & Procedures.

Short-term Action Plan

The Short-term Action Plan highlights strategies and examples of initiatives that are already in place to work towards accomplishing the four vision orientated goals.

Technology Improvements: provide real time updates to achieve greater speed and accountability.

CPS Action Item	Status	Start Date	Completion Date	Update
1. Further improve the CSI Pilot Program <ul style="list-style-type: none"> notification by job automated notifications 	In Progress	03/03/17	07/25/17	<ul style="list-style-type: none"> 03/31/17 -- Notification availability by WR # and task description 04/03/17 -- Full Market Opt-in automated notifications 07/25/17 -- Ability to group WR's by project and customer
2. Develop workflow charts of entire process and timeline <ul style="list-style-type: none"> Develop and issue workflow charts with applicable standard durations, tie to metric definitions, and establish process to identify delays 	In Progress	12/01/16	04/28/17	<ul style="list-style-type: none"> Phase 1 -- Standard Durations and metrics created (see attachment A) Phase 2 -- Review workflows in workshops and create visio work flow charts (see attachment A)
3. Efficiently utilize current management and database system until the new system is in place <ul style="list-style-type: none"> Develop employee training plan to assure knowledge of current system implement QA/QC processes to determine accuracy track and report to ID data entry issue 	In Progress	11/01/16	07/25/17	<ul style="list-style-type: none"> Working with each section to review and continuously update the weekly critical projects list, tableau dashboard, work manager and CE database 11/2017 -- Conduct employees on importance of date management 03/2017 -- Provide database system training review
4. Implement web portal where application, design and construction status can be accessed by outside consultants and designers <ul style="list-style-type: none"> Enhance web portal functionality to provide the customer 24/7 job status, ability to submit applications digitally, and attach documents 	In Progress	03/03/17	07/25/17	<ul style="list-style-type: none"> 03/28/17 -- Initial web portal customer input session scheduled 05/2017 -- Web portal prototype presentation demonstration for internal and external customers 06/2017 -- Web Portal Customer User Acceptance Testing

				<ul style="list-style-type: none"> 07/25/17 -- Enhance Web Portal functionality
5. Analyze effectiveness of utilizing CAD in lieu of design <ul style="list-style-type: none"> Conduct a documented assessment to utilize CAD in lieu of GIS for design. 	Not Started	03/27/17	05/31/2017	<ul style="list-style-type: none"> Initial analysis indicates solution would be extremely complex and break down current integration of systems Opportunities will be evaluated

SAWS Action Item	Status	Start Date	Completion Date	Update
1. Develop Web Portal for online project and submittal status check	In Progress	2014	2018	<ul style="list-style-type: none"> Developing Web Portal for Counter Permits and USAs. Testing will take place in the 4th quarter of 2017
	In Progress	8/2015	Pending COSA	<ul style="list-style-type: none"> Integrating Plats & GCPs with COSA Build SA permit system to track plats and plans and automate releasing for plat recordation SAWS testing completed
2. Track pre-review submittals	Completed	1 st Qtr 2015	1st Qtr 2015	<ul style="list-style-type: none"> All steps in submittal for GCPs and Counter Permits are now tracked in SAWS Data System (Infor). Added metric tracking the input process of GCP's
3. Establish goals for existing performance sheet & utilize technology to track goals	Completed	1/2009	10/2016	<ul style="list-style-type: none"> Metrics & goals set for each employee in the development review process utilizing SAWS Data System (Infor)

Quality Customer Service: recognize the development and construction community as a key customer who contributes to the economic outlook of the community.

CPS Action Item	Status	Start Date	Completion Date	Update
1. Develop customer surveys that provide management the opportunity to track feedback & customer service progress <ul style="list-style-type: none"> Modify email signature block to include a general survey link Ensure process in place to utilize survey results to make improvements to existing policies and procedures and employee performance 	In Progress	03/20/17	04/28/17	<ul style="list-style-type: none"> "Close of Job" customer surveys in place and results are being reported All feedback is reviewed by project contacts, including management Escalated projects are identified in the review process Meet with Pilot Focus Group, REC, ABC, and key customers for continuous feedback and opportunities for improvements
2. Train overall process as part of understanding why others rely on you <ul style="list-style-type: none"> Develop training program component around understanding customer perspective and business 	In Progress	10/01/16	06/01/17	<ul style="list-style-type: none"> Developing curriculum with stakeholders as part of continued development of comprehensive employee training plan
3. Develop organizational culture that instills the mission at every opportunity and builds work morale. <ul style="list-style-type: none"> Incorporate culture development into training plan and evaluate use of VBE or similar existing programs. Implement employee engagement programs to support employee morale improvements 	In Progress	10/01/16	06/01/17	<ul style="list-style-type: none"> Developing curriculum with stakeholders as part of continued development of comprehensive employee training plan Added Executive Account Management to help drive culture and coordination (see attachment B)
	In Progress	01/01/17	04/14/17	<ul style="list-style-type: none"> Managers working on employee engagement action plans
4. Define and establish clarity on the expectations and coordination between the Executive Account Management, Key Accounts, and Customer Engineering functions	In Progress	03/10/17	04/28/217	<ul style="list-style-type: none"> Four new Executive Account Managers selected and functions are being defined (See attachment C)
5. Communicate changes in policy and regulatory <ul style="list-style-type: none"> Ensure process in place to gain stakeholder input into 	Not Started	03/20/17	06/30/217	<ul style="list-style-type: none"> Current Service Standard update process goes through public input and review

change management in any process standard or regulatory changes				process in coordination with COSA <ul style="list-style-type: none"> Evaluating management of updates and communication of other policies
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SAWS Action Item	Status	Start Date	Completion Date	Update
1 Develop customer surveys that provide management the opportunity to track feedback & customer service progress <ul style="list-style-type: none"> Modify email signature block to include a general survey link Ensure process in place to utilize survey results to make improvements to existing policies and procedures and employee performance 	In progress	1/2017	3/2017	<ul style="list-style-type: none"> Updated survey process with internal departments -- Continuous Improvement and Innovation and SAWS Webmaster Mid-March -- SAWS Webmaster to update site/link, and utilize Survey Monkey Access and review of data will be done on a monthly basis by Developmental Engineering Director and Managers Additional monitoring support will be provided by a dedicated staff member of the Project Controls group reporting directly to VP of Engineering Upon approval/finalizing of a USA, Permit or GCP, an email will be sent requesting feedback from the customer All staff emails will include a survey link
2 Train overall process as part of understanding why others rely on you <ul style="list-style-type: none"> Utilize trade associations like Real Estate Council, GSABA, and ABC, to select topics that cover areas such as developing a vacant track of land, building new or renovating structures Train employees with direct customer contact responsibility at least bi-annually 	In Progress	Ongoing	5/2017	<ul style="list-style-type: none"> Staff is working on Development 101 Training for internal/external customers Most training is hands-on with supervisor and at weekly staff meetings
3 Develop organizational culture that instills the mission at every opportunity and builds work morale <ul style="list-style-type: none"> Incorporate Value Based Leadership Develop a recognition program for customer contact employees that 	In Progress	Ongoing	Ongoing	<ul style="list-style-type: none"> SAWS mission based culture is providing sustainable, affordable water services and is emphasized through staff meetings Currently there is no formal recognition program, however recognition is typically given during Managers weekly meetings and occasionally elevated

