Frequently Questions About the SAWS Accountability Act

We dedicate this effort to the 1.8 million ratepayers of SAWS and the hundreds of thousands of people who rely on the source aquifers for Vista Ridge who live 140 miles to the northeast of Austin in Burleson, Milam, Lee and Bastrop counties. **SAWS Act PAC (March 2021)**

NOTE: The SAWS Accountability Act failed to make it to the ballot for a public vote in 2020, primarily due to COVID. We are proud that the all-volunteer petition drive in San Antonio 12,000 of the 20,000 signatures needed in the middle of the first wave of COVID. The battle over Vista Ridge is not over because water's for drinking, not for grabbing.

Question 1: How can you get people from across the political spectrum to work together to pass the SAWS Accountability Act when they have such huge differences?

The years of hide-and-seek games by a public utility – San Antonio Water System (SAWS) -- especially related to the Vista Ridge Water Pipeline -- and the refusal of the City Council to do the basics of oversight -- a proper audit of the \$3 billion Vista Ridge water pipeline, have brought us -- conservatives and progressives -- together whether we like it or not!

Endorsers included the Alamo Sierra Club, Homeowner Taxpayer Association of Bexar County, LULAC Zapatista Concilio 4383, Texas Organizing Project (TOP), San Antonio Making Bureaucracies Accountable (SAMBA), Texans for Reform and Freedom (TURF). League of Independent Voters of Texas (LIV) and many more.

Question 2: What is Vista Ridge, and why is it so controversial?

Vista Ridge is a unique water pipeline project. To our knowledge, it is the nation's largest (and most expensive) "public-private partnership" (P3) to construct a public infrastructure water pipeline project. It resembles some recent P3 Texas highway infrastructure projects, such as the State Highway 130 toll road. The private side of that toll road went belly up in 2016 – after years of state and local officials ignoring the warnings.

A P3 allows a public entity like the San Antonio Water System (SAWS), to partner with a private, for-profit entity, to construct a project for a particular purpose, in this case to bring a new source of water to SAWS customers.

The primary purpose of these P3 arrangements is to shift the risks of failure to complete the project from the public entity to the private side. In this case, San Antonio, through SAWS, simply entered into a contract to buy water. Private water marketers obtained the permits for the water, and financed the construction of a well-field and 142-mile groundwater pipeline, starting

in Burleson County, to move up to 50,000 acre-feet of groundwater (enough water for about 160,000 average households per year) to Bexar County, every year for the next 30 years. SAWS is absolutely obligated to buy the delivered water --- take it and pay for it, need it or not. At the end of thirty years, SAWS takes over ownership of the entire project, without additional payments --- hopefully, the aquifer in Burleson County will not have been destroyed by then.

SAWS has touted the Vista Ridge "deal" across the U.S., but the key takeaway is that ratepayers are obligated to "take and pay every year for 30 years, need it or not". And in fact, even SAWS has admitted it doesn't need this much water for years, and will never need 30% of it.

The convoluted 765-page Vista Ridge contract has been amended six times with scant oversight by the City Council, after being rushed through the San Antonio City Council at the behest of the Chambers of Commerce and those private interests who would profit financially from the deal. One that played a central role is Pape-Dawson Engineers. See more in FAQ #2 about Gene Dawson's role in developing Vista Ridge.

Taking from a 2014 San Antonio Express News commentary, "<u>Fear Should Not Dictate Vista Ridge Decision</u>", by university professor and attorney Amy Hardberger, who years later was appointed to the SAWS Board of Trustees:

"The utility's own projections show that, under normal rainfall conditions, the city will not need additional water for many decades because of SAWS' effective diversification strategy. This project is for drought. It will provide abundant, not just adequate, water during a drought of record, should one occur."

Ratepayers are the only source of revenue to pay the private profiteers, whose price tag for the water includes a very hefty profit margin for them.

It was clear from the beginning of Vista Ridge that the numbers didn't add up to justify either the volume of water SAWS' ratepayers had to buy, need it or not, or the price of the water.

