

**State of Texas
County of Bexar
City of San Antonio**



**FINAL
Meeting Minutes
City Council A Session**

City Hall Complex
105 Main Plaza
San Antonio, Texas 78205

Thursday, February 8, 2018

9:00 AM

Municipal Plaza Building

The City Council convened in a Regular Meeting. Deputy City Clerk Leticia Saenz took the Roll Call noting the following Councilmembers present:

PRESENT: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

1. The Invocation was delivered by Reverend Arthur Gonzales, Director of Pastoral Ministry, Cornerstone Church, guest of Councilmember John Courage, District 9.
2. Mayor Nirenberg led the Pledge of Allegiance to the Flag of the United States of America.
3. Approval of Minutes for the City Council Regular Meetings of December 6 - 7, 2017 and December 13 - 14, 2017.

Councilmember Treviño moved to approve the Minutes for the City Council Regular Meetings of December 6-7, 2017 and December 13-14, 2017. Councilmember Shaw seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

POINT OF PERSONAL PRIVILEGE

Mayor Nirenberg recognized City of Houston Councilmember Dave Martin of District E, who thanked City Staff from the Solid Waste Department for their assistance during Hurricane Harvey. He presented the City of San Antonio a Proclamation declaring February 8th as City of San Antonio Day from Mayor Sylvester Turner and the City of Houston. The City Council thanked the City of Houston for the recognition.

CONSENT AGENDA ITEMS

Items 16, 17, 20D, 20F, 20J, and 20K were pulled for Individual Consideration. Mayor Nirenberg announced that Items 20G, 20N, 20O, and 20Q were withdrawn and would not be addressed. Councilmember Courage moved to approve the remaining Consent Agenda Items. Councilmember Treviño seconded the motion.

Mayor Nirenberg called upon the citizens registered to speak.

Lorraine Robles representing the San Antonio Housing Authority (SAHA) spoke in support of the Alazan Lofts Project (Item 20H).

Tracey Fine stated that she was available to answer questions on the National Church Residences of Blanco Road Project (Item 20L).

Ryan Wilson of Franklin Development spoke in support of the Artisan at Ruiz (Item 20A) and Village at Overlook Parkway (Item 20M) Projects.

Tim Alcott of SAHA spoke in support of the Artisan at Ruiz (Item 20A) and Alazan Lofts (Item 20H) Projects.

Brad McMurray of Prospera Housing Community Services spoke in support of the Village at Roosevelt (Item 20E) Project.

The motion to approve the remaining Consent Agenda Items prevailed by the following vote:

AYE: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

2018-02-08-0073

5. Ordinance ratifying a contract with American Fire Protection Group, Inc. to install a new underground pipeline at the Tower of the Americas for a total cost of \$195,684.00, funded from utility cost savings in the Center City Development and Operations' FY 2017 General Fund appropriations. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

2018-02-08-0074

6. Ordinance accepting four Law Enforcement Light Utility Vehicles from Kent Powersports at a total cost of \$111,847.64, funded from the FY 2018 Equipment Renewal and Replacement Fund Budget. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

2018-02-08-0075

7. Ordinance authorizing the following contracts establishing unit prices for goods and services for an estimated annual cost of \$182,785.00: (A) Avery Dennison Corporation for high intensity prismatic sign sheeting, and (B) FarrWest Environmental Supply, Inc. for the hazmat equipment calibration and maintenance program. [Ben Gorzell, Chief Financial Officer; Troy Elliott, Deputy Chief Financial Officer, Finance]

2018-02-08-0076

8. Ordinance authorizing a task order to a Job Order Contract with Jamail & Smith Construction for the cooling tower replacement at the Ronald R. Darner Parks and Recreation Operations Headquarters located in Council District 6, in an amount of \$152,253.04, funded from the FY 2018 Parks and Recreation General Fund operating budget. [María D. Villagómez, Assistant City Manager; Xavier D. Urrutia, Director, Parks & Recreation]

