

AGENDA

**MEETING OF THE
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES
Tuesday, December 2, 2008, 9:00 A.M.
6th Floor Board Room #609 and
Executive Conference Room #695
Administrative Offices
2800 U. S. 281 North
San Antonio, Texas**

1. **MEETING CALLED TO ORDER.**
2. **Announcements.**
 - A. **The San Antonio Water System Board of Trustees will, during the Meeting, close the Meeting and hold an Executive Session pursuant to and in accordance with Chapter 551 of the Texas Open Meetings Act. The Board of Trustees may, at any time during the Meeting, close the Meeting and hold an Executive Session for consultation with its attorneys concerning any of the matters to be considered during the Meeting pursuant to Chapter 551 of the Texas Open Meetings Act.**
3. **Minutes.**
 - A. **Approval of the Minutes of the San Antonio Water System Board of Trustees Regular Meeting of November 4, 2008.**
 - B. **Approval of the Minutes of the San Antonio Water System Board of Trustees Special Meeting of November 7, 2008.**
 - C. **Approval of the Minutes of the San Antonio Water System Board of Trustees Budget Workshop/Meeting of November 11, 2008.**
 - D. **Approval of the Minutes of the San Antonio Water System Board of Trustees Special Meeting of November 14, 2008.**
 - E. **Approval of the Minutes of the San Antonio Water System Board of Trustees Budget Workshop/Meeting of November 18, 2008.**
4. **Ceremonial Items.**
 - A. **Recognition of Irene Pena, Erma Lund and Art Dietel for a combined 114 years of service to the San Antonio Water System.
(STACEY ISENBERG - JERRY BAILEY - VAL RUIZ)**
5. **Citizens to be Heard.**

**SAN ANTONIO WATER SYSTEM
HANDICAPPED ACCESSIBILITY STATEMENT**

The San Antonio Water System building and meeting rooms are handicapped accessible. Individuals with disabilities that may require special accommodations are requested to contact the Board Administrator at 210.233.3859 for assistance.

6. **Board of Trustees - Committee Reports. Presentation of and deliberation on the following Committee Reports:**
 - A. **Audit and Finance Committee.**

Meeting was cancelled.
 - B. **Planning and Operations Committee.**
 1. **Mission Reach Phase II Emergency Project.**
 2. **Olmos Basin Central Watershed Sewer Relief Line (C-3) Project.**
 3. **Temporary Agency Employment Services.**
 - C. **Water Resources Committee.**
 1. **Edwards Aquifer Activities.**
 2. **LCRA-SAWS Study Period Work Program 2009 Annual Budget.**

CONSENT AGENDA ITEMS

Items 7– 36

ITEMS CONCERNING THE PURCHASE OF EQUIPMENT, MATERIALS AND SUPPLIES

7. **A Resolution accepting recommendations regarding the contracting for certain services, equipment, materials, and supplies, and authorizing the acceptance of bids as follows: (DOUG EVANSON - VICK GARMON)**
 - A. **Award of Contracts for the Purchase of Materials, Equipment and Services.**
 1. **Acceptance of the bid of Environmental Improvements to provide: Purchase of Replacement Blower Assembly, Bid No. 08-8071, for a total of \$88,819.00. (Purchase of a replacement blower assembly with carbon ring seals including base, shaft coupling guard and one 200 horsepower motor.)**
 2. **Acceptance of the bid of Grande Truck Center to provide: Three each - 8,600 GVWR Cargo Vans, Bid No. 08-8075, for a total of \$71,109.00. (These units are part of the vehicle equipment replacement program and will be assigned to various SAWS locations.)**
 - B. **Award of Annual Service and Supply Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.**
 - (WBE) 1. **Acceptance of the bid of Smith Pump Co., Inc., to provide: Hydromatic and Gorman Rupp Pump Parts and Service, Bid No. 06-4073, for a total of \$200,000.00. This contract will be utilized to provide Hydromatic and Gorman Rupp pump parts and to provide service for Worthington Pumps. This contract extension will be effective January 1, 2009 through December 31, 2009.)**
 2. **Acceptance of the bid of Johnson Controls to provide: Centrifugal Chiller Service Program, Bid No. 06-0292, for a total of \$200,000.00. (This contract will be utilized to troubleshoot, diagnose, service, repair**

and test SAWS centrifugal chillers and associated components located at various SAWS sites. This contract extension will be effective January 1, 2009 through December 31, 2009.)

3. Acceptance of the bid of DXI Industries, Inc., to provide: Sulfur Dioxide, Bid No. 05-0183, for a total of \$342,100.80. (This contract will be utilized to de-chlorinate plant effluent as required by permit at the Water Recycling Centers. Price increase as a result of increases in raw materials (liquid sulfur dioxide) based upon Sulfur Dioxide producers documentation. This contract extension will be effective January 1, 2009 through December 31, 2009.)

(MBE)

4. Acceptance of the bid of Jet-Web Communication to provide: Installation of 3 Cabling Services, Bid No. 07-6086, for a total of \$70,000.00. (This contract will be utilized for services for installation of category 6, 5e and 3 cabling in at all SAWS locations. This contract extension will be effective January 1, 2009 through December 31, 2009.)