Moreover, the public wasn't given any real chance to review the highly complex contract in the 30 days it was inexplicably rushed through the San Antonio City Council, except for SAWS' insistence "interest rates could rise if we delay". We doubt seriously if most Council Members or their staffers understood the deal before or after they voted for it.

Additional Reference: Watch this 17-minute video prepared by the League of Independent Voters in 2015, "LOppose the San Antone Hose", to learn more about Vista Ridge from the vantage point of the people affected in the source communities all the way to San Antonio.

Question 3: Who are the people involved in pushing Vista Ridge and why?

This March 2014 San Antonio Express News piece by Brian Chasnoff was written shortly after SAWS CEO Robert Puente reversed course on Vista Ridge, first rejecting it, and then pivoting away from other, less-expensive projects in order to embrace the project. Chasnoff writes about a private business meeting from which he was booted. It is an early indicator of the players in Vista Ridge from the get go. This includes then City Councilmember Ron Nirenberg, Vista Ridge cheerleader, Berto Guerra (who was replaced after serving two years past his term limit as SAWS Trustee Chair) and well-known City Hall insider, Gene Dawson (Pape-Dawson Engineers).

This 2016 San Antonio Express News article describes donations by Pape-Dawson Engineers CEO Gene Dawson and "a string of contributions" by family members, to then Mayor Ivy Taylor, just after the rushed vote to pass the Vista Ridge contract in October 2014. The article contained this statement about Dawson's "volunteer" work for the project:

"Gene Dawson, Jr., Pape-Dawson's president, said he worked pro bono for much of 2014 on **the** Vista Ridge project, adding that his company 'donated hundreds of thousands of dollars of time and effort' to negotiate a contract 'that both sides would find acceptable'."

What is so telling is contained in the email exchange referenced in the article (<u>SAEN took from this Texas Tribune article</u>) between Dawson and SAWS. We quote from the Tribune article:

"They [the emails] reveal a businessman adamant about the need to secure enough water, in part to avoid lawn-watering restrictions."

<u>Pape-Dawson got the contract to design the 142-mile pipeline across seven counties and also the contract for "environmental services" for the project.</u>

Will ratepayers ever get to know how much Pape-Dawson was paid? Not likely unless and until there is an independent audit of Vista Ridge because the records for the private side of Vista Ridge are unattainable through open records requests.

Then there was Joe Krier who led the Greater San Antonio Area Chamber of Commerce for 20 years before stepping down to serve as the District 9 representative on the San Antonio City Council from 2013 to 2017. Those were the most important years in the push for Vista Ridge, and Krier led the charge on City Council.

This excellent pro and con debate in the Express News in 2014 with Krier versus Michele Gangnes, public finance attorney and water activist from the "source communities" for Vista Ridge, defined the battle lines.

Most of the non-profit sector, especially religious-based, in San Antonio called for either slowing down Vista Ridge or scrapping it. Most of the real estate and related sectors supported it.

This 15-page document, "<u>The Vista Ridge Project: Vista Buena or Vista Mala?</u>" explains why many non-profits and environmentalists opposed the project.

Vista Ridge – SAWS' touted "game changer" in groundwater policy -- took all of 30 days to pass, over the objections of those who would be most affected, including a busload of landowners from the source communities.

Additional References: The minutes from San Antonio City Council meetings and hearings on Vista Ridge provide the names of those who testified on either side of the rushed debate. See City Council Minutes of these meetings and hearings, all held in October 2014 before passage of the Vista Ridge Contract on October 30, 2014: October 1 (starting on p. 7), October 8 (p. 6), October 29 (starting on p. 4) and the final hearing on October 30 (starting on p. 2).

Question 4: Vista Ridge is sometimes described as the Texas version of the "California water model". What does that mean?

Vista Ridge is a concerted effort by the real estate lobby and SAWS to move mass quantities of groundwater for real estate development in areas without enough local supply. We call this the "California water model". It is a proven failure in California, as the state struggles to reverse 100 years of this mistaken policy as a water crisis deepens in California.