2018-02-08-0077

9. Ordinance authorizing the acquisition of a conservation easement over the Edwards Aquifer Recharge Zone on a 1,891.71 acre tract of the Dripline Ranch located in Uvalde County from Deep Spring Ranch, Ltd., at a cost of \$7,961,503.10. [María Villagómez, Assistant City Manager; Xavier D. Urrutia, Director, Parks and Recreation]

2018-02-08-0078

10. Ordinance authorizing the release of three city drainage easements (approximately 0.05, 0.02, and 0.12 of an acre), to HDC Freedom Hills LLC along Ray Ellison Boulevard for a fee of \$13,972.56, located in Council District 4. [Peter Zanoni, Deputy City Manager, Mike Frisbie, Director, Transportation & Capital

Improvements]

2018-02-08-0079

11. Ordinance amending Chapter 35, Unified Development Code of San Antonio, Texas, Military Lighting Overlay Districts (MLOD), and directing the Development Services Department to start a rezoning of certain properties 5 miles or less from either Camp Bullis or Lackland Air Force Base. [Roderick J. Sanchez, Assistant City Manager; Michael Shannon, Director, Development Services]
12. Approval of the following Board, Commission and Committee appointments for the remainder of unexpired terms to expire May 31, 2019, to be effective immediately upon the receipt of eight affirmative votes, or, if eight affirmative votes are not received, ten days after appointment; or for terms and effectiveness as otherwise indicated below: [Leticia M. Vacek, City Clerk]
 - A) Reappointing Joseph Diaz (District 7) to the Building Standards Board.
 - B) Reappointing Denise Ojeda (District 3) to the Zoning Board of Adjustment.
 - C) Reappointing Edward A. Garza (District 3) to the Historic and Design Review Commission.
 - D) Appointing Daniel S. Meza (District 9) to the City County Joint Commission on Elderly Affairs.

2018-02-08-0080

13. Ordinance extending the San Antonio Bike Share agreement through December 31, 2018 with annual renewal options. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development & Operations]

2018-02-08-0081

14. Ordinance granting two temporary construction easements on City owned property next to San Pedro Creek between Nueva Street and Dolorosa Street to the San Antonio River Authority for the continued construction of the San Pedro Creek Improvements Project in Council District 1; and waiving associated fees. [Lori Houston, Assistant City Manager; John Jacks, Director, Center City Development & Operations]

2018-02-08-0082

15. Ordinance adjusting the salaries of the City Auditor and the City Clerk. [Andrew Segovia, City Attorney]

2018-02-08-0085

18. Ordinance adopting the SA Corridors Strategic Framework Plan, a transit supportive land use plan outlined in the City's Comprehensive Plan, in coordination with the VIA and VIA's Vision 2040 Plan. [Peter Zanoni, Deputy City Manager; Bridgett White, Director, Planning]
19. Approval of the following two items related to the George Gervin Youth Center, LLC: [Peter Zanoni, Deputy City Manager; Veronica R. Soto, Director, Neighborhood & Housing Services]

2018-02-08-0086

- 19A. Ordinance authorizing the declaration as surplus and sale of approximately 10.077 acres of unimproved property located in NCB 10147, Block 3, Lot 1 of the Spriggsdale Plaza Subdivision, commonly known as 301 Spriggsdale, to the George Gervin Youth Center, LLC., for a sales price of \$430,000.00 as approved by the Inner City TIRZ Board and the Planning Commission.

2018-02-08-0087

- 19B. Ordinance approving a Chapter 380 Economic Development Grant Agreement in an amount not to exceed \$450,000.00, between the City of San Antonio, Tax Increment Reinvestment Zone Number Eleven and the George Gervin Youth Center, LLC., for the development of the Echo East Mixed Use Development Project.
20. Approval of Resolutions of Support for the following multifamily rental housing development projects by applicants seeking competitive 9% Housing Tax Credits with the Texas Department of Housing and Community Affairs: [Peter Zanoni, Deputy City Manager; Verónica R. Soto, Director, Neighborhood & Housing Services]

2018-02-08-0001R

- 20A. Artisan at Ruiz, located at Elmendorf and Ruiz streets in Council District 1