(SBE)

5. Acceptance of the bid of Ameriform, Inc., to provide: Purchase of Work Uniforms, Bid No. 05-5050, for a total of \$130,000.00. (This contract will be utilized for the purchase of uniforms to be used by designated SAWS employees. This contract extension will be effective January 1, 2009 through December 31, 2009.)
6. Acceptance of the bid of Morrison Supply Co., to provide: Polyethylene Wrapping/Polyvinyl Tape, Bid No. 08-0018, for a total of \$78,000.00. (This contract will be utilized for the purchase of polyethylene wrapping and polyvinyl tape and other related items on an as needed basis. This contract will be effective Date of Award (December 2, 2008) through December 31, 2009.)

- C. Authorization to Utilize the City of San Antonio's Competitive Bidding Process for Annual Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.

No items for this Meeting.

- D. Authorization to Utilize the City of San Antonio's Competitive Bidding Process for Biennial Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.

No items for this Meeting.

- E. Award of Biennial Service and Supply Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.

(SBE)

1. Acceptance of the bid of Air Kon Service, Inc., to provide: Materials and Labor to Maintain Heating and Air Conditioning System at SAWS Locations, Bid No. 08-0117, for a total of \$100,000.00. (This contract will be utilized for the purchase of parts and service for Heating and Air Conditioning System at SAWS locations. This contract will be effective Date of Award (December 2, 2008) through December 31, 2010.)
2. Acceptance of the bid of A.Y. McDonald Mfg. Co., to provide: Miscellaneous Brass Goods, Bid No. 08-0028, for a total of \$322,972.45. (This contract will be utilized for the purchase of miscellaneous brass

goods on an as needed basis. This contract is awarded based upon firm pricing for six (6) months, with price revisions, upward or downward, every six (6) months thereafter, subject to SAWS approval; for initial two (2) year period, based upon Copper and Copper Based Alloy Sand Castings Producer Price Index. This contract will be effective Date of Award (December 2, 2008) through December 31, 2010.)

3. Acceptance of the bid of Commercial Chemical Products, Inc., to provide: Sodium Bisulfite Solution, Bid No. 08-0501, for a total of \$203,952.00. (This contract will be utilized for the purchase of Sodium Bisulfite Solution to treat recycled water discharge at multiple locations in the City of San Antonio. This contract is awarded based upon firm pricing for three (3) months, with price revisions, upward or downward, every three (3) months thereafter, subject to SAWS approval; for initial two (2) year period, based upon CMAI Caustic Soda Index. This contract will be effective Date of Award (December 2, 2008) through September 30, 2010.)
4. Acceptance of the bid of Aries Industries, Inc., to provide: Sewer Inspection Equipment Parts and Service, Bid No. 08-0176, for a total of \$60,000.00. (This contract will be utilized for the purchase of various Sewer Inspection Equipment with Parts and Service. This contract will be effective January 1, 2009 through December 31, 2010.)
5. Acceptance of the bid of Texas Underground, Inc., to provide: Sewer Inspection Equipment Parts and Service, Bid No. 08-0176, for a total of \$60,000.00. (This contract will be utilized for the purchase of various Sewer Inspection Equipment with Parts and Service. This contract will be effective January 1, 2009 through December 31, 2010.)

CAPITAL IMPROVEMENT CONTRACTS

PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

Developer Customer Contracts

8. A Resolution approving Utility Service Agreements to provide water and/or wastewater service to the tracts listed below which are not located over the Edwards Aquifer Recharge or Contributing Zone and not within the 5-mile Awareness Zone of Camp Bullis. (KELLEY NEUMANN – SAM MILLS)

No.	Tract Name	Developer Name	Acreage	Water EDUs	WW EDUs	Board Reason	Water CCN	WW CCN
1	Applewood Ranch	Applewood Ranch Development, Ltd.	270	825	825	AC/OVR	Inside	Applied for
Totals			<u>270</u>	<u>825</u>	<u>825</u>			
Year-to-Date Totals (January-December 2008)			<u>7,849</u>	<u>21,683</u>	<u>43,862</u>			