The book "Cadillac Desert" is worth a read or you might enjoy the documentary on YouTube. It will remind you of the fictionalized account in the mainstream movie "Chinatown", but the documentary is as riveting as it gets on mistaken water policy and political power: https://www.youtube.com/watch?v=hkbebOhnCjA&feature=youtu.be

Question 5: I have heard of some unsavory people involved in Vista Ridge. Who are they?

Former oil and gas landman, Scott Carlson, went door-to-door in Burleson County, the source of Vista Ridge water, peddling leases with a get-rich-quick pitch for landowners, the vast majority of whom rejected him. Some told us they showed him their shotguns when he kept coming back to pressure them with statements like, "we're going to get your water anyway, since your neighbor has signed." We also heard many stories about Carlson and others tell landowners, "your neighbor signed, so we'll get your water anyway."

Carlson got caught violating probation by failing to disclose the fact of his probation to people he was pitching, having pled no-contest to stealing \$2.4 million from his previous oil and gas employer. Procuring water leases for what became Vista Ridge was part of a deal made with Ross Cummings of Blue Water Vista Ridge LLC to bail Carlson out of jail. We kid you not. See reprint of Express-News article by Joseph Stroud, 2006.

Question 6: Is it true that Vista Ridge water is far more expensive than San Antonio's main source of drinking water -- the Edwards Aquifer? If so, why?

We highly recommend this commentary published December 2019 in the Rivard (now San Antonio) Report, "SAWS Rates Should Prioritize Water for People, Not for Profit", by Meredith McGuire, PhD, professor (emerita) Trinity University and co-chair of the Alamo Sierra Club Conservation Committee. Dr. McGuire confirms that Vista Ridge is at least 4 times more expensive than water from the Edwards Aguifer. She writes:

"The San Antonio Water System is getting ready to decide which of its customers will pay the most for water and which will pay the least. When they last did this, in 2015, they lowered the water rates for big businesses and increased them for most households."

SAWS will tell you the justification is that the Vista Ridge contract was written to allow the private interests in the deal to take on the risks of this project and to be paid top dollar in exchange.

The higher price of water under the contract translates into higher water rates. The question, "Is Vista Ridge worth it to you?" was never asked of ratepayers. Instead, the 2014 Council fast-tracked Vista Ridge approval. The convoluted, 765-page Vista Ridge contract -- the Water Transport and Purchase Agreement -- was rushed through in 30 days, despite repeated pleas from substantial community organizations, such as COPS Metro, to slow down.

The City Council could have placed Vista Ridge on the ballot for a public vote. Citizen's petition rules for referendum (to reverse the Council's decision) were then and remain onerous requiring approximately 70,000 signatures in 40 days.

Question 7: What happened to the Rate Advisory Committee for SAWS? Weren't they supposed to come out with a recommendation about the rates in May 2020?

The new SAWS Rate Advisory Committee was put on hold when COVID hit, before it could finish its work. In fact, SAWS has so far denied the request of RAC Vice Chair, Joe Yakubik (nominated by Council Member John Courage) for records he has requested to fully understand what has happened to the rates.

Question 8: Is anyone still serving on the City Council who voted for Vista Ridge in 2014?

Mayor Ron Nirenberg served then as District 8 Councilman. He currently (as of Dec. 2021) serves as Mayor.

Question 9: What financial and legal risks does Vista Ridge pose to the city and/or to our SAWS rates?

In an odd way, SAWS has done Texans a favor by touting Vista Ridge as a "game changer" in groundwater policy. You might find this hard to believe. If Vista Ridge damages the source aquifers, none of the attorneys we have spoken to can tell us who, if anyone, would be liable under current law. What does that tell you about the magnitude of problems that SAWS and Vista Ridge are creating and how the Legislature has been asleep at the wheel?