<p>encourages positive customer service</p> <ul style="list-style-type: none"> • Hire employees based on alignment for mission and culture • promote within the organization to cultivate culture and mission 				<p>at one of our Leadership Team meetings</p> <ul style="list-style-type: none"> • Staff has initiated the conversation on new ways to recognize and will continue to explore options moving forward
<p>4 Communicate changes in policy and regulatory</p> <ul style="list-style-type: none"> • Ensure process in place to gain stakeholder input into change management in any process, standard or regulatory changes 	Completed	9/2014	2/2016 & 1/2017	<ul style="list-style-type: none"> • Provide 30 day courtesy notice on health & safety or regulatory driven mandates such as TCEQ & EPA. • Section 1.5 USR requires a 6 month notice of changes to SAWS USR before the effective date of implementation (included in USR Update, Feb. 2016) • Provide a 60 day notice of any design standards revisions made administratively • Issue memos to provide clarity on policies as needed (See attachments D, E, & F) • Currently working on the issuance of an updated memo regarding dead end mains
<p>5 Hire a Commercial Customer Engagement Director</p> <ul style="list-style-type: none"> • Staffer should have capacity and expertise to resolve engineering issues similar to CPS 	Completed	12/2016	12/2016	<ul style="list-style-type: none"> • Developer Customer Ombudsman: Cristina Hernandez, P.E. Email: cristina.hernandez@saws.org ph: 210-233-3865

Outsourcing Opportunities: utilize external third party resources to maintain and achieve timeline standards.

CPS Action Item	Status	Start Date	Completion Date	Update
1. Optimize use of internal/external resources <ul style="list-style-type: none"> Develop strategic workforce plan that addresses key resource issues and defines basis of target resource levels 	In Progress	09/01/16	05/05/17	<ul style="list-style-type: none"> All open positions filled Created C&I Premium Account relationship management and C&I Key Accounts (See attachment G) Received additional positions for Customer Engineering (See attachment H & J) Developing Strategic Workforce Plan
2. Expand pilot of Turn-key contracts on multi-family projects. <ul style="list-style-type: none"> Develop process and conduct a formal information presentation to the multi-family developers, include the advantages and execution of turn-key in place of Developer Install 	In Progress	06/01/16	05/15/17	<ul style="list-style-type: none"> 03/20/17 – Multi- Family Developers Forum 03/20/17 -- provided information to developers not in attendance and links on web-site (see attachment I) Providing information on an as-requested basis to continue to build understanding
3. Expansion of improvements to streamline field construction <ul style="list-style-type: none"> Evaluate other applications of Turn-key construction Utilization of pre-construction and pre-design meetings in field Evaluate 80% wet-installed requirement 	Not Started	03/27/17	06/30/17	<ul style="list-style-type: none"> Efforts to streamline field processes and construction are multi-faceted and on-going Phase 2 -- application of Turn-key contracting, customer field coordination and scheduling coordination (see attachment A)

SAWS Action Item	Status	Start Date	Completion Date	Update
1 Outsource utility locates	In progress	1/2016	6/2017	<ul style="list-style-type: none"> Developing a web based Utility Locate Portal that would streamline and automate locate utilities for contractors Outsourcing was attempted in 2016 without success
2 Outsource fire flow tests	Completed	10/2016	2/2017	<ul style="list-style-type: none"> Increasing observation services performed by SAWS Customer Service Investigation Team to three times per week to meet goal of five business days Metric to be added to track fire flow goal

Staffing to Workload Demand: Utilize staff to as needed to meet demand metrics

CPS Action Item	Status	Start Date	Completion Date	Update
1. Fill open technical positions <ul style="list-style-type: none"> Expedite filling of positions with HR within policy Pursue options to fill positions proactively 	In Progress	09/01/16	07/01/17	<ul style="list-style-type: none"> All open positions filled Created C&I Premium Account relationship management and C &I Key Account (See attachment G) Received additional positions for Customer Engineering (See attachment H) Developing Strategic Workforce Plan
2. Provide appropriate training for new hires including technical and organizational training <ul style="list-style-type: none"> Include in employee training plan. 	In Progress	10/01/16	05/05/17	<ul style="list-style-type: none"> Continued development of comprehensive employee training plan.
3. Hire Project Managers <ul style="list-style-type: none"> Evaluate staffing make up in Strategic Workforce plan 	In Progress	10/01/16	05/01/17	<ul style="list-style-type: none"> One PM has been hired Second PM is in the interview process and to be on-board in May 2017
4. Re-evaluate the status of the CE organization and utilize metrics <ul style="list-style-type: none"> Re-evaluate the status of the CE organization and utilize metrics 	In Progress	09/01/16	07/01/17	<ul style="list-style-type: none"> All open positions filled Created C&I Premium Account relationship management and C &I project managers (See attachment G) Received additional positions for Customer Engineering. (See attachment H) Developing Strategic Workforce Plan
5. Clearly define project roles and responsibilities for positions involved in the end-to-end delivery process	In Progress	12/01/16	04/28/17	<ul style="list-style-type: none"> Phase 1 -- Standard Durations and metrics created (see attachment A) Phase 2 -- Creating visio work flow charts (see attachment A)
6. Conduct Compensation Study <ul style="list-style-type: none"> Conduct job evaluations of Designer and Engineer positions to ensure salaries are competitive with the market-industry 	In Progress	09/01/16	07/01/17	<ul style="list-style-type: none"> Developing Strategic Workforce Plan