9. **A Resolution approving Change Order No. 1 in the amount of \$53,220.00 and Change Order No. 3 in the amount of \$74,283.69 to the construction contract with S.J. Louis Construction in connection with the Bulverde Road 24-Inch Water Main Project; authorizing the President/Chief Executive Officer to execute Change Order No. 1 and Change Order No. 3 resulting in a developer funded increase of the project cost of \$127,503.69 for the additional project work in connection with Bulverde Road 24-Inch Water Main Project. Total expenditures are: \$127,503.69. (KELLEY NEUMANN – SAM MILLS)**
10. **A Resolution approving Change Order No. 6 resulting in an increase of the project cost of \$170,933.24 to Holloman Corporation in connection with the Shields High Service Level 12 Pump Station Project; authorizing the President/Chief Executive Officer to execute Change Order No. 6 resulting in a developer funded increase of project cost of \$170,933.24 for the additional project work in connection with the Shields High Service Level 12 Pump Station Project. Total expenditures are: \$170,933.24. (KELLEY NEUMANN – SAM MILLS)**
11. **A Resolution approving Change Order No. 2 in the decreased amount of \$99,813.95 to the construction contract with Lupe Rubio Construction Company, Inc., in connection with the Sonoma Verde 16-Inch and 24-Inch Oversize (12-Inch Required) Approach Water Mains Project; authorizing the President/Chief Executive Officer to execute Change Order No. 2 resulting in a decrease of the project cost of \$99,813.95 for the removal of project work in connection with Sonoma Verde 16-Inch and 24-Inch Oversize (12-Inch Required) Approach Water Mains Project. Total decreased amount is: \$99,813.95. (KELLEY NEUMANN – SAM MILLS)**
12. **A Resolution approving Final Recapitulation Change Order No. 2 in the decreased amount of \$28,014.35 to the construction contract with Du-Mor Enterprises, Inc., in connection with the River Rock Ranch P.U.D. Off-Site Sanitary Sewer Improvements Project; authorizing the return of funds in the amount of \$26,103.21 to the Project Fund; authorizing the President/Chief Executive Officer to execute the Final Recapitulation Change Order No. 2 and to close the contract. Total decreased amount is: \$26,103.21. (KELLEY NEUMANN – SAM MILLS)**
13. **A Resolution approving Final Recapitulation Change Order No. 1 in the increased amount of \$125,036.05 to the construction contract with SACC Inc., in connection with the Culebra Centre 48-Inch Oversize On-Site Water Main Project; amending Resolution No. 07-185 by approving additional funds in the amount of \$85,134.78 from the System’s 2008 Capital Improvements Plan Oversize Project Fund; authorizing the President/Chief Executive Officer to execute the Final Recapitulation Change Order No. 1 and to close the contract. Total expenditures are: \$125,036.05. (KELLEY NEUMANN – SAM MILLS)**
14. **A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 4 in the amount of \$179,732.88 and Change Order No. 5 in the amount of \$53,093.47 to the construction contract with S.J. Louis Construction of Texas, Ltd., in connection with the Alamo Ranch/Medio Creek South Sanitary Sewer Outfall Project; amending Resolution No. 07-337 by increasing the authorization of construction contingency of the construction contract with Pulte Homes of Texas, L.P., and S.J. Louis Construction of Texas, Ltd., by \$40,000.00 in connection with the Alamo Ranch/Medio Creek South Sanitary Sewer Outfall Project; approving an amount not to exceed \$40,000.00 from the System’s 2008 Capital Improvements Plan Oversize Project Fund for the additional construction contingency expenses; authorizing the President/Chief Executive Officer to execute**

Change Order No. 4 and Change Order No. 5, resulting in an increase of the project cost of \$232,826.35 for the additional project work in connection with the Alamo Ranch/Medio Creek South Sanitary Sewer Outfall Project. Total expenditures are: \$232,826.35. (KELLEY NEUMANN – SAM MILLS)

Production, Transmission and Treatment Improvements

Professional Services

- 15. A Resolution approving Contract Amendment No. 2 in the amount of \$164,116.00 in connection with the Central Watershed Sewer Relief Line C-01 and C-02 Phase II Project; amending Resolution No. 06-185 as amended by Resolution No. 07-359 by approving additional expenditures in an amount not to exceed \$164,116.00 for additional engineering services by Claunch & Miller, Inc., in connection with the Central Watershed Sewer Relief Line C-01 and C-02 Phase II Project; approving that an amount not to exceed \$164,116.00 be made available and expended from the System's Project Fund for the wastewater related additional engineering services; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 2 and to pay Claunch & Miller, Inc., an additional amount not to exceed \$164,116.00 for additional engineering services in connection with the project. Total expenditures are: \$164,116.00. (KELLEY NEUMANN – FRANCES PLOCEK)**

REPLACEMENT AND ADJUSTMENT PROJECTS

- 16. A Resolution approving the expenditure of funds in the amount of \$996,663.91 for the street pavement rehabilitation due to the water and sewer replacement in the Lackland Terrace Water and Sewer Main Replacement, Phase I Project Area; approving an amount not to exceed \$498,331.95 be made available and expended from the System's Project Fund for the street pavement rehabilitation due to the water related project work; approving an amount not to exceed \$498,331.96 be made available and expended from the System's Project Fund for the street pavement rehabilitation due to the previous sewer related project work; authorizing the President/Chief Executive Officer to reimburse the City of San Antonio an amount not to exceed \$996,663.91 for the project work. Total expenditures are: \$996,663.91. (KELLEY NEUMANN – FRANCES PLOCEK)**

Governmental Relocations and Replacements

- 17. A Resolution approving the expenditure of funds in the amount of \$152,035.00 for the replacement and adjustment of water and sewer facilities by the City of San Antonio in connection with the Riverdale Drive: Maiden Lane to Hillcrest Drive Project; approving an amount not to exceed \$15,203.50 for construction contingency expenses related to the project work; approving an amount not to exceed \$86,620.60 be made available and expended from the System's Project Fund for the water project work and related construction contingency expenses; approving an amount not to exceed \$80,617.90 be made available and expended from the System's Project Fund for the sewer project work and related construction contingency expenses; authorizing the President/Chief Executive Officer to pay to the City of San Antonio an amount not to exceed \$167,238.50 for the project work and related construction contingency expenses. Located in Council District 7. Total expenditures are: \$167,238.50. (KELLEY NEUMANN – CINDY KOVACIC)**
- 18. A Resolution amending Resolution No. 07-006, as previously amended by Resolution No. 07-354 and Resolution No. 08-031, by approving the expenditure of additional funds in an amount not to exceed \$27,214.96 payable to Bexar County for additional construction**

contingency expenses in connection with the Braun Road: Loop 1604 to F.M. 1560 Project; approving an additional amount not to exceed \$27,214.96 be made available and expended from the System's Project Fund for additional construction contingency expenses; ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 4 in the amount of \$30,455.98; authorizing the President/Chief Executive Officer to pay to Bexar County an additional amount not to exceed \$27,214.96 for the additional project work and additional construction contingency. Total expenditures are: \$27,214.96.