The City of San Antonio, SAWS and the Post Oak Savannah Groundwater Conservation District, the permitting authority for Vista Ridge, have been repeatedly warned about the potential damage risked by pumping the volume of water Vista Ridge is currently producing. SAWS plans to continue pumping for another thirty years when they take over the project in 2050.

An earlier coalition developed an 11-page well-documented paper discussing these matters in depth. We have shared it with elected and appointed officials across the pipeline, including the San Antonio City Council. The paper makes plain the substantial risks to the aquifer and to ratepayers.

Though some are sympathetic, have you noticed they never talk about the problem, now do they?

This is why an independent performance audit of Vista Ridge is imperative – to avert a crisis that would either do harm to ratepayers or the aquifers, or both.

As for the financial risks of Vista Ridge, we are also in unchartered territory. This is not only due to the economic downturn related to the pandemic, which surely has exacerbated the problem. SAWS' insistence on manipulations of the facts about Vista Ridge, the resulting 58% rate hikes for residential ratepayers over the last 4 years and things we cannot know until there is an independent audit, foretell UNFORESEEN financial problems.

The bottom line is this: Aquifers are ancient formations created by Mother Nature and cannot be simply "repaired" or "fixed."

Question 10: Why are you linking the destabilization of the Edwards Aquifer protections to Vista Ridge?

At the October 30, 2014 City Council hearing, Amy Hardberger, testified to City Council (seen in this video produced by the League of Independent Voters of Texas starting at 6:39 minutes). Hardberger urged Council not to rush Vista Ridge in just 30 days, pointing out that the city might not need this volume of water "anytime soon, if ever". Hardberger, who was appointed by Mayor Nirenberg to the SAWS Board of Trustees a few years later, explains why Vista Ridge could result in too much water, resulting in less conservation and less affordability.

Fast forward to 2020. The City Council decided to redirect the 1/8-cent sales tax that has funded the Edwards Aquifer Protection Program (EAPP) for the last 20 years and been ratified by voters four times, be redirected for other projects. This was without a vote of the people.

<u>This August 13, 2020 article in the San Antonio Report</u>, especially the comments, indicates the storm brewing over this decision that has apparently been played by "a small but mighty group" of EAPP players.

Please note that it is not only environmentalists who decry the decision, but Republican State House Member <u>and former Chair of House Natural Resources Committee</u>, <u>Lyle Larson</u>, who early on opposed this funding shell game over EAPP.

Question 11: Is it true that Vista Ridge is an unnecessary project?

Though San Antonio needed to shore up its water portfolio, it could have done so by going forward with plans to extend its successful and less expensive brackish desalination project. When SAWS suddenly pivoted away from desal to Vista Ridge, we believe the case for Vista Ridge was never made as the City's answer to periods of drought. It's simply too much water at too high a cost. It is also within the purview of the permitting authority, the Post Oak Savannah Groundwater Conservation District (covering the aquifers in Burleson and Milam counties) to cut back the permit if (*when*) the mass pumping for Vista Ridge begins demonstrating stress to the aquifer.

This 2014 opinion article written by then St. Mary's law professor Amy Hardberger and published in the San Antonio Express News makes the case that Vista Ridge is equivalent to using a sledge hammer to kill a gnat exceedingly clear.

Question 12: Is it true that SAWS has been trying, to no avail, to sell at least 30% of the Vista Ridge Project's water?

Dr. Meredith McGuire pointed out in her December 2019 commentary on SAWS rates in the Rivard Report, "SAWS Rates Water for People, Not for Profit", that,

"At the time, SAWS claimed it could sell 30 percent of that water to other towns, reducing our costs. None of those towns has signed on. Apparently, none of them believes it's a good deal."

In fact, SAWS has been unable to sell any Vista Ridge "excess" since they announced they were trying to do so, covered in this, <u>February 2018</u> Rivard Report article.

Question 13: What is the problem with SAWS lobbying? Aren't they allowed to?