SAWS Action Item	Status	Start Date	Completion Date	Update
1. Maintain current staffing levels appropriate to metrics and continue to fill vacant positions	In Progress	Ongoing	Ongoing	<ul style="list-style-type: none"> SAWS response time continues to improve with a steady work load last two years SAWS Review Panel (PARC) is aware of Developer needs and has been working with Development Engineering to ensure appropriate staffing is maintained Budgeted positions may also be moved around as needed
2. Training focused on customer service as well as technical and organizational training for new hires	In Progress	2/2017	5/2017	<ul style="list-style-type: none"> A training course has been identified with a focus on Customer Service and "thinking outside the box"; SAWS Development staff (Inspections, Counter Services, USA, Plat and Plan Review teams) will attend
3. Identify internal programs and incentives to improve staff morale. Programs should emphasize team atmosphere as well as team building with both internal and external stakeholders	In Progress	Ongoing	Ongoing	<ul style="list-style-type: none"> Currently there is no formal recognition program, however recognition is typically given during Managers weekly meetings and occasionally elevated at one of our Leadership Team meetings As a result of the Task Force recommendation staff has initiated the conversation on new ways to recognize employees and will continue to explore options moving forward

Consistency of Policies & Procedures: recognize the need for procedures that allow for solutions for unique challenges to be identified, developed and consistently utilized.

CPS Action Item	Status	Start Date	Completion Date	Update
1. Training for staff on regulations to drive consistency	In Progress	10/1/2016	10/1/2016	<ul style="list-style-type: none"> Continue working on the comprehensive employee training plan
2. Review utility regulations related to infill areas	In Progress	3/6/2017	8/1/2017	<ul style="list-style-type: none"> Initiated dialogue with COSA TCI to plan and coordinate on bond projects and SA Tomorrow
3. Coordinate policies with COSA on infill development <ul style="list-style-type: none"> Review standards and practices around Zero Lot Line development. Implement expedited process for easement review/escalation in infill areas Evaluating options for reduction in cost of underground infrastructure 	In Progress	3/6/2017	8/1/2017	<ul style="list-style-type: none"> Reviewing current standards and requirements for potential revisions to better accommodate Zero Lot Line development
	In Progress	3/20/2017	4/28/2017	<ul style="list-style-type: none"> Started discussing process improvements to expedite infill easement processing and coordination with COSA
	In Progress	3/6/2017	8/1/2017	<ul style="list-style-type: none"> Benchmarking pier utility companies to identify cost reduction opportunities for underground infrastructure Planning T&E projects to evaluate reduced standards

SAWS Action Item	Status	Start Date	Completion Date	Update
1. Develop training program for all staff on current regulations and policies to encourage consistency in review across all individuals	In Progress	2/2017	5/2017	<ul style="list-style-type: none"> • Most training is hands-on with supervisor and at weekly staff meetings • Staff is working on standardizing our process checklist and will hold an internal training session
2. SAWS to clarify or create, if necessary, a policy regarding responsibility of replacing or repairing existing infrastructure	Completed	12/2016	1/2017	<ul style="list-style-type: none"> • A memo regarding Deferred Maintenance was provided to the Task Force to provide clarification on SAWS policy for connecting to existing infrastructure (See attachment D)
3. Review current Utility Service Regulations (USR) and policies relating to IDZ and other “infill” type projects tying into existing infrastructure	In Progress	9/2014	2/9/2016	<ul style="list-style-type: none"> • SAWS will continue discussion on policies in relation to IDZ and other "infill" type projects • Section 8.1 of Utility Service Regulations was updated in 2016 for plats approved within an Infill Development Zone
4. Create a technical advisory group focused on advising SAWS staff on new policies and procedures at a detailed level	Completed	2011	2011	<ul style="list-style-type: none"> • SAWS has an existing advisory group, the Development Task Force, established in 2014 to assist Executive Management and the Board through the review of SAWS policy for growth in support of the City's Master Plan and related policies • The Task Force is comprised of two SAWS Trustee members, a representative from the Mayor’s office, a Developer Representative and an Environmental Representative • The group has reviewed prior updates to the USR and all future policy changes will continue to be vetted through the Task Force
5. Develop a Preliminary Plan Review process that could be held at the request of the Applicant	Completed	2014	2016	<ul style="list-style-type: none"> • A Preliminary Plan Review is currently offered at no cost and a meeting may be requested with SAWS staff any time • SAWS also participates in the City's meetings when requested

Next Steps

While working to advance the strategies in the Short-Term Action Plan, the Utility Task Force will update this strategic action plan as it incorporates new long-term focus areas. Adjustments will be made as necessary to ensure adherence to the four visions orientated. The timeline below outlines the meeting schedule moving forward. If necessary, meetings will be added to the timeline.

Utility Task Force Next Steps	
August 7, 2017	<ul style="list-style-type: none">• Center City Development Office Presentation & Development Services Department Presentation
August 21, 2017	<ul style="list-style-type: none">• Department of Planning and Community Development Presentation
September 4, 2017	<ul style="list-style-type: none">• Housing Commission Presentation
September 18, 2017	<ul style="list-style-type: none">• Working Session
October 2, 2017	<ul style="list-style-type: none">• CPS/SAWS Update
October 16, 2017	<ul style="list-style-type: none">• Working Session
October 30, 2017	<ul style="list-style-type: none">• Issuance of Draft Report
November 13, 2017	<ul style="list-style-type: none">• Issuance of Final Report

