

PRESENTATION to House Natural Resources Committee, March 5, 2019

Honorable Legislators, Ladies and Gentlemen:

Thank you for your service. I am Stan Mitchell, representing the SAMBA Coalition, San Antonio Making Bureaucracies Accountable. We oppose HB1066 because it enables the ongoing abuse of power by SAWS (San Antonio Water System), corrupt behavior abetted by our city government.

My Harvard MBA degree and relevant private sector experience permit exposing the **failure of Mayor Nirenberg and our 10-member City Council to regulate the SAWS utility** but Texas law advises, “Public agencies regulate utility rates, operations and service as a substitute for competition.” **And if the monopoly is not regulated?** Consider that today a **utility is lobbying you**, independent of the city government charged with regulating it for the protection of us customer-owners.

I will leave with you the attached December 7, **2017** San Antonio City Council Presentation made on behalf of ten named coalitions, noting Council’s refusal to challenge two years of rate increases proposed by SAWS, a proposal tacitly endorsed by attending City Manager Sheryl Sculley, **who was replaced four days ago**. Eight key points addressed in the attached Presentation Script:

1. San Antonio’s City Council is accountable to the “Residents of San Antonio” for the performance of the SAWS utility.
2. The Texas Public Utility Regulatory Act obligates our City Council to regulate the municipally-owned SAWS utility monopoly.
3. Council members lack financial skills and rely solely on staff financials.
4. San Antonio’s city government is corrupt. *
5. City CFO Gorzell criminally violated the Texas Public Information Act.
6. Our Charter Review Commission was reorganized by Mayor Nirenberg to avoid including “interest on debt incurred” in city project cost projections.
7. City government promoted an “**\$850 million** bond project,” omitting bond issuance and interest costs which raise project cost to **\$1.31 billion**.
8. Our City Organization Chart makes Council accountable for the Vista Ridge debacle because they failed to manage former City Manager Sculley.

A video of the attached Presentation delivered December 7, 2017, is at the SAMBA website, www.samba911.org Click on tab “CPS & SAWS” in the row of tabs at the top, then click on the far left video frame.

*** Corruption** is the exploitation of the many by the politically powerful for the benefit of the few, obscuring financial reality by using bureaucratic power to avoid transparency and accountability.

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