

ANA E. SANDOVAL CITY COUNCILWOMAN DISTRICT 7

October 25, 2017

President & CEO Robert Puente San Antonio Water System 2800 U.S. Hwy 281 North San Antonio, Texas 78212

Dear Robert,

Thank you for your briefing on SAWS's proposed 2018-2019 rate increases, both during City Council's B session on Oct. 18 and earlier in the District 7 office. I understand the importance of replacing and repairing our water- and sewer lines. The investments you're planning to make are in keeping with SAWS's primary mission – to deliver water and to dispose of sewage safely and efficiently. To under-invest in this critical infrastructure would be a disservice to SAWS ratepayers and a failure of leadership.

But understanding the need for additional revenue is not the same as supporting SAWS's proposed increases of 5.8 percent and 4.7 percent in 2018 and 2019, respectively. In fact, I am writing to ask you to do everything within your power to find savings within the utility to reduce the proposal increases as much as possible.

Taken in isolation, each increase looks small. As you've pointed out, the 2018 rate proposal would raise average residential bills by just \$3.45. But this would follow rate increases of 7.5 percent in 2016, which added \$3.90 to the average bill, and 7.9 percent this year, which added another \$4.37. If Council approves the 5.8-percent rate for 2018, SAWS customers will pay \$11.72 more per month on average than they did three years ago. And much steeper increases are only two years ahead of us. Council will again be asked to approve significant rate hikes beginning in 2020 when the Vista Ridge project comes online.

Many of our District 7 residents are already struggling to make ends meet. At least one in every five residents lives below the poverty line in one-third of the zip codes within our district. Thousands of others are grappling with sizable property tax bills stemming from rapidly climbing property values, in addition to keeping up with their many other financial

commitments. And each increase in their monthly water bill is another shock to our senior citizens, most of whom survive on fixed incomes.

Again, on behalf of these residents, I ask you to scour SAWS's budget for the savings that will allow you to proceed with the work you've outlined for Council, but with a smaller rate increase.

Thank you. If you have any questions about this request, please contact the District 7 office at 210-207-7044.

Sincerely

Ana E. Sandoval

Councilwoman, District 7 The City of San Antonio, TX