2018-02-08-0002R

- 20B. Museum Reach Lofts, located at 1500 N Saint Mary's St in Council District 1

2018-02-08-0003R

20C. Valiente Apartments, located at 314 Nolan St in Council District 2

2018-02-08-0005R

20E. Village at Roosevelt, located at 1507 Roosevelt Ave in Council District 3

WITHDRAWN

20G. Roosevelt Place, located at 2800 Roosevelt Ave in Council District 3

2018-02-08-0007R

20H. Alazan Lofts, located at Colorado and El Paso streets in Council District 5

2018-02-08-0008R

20I. Legacy at Buena Vista, located at 1409 Buena Vista St in Council District 5

2018-02-08-0009R

20L. National Church Residences of Blanco Road, located at 19480 Blanco Rd in Council District 9

2018-02-08-0010R

20M. Village at Overlook Parkway, located at US 281 North and Overlook Pkwy in Council District 9

WITHDRAWN

20N. WITHDRAWN -- LIV Tacara Seniors, located at Stone Oak Pkwy and US 281 N in Council District 9

WITHDRAWN

20O. WITHDRAWN -- Artisan at Thousand Oaks, located at 3500 Thousand Oaks Dr in Council District 10

2018-02-08-0011R

20P. Nacogdoches Lofts, located at Nacogdoches and Spring Farm roads in Council District 10

WITHDRAWN

20Q. WITHDRAWN -- Reserve at Thousand Oaks, located at the 4500 block of Thousand Oaks Dr in Council District 10

CONSENT ITEMS CONCLUDED

ACTION ITEM FOR STAFF BRIEFING

Deputy City Clerk Saenz read the caption for Item 4:

2018-02-08-0072

4. Ordinance approving a professional services agreement with Alderson & Associates, Inc. to perform a lighting study and develop a Downtown Lighting Master Plan for a total amount not to exceed \$500,000.00 with the costs to be paid equally by the City and CPS Energy. [Lori Houston, Assistant City Manager]

Lori Houston presented the Downtown Master Lighting Plan and highlighted the benefits of lighting. She stated the factors to be considered and outlined the Service Area. She noted the scope of work and mentioned the great amount of stakeholder input. She reported that a Request for Qualifications (RFQ) was issued in December 2016 with four respondents. She stated that Alderson and Associates had scored the highest and would be partnering with Randy Burkett Lighting Design, Inc. She noted that the project would cost \$500,000 and was funded by the Downtown Lighting Project Savings (\$250,000) and CPS Energy Funding (\$250,000).

Mayor Nirenberg called upon the citizens registered to speak.

Jason Puchot, 2018 Chapter President for the American Institute of Architects (AIA) San Antonio, spoke in support of the Master Plan.

Sandra Montalbo, Member of AIA, spoke in support of the lighting study and professional services agreement.

Irby Hightower, Member of AIA, stated that he was supportive of the lighting study.

Maria Nelson, Manager of Urban Planning at Centro San Antonio, spoke in support of the lighting study and professional services agreement.

David Adelman expressed support for the lighting study and professional services agreement.

Councilmember Treviño expressed his support and spoke of the great partnership with CPS Energy. He stated that this was a great initiative that all could learn from and highlighted the thoughtful design that would be implemented in the urban core.

Councilmember Gonzales stated that lighting was very important to citizens and asked of the area the plan would cover. Mrs. Houston replied that it covered the Central Business District

and Northern Part of Downtown. She added that she would provide the square footage to the City Council. Councilmember Gonzales asked who would be responsible for outages. Mrs. Houston replied that it depended on the lighting but most of the time it was the responsibility of CPS Energy. Councilmember Gonzales expressed concern with the \$500,000 cost which covered a small footprint.

Councilmember Brockhouse stated that he was supportive of the project but also concerned with the high cost. He asked that Police Officers be part of the stakeholder group to ensure safety is addressed. He asked of the process to develop a Master Plan for each district. Mrs. Houston stated that they had not looked at a Master Plan for each district and hoped to learn best practices from the Downtown Study. Councilmember Brockhouse suggested looking at specific areas within each district rather than waiting for a study to be conducted.