(KELLEY NEUMANN – CINDY KOVACIC)

19. A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 1 in the amount of \$27,355.00 in connection with the US Hwy 281: Mud Creek to Stone Oak Pkwy (Lift Station Removal) Project; authorizing the President/Chief Executive Officer to pay to Pipelayers, Inc., an additional amount not to exceed \$27,355.00 for the additional project work. Total expenditures are: \$27,355.00. (KELLEY NEUMANN – CINDY KOVACIC)
20. A Resolution amending Resolution No. 06-365, as previously amended by Resolution Nos. 08-030 and 08-340, by approving the expenditure of additional funds in an amount not to exceed \$47,550.69 payable to Bexar County for additional construction contingency expenses in connection with the Woodlake Parkway: Binz-Engleman to F.M. 78 Project; approving an additional amount not to exceed \$47,550.69 be made available and expended from the System's Project Fund for additional construction contingency expenses; ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 4 in the amount of \$48,493.94; authorizing the President/Chief Executive Officer to pay to Bexar County an additional amount not to exceed \$47,550.69 for the additional project work and additional construction contingency. Total expenditures are: \$47,550.69.
(KELLEY NEUMANN – CINDY KOVACIC)

Professional Services

21. A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving Contract Amendment No. 1 in the amount of \$54,275.00 in connection with the Bulverde-Evans Intersection Project; approving additional expenditures in an amount not to exceed \$54,275.00 for additional engineering design services by Pape-Dawson Engineers, Inc., in connection with the Bulverde-Evans Intersection Project; approving that an additional amount not to exceed \$33,840.00 be made available and expended from the System's Project Fund for the additional water engineering design services; approving that an additional amount not to exceed \$20,435.00 be made available and expended from the System's Project Fund for the additional sewer engineering design services; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 1 and to pay Pape-Dawson Engineers, Inc., an additional amount not to exceed \$54,275.00 for the additional engineering design services in connection with the project. Total expenditures are: \$54,275.00.
(KELLEY NEUMANN – CINDY KOVACIC)
22. A Resolution approving Contract Amendment No. 2 in an amount not to exceed \$75,236.70 in connection with the 2007 Engineering Design Services - Replacements and Improvements, Contract I; amending Resolution No. 07-086, as previously amended by Resolution No. 07-313, by approving additional expenditures in an amount not to exceed \$75,236.70 for additional engineering design services by GGI Engineers, Inc., in connection with the 2007 Engineering Design Services - Replacements and Improvements, Contract I; approving that an additional amount not to exceed

\$75,236.70 be made available and expended from the System's Project Fund for the wastewater related additional engineering design services; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 2 and to pay GGI Engineers, Inc., an additional amount not to exceed \$75,236.70 for the additional engineering design services in connection with the contract. Total expenditures are: \$75,236.70. (KELLEY NEUMANN – FRANCES PLOCEK)

(WBE) 23. A Resolution accepting the proposal of and awarding a professional services contract to GGI Engineers, Inc., in an amount not to exceed \$300,000.00 for the 2008 Engineering Design Services – Replacements and Improvements, Contract I; approving the expenditure of funds in an amount not to exceed \$200,000.00 from the System's Project Fund for the sewer project engineering work; approving the expenditure of funds in an amount not to exceed \$100,000.00 from the System's Project Fund for the water project engineering work; authorizing the President/Chief Executive Officer to execute a professional services contract with GGI Engineers, Inc., and to pay GGI Engineers, Inc., an amount not to exceed \$300,000.00 for the project engineering work. Total expenditures are: \$300,000.00. (KELLEY NEUMANN – FRANCES PLOCEK)

(WBE) 24. A Resolution accepting the proposal of and awarding a professional services contract to Bain Medina Bain in an amount not to exceed \$300,000.00 for the 2008 Engineering Design Services – Replacements and Improvements, Contract II; approving the expenditure of funds in an amount not to exceed \$200,000.00 from the System's Project Fund for the sewer project engineering work; approving the expenditure of funds in an amount not to exceed \$100,000.00 from the System's Project Fund for the water project engineering work; authorizing the President/Chief Executive Officer to execute a professional services contract with Bain Medina Bain and to pay Bain Medina Bain an amount not to exceed \$300,000.00 for the project engineering work. Total expenditures are: \$300,000.00. (KELLEY NEUMANN –FRANCES PLOCEK)

(MBE) 25. A Resolution accepting the proposal of and awarding a professional services contract to CAS Consulting & Services, Inc., in an amount not to exceed \$200,000.00 for the 2008 Engineering Design Services – Replacements and Improvements, Contract III; approving the expenditure of funds in an amount not to exceed \$100,000.00 from the System's Project Fund for the sewer project engineering work; approving the expenditure of funds in an amount not to exceed \$100,000.00 from the System's Project Fund for the water project engineering work; authorizing the President/Chief Executive Officer to execute a professional services contract with CAS Consulting & Services, Inc., and to pay CAS Consulting & Services, Inc., an amount not to exceed \$200,000.00 for the project engineering work. Total expenditures are: \$200,000.00. (KELLEY NEUMANN –FRANCES PLOCEK)

WATER RESOURCES PROJECTS

Professional Services

26. A Resolution Amending Resolution No. 07-407, to provide additional engineering services to the existing professional services contract with LBG Guyton Associates, in an amount not to exceed \$16,000.00 in connection with the Water Resources Engineering Consultant 2008 Contract; approving additional expenditures in an amount not to exceed \$16,000.00; approving the expenditure of funds in an amount not to exceed \$16,000.00 from the San Antonio Water System's Project Fund for additional engineering services; authorizing the President/Chief Executive Officer to execute an amendment to the existing professional services agreement with LBG Guyton Associates and to pay with LBG Guyton Associates an additional amount not to exceed \$16,000.00

for additional engineering services. Total expenditures are: \$16,000.00.
(KELLEY NEUMANN –ESTHER HARRAH)

