



CITY OF SAN ANTONIO
OFFICE OF THE CITY COUNCIL
COUNCIL CONSIDERATION REQUEST

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TO: Mayor & City Council

FROM: John G. Clamp, Councilman District 10

COPIES TO: Sheryl Sculley, City Manager; Leticia Vacek, City Clerk; Pat DiGiovanni, Deputy City Manager; Chris Callanen, Assistant to the City Council; Michael Bernard, City Attorney; Leticia Callanen, Special Projects Manager; Ramiro Gonzales, Special Projects Coordinator

SUBJECT: Re-Establishment of the City of San Antonio CIED Fund

DATE: October 2, 2008

Issue Proposed for Consideration

I ask for your support for the inclusion of the following item on the agenda of the earliest available meeting of the Governance Committee:

I respectfully ask for your concurrence in requesting an analysis and re-establishment of the Community Infrastructure and Economic Development (CIED) Fund.

The purpose of this Fund is to benefit the community and improve the quality of CPS Energy's customers through support of:

- 1) Electric system improvements that have public safety and public welfare benefits to customers
- 2) Other investments, consistent with electric system objectives, that support CPS Energy's commitment to environmental stewardship
- 3) To expand the economy of the CPS Energy service territory and thereby increases net electric revenues for the economic benefit of CPS Energy and its customers as a whole.

Brief Background

The following is a proposal to re-establish the city's Community Infrastructure and Economic Development (CIED) fund. Utilizing 1 percent of the Electric Base Rate Revenue that the city is authorized to receive from CPS Energy to re-establish the city's CIED fund.

Staff should prepare three options for Council Consideration:

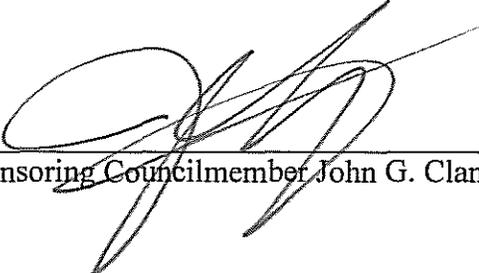
1. An option should analyze a District Utility Fund approach. This approach would split the fund into 11 equal pieces and allow each district the authority to designate projects similar to the NAMP process.
2. An option for consideration should analyze a Citywide approach in which a

process is clearly defined and utilizes a call for projects citywide.

3. A final option would be a combination of the District and Citywide approaches.

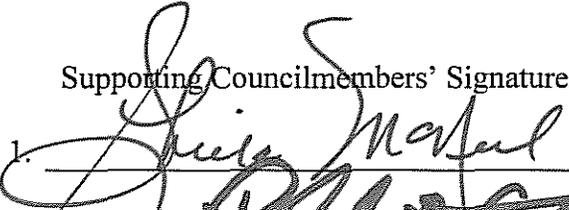
Another opportunity is the potential for a Utility Service Provider Fee for the development and right of way access. This fee could be collected up front to partially finance options 1, 2, or 3 above. Those fees would be held in an escrow fund until projects are identified and approved by council. The fees collected can be used to supplement the cost of additional utility burial such as cable and phone lines.

Submitted for Council consideration
by:


Sponsoring Councilmember John G. Clamp

Supporting Councilmembers' Signatures (4 only)

District No.

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2.		4
3.		7
4.		1