Councilmember Pelaez expressed his support and noted the importance of lighting. Councilmember Sandoval noted her support and asked what they could learn from the Downtown Study. Mrs. Houston replied that they could learn from the lighting they would utilize within city parks.

Councilmember Saldaña noted specific neighborhoods in his district that were in great need of lighting and requested that CPS Energy Staff work with him to address. Councilmember Perry stated that lighting plans consisted of more than just street lights. He noted that although he was concerned with the cost, he hoped they could use the Master Plan for other parts of the city. He added that it was important to keep the military engaged in the process.

Councilmember Gonzales asked if private buildings and facilities would be included. Mrs. Houston replied that they would engage private building owners and discuss the types of lighting necessary.

Mayor Nirenberg added that he was aware of the importance of lighting design and commended Councilmember Treviño for his efforts.

Councilmember Treviño moved to adopt the Ordinance for Item 4. Councilmember Shaw seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

ITEMS PULLED FOR INDIVIDUAL CONSIDERATION

Deputy City Clerk Saenz read the caption for Item 16:

2018-02-08-0083

- 16.** Ordinance creating the City of San Antonio Higher Education Student Advisory Board. [María Villagómez, Assistant City Manager; Melody Woosley, Director, Human Services]

Councilmember Saldaña highlighted the new board and stated that it would be focused on receiving feedback from college-aged students.

Councilmember Viagran stated that she was supportive of the new board but also recommended that Councilmembers engage with the high school students that serve on the Youth Commission. She asked if a liaison had been identified. City Manager Sculley replied that the Youth Commission was staffed by a P-16 Plus Staff Member and this new Committee would be staffed by the Human Services Department Education Coordinator.

Councilmember Pelaez expressed support and requested that staff develop a tracking system to work with the college students that have graduated. Councilmember Treviño expressed his support. Mayor Nirenberg stated that he was excited about the new board and looked forward to the decisions they would be making.

Councilmember Saldaña moved to adopt the Ordinance for Item 16. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

Deputy City Clerk Saenz read the caption for Item 17:

2018-02-08-0084

- 17.** Ordinance establishing the World Heritage Area Legacy Business Grant Pilot Program for eligible businesses within the World Heritage Buffer Zone, or within a two mile radius of Missions Concepcion, San Jose, San Juan, or Espada, which will be funded out of the Inner City Incentive Fund, and authorizing the execution of any and all documents and contracts necessary to administer the grant pilot program. [Lori Houston, Assistant City Manager; Colleen Swain, Director, World Heritage Office]

Colleen Swain presented an overview of the World Heritage Area Legacy Business Grant

Pilot Program. She outlined the eligibility criteria noting that businesses must be registered as a Legacy Business, and be located in the World Heritage Buffer Zone or within a 2-mile radius of Missions Concepcion, San Jose, San Juan, or Espada. She outlined the grant process and noted that reimbursements would be based on scope of work and project budget. She noted that the property owner must agree to maintain improvements for a 5-year term. She added that grants could be layered with the Operation Facelift Program.

Councilmember Viagran expressed support and highlighted the pilot program.

Councilmember Courage asked of the funding available. Ms. Swain replied that \$100,000 was currently available.

Councilmember Brockhouse expressed his support and thanked staff for their work.

Councilmember Gonzales asked if there were two programs. Ms. Swain explained that the city already operated a Citywide Legacy Business Program that was available to businesses throughout the city. Shanon Miller added that they were actively seeking businesses for the program.

Councilmember Perry stated that the Citywide Legacy Business Program had been successful along the Northeast Corridor and expressed his support.

