

# AGENDA

## MEETING OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES

Tuesday, April 6, 2010, 9:00 A.M.

6th Floor Board Room #609

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 March 2, 2010.**
  - B. **Approval of the Minutes of the San Antonio Water System Board of Trustees Policy and Planning Meeting of January 25, 2010.**
  - C. **Approval of the Minutes of the San Antonio Water System Board of Trustees Policy and Planning Meeting of February 15, 2010.**
  - D. **Approval of the Minutes of the San Antonio Water System Board of Trustees Special Meeting of February 15, 2010.**
4. **Ceremonial Items.**
  - A. **Recognition that SAWS has received the 2010 Environmental Stewardship Award from the Texas Chapter of the American Society of Landscape Architects for balancing the community and environment.  
(CHARLES AHRENS – KAREN GUZ)**
5. **PUBLIC HEARING: RECOMMENDATIONS OF THE COMPREHENSIVE COST OF SERVICE RATE DESIGN STUDY.**

**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.

## **PUBLIC HEARING OPENS**

- A. Public Hearing Briefing (DOUG EVANSON)**
- B. Public Hearing on the Following Items:**
  - 1. Recommendations of the Comprehensive Cost of Service Rate Design Study.**

## **PUBLIC HEARING CLOSES**

- 6. Citizens to be Heard.**

## **CONSENT AGENDA ITEMS**

**Items 7 – 31**

### **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 Walker Process Equipment, to provide: Two (2) each - Hot Water to Sludge Heater Exchangers, Bid No. 10-1002, for a total of \$110,600.00. (This contract will be utilized for the purchase of two heat exchangers capable of heating sludge via hot water from a boiler. These exchangers will replace existing exchangers at the Dos Rios Water Recycling Center.)**
  - B. Award of Annual Service and Supply Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.**
    - 1. Acceptance of the bid of Equipment Depot, Inc, to provide: Ford New Holland Products, Bush Hog, Bradco and Wood Products and Service, Bid No. 09-0367, for a total of \$97,500.00. (This contract will be utilized for the purchase of Ford New Holland Products, Bush Hog, Bradco and Wood parts and service. This contract will be effective Date of Award (April 6, 2010) through September 30, 2010.)**
  - 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.

1. Acceptance of the bid of Enviro-Pump of San Antonio, to provide: Capital Control Parts & Accessories (Water & Wastewater), Bid No. 09-5005, for a total of \$80,000.00. (This contract will be utilized for parts for chlorinators, residual analyzers and switch over units at the Water Recycling Centers and the water pumping stations. This contract will be effective Date of Award (April 6, 2010) through December 31, 2011.)
2. Acceptance of the bid of Quality Pipe Services,, Inc., to provide: Small Diameter Sanitary Sewer Cleaning and Inspection of the Edwards Aquifer Recharge Zone (EARZ), Bid No. 10-1006, for a total of \$907,602.08. (This contract will be utilized to provide labor, materials, equipment, supervision and all work necessary to clean, internally inspect, and record the condition of designated wastewater collection system pipelines. This contract will be effective Date of Award (April 6, 2010) through June 30, 2011.)
- (25% WBE) 3. Acceptance of the bid of Ace Pipe Cleaning, Inc., to provide: Small Diameter Sanitary Sewer Cleaning and Inspection of the Edwards Aquifer Recharge Zone, Bid No. 10-1006, for a total of \$419,182.89. (This contract will be utilized to provide labor, materials, equipment, supervision and all work necessary to clean, internally inspect, and record the condition of designated wastewater collection system pipelines. This contract will be effective Date of Award (April 6, 2010) through June 30, 2011.)
4. Acceptance of the bid of Sewer and Storm Maintenance, to provide: Small Diameter Sanitary Sewer Cleaning and Inspection of the Edwards Aquifer Recharge Zone (EARZ), Bid No. 10-1006 for a total of \$321,635.40. (This contract will be utilized to provide labor, materials, equipment, supervision and all work necessary to clean, internally inspect, and record the condition of designated wastewater collection system pipelines. This contract will be effective Date of Award (April 6, 2010) through June 30, 2011.)

## CAPITAL IMPROVEMENT CONTRACTS

### PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

#### Developer Customer Contracts

8. A Resolution approving Utility Service Agreements for water and/or wastewater services which are located over the Edwards Aquifer Recharge or Contributing Zone, are located within the 5-Mile Awareness Zone of Camp Bullis and meet one or more of the following criteria: tracts are less than 2-acres, require less than 50 Equivalent Dwelling Units, and require less than ¼-mile of main extension.  
(KELLEY NEUMANN – SAM MILLS)

No.	Tract Name	Developer Name	Acreage	Water EDUs	WW EDUs	Board Reason	Water CCN	WW CCN
1	Pachangas Subdivision	La Promenade, Inc.	4.83	85	102	5-mile Awareness Zone/EARZ	Inside	Applied for
<b>Totals</b>			<u>4.83</u>	<u>85</u>	<u>102</u>			
<b>Year-to-Date Totals ( January – April 2010)</b>			<u>143.64</u>	<u>379</u>	<u>333</u>			