After the failed effort to peddle excess Vista Ridge water, SAWS lobbied in the 2019 legislative session for HB 1806, a bill written specifically for SAWS and no other utility. This legislation was

not approved by City Council, but it was passed by the Legislature. Fortunately, the Governor had the good sense to veto it.

The bill would have given SAWS the right to sell, at the expense of its ratepayers, less expensive Edwards Aquifer water outside the purview of the Edwards Aquifer Authority (EAA), to "make room" in the City for the more expensive Vista Ridge water.

The Greater Edwards Aquifer Alliance (GEAA), in a letter requesting the Governor's veto of HB 1806, lays out that SAWS had been lobbying on its own for the legislation. They had not even properly briefed the SAWS Board, much less the City Council. GEAA's Annalisa Peace hit the nail on the head, when she wrote:

GEAA has called upon San Antonio's elected officials and SAWS Board members to begin a discussion over whether it is desirable or appropriate for SAWS to become a regional water supplier. As SAWS is a publicly owned utility, such discussion is warranted prior to granting SAWS authority to sell off permits for Edwards water to areas outside its service area.

<u>Paragraph 3 (second page) of the SAWS Accountability Act</u>, had it made it to the ballot in 2020 would have prohibited SAWS lobbying without prior approval from Council. At least that way, we have elected officials to blame for lobbying against the interests of ratepayers and aquifer protection.

Question 14: What does the word "waterful" mean? I can't find it in the dictionary but it's used on the SAWS website.

The word was invented by SAWS in a continued public relations stunt to lure businesses which use water excessively to move to San Antonio, while trying to fool ratepayers into thinking that "waterful" is a good thing.

We know that Vista Ridge is irresponsible, and that "waterful" is marketing spin. San Antonio culture uses water very conservatively yet our water utility is busy running up our rates and trying to reverse course, all in service of selling us all on wasting water!

Question 15: When you say those who pushed Vista Ridge have refused to share in its costs, what are you talking about?

We are talking about maneuvers like the one in May 2019, when the Council voted 7 to 3 to waive developer water supply impact fees for Vista Ridge, amounting to \$87 million in uncollected developer fees over a ten-year period.

Reference: Rivard Report:

https://sanantonioreport.org/city-council-spares-developers-from-maximum-impact-fee-f or-vista-ridge/

Question 16: What about cost overruns for Vista Ridge, and is it true SAWS was dumping Vista Ridge water? How much are we talking about here?

Brendan Gibbons, reporting for the Rivard Report (now San Antonio Report), broke the news on June 10, 2020, that SAWS' <u>estimated cost overruns</u> related to the integration of the Vista Ridge pipeline into SAWS' system, had reached \$80 million. Engineering issues had apparently become overly complicated due to the need to bore through limestone rock, a project SAWS Chief Financial Officer admitted was not part of the utility's "core competency."

Gibbons also reported that the integration line connecting the SAWS main system to the Vista Ridge pipeline was incomplete when SAWS began paying for water deliveries from Vista Ridge in April. SAWS had nowhere to go with at least half of that water for at least two months. He quoted SAWS Chief Operating Officer Steve Clouse as saying about 10 million gallons had been released into a San Antonio creek bed every day since April 15, 2020.

We have estimated the cost to ratepayers of the water dumping conservatively at \$3-4 million (Gibbons estimated the cost at \$50,000 per day, at least). The dumping operation lasted for at least 58 days and more likely continued through at least June 30, with dumping of unused water into a storm drain. SAWS did not contest our cost estimates or explain why water deliveries under the contract could not have been postponed until the integration line was completed.

The permitting authority for Vista Ridge, Post Oak Groundwater Conservation District, represents Milam and Burleson counties. Upon learning of the Gibbons article, Post Oak directly asked SAWS why this situation, which the District characterized as waste, was allowed to develop. In its letter to SAWS, the District analogized the waste issue to the requirement that expenditures of public funds by SAWS not be made in a wasteful manner.

Ref: [POSGCD letter to SAWS, July 17.