Councilmember Viagran moved to adopt the Ordinance for Item 17. Councilmember Shaw seconded the motion. The motion prevailed by the following vote:

AYE: 11 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Gonzales, Brockhouse, Sandoval, Pelaez, Courage, and Perry

Items 20D and 20F were addressed jointly. Deputy City Clerk Saenz read the captions for Items 20D and 20F:

2018-02-08-0004R

20D. Piedmont Lofts, located at 826 E Highland Blvd in Council District 3

2018-02-08-0006R

20F. San Juan Mission Villas, located at 9159 S Presa St in Council District 3

Veronica Soto presented information on the Resolutions of Support for Multifamily Rental Housing Developments seeking 9% Housing Tax Credits (HTC). She explained that current year applications for the 9% HTCs were due to the Texas Department of Housing and Community Affairs by March 1st. She noted that 17 points were awarded for a Resolution

of Support while 14 points were awarded for a Resolution of No Objection. She outlined the evaluation criteria and summary of applications.

Mayor Nirenberg called upon the citizens registered to speak.

Henry Peterson stated that he was born and raised in San Antonio and in favor of the Resolution of Support.

Debra Guerrero stated that she was the developer for the project and asked the City Council to vote in favor of the Resolution of Support.

Rosella Quinones stated that she lived in the area and was in favor of the Resolution of Support.

Maria Gutierrez stated that she also lived in the area and was in favor of the Resolution of Support.

Tanya Vargas stated that she was supportive of affordable housing in the area and asked the City Council to approve the Resolution of Support.

Jose Martinez stated that he owned a home in the Highland Park Area and was concerned with the site due to issues with ingress and egress as well as the low density.

Jack M. Finger spoke in opposition to the Resolutions of Support noting concerns with subsidized housing.

Councilmember Viagran spoke of the need for affordable housing and the importance of Senior Living. She noted the outreach to the communities affected and discussions with the developers.

Councilmember Pelaez spoke of the many different types of people that need affordable housing and stated that he was in support of the projects.

Councilmember Shaw asked of affordable housing. Mrs. Soto replied that everyone eligible for affordable housing had to earn 60% of the Area Median Income (AMI) equivalent to \$63,500 in San Antonio. Councilmember Shaw spoke of the importance of affordable housing and stated that it was a necessary tool for families in San Antonio.

Councilmember Sandoval thanked staff or their work on the applications and spoke of the importance of public engagement. She commended Councilmember Viagran for working with developers on the design component.

Councilmember Courage stated that he was disappointed in the perception of affordable housing. He noted that he had been a teacher and that many teachers were on fixed incomes and in need of affordable housing.

Mayor Nirenberg stated that people needed to be able to live affordably and safely in a community for everyone to thrive. He thanked everyone for their work and expressed his support for the Resolutions.

Councilmember Viagran moved to approve the Resolutions for Items 20D and 20F. Councilmember Treviño seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Brockhouse, Sandoval, Pelaez, Courage, and Perry

ABSENT: 1 - Gonzales

Deputy City Clerk Saenz read the caption for Item 20J:

DENIED

20J. Residences at Leon Creek, located at the 7300 block of Joe Newton St in Council District 6

Mayor Nirenberg called upon Lydia Evans to speak.

Ms. Lydia Evans, President of the Pipers Meadow Neighborhood Association, spoke in opposition to the Residences at Leon Creek Project. She noted concerns with the impact to the two-lane road and increased traffic.

Councilmember Brockhouse stated that he had worked with the Neighborhood Association and noted their concerns with public safety. He noted that they had been working with the developer and they were aware that the Resolution was not supported.

Councilmember Brockhouse moved to deny the Resolution for Item 20J. Councilmember Saldaña seconded the motion. The motion prevailed by the following vote:

AYE: 10 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Brockhouse, Sandoval, Pelaez, Courage, and Perry

ABSENT: 1 - Gonzales

Deputy City Clerk Saenz read the caption for Item 20K:

CONTINUED TO FEBRUARY 15, 2018**20K. Culebra Place Apartments, located at 7796 Culebra Rd in Council District 6**

Councilmember Brockhouse stated that he needed additional time to address traffic concerns and other issues with the affected neighborhood.

Councilmember Saldaña asked of the process and timeline for these types of projects. Mrs. Soto replied that the process would occur annually from December through March unless State Law was changed. Councilmember Saldaña spoke of the need to support affordable housing projects. Councilmember Viagran added that it was important to provide affordable housing throughout the city.