**EDU/Acreage Comparison Totals  
2010 - 2009**

EDU/Acreage Comparison Totals 2010 - 2009 (Year to Date - All Categories)	Total Acreage	Total Water EDU's	Total WW EDU's
Total ( January - April 2010)	428.02	2,371	2,191
Total ( January – April 2009)	1,356	4,149	3,279

9. A Resolution accepting the bid of Cash Construction Company, Inc., in the amount of \$889,610.00 for the construction of the 36-inch water main in connection with the Traders Village 36-Inch Oversize (16-Inch Required) Water Main Project; awarding a construction contract to Cash Construction Company, Inc., in the amount of \$889,610.00 for the project work; authorizing the expenditure of System funds in the amount of \$601,183.63 for the System's proportionate share of the project work; authorizing the expenditure of System funds in the amount of \$60,118.36 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 \$20,000.00 in connection with the project work; authorizing a total amount not to exceed \$681,301.99 from System's 2010 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 J.C. Pace, Ltd., and Cash Construction Co., Inc., and provide payment in an amount not to exceed \$681,301.99 to Cash Construction Co., Inc. in care of J.C. Pace, Ltd., for the System's proportionate share of the cost to oversize the proposed water mains.. Total expenditures are: \$681,301.99.  
(KELLEY NEUMANN – SAM MILLS)

**Production, Transmission and Treatment Improvements**

10. A Resolution approving Recapitulation Change Order No. 1 in the decreased amount of \$54,725.00 to the construction contract with Cash Construction Company, Inc., in connection with the Prue Road to Bamberger Way 30-Inch Water Transmission Main Project; returning the amount of \$54,725.00 and the construction contingency balance of \$72,500.00 for a total amount of \$127,225.00 to the System's Project Fund; authorizing the President/Chief Executive Officer to execute Recapitulation Change Order No. 1 and

close the contract with Cash Construction Company, Inc. Total decreased amount is: \$127,225.00 for a revised contract amount of: \$3,563,955.00.  
(KELLEY NEUMANN – ASHOK KAJI)

11. A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving the award of a construction contract in the amount of \$846,279.50 to Du-Mor Enterprises, Inc., in connection with the US Hwy 90 & Callaghan Emergency Project; approving the expenditure of funds in an amount not to exceed \$846,279.50 payable to Du-Mor Enterprises, Inc., for the US Hwy 90 & Callaghan Emergency Project; approving an additional amount not to exceed \$84,628.00 be made available from the System's Project Fund for the additional sewer construction contingency expenses; authorizing the President/Chief Executive Officer to pay to Du-Mor Enterprises, Inc., an amount not to exceed \$930,907.50 for the project work and construction contingency expenses associated with the US Hwy 90 & Callaghan Emergency Project. Total expenditures are: \$930,907.50. (KELLEY NEUMANN – FRANCES PLOCEK)
12. A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving the award of a construction contract in the amount of \$592,209.40 to S.J. Louis Construction of Texas Ltd., in connection with the Morey Rd. Emergency Project; approving the expenditure of funds in an amount not to exceed \$592,209.40 payable to S.J. Louis Construction of Texas Ltd., for the Morey Rd. Emergency project; approving an additional amount not to exceed \$59,220.00 be made available from the System's Project Fund for the additional sewer construction contingency expenses; authorizing the President/Chief Executive Officer to pay To S.J. Louis Construction of Texas Ltd., an amount not to exceed \$651,429.40 for the project work and construction contingency expenses associated with the Morey Rd. Emergency Project. Total expenditures are: \$651,429.40.  
(KELLEY NEUMANN – FRANCES PLOCEK)
13. A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving the award of a construction contract in the amount of \$393,950.00 to Repipe Texas Inc., in connection with the 250 Benita Street Emergency Project; approving the expenditure of funds in an amount not to exceed \$393,950.00 payable to Repipe Texas Inc., for the 250 Benita Street Emergency Project; approving an additional amount not to exceed \$39,395.00 be made available from the System's Project Fund for the additional sewer construction contingency expenses; authorizing the President/Chief Executive Officer to pay to Repipe Texas Inc., an amount not to exceed \$433,345.00 for the project work and construction contingency expenses associated with the 250 Benita Street Emergency Project. Total expenditures are: \$433,345.00.  
(KELLEY NEUMANN – FRANCES PLOCEK)
14. A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving the award of a construction contract in the amount of \$820,272.20 to Pipelayers, Inc., in connection with the Rayburn Drive Emergency Project; approving the expenditure of funds in an amount not to exceed \$820,272.20 payable to Pipelayers, Inc., for the Rayburn Drive Emergency Project; approving an additional amount not to exceed \$82,027.22 be made available from the System's Project Fund for the additional sewer construction contingency expenses; authorizing the President/Chief Executive Officer to pay to Pipelayers, Inc., an amount not to exceed \$902,299.42 for the project work and construction contingency expenses associated with the Rayburn Drive Emergency Project. Total expenditures are: \$902,299.42.  
(KELLEY NEUMANN – FRANCES PLOCEK)