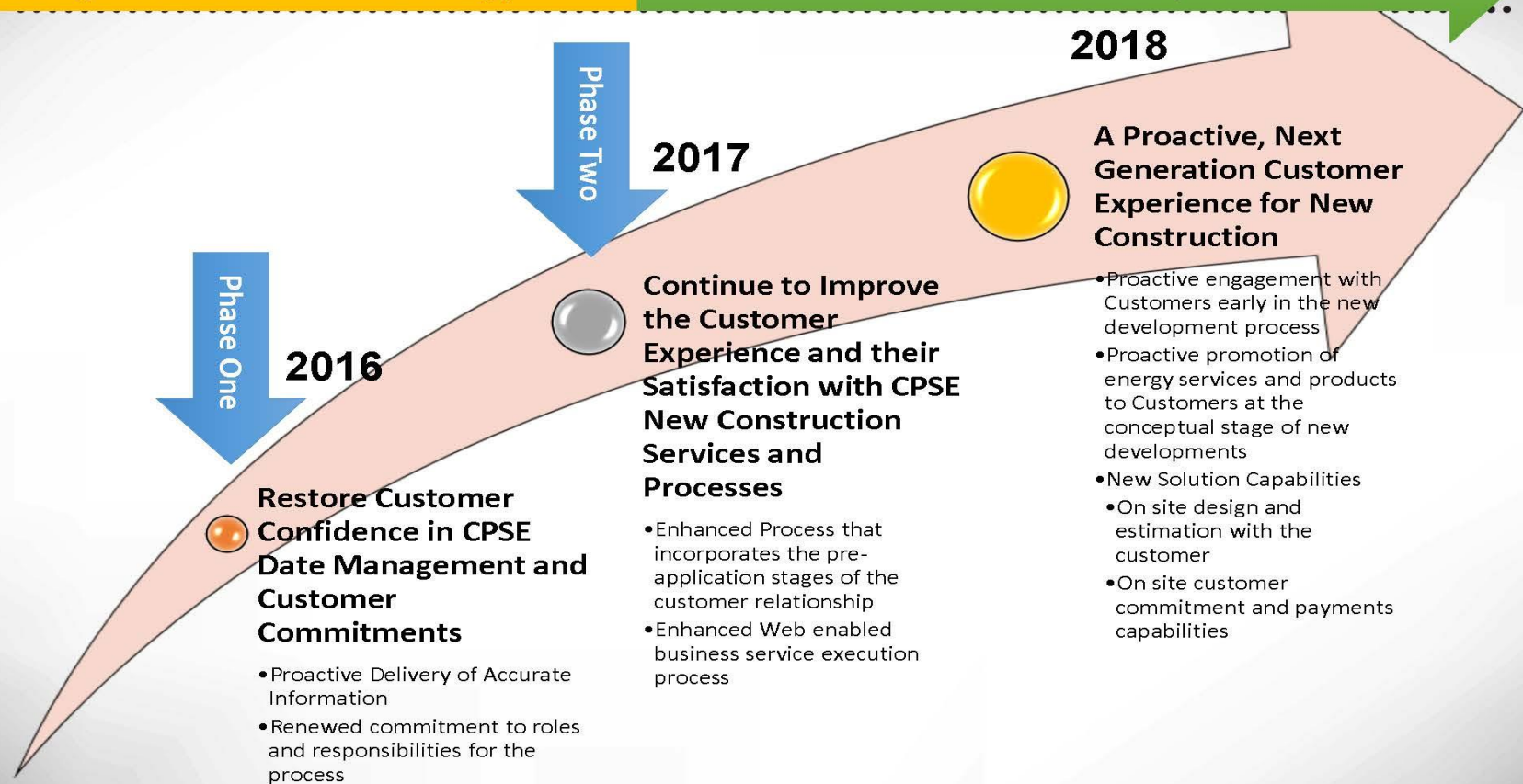


NEW CONSTRUCTION STRATEGIC OBJECTIVES

Long Term Solution Strategy

Next Generation Solution Implementation

2019



Attachment B



DIRECTORS OF EXECUTIVE ACCOUNT MANAGEMENT

KARMA NILSSON



Karma has almost 30 years with CPS Energy and has served on various teams, including Project Engineering, Key Account Management, Process Improvement and Energy Management Services. Karma is currently the Technical Solutions Manager supporting Joint Base San Antonio, one of our largest and most complex customers.

Prior to joining CPS Energy, Karma was employed as an Engineer with San Antonio Water System.

Karma has a Bachelor of Science in Mining/Petroleum Engineering from Texas A&M University, College Station.

She has her electrical Professional Engineering license and is the Treasurer for the Association of Energy Engineers for Austin and San Antonio. Karma is a Certified Energy Manager, Certified Business Energy Professional and has certifications in Leadership in Energy and Environmental Design, as well as Facilitative Leadership.

FREDERICK BEEBE



Fredrick “Fred” has had nearly a 20-year career at CPS Energy working in roles within the Account Management, Gas Marketing and Customer Engineering teams. Frederick is coming to our organization from Customer Engineering as a Program/Project Manager, where he has continued his unwavering care and advocacy for customers.

Prior to joining CPS Energy, Fredrick served in the U.S. Army for 5 years, followed by his employment with Big Red Bottling Co. & City of SA Health Department.

Frederick has a Bachelor of Science, General Business from Central State University, Wilberforce Ohio. Additionally, Mr. Beebe is a Certified Energy Manager, Certified Business Energy Professional, and Certified Sustainable Development Professional. Frederick is also the President of the Alamo Region of the American Association of Blacks in Energy, Board Member of the San Antonio Restaurant Association, and Board Member of the Greater San Antonio Builders Association.



CARLOS SORIANO

Carlos heads up our C&I Operational Excellence Team of existing managers. He has more than 11 years of experience with CPS Energy and has served in various roles, including Economic Development, Finance and the Contact Center. His team has oversight of

the relationship with our largest commercial and industrial customers. This includes both strategic and operational items such as a customer's growth plans, the offering of CPS Energy's products and services and serving as the customer's advocate internally.

Carlos obtained a Bachelors of Arts in Economics from the University of Texas at San Antonio and Masters of Business Administration from DePaul University, Kellstadt Graduate School of Business in Chicago Illinois.

JOSÉ CÁCERES



José is an experienced customer service and economic development professional. In his 10 years at CPS Energy, Jose he has worked on different teams, including Customer Service, Account Management, External Relations, Office of the President & CEO, and most recently Economic Development. In his Economic Development role, he was focused on helping attract large companies to San Antonio, as well as assisting local ones expand their business by providing exceptional customer service.

Prior to joining CPS Energy, José was employed as a Staff Writer and Reporter/Intern with Telemundo News Station.

José has both a Bachelor of Communication Arts from The University of Incarnate Word and a Master of Public Administration from University of Texas at San Antonio. Also, Jose is fluent in Spanish and English.