We also believe dumping excess, unused water into a creek bed constituted "waste" of a precious resource.

What's more, SAWS got caught prevaricating again directly to the Post Oak Savannah GCD. SAWS reported on June 12th to Post Oak that discharging Vista Ridge water had ceased. On September 2, Post Oak learned the discharge had continued through June 30th. See this September 10 report by the League of Independent Voters.

In the end, Vista Ridge paid a \$75,000 fine to the Post Oak Savannah Groundwater Conservation District, which was put into their mitigation fund for well owners who might be harmed.

<u>Reference</u>: Rivard Report, "<u>SAWS Flushing Half of Vista Rige Water as Cost Overrun Nears</u> **\$100 Million**". The next day the cost overrun was corrected to \$80 million.

Question 17: If Vista Ridge is already pumping water, is it too late to challenge the project?

We aren't challenging the project, we are asking for accountability.

This Texas Tribune article in August 2021 broke the news that within 6 months of initiating pumping, landowner wells in the source communities were "suckin' air." Mitigation is taking place to restore wells, but it's only a matter of time before the financial well runs dry. There is also the risk of damage to the aquifer.

Though long overdue, it's not at all too late to demand proper oversight of this 30-year contract that continues to wreak havoc with SAWS rates.

Remember, the Vista Ridge permit is not reliable because the Post Oak Savannah GCD has the power to cut back the Vista Ridge permit if/when the aquifer shows signs of stress.

Question 18: What is the point of getting an audit of the Vista Ridge pipeline project? What exactly are you after?

If the SAWS Accountability Act is passed either by voters or via ordinance by the City Council, and an audit is conducted of Vista Ridge, ratepayers will finally be able to understand why their rates hit the roof and who is, we believe, profiteering so heavily from this project. With the economic crisis unfolding in Texas due to the Great Texas Storm of 2021, getting a look – finally – under the hood of Vista Ridge can only be good for everyone involved...other than the profiteers and their minions at SAWS and City Hall.

Reference: paragraph 5 – page 2 – of the SAWS Accountability Act petition.

Question 19: The SAWS Accountability Act requires performance audits of all \$1B or more projects before contracts are signed, and an audit of Vista Ridge. What is a performance audit?

Performance audits give an in-depth evaluation of how well a specific operation, program, or organization is managed. Performance audits can examine elements of management quality, such as efficiency, effectiveness, and/or economy (the "three E's"); or it can evaluate "prospective" issues, which are analyses that predict specific results given a set of assumed decisions or actions, such as projected long-term economic impact of Vista Ridge on communities and ratepayers. In contrast, a standard financial audit focuses strictly on the accuracy of financial reports, and does not seek to uncover waste, inefficient operations, or other defects of management.

<u>Reference</u>: Colleen Waring, professional government auditor and Milam County landowner affected by Vista Ridge.

Reference: Paragraph 5, page 2, SAWS Accountability Act Charter Amendment Petition.

Question 20: Can you say more about what the audit of Vista Ridge required by the SAWS Accountability Act will require?

The SAWS Accountability Act proposes appointment of an *independent* Inspector General to examine how well the project has performed in order to answer the following questions:

- What are the risks to the City, SAWS, and/or SAWS ratepayers from the Vista Ridge management structure (public-private-partnership) and the oversight systems that exist (or are missing)? How are these risks addressed?
- What is the economic impact of Vista Ridge? What are the overall costs and benefits of the project, including long-term environmental impacts, reliability of the water source, and impacts (costs and benefits) on the communities, on both ends of the pipeline, that depend on the water?
- Over the life of the project to-date, were the promises and statements of SAWS employees and consultants about the Vista Ridge project to the SAWS Board and City Council accurate and have promises been kept? If not, the audit will explain discrepancies.

Question 21: Isn't it a waste of tax dollars to audit Vista Ridge, since SAWS says they have done so?