MISCELLANEOUS PROJECTS

27. A Resolution approving Change Order No. 3 in the amount of \$80,500.00 to the construction contract with Hunter Demolition & Wrecking Corp., in connection with the Salado Creek Water Recycling Center Decommissioning Project; amending Resolution No. 07-069 by increasing the authorization of construction contingency by \$114,000.00 for a construction contingency of \$190,258.00; authorizing additional funds in the amount not to exceed \$80,500.00 for Change Order No. 3 from the project construction contingency fund; authorizing additional funds in the amount not to exceed \$114,000.00 from the System's Project Fund for additional contingency expenses associated with the project work; authorizing the President/Chief Executive Officer to execute Change Order No. 3, and to pay Hunter Demolition & Wrecking Corp., the additional sum of \$80,500.00 from the project construction contingency fund for the additional project work associated with Change Order No. 3. Total expenditures are: \$80,500.00.
(KELLEY NEUMANN –ASHOK KAJI)
28. A Resolution approving Change Order No. 11 in the amount of \$41,552.00 in connection with the Medio Creek Water Recycling Center Expansion Project; authorizing the additional expenditure of funds in the amount of \$41,552.00 for Change Order No. 11 from the project construction contingency fund; authorizing the President/Chief Executive Officer to execute Change Order No. 11 and to pay Pepper-Lawson Construction, L.P., the additional sum of \$41,552.00 from the project construction contingency fund for the additional project work associated with Change Order No. 11. Total expenditures are: \$41,552.00.
(KELLEY NEUMANN – ASHOK KAJI)

EASEMENTS AND REAL ESTATE

29. A Resolution approving an Amendment to the Interlocal Agreement with Bexar County for the purpose of right-of-way acquisition on Borgfeld Drive Phase II (Timberline Drive to Blanco Road) for seven parcels required for the System's water main installation on the project; authorizing the expenditure of funds in the amount of \$19,800.00 for the project work from the System Fund; authorizing the President/Chief Executive Officer or his designee to execute the Interlocal Agreement with Bexar County and to pay the amount of \$19,800.00 to Bexar County in connection with the project work. Total expenditures are: \$19,800.00. (KELLEY NEUMANN – SAM MILLS)

FINANCIAL SERVICES ITEMS

30. A Resolution adopting revisions to the Investment Policy of the San Antonio Water System pursuant to the guidelines established in the City of San Antonio's Ordinance No. 75686 and the provisions of the Public Funds Investment Act; declaring that the revisions to the System's Investment Policy conform to the requirements of the Public Funds Investment Act. (DOUG EVANSON)

HUMAN RESOURCES ITEMS

31. A Resolution accepting a proposal of and awarding a contract to TEK Systems for temporary employee services in an amount not to exceed \$161,200.00 and Consultis of San Antonio for temporary employee services in an amount not to exceed \$76,700.00 from January 1, 2009 through July 31, 2009; authorizing the expenditure of funds in an

amount not to exceed \$237,900.00 from the System Fund for the temporary employee services; authorizing the President/Chief Executive Officer to execute a contract with TEK Systems and Consultis of San Antonio and to pay TEK Systems an amount not to exceed \$161,200.00 for temporary employee services and Consultis of San Antonio for temporary employee services in an amount not to exceed \$76,700.00 from January 1, 2009 through July 31, 2009. Total expenditures are: \$237,900.00.
(JERRY BAILEY – NEIRA WHITE)

32. A Resolution approving Contract Amendment No. 1 to the contract with Mercer Human Resources Consulting, Inc., for consulting support for the System's Total Rewards Program from Fiscal Year 2008 through Fiscal Year 2010; authorizing expenditures in an amount not to exceed \$130,000.00 from the System Fund for consulting support for Fiscal Year 2008; authorizing expenditures in an amount not to exceed \$70,000.00 in Fiscal Year 2009 and Fiscal Year 2010 pursuant to and contingent upon Board approval of the 2009 and 2010 budgets with a line item for such expenditures; authorizing the President/Chief Executive Officer to authorize additional funds in an amount not to exceed \$200,000.00 for the contract with Mercer Human Resources Consulting, Inc. for consulting support for the System's Total Rewards Program and to pay Mercer Human Resources Consulting, Inc., an amount not to exceed \$200,000.00 from Fiscal Year 2008 through Fiscal Year 2010. Total expenditures are: \$200,000.00.
(JERRY BAILEY – NEIRA WHITE)