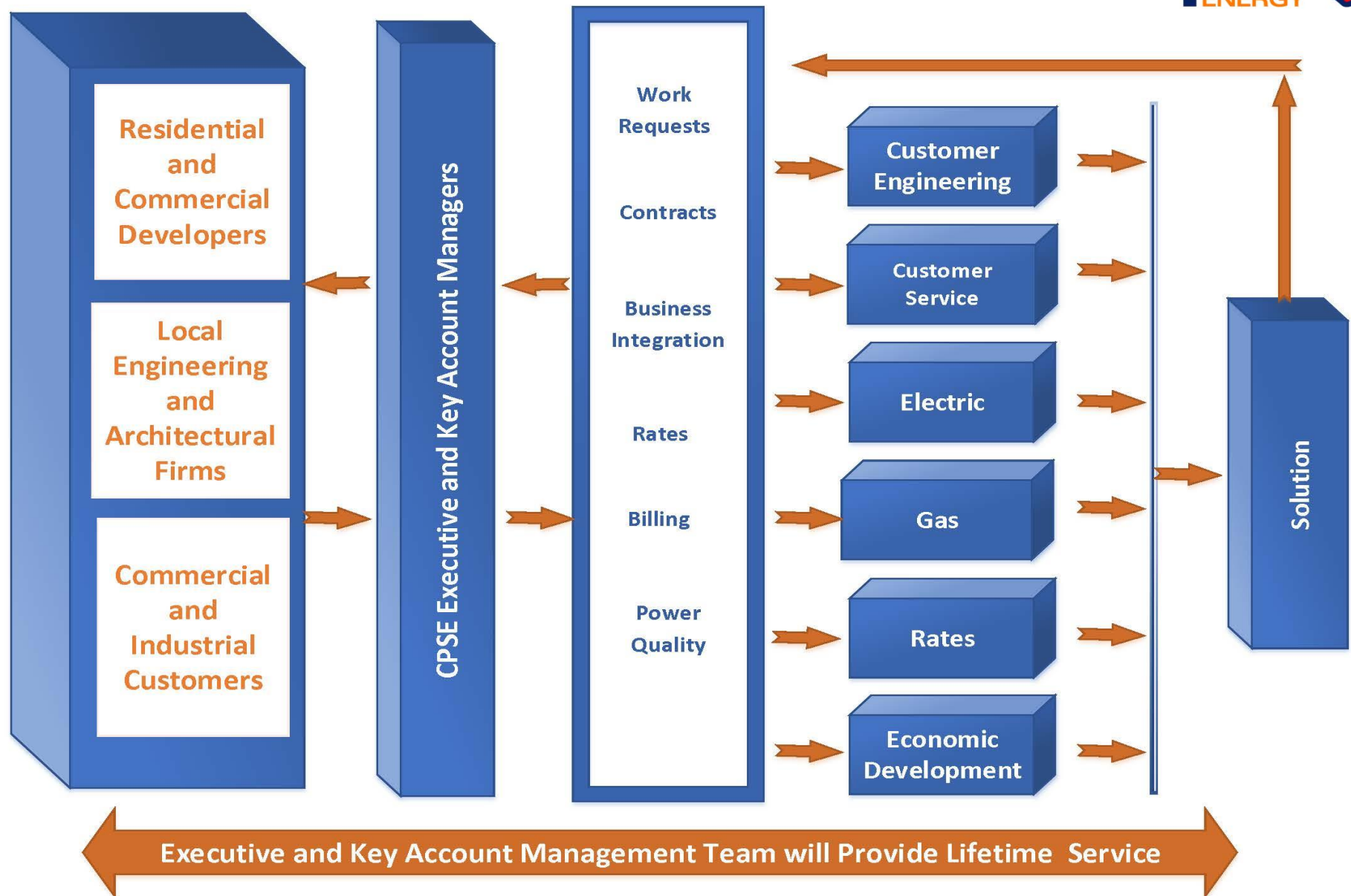
ROBERT COX



Robert comes to us from OCI Solar and brings more than 20 years of utility experience to CPS Energy. He has managed retail operations across multiple grids in different states, and his latest experience includes the development of utility-scale photovoltaic solar power plants and related micro-grid products. In addition to his work in the utility industry, Robert worked in state and regional government for over a decade.

His public service includes experience in the Resource Management Division of the Texas General Land Office, as Director of Community Outreach and Rural Affairs at the Texas Department of Economic Development and as Planning Director for the Permian Basin Regional Planning Commission.

Robert has a Bachelor of Business Administration from New Mexico State University, Las Cruces New Mexico.



Attachment D

January 6, 2017

Messrs. Leo Gomez and Norman Dugas, Chairmen
Utility Task Force Committee
c/o North San Antonio Chamber of Commerce
12930 Country Parkway
San Antonio, Texas 78217

Re: SAWS Policy for Connecting to Existing Infrastructure

Dear Messrs. Gomez and Dugas:

This letter is in response to a request by members of the Utility Task Force Committee on December 5, 2016. Specifically, several members requested for San Antonio Water System (SAWS) to clarify the requirements for developer customers connecting to existing mains.

The intent of SAWS Utility Service Regulations (USRs) is to establish the policies governing service extension to SAWS customers for water, wastewater, and recycled water services. This includes providing mechanisms for the extension of service to new customers and for the funding of the extensions by the new customer. The USRs require the developer to fund the construction of any infrastructure needed to connect to the nearest SAWS main with available capacity. If the existing infrastructure does not have available capacity, SAWS may require the developer to replace the existing main with a larger main, and will sometimes fund the oversizing of the developer's project.

The USRs do not require the developer to replace existing pipelines based on the condition of the main, and are not intended to defer maintenance of existing SAWS infrastructure to the developer customer. If a developer is tying to a main in poor condition, SAWS may require the developer to replace the joint of pipe at the point of connection. The replacement is only required when the existing main may not have the structural integrity to provide a tight connection with the service line or main, and should only include the point(s) of connection and not the whole pipeline.

In some rare situations, the developer's site specific project requirements require modification of the existing system, such as the developer's invert is lower than the point of connection, so the developer may be required to modify the existing or proposed infrastructure as warranted. Such

modifications do not provide general benefit facilities or add capacity to the SAWS system and are not eligible for impact fee credits or reimbursement. Impact fees only recover the capital costs for growth, and do not include the costs for maintenance of the system.

If you have additional questions or concerns, please feel free to contact me at 210-233-3742 or smills@saws.org.