No one trusts SAWS to audit Vista Ridge now, *after* the fact. And, don't forget the SAWS Accountability Act is a City Charter amendment that inserts this language into the Charter itself. It cannot be changed without a public vote. In the future, big projects will trigger a performance audit <u>before</u> contracts are signed. This is a legacy we hope to leave with the passage of the SAWS Accountability Act.

Question 22: How much would it cost to do the performance audit you suggest and how are you going to pay for it?

Independent auditors have advised us a solid performance audit of Vista Ridge should cost approximately \$500,000. We can pay for that in less than two years of reduced CEO pay – also a proposal in the SAWS Accountability Act (see paragraph 1 – page 2 – of the SAWS Accountability Act petition). The CEO is currently paid 3 times that of other public water CEOs found so far in the U.S. at \$600K (including a \$100K yearly bonus).

Question 23: How much are you attempting to reduce the CEO pay?

The SAWS Act seeks to reduce the CEO's pay from approximately \$496,000 to approximately \$315,000 per year, with no bonuses. Mr. Puente has come to expect a yearly bonus of \$100,000. SAWS CEO pay would still remain at the high end of the scale in the U.S. and certainly in Texas. This Rivard Report (now San Antonio Report) piece, CEO pay at SAWS and CPS, is helpful, especially the chart above. And this Rivard piece on bonuses and expenses is also worthwhile.

Question 24: Are you claiming that Vista Ridge is doing harm to the Edwards Aquifer? If so, how?

Not exactly. What we are claiming is that the mistaken project known as Vista Ridge is leading to mistaken policies impacting on the Edwards.

This August 21, 2020 Express News Commentary by former Mayor and former secretary of housing and urban development, Henry Cisneros, promotes redirecting the 1/8-cent sales tax for the Edwards Aquifer Protection Program.

Our point is neither Council nor "city fathers" appear to be offering a clear plan for funding protection of the Edwards Aquifer. We believe that there is so much water coming into the city from Vista Ridge, there's some notion that the Edwards may not be as important. It is a purely dangerous folly to believe that.

Question 25: What do you have to say about SAWS CEO Robert Puente's accusation that you are "anti-growth"?

The only admission we will make about being "anti-growth" is we really don't like seeing Senior SAWS Management's wallets grow (not to mention their super-profiteering private partners) at great expense to the ratepayers in our outstandingly poor city.

More to the point is this. Growth will happen and therefore, let's not subsidize it.

Vista Ridge is, in effect, a subsidy by ratepayers for those in the developer lobby who want to sell more housing, especially higher income housing to the north of San Antonio, even over the pollution sensitive zones of the Edwards Aquifer.

Besides the unfairness, there's another dark side to growth subsidization. Who pays for the infrastructure cost for new water lines, new water, new roads etc. and who profits?

Question 26: Just how much have our rates gone up?

Since 2015, rates have gone up 58%. As part of this, the water supply fee went up 78%.

This Rivard Report article by Brendan Gibbons on December 29, 2019, "<u>SAWS Rates Should Prioritize Affordability</u>" said:

"One revelation that came in response to RAC members' questions: SAWS has the highest combined residential water and sewer rates of any major Texas city for low water use (1,000 gallons or less per month). That's because SAWS has relatively low per-gallon charges but the highest fixed charges of any major city in Texas."

Question 27: Who made the decision to conduct a sneak legal action on petitioners for the SAWS Accountability Act on December 10th, 2020, in the height of the first wave of COVID?

On December 10th, 2020, the City of San Antonio, acting through San Antonio Water System (SAWS), filed litigation known as a "1205 Petition" in the Travis County 345th District Court challenging the <u>SAWS Accountability Act</u>citizens' charter amendment claiming the petition would harm SAWS' ability to pay their bond debt. It came out in testimony that SAWS CEO, Robert Puente, claims he had full authority to conduct this failed attempt to stop the petition drive. <u>Read more about it in this press release issued by petitioners</u>. Legislation is needed to stop City's from using their legal hounds and abusing "1205 petitions" to harass petitioners.