MISCELLANEOUS ITEMS

33. A Resolution authorizing the President/Chief Executive Officer or his designee to exercise the second option to extend the term of the existing contract with Guerra, DeBerry, Coody for public relations and crisis communications services and programs for the period from January 1, 2009 through December 31, 2009 in an amount not to exceed \$110,000.00; authorizing that expenditures in an amount not to exceed \$110,000.00 for Fiscal Year 2009 are pursuant to and contingent upon the Board's approval of the Fiscal Year 2009 budget with a line item for such expenditures; authorizing the President/Chief Executive Officer or his designee to execute a contract with Guerra, DeBerry, Coody and pay Guerra, DeBerry, Coody an amount not to exceed \$110,000.00 to perform public relations and crisis communications services for the period from January 1, 2009 through December 31, 2009. Total expenditures are: \$110,000.00. (GREG FLORES)
34. A Resolution approving a three year contract with Federal Court Reporters of San Antonio in an amount not to exceed \$45,000.00 per year to provide court reporting services for the System's Board Meetings from January 1, 2009 through December 31, 2011, with the option for two, one year extensions; approving expenditures from the System Fund in an amount not to exceed \$45,000.00 for court reporting services to be provided in Fiscal Year 2009, and that expenditures in subsequent fiscal years are pursuant to and contingent upon Board approval of the budgets with a line item for such expenditures; authorizing the President/Chief Executive Officer to execute a three year contract with Federal Court Reporters of San Antonio to provide such services from January 1, 2009 through December 31, 2011, with the option for two, one year extensions and to pay an amount not to exceed \$45,000.00 per year to Federal Court Reporters of San Antonio, including the option for two, one year extensions. Total expenditures are: 45,000.00 for per year for three years. (TIM DARILEK)
35. A Resolution accepting the proposals of and awarding consulting services contracts to Municipal Services Bureau, Penn Credit Corporation and NCO Financial Systems, Inc., in an amount not to exceed a total of \$120,000.00 for consulting services regarding the

Third Party Collections Initiative; approving the expenditure of funds in an amount not to exceed \$120,000.00 from the Project Fund to procure the said services of third party collections; authorizing the President/Chief Executive Officer to execute a consulting services contract with Municipal Services Bureau, Penn Credit Corporation and NCO Financial Systems, Inc., and to pay Municipal Services Bureau, Penn Credit Corporation and NCO Financial Systems, Inc., an amount not to exceed \$120,000.00 for the third party collections initiative work. Total expenditures are: \$120,000.00. (STACEY ISENBERG)

- 36. A Resolution approving an additional nomination for membership on the Rate Advisory Committee. (DOUG EVANSON)**

ITEMS FOR INDIVIDUAL CONSIDERATION

MISCELLANEOUS ITEMS

- 37. A Resolution accepting the recommendation of Marsh USA Inc., for commercial insurance coverage for the twelve month period commencing January 1, 2009; authorizing expenditures in an amount not to exceed \$1,001,502.00 for such insurance from the System Fund; authorizing the President/Chief Executive Officer or his designee to execute through Marsh USA Inc., all necessary documents and to pay Marsh USA Inc., an amount not to exceed \$1,001,502.00 for the cost for such insurance coverage. Total expenditures are: \$1,001,502.00. (DOUG EVANSON – ED MYCOCK)**
- 38. A Resolution accepting the proposal of and awarding a new contract with various temporary employment agencies to provide temporary worker services for the System from January 1, 2009 through December 31, 2011 with three successive one-year term extensions; authorizing funds to be expended in Fiscal Year 2009 from the System Fund, and that future years expenditures are pursuant to and contingent upon Board approval of the subsequent years budgets with a line item for such expenditures; authorizing the President/Chief Executive Officer to negotiate and execute a new contract with various temporary employment agencies for temporary worker services from January 1, 2009 through December 31, 2011 and to pay various temporary employment agencies, an amount not to exceed \$1,185,840.00 for temporary worker services from January 1, 2009 through December 31, 2011. Total expenditures are: \$1,185,840.00. (JERRY BAILEY – NEIRA SOUTH)**
- 39. A Resolution accepting the biennial “Best Value” bid and awarding a contract to CSS-USA Inc., to provide security services for a total amount not to exceed \$2,163,730.47; authorizing total expenditures of an amount not to exceed \$2,163,730.47 from the System Fund for a two-year period with the expenditure of funds in subsequent years pursuant to and contingent upon the Board’s approval of the budgets of those years with a line item for such expenditures; authorizing the President/Chief Executive Officer or his designated representative to execute the contract with CSS-USA Inc., and to pay CSS-USA Inc., a total amount not to exceed \$2,163,730.47 to provide security services for a two-year period; authorizing the staff to exercise up to three, one-year renewal options if it is in the best interest of the System. Total expenditures are: \$2,163,730.47. (MIKE BRINKMANN – JOSHUA DEAN)**
- 40. A Resolution approving the third year extension of the contract with DXI Industries, Inc., to provide chlorine, in a total amount not to exceed \$1,007,136.00; authorizing**

payment from the System Fund in an amount not to exceed \$1,007,136.00 for the third year of the contract for chlorine; authorizing the President/Chief Executive Officer or his designated representative to execute a contract with DXI Industries, Inc., and to authorize payment to DXI Industries Inc., in an amount not to exceed \$1,007,136.00 the third year of the contract for chlorine. Total expenditures are: \$1,007,136.00.
(STEVE CLOUSE – PHIL COOK)

WATER RESOURCES ITEMS

41. A Resolution approving the 2009 Annual Study Period Work Program Budget and Study Period Option Fee in an amount not to exceed \$5,000,000.00 for the Lower Colorado River Authority - San Antonio Water System Water Project; authorizing and approving the expenditure of funds for the 2009 Annual Study Period Work Program and Study Period Option Fee in an amount not to exceed \$5,000,000.00 for the Lower Colorado River Authority – San Antonio Water System Water Project from the Water Supply Fee Revenues of the System Fund for the System’s obligations under the Lower Colorado River Authority – San Antonio Water System Definitive Agreement; authorizing the President/Chief Executive Officer to pay the Lower Colorado River Authority an amount not to exceed \$5,000,000.00 for the Calendar Year 2009 Annual Study Period Work Program and Study Period Option Fee. Total expenditures are: \$5,000,000.00. (KELLEY NEUMANN – GARY GUY)