Sincerely,

Sam Mills, P.E.
Director, Development

cc: Mayor Ivy Taylor
Robert R. Puente, President / Chief Executive Officer
Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

Attachment E

February 9, 2017

Messrs. Leo Gomez and Norman Dugas, Chairmen
Utility Task Force Committee
c/o North San Antonio Chamber of Commerce
12930 Country Parkway
San Antonio, Texas 78217

Re: SAWS Practice Regarding Developer Signatures on Utility Service Agreements

Dear Messrs. Gomez and Dugas:

This letter is in response to a request by members of the Real Estate Council of San Antonio (RECSA) during the regular Bi-Monthly San Antonio Water System (SAWS)/RECSA Collaboration Meeting on January 11, 2017. Specifically, some members inquired why SAWS has included the following notice with draft and final Utility Service Agreements (USAs) sent to the Developer or Developer's representative:

“Here is the current draft for USA-_____. Please review the draft and let us know if the Developer is in agreement and we can prepare the finals for signature and notarization. Please be aware that should the USA surpass a period of 6 months without a revision or approval, the USA will be subject to revision to address any changes in local infrastructure or in SAWS master development plan. Please let us know if you have any questions.”

As with most, if not all business agreements, the agreements are not valid until agreement is executed by the applicable parties. Hence, USAs are not valid until executed by both the Developer and SAWS. Until the USA is executed by both parties, either SAWS or the Developer may propose changes to the USA. Once executed, the USA is valid for up to 15 years in accordance to Section 5.8 of SAWS Utility Service Regulations (USR).

USAs typically take one to three months to process from time of receipt to execution by both the Developer and SAWS. In a six month time period, SAWS typically processes 60 or more USAs. In a year that number may exceed 120. The recent notice to the development community asked developers to respond to draft or final USAs within six months. Significant changes can occur within this longer time period that may have to be addressed.

In six months, changes can be made to the local infrastructure or in SAWS master plan that may require revisions to the USA document. Such revisions may result from newly executed USAs for properties adjacent to or near the tract. If such changes are necessary, a new draft will be generated and is subject to review and approval by the developer or their representative.

This notice does not constitute a policy change. It simply solidifies our current practice which is well known to engineers who routinely engage SAWS on behalf of their clients to secure USAs.

If you have additional questions or concerns, please feel free to contact me at 210-233-3742 or smills@saws.org.

Sincerely,

Sam Mills, P.E.
Director, Development

Attachment F

February 9, 2017

Messrs. Leo Gomez and Norman Dugas, Chairmen
Utility Task Force Committee
c/o North San Antonio Chamber of Commerce
12930 Country Parkway
San Antonio, Texas 78217

Re: SAWS Policy to Prevent New Dead-End Mains

Dear Messrs. Gomez and Dugas:

This letter is in response to a request by members of the Real Estate Council of San Antonio (RECSA) during the regular Bi-Monthly San Antonio Water System (SAWS)/RECSA Collaboration Meetings on October 12, 2016 and January 11, 2017. Specifically, some members asked why SAWS is not allowing Developers construct dead-end mains for some new developments.

The following is the Texas Commission on Environmental Quality (TCEQ) rule that governs this issue.

TAC 30 RULE §290.46(l) Flushing of mains. All dead-end mains must be flushed at monthly intervals. Dead-end lines and other mains shall be flushed as needed if water quality complaints are received from water customers or if disinfectant residuals fall below acceptable levels as specified in §290.110 of this title.

The TCEQ had exempted SAWS from this rule until late 2015 when they notified SAWS that the rule would be enforced. SAWS has requested a permanent exception from the TCEQ requirement to flush all dead-end mains monthly. The TCEQ granted SAWS a temporary exception until February 9, 2018 in order for SAWS to gather and provide the necessary information for the TCEQ to consider the permanent exception.

Based on the TCEQ requirement, in mid-2016 SAWS began marking the plan submittals for new developments with requirements to prevent the construction of dead-end mains in the situations described in this memo.

This change in policy is necessary due to the TCEQ enforcement and health and safety concerns. Section 1.5 of the SAWS Utility Service Regulations (USRs), states that health and safety concerns or TCEQ requirements allow for immediate change without notice. This change meets two of those requirements when only one is needed. In addition, when SAWS began implementing these changes, prior approved or reviewed plans were not affected, only new submittals.

Water is a critical element to the quality of life in San Antonio, which is even more evident during the hot summer days with water restrictions. Based on the TCEQ flushing requirements, while we are asking customers to conserve water, SAWS may be required to flush dead-end water mains every month for years to come. This is easily avoidable with a second connection at the time the property is developed which saves human resources, ratepayer funds and conserves water.

While SAWS prefers to avoid the installation of any new dead-end main, the policies in this memo mostly affect the installation of “manifold mains”, and proposed dead-end mains into with narrow access easements for utilities, such as within the Infill Development Zone (IDZ). Dead-end mains are not easily avoidable in instances such as long cul-de-sacs or long main extensions, and SAWS has asked the development community for their input to resolve this issue.

Manifold Mains

Section 7.3 of the SAWS USRs defines the requirements for water main extensions. It is the customer’s responsibility to extend a water main to their property and provide a border main across their entire frontage if a water main 20-inches or less does not currently exist or if the existing water of any size is on the opposite side of the road with a Right-of-Way (ROW) width greater than 86 feet. Section 7.3 also allows SAWS staff to waive the border main requirement if it is proven that extension beyond the customer’s property for future development is not needed.

To accommodate the waiver that SAWS staff may grant, a manifold has been allowed which consists of a 12-inch water main extended from the large diameter main or main on the opposite side of the road with a minimum of a 20 linear foot water main parallel to the frontage which includes a fire hydrant or blow-off at the end. The manifold is also allowed in some situations in order to minimize the number of service connections on an existing main.

By constructing the manifold, individual service connections are then taken off the parallel extension. However, the manifold creates a dead-end main that will not be looped in the future.

As one remedy, SAWS could stop allowing manifolds in lieu of full border mains. However, the easier resolution is to adjust the waiver that SAWS staff allows in lieu of full border mains. In essence, SAWS will allow the manifold, but require an additional connection to the supplying main to

make a loop. This loop allows circulation of the water and eliminates the dead-end main issue. An added benefit is that most of the looped manifolds can be reduced from 12-inch mains to 8-inch mains and still meet the required fire flow demands. For situations where an existing main already fronts the property, SAWS already allows service connections directly to mains with a diameter of 20-inches or less.

Areas with Limited Access

In February of 2016, SAWS amended the USR to facilitate water service to IDZ projects by allowing service lines to cross property lines under certain conditions. Section 8.1 of the USR is shown below, with the amended language underlined:

Each parcel, lot, tract, or separate property to be served by SAWS shall have an individually metered service line connection from a public water main. These services cannot cross private lot lines, except if approved by SAWS for private lines within irrevocable private easements to be owned and maintained by the applicable Property Owners Association under certain conditions such as plats approved within an Infill Development Zone (IDZ) district by the City of San Antonio.