Councilmember Brockhouse stated that they were working with the developer who owns the property and has a vested interest.

Councilmember Brockhouse moved to continue Item 20J to February 15, 2018. Councilmember Sandoval seconded the motion. The motion to continue prevailed by the following vote:

AYE: 10 - Mayor Nirenberg, Treviño, Shaw, Viagran, Saldaña, Brockhouse, Sandoval, Pelaez, Courage, and Perry

ABSENT: 1 - Gonzales

POINT OF PERSONAL PRIVILEGE

Mayor Nirenberg recognized Councilmember Pelaez who would be celebrating his birthday on Monday, February 12, 2018. The City Council sang Happy Birthday to Councilmember Pelaez.

21. City Manager's Report

There was no City Manager's Report.

EXECUTIVE SESSION

Mayor Nirenberg recessed the meeting into Executive Session at 12:28 pm to consult with the City Attorney's Office pursuant to Texas Government Code Section 551.071 and deliberate or discuss the items posted but not completed or reached in Executive Session the previous day on the following items. He announced that the meeting would resume at 1:00 pm in the B Room.

A. Economic development negotiations pursuant to Texas Government Code Section 551.087 (economic development).

B. The purchase, exchange, lease or value of real property pursuant to Texas Government Code Section 551.072 (real property).

C. Legal update related to Public Safety investigations pursuant to Texas Government Code Section 551.071 (consultation with attorney).

D. Legal advice related to anti harassment policies pursuant to Texas Government Code Section 551.071 (consultation with attorney).

RECONVENED

Mayor Nirenberg reconvened the meeting at 2:35 pm and announced that no action was taken in Executive Session. He addressed the SAWS Briefing.

SAWS BRIEFING

A Briefing by the President and CEO of the San Antonio Water System on the history and status of the Vista Ridge Project and the Central Water Integration Project [Robert Puente, SAWS President & CEO]

Robert Puente stated that the Vista Ridge Pipeline Project was one of the largest public-private partnership water projects in the United States. He noted that it was designed to bring water from 140 miles away at 50,000 acre-feet to provide water security. He provided an overview of historical obstacles to improving San Antonio's water security and resulting conservation practices. He noted previously planned projects with no yield due to legislative issues and discussed political influences affecting water regulations. He stated that the Regional Carrizo Project and Brackish Desalination Project were successful but yielded less water than planned. He noted that additional water needs necessitated the Vista Ridge Project. He spoke of the potential risks and delays associated with water projects including project development, construction, regulation, and debt. He stated that out of nine proposals, the consortium of Abengoa, BlueWater, and Garney Construction Company were selected in large part because they already held Water Permits. He outlined the following fundamental tenets of the project:

- Shift risk away from SAWS Customers
- Diversify from the Edwards Aquifer
- Continue nationwide leadership in conservation
- Respect local groundwater management

Mr. Puente stated that the Public-Private Partnership was negotiated publically and executed in November 2014. He noted that the contract was for a 50,000 acre-feet water supply in which SAWS would only pay for water delivered. He stated that the contract was for two 30-year terms with fixed rates. He noted contract protections included approval of changes in majority partners, which was utilized when Abengoa sold the majority of its partnership to Garney Construction.

Mr. Puente stated that project infrastructure costs totaled \$927 million in private investment covering 19 wells, 142 miles of pipeline, 3 pump stations, and a terminal storage tank. He provided an overview of the project timeline with Water Delivery planned to begin in 2020 and Asset Transfer to SAWS in 2050. He stated that the contract included a price cap of \$1,606 per acre-foot fixed cost for the first 30 years and a price lock on interest rates. He noted that SAWS' contractual responsibilities were to purchase water delivered to San Antonio, establish an electric power service, monitor project execution, and integrate infrastructure within San Antonio.

Mr. Puente stated that regional wholesale opportunities may exist to supply regional communities with additional water supply and provide cost reductions to SAWS customers. He noted the benefits of the Vista Ridge Project including fixed pricing, long-term water, transfer of risks away from customers, environmental benefits, and potential regional partnerships.