CAPITAL IMPROVEMENT CONTRACTS

PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

Developer Customer Contracts

- (MBE) 42. A Resolution accepting the bid of Price Construction, Inc., in the amount of \$1,442,313.44 for the construction of the 24-inch water main in connection with the Windwood 24-Inch Water Oversize Approach Main (12-Inch Required) Project; awarding a construction contract to Price Construction, Inc., in the amount of \$1,442,313.44 for the project work; authorizing the expenditure of System funds in the amount of \$1,081,735.08 for the System's proportionate share of the project work; authorizing the expenditure of System funds in the amount of \$108,173.51 for the System's proportionate share of the engineering design fees; authorizing the System’s proportionate share of the construction contingency expenses in an amount not to exceed \$28,846.27 in connection with the project work; authorizing a total amount not to exceed \$1,218,754.86 from System’s 2008 Capital Improvements Plan Oversize Projects Fund for the System’s proportionate share of the project work, engineering fees, and construction contingency expenses related to the project work; authorizing the President/Chief Executive Officer to execute a contract with Post Oak Development of Texas, Inc., and, Price Construction, Inc., and provide payment in an amount not to exceed \$1,218,754.86 to Price Construction, Inc., in care of Post Oak Development of Texas, Inc., for the System’s proportionate share of the cost to oversize the proposed water mains. Total expenditures are: \$1,218,754.86.
(KELLEY NEUMANN – SAM MILLS)
43. A Resolution accepting the bid of SACC, Inc., in the amount of \$947,412.50 for the construction of the 24-inch water main in connection with the Winwood 24-Inch Water Oversize Approach Main Phase 1 (12-Inch Required) Project; awarding a construction contract to SACC, Inc. in the amount of \$947,412.50 for the project work; authorizing the expenditure of System funds in the amount of \$710,560.13 for

the System's proportionate share of the project work; authorizing the expenditure of System funds in the amount of \$71,056.01 for the System's proportionate share of the engineering design fees; authorizing the System's proportionate share of the construction contingency expenses in an amount not to exceed \$18,948.25 in connection with the project work; authorizing a total amount not to exceed \$800,564.39 from the System's 2008 Capital Improvements Plan Oversize Projects Fund for the System's proportionate share of the project work, engineering fees, and construction contingency expenses related to the project work; authorizing the President/Chief Executive Officer to execute a contract with Post River Sundance Ranch, L.P., and SACC, Inc., and provide payment in an amount not to exceed \$800,564.39 to SACC, Inc. in care of Post River Sundance Ranch, L.P., for the System's proportionate share of the cost to oversize the proposed water mains. Total expenditures are: \$800,564.39. (KELLEY NEUMANN – SAM MILLS)

Production, Transmission and Treatment Improvements

- (WBE) 44. A Resolution accepting the bid of Davenport Drilling & Pump Service, Inc., in the amount of \$1,198,705.00 for the construction of water facilities in connection with the Culebra Pump Station Well No. 4 Project; awarding a construction contract to Davenport Drilling & Pump Service, Inc., in the amount of \$1,198,705.00 for the project work; authorizing the expenditure of funds in the amount of \$1,198,705.00 for the project work; authorizing construction contingency expenses in an amount not to exceed \$24,000.00 in connection with the project work; authorizing total expenditures in an amount not to exceed \$1,222,705.00 from the System's Project Fund for the project work and related construction contingencies; authorizing the President/Chief Executive Officer to execute a contract with Davenport Drilling & Pump Service, Inc., and to pay Davenport Drilling & Pump Service, Inc., the amount of \$1,198,705.00 for the project work. Total expenditures are: \$1,222,705.00. (KELLEY NEUMANN – ASHOK KAJI)
45. A Resolution accepting the bid of Landmark Structures 1 LP, in the amount of \$4,867,000.00 for the construction of the General McMullen Elevated Storage Tank Project; awarding a construction contract in the amount of \$4,867,000.00 to Landmark Structures 1 LP, for the project work; authorizing the expenditure of funds in an amount not to exceed \$4,867,000.00 for the project work; authorizing construction contingency expenses in an amount not to exceed \$97,500.00 in connection with the project work; authorizing total expenditures in an amount not to exceed \$4,964,500.00 from the System's Project Fund for the project work and construction contingency expenses; authorizing the President/Chief Executive Officer or his authorized representative to execute a contract with Landmark Structures 1 LP, and to pay Landmark Structures 1 LP, the amount of \$4,867,000.00 for the project work. Total expenditures are: \$4,964,500.00. (KELLEY NEUMANN – ASHOK KAJI)
46. A Resolution accepting the bid of Pesado Construction in the amount of \$2,384,653.40 for the Indian Hills Pump Station Pressure Zone 12 Project; awarding a construction contract to Pesado Construction in the amount of \$2,384,653.40 for the project work; approving the expenditure of funds in the amount of \$2,384,653.40 for the project work; approving construction contingency expenses in an amount not to exceed \$95,400.00 in connection with the project work; approving an amount not to exceed \$2,480,053.40 be made available and expended from the System's 2008 Capital Improvements Plan Oversize Project Fund for the project work and related construction contingencies; authorizing the President/Chief Executive Officer to execute a construction contract with Pesado Construction and to pay Pesado Construction an amount not to exceed \$2,480,053.40 for the project work and related construction contingencies. Located in