The USR amendment was made to accommodate requests from Developers of IDZ projects. In these situations, the meters are installed along the perimeter of the project along the street ROW, usually in the driveway. Installing the meters along the perimeter avoids a dead-end main into the site, especially within the property's narrow ingress/egress easement. However, a looped main may be installed through the site if constructed within an easement with sufficient width for SAWS maintenance crews,

The above policies are currently in effect. If the TCEQ approves SAWS request for a permanent exception to monthly flushing of dead-end mains, SAWS will consider other options to looping manifold and limited access mains. If the TCEQ does not approve the permanent exception, SAWS will continue to require the above policies, and will likely develop additional requirements to prevent new dead-end mains in cul-de-sacs and other situations.

If you have additional questions or concerns, please feel free to contact me at 210-233-3742 or smills@saws.org.

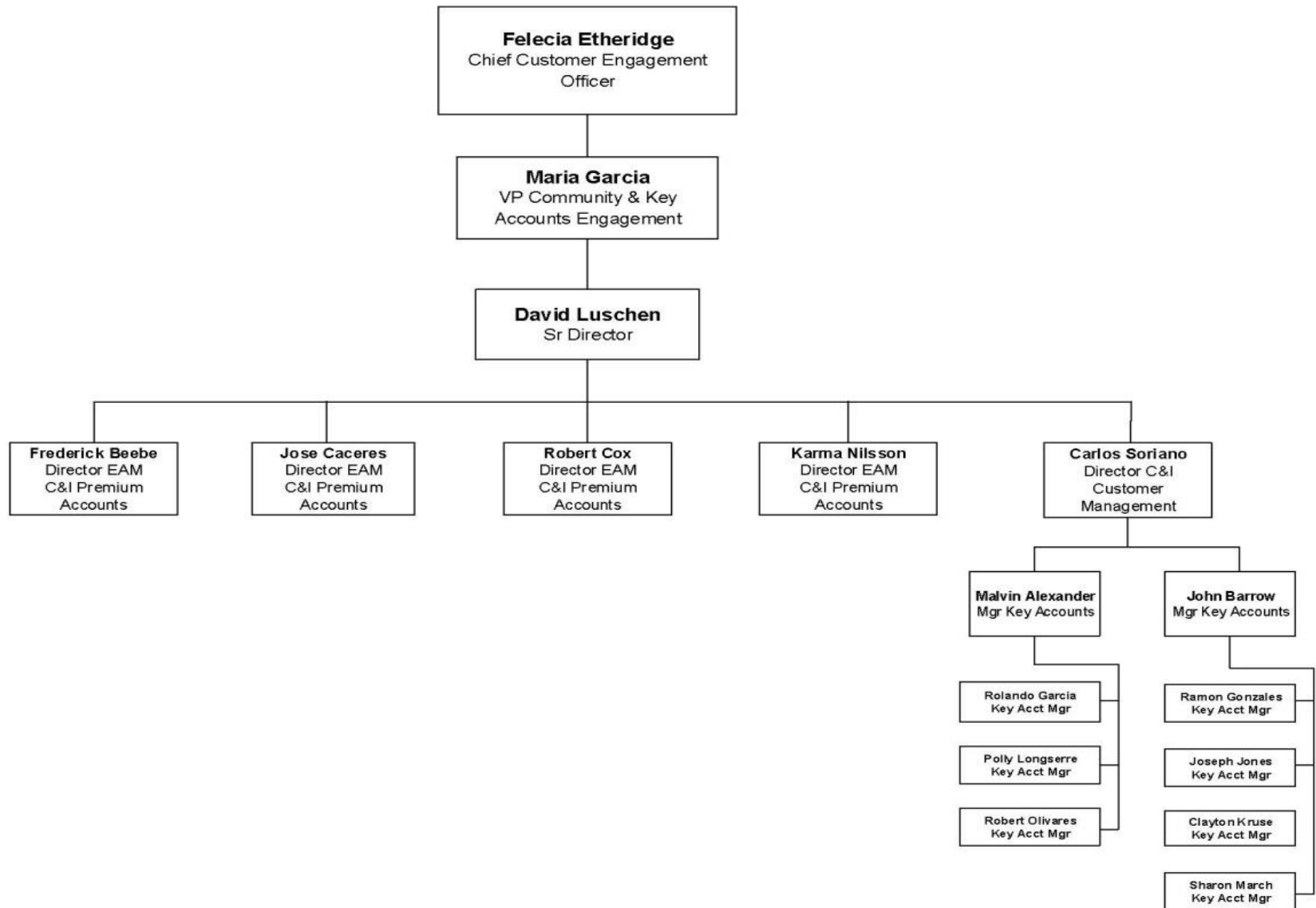
Sincerely,

Sam Mills, P.E.