Mayor Nirenberg expressed his preference that surplus water would be sold along the route of the pipeline if ratepayers would have the Right of First Refusal for surplus water and it would lead to a local cost reduction. He asked of the status of right-of-way acquisitions for the project. Mr. Puente replied that only a small amount of parcels for right-of-way remained in negotiations. Mayor Nirenberg asked how SAWS would mitigate risks regarding cutbacks in production. Mr. Puente replied that the Carrizo Aquifer Project and Desalination Plant could be expanded to compensate for lower yields. Mayor Nirenberg expressed his support for diversification and sustainable development.

Councilmember Pelaez asked of Abengoa's participation level and the impact to SAWS if the company withdrew. Mr. Puente replied that Abengoa held a 20% stake and SAWS would not experience a fiscal impact. Councilmember Pelaez asked when San Antonio residents would have access to Vista Ridge Water. Mr. Puente replied that it would be available for consumption in April 2020. Councilmember Pelaez asked if it was possible to abandon the Vista Ridge Project. Mr. Puente replied that it was possible but would cost \$540 million in termination payments.

Councilmember Sandoval asked of the determination of project capacity. Mr. Puente replied that drought projections and demand analysis allowed SAWS to anticipate shortages.

Councilmember Sandoval asked if the permits held by the selected firm were permanent. Mr. Puente replied that they were not. Councilmember Sandoval asked of unused water from the pipeline. Mr. Puente replied that all Vista Ridge Water would be used and other sources would be conserved or sold. Councilmember Sandoval asked of water quality comparisons. Mr. Puente replied that a project requirement was for Vista Ridge Water to be comparable to Edwards Aquifer Water.

Councilmember Viagran expressed her support for San Antonio ratepayers to have First Right of Refusal for excess water and asked if it was guaranteed. Mr. Puente replied that it would be a policy decision based on the direction of the SAWS Board and City Council.

Councilmember Courage asked of the development of an electric power system. Mr. Puente replied that it was a system for water delivery; not power generation. Councilmember Courage asked of water usage in rainy years. Mr. Puente replied that pumping of the Edwards Aquifer would either be reduced or placed in storage. Councilmember Courage asked of the storage capacity of the Edwards Aquifer Storage and Recovery. Mr. Puente replied that the capacity was 225,000 acre-feet and was currently at 152,000 acre-feet. Councilmember Courage asked of the production of the Desalination Plant. Mr. Puente replied that current maximum production was 30,000 acre-feet but it could be expanded if necessary. Councilmember Courage expressed concern that there would not be buyers for excess water. Mr. Puente stated that the guaranteed yield and price would be attractive to other entities.

Councilmember Perry asked of State Policy affecting water distribution and supply. Mr. Puente replied that legislation that would have eased the project process was vetoed in the previous session but would be resubmitted in the next Legislative Session. Councilmember Perry asked of consideration of desalination expansion rather than the proposed project. Mr. Puente replied that the original plan was to expand the Desalination Plant but the opportunity to develop the Edwards Aquifer was unique and SAWS did not want to lose it to another entity.

Councilmember Treviño asked of the anticipated lifespan of Bexar County Infrastructure that was intended for reuse in the project. Mr. Puente replied that it was slated to last 50 years. Councilmember Sandoval asked for the report comparing development of the Desalination Plant and the Vista Ridge Project.

Councilmember Courage asked if any consortium partners or technical team members had discussed the Vista Ridge Project with SAWS prior to the issuance of the competitive sealed proposal to gain an advantage. Mr. Puente replied that they had not and the competitive sealed proposed was developed without partner input.

Mayor Nirenberg thanked everyone for the presentation.

ADJOURNMENT

There being no further discussion, Mayor Nirenberg adjourned the meeting at 3:37 pm.

APPROVED

RON NIRENBERG
MAYOR

ATTEST:

LETICIA Y. SAENZ, TRMC
DEPUTY CITY CLERK