**Council District 8. Total expenditures are: \$2,480,053.40.
(KELLEY NEUMANN – FRANCES PLOCEK)**

Professional Services

- 47. A Resolution accepting the proposal of and awarding a professional services contract to Weston Solutions, Inc., in an amount not to exceed \$2,414,993.00 in connection with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project; approving the expenditure of funds in an amount not to exceed \$2,414,993.00 from the System's Project Fund for the project engineering work; authorizing the President/Chief Executive Officer to execute a professional services contract with Weston Solutions, Inc., and to pay Weston Solutions, Inc., an amount not to exceed \$2,414,993.00 for the project engineering work. Total expenditures are: \$2,414,993.00.
(KELLEY NEUMANN – FRANCES PLOCEK)**

REPLACEMENT AND ADJUSTMENT PROJECTS

- 48. A Resolution accepting the bid of San Antonio Constructors in the amount of \$6,610,371.18 for the Lackland Terrace Water and Sewer Main Replacement, Phase I Project; awarding a construction contract to San Antonio Constructors. in the amount of \$6,610,371.18 for the project work; approving construction contingency expenses in an amount not to exceed \$264,400.00 in connection with the project work; approving an amount not to exceed \$3,437,385.59 be made available and expended from the System's Project Fund for the sewer project work and related construction contingencies; and approving \$24,000.00 for obstruction removals, approving an amount not to exceed \$3,437,385.59 be made available and expended from the System's Project Fund for the water project work and related construction contingencies; approving the total expenditure of funds in the amount of \$6,898,771.18 for the project work, construction contingency expenses and obstruction removals; authorizing the President/Chief Executive Officer to execute a construction contract with San Antonio Constructors. and to pay San Antonio Constructors an amount not to exceed \$6,610,371.18 for the project work and related construction contingencies and authorizing payment to various property owners for obstruction removals in an amount not to exceed \$24,000.00. Located in Council District 4. Total expenditures are: \$6,898,771.18.
(KELLEY NEUMANN – FRANCES PLOCEK)**
- 49. A Resolution ratifying the actions of the President/Chief Executive Officer in executing a construction contract in the amount of \$1,667,891.00 with Du-Mor Enterprises, Inc., in connection with the Historic Mission Reach, Phase II Emergency Project; approving the expenditure of funds in the amount of \$1,667,891.00 for the project work; approving construction contingency expenses in an amount not to exceed \$166,799.00 in connection with the project work; approving total expenditures in an amount not to exceed \$1,834,690.00 from the System's Project Fund for the sewer project work and related construction contingencies; authorizing the President/Chief Executive Officer to pay Du-Mor Enterprises, Inc., the amount of \$1,834,690.00 for the project work and related construction contingencies. located in Council Districts 3 and 5. Total expenditures are: \$1,834,690.00. (KELLEY NEUMANN – CINDY KOVACIC)**

50. BRIEFING SESSION.

- A. Briefing and deliberation regarding the System's 2008 Capital Improvements Program. (KELLEY NEUMANN)**
- B. Briefing on Current Drought Conditions and Drought Triggers for EAA and the City of San Antonio. (KELLEY NEUMANN – KAREN GUZ)**

- C. Briefing and deliberation regarding the 2009 Board Meeting Schedule.
(TIM DARILEK)

- 51. Chairman of the Board's Initiative. Presentation of and deliberation on the following items:

No items for this meeting.

- 52. President/Chief Executive Officer's Report. Presentation of and deliberation on the following items:

- A. 2009 Proposed Rate Adjustment.
- B. Water Resources Plan.
- C. 2009 Legislative Agenda.

- 53. Inquiries.

- 54. The Regular Session of the December 2, 2008, Regular Board Meeting is hereby recessed to hold an Executive Session and discuss the matters listed below pursuant to Sections 551.071, 551.072, 551.073, and 551.074 of the Texas Open Meetings Act.

- 55. **EXECUTIVE SESSION.**

- A. Consultation with attorneys and deliberation regarding the appointment, employment, reassignment, duties, discipline, or dismissal of a public officer or employee. (FRANK STENGER-CASTRO – BILL CROW)
- B. Consultation with attorneys and deliberation regarding potential litigation relating to matters in connection with wastewater permit compliance issues. (FRANK STENGER-CASTRO)
- C. Consultation with attorneys and deliberation regarding Cause No. 2006-CI-12816, *San Antonio Water System Board of Trustees, et al v. Turner Collie & Braden, Inc., E. E. Hood & Sons, Inc., et al*, in the 37th District Court of Bexar County, Texas. (FRANK STENGER-CASTRO)
- D. Consultation with attorneys regarding legal issues related to the Applications to the Gonzales County Underground Water Conservation District for Drilling, Production, and Transportation Permits Associated with the Regional Carrizo Water Supply Program. (FRANK STENGER-CASTRO - STEVE KOSUB)
- E. Consultation with attorneys for the San Antonio Water System and its Board of Trustees, and consideration of matters in which the duty of the attorney to the San Antonio Water System and its Board of Trustees under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provisions of the Texas Open Meetings Act. (FRANK STENGER-CASTRO)

- 56. The Regular Session of the Regular Board Meeting of December 2, 2008, is hereby reconvened.

57. BUDGET WORKSHOP SESSION:

- A. Briefing and deliberation regarding the annual budget for the San Antonio Water System for the Fiscal Year beginning January 1, 2009, and ending December 31, 2009.**

58. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF DECEMBER 2, 2008, IS HEREBY ADJOURNED.