Director, Development

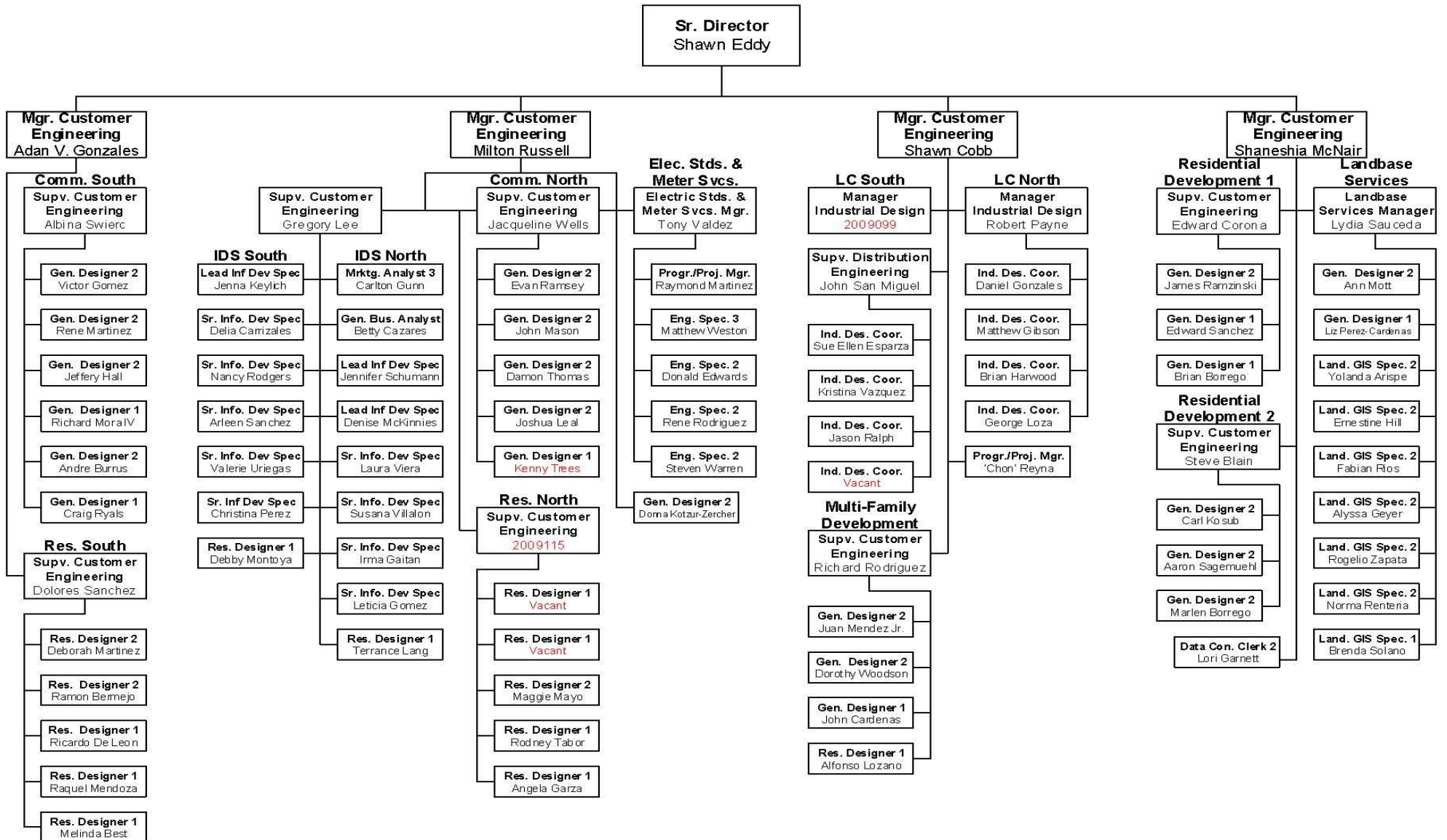
cc: Mayor Ivy Taylor
Robert R. Puente, President / Chief Executive Officer
Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

Executive Account Management





EDS - Customer Engineering (FY 18)



89 Authorized Positions



Multi-Family Development Construction Options and Criteria

1. CPS Energy Infrastructure Install – EXISTING OPTION

- CPSE Contractor installs electric primary cable and gas infrastructure
- CPS Energy Crews:
 - install OH poles, primary
 - terminate primary connections (URD)
- Developer installs secondary conduits and secondary services for electric and gas
- CPSE Service & Meter Crews terminate secondary cable & set electric and gas meters (when customer ready)
- 5 CONSTRUCTION MOBILIZATIONS (4 CPSE/1 DEVELOPER)
- Average duration of 55-60 business days

2. Developer Infrastructure Install – EXISTING OPTION

- Developer installs electric primary cable and gas infrastructure
- CPS Energy Crews:
 - install OH poles, primary
 - terminate primary connections (URD)
- Developer installs secondary conduits and secondary services for electric and gas
- CPSE Service & Meter Crews terminate secondary cable & set electric and gas meters (when customer ready)
- 5 CONSTRUCTION MOBILIZATIONS (3 CPSE/2 DEVELOPER)
- Average duration of 25-30 business days

3. Contractor Turnkey Infrastructure Install – NEW OPTION

- CPSE Contractor:

- installs primary cable
- Installs gas infrastructure
- installs OH poles, primary
- terminates primary connections
- Developer installs secondary conduits and secondary services for electric and gas
- CPSE Service & Meter Crews terminate secondary cable & set electric and gas meters (when customer ready)
- 3 CONSTRUCTION MOBILIZATIONS (2 CPSE/1 DEVELOPER)
- Average duration of 15-20 business days

Contractor Turnkey Infrastructure Install - Process

1. Identify multi-family development project as eligible for turn-key construction process in pre-design phase (single-phase electric only)
2. Explain and discuss turn-key construction criteria with developer, project manager and builder
3. Customer's representative will contact the Designer to schedule a site inspection when the turn-key construction criteria have been met
4. Site inspection will be conducted and any deficiencies identified, if needed
5. Pre-construction is held with designer, customer and contractor
6. OH construction can begin immediately, UG construction will typically begin within 2 weeks of pre-construction meeting

Contractor Turnkey Infrastructure Install - Criteria

1. At least 80% of wet utilities (mains only) installed
 - *To reduce conflicts and damage to CPSE facilities after installation*
2. Engineer/surveyor immediately available to provide center line staking, and staking of OH poles
 - *For proper placement of above ground facilities at proper grade, avoid other in-ground facilities and allow OH work to begin immediately*
3. All trench paths within 6" of final subgrade
 - *To allow installation of facilities at standard/required depth*
4. All trench paths cleared of obstructions
 - *For expedited trenching, flowable fill pouring and job completion*
5. Minimal activity from other contractors on site (see flexibility slide)
 - *For expedited trenching, flowable fill pouring and job completion*
6. All site criteria verified prior to scheduling Pre-Construction Meeting
 - *To reduce the unnecessary mobilization of crews*
7. Environmental approved and signed off
 - *Expectation for Customer Engineering to avoid delays*

8. All Work Request segments approved and released to construction
 - *Expectation for Customer Engineering to avoid delays and allow for OH construction to begin immediately after per-construction meeting*

Flexibility/Additional Benefits of Contractor Turnkey Infrastructure Install

- Expedited construction duration (15-20 business days)
- Developer's Crews can start working behind CPS Energy Crews upon approval from the CPS Energy Turnkey Crew Lead, typically 5 business days after work begins
- CPS Energy Turnkey Crews will coordinate their work with the Site Superintendent
- All infrastructure except service conduits installed by CPS Energy
- Energized and ready for temporary service requests
- Reduced site congestion
- One-time CPS Energy Contractor mobilization increasing efficiency for all developers
- OH work can start immediately after Pre-Construction meeting if ROW paths are clear

Contact: MF Supervisor, Richard Rodriguez, ranrodriguez@cpsenergy.com, (210) 353-2366



Customer Engineering Commercial & Residential Services Designer Boundaries