# REPLACEMENT AND ADJUSTMENT PROJECTS

## Governmental Relocations and Replacements

- (MBE) 15. A Resolution accepting the bid of Atlas Construction in the amount of \$1,555,275.00 for the 2010 Water and Sewer Construction Package IV; awarding a construction contract to atlas construction in the amount of \$1,555,275.00 for the project work; approving the expenditure of funds in an amount not to exceed \$1,555,275.00 for the project work; approving construction contingency expenses in an amount not to exceed \$77,765.00 in connection with the project work; approving an amount not to exceed \$1,633,040.00 be made available and expended from the system's project fund for the project work and related construction contingencies; authorizing the president/chief executive officer to execute a construction contract with Atlas Construction and to pay Atlas Construction an amount not to exceed \$1,633,040.00 for the project work and related construction contingencies. Total expenditures are: \$1,633,040.00. (KELLEY NEUMANN – CINDY KOVACIC)
16. A Resolution approving the expenditure of funds in the amount of \$1,010,970.00 for the replacement and adjustment of water and sewer facilities by the City of San Antonio in connection with the City's 2010-11 IDC for Public Works Construction Package IV; approving construction contingency funds in an amount not to exceed \$50,548.50 in connection with the project work; approving an amount not to exceed \$1,061,518.50 be made available and expended from the System's Project Fund for the project work and related construction contingencies; authorizing the President/Chief Executive Officer to reimburse the City of San Antonio an amount not to exceed \$1,061,518.50 for the project work and related construction contingencies. Total expenditures are: \$1,061,518.50. (KELLEY NEUMANN – CINDY KOVACIC)
17. A Resolution approving the expenditure of funds in the amount of \$1,354,300.00 for the replacement and adjustment of water and sewer facilities by the City of San Antonio in connection with the City's 2010-11 IDC for Public Works Construction Package V; approving construction contingency funds in an amount not to exceed \$67,715.00 in connection with the project work; approving an amount not to exceed \$1,422,015.00 be made available and expended from the System's Project Fund for the project work and related construction contingencies; authorizing the President/Chief Executive Officer to reimburse the City of San Antonio an amount not to exceed \$1,422,015.00 for the project work and related construction contingencies. Total expenditures are: \$1,422,015.00. (KELLEY NEUMANN – CINDY KOVACIC)
18. A Resolution approving the expenditure of funds in the amount of \$50,000.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2010.1 Hot Paver Laid Micro-Surface Project; approving an amount not to exceed \$10,000.00 for construction contingency expenses related to the project work; approving an amount not to exceed \$60,000.00 be made available and expended from the System's Project Fund for the project work and related construction contingency expenses; authorizing the President/Chief Executive Officer to pay the City of San Antonio an amount not to exceed \$60,000.00 for the project work and related construction contingency expenses. Total expenditures are: \$60,000.00. (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 decreased amount of \$31,120.00 in connection with the Broadway Street and N. New Braunfels Avenue Project; authorizing the President/Chief Executive Officer to execute Change Order No. 1 in

connection with the Broadway Street and N. New Braunfels Avenue Project. Total decreased amount is \$31,120.00 for a revised contract amount of \$68,995.39 (KELLEY NEUMANN – CINDY KOVACIC)

- (MBE) 20. A Resolution accepting the bid of Qro Mex Construction Co., in the amount of \$2,513,744.42 for the Terrell Hills Water and Sewer Main Replacement Phase II Project; awarding a construction contract to Qro Mex Construction Co., in the amount of \$2,513,744.42 for the project work; approving the expenditure of funds in the amount of \$2,513,744.42 for the project work; approving construction contingency expenses in an amount not to exceed \$50,274.89 in connection with the project work; approving an amount not to exceed \$2,564,019.31 be made available and expended from the System's Project Fund for the project work and related construction contingencies; authorizing the President/Chief Executive Officer to execute a construction contract with Qro Mex Construction Co., and to pay Qro Mex Construction Co., an amount not to exceed \$2,564,019.31 for the project work and related construction contingencies. Total expenditures are: \$2,564,019.31. (KELLEY NEUMANN – CINDY KOVACIC)
21. A Resolution amending Resolution No. 07-238, as previously amended by Resolution No. 09-010, by approving the expenditure of additional funds in an amount not to exceed \$40,000.00 payable to Bexar County for additional construction contingency expenses in connection with the Shaenfield Road: Loop 1604 to F.M. 1560 Project; approving an additional amount not to exceed \$40,000.00 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. 1 in the amount of \$47,648.27; authorizing the President/Chief Executive Officer to pay Bexar County an additional amount not to exceed \$40,000.00 for additional construction contingency expenses. Total expenditures are: \$40,000.00 for a revised contract amount of \$376,165.57. (KELLEY NEUMANN – CINDY KOVACIC)
22. A Resolution amending Resolution No. 08-091, as previously amended by Resolution Nos. 08-243, 09-009, 09-035, 09-108, 09-232 and 10-046 by approving the expenditure of additional funds in an amount not to exceed \$38,488.16 payable to Bexar County for additional construction contingency expenses in connection with the F.M. 3487 (Culebra Road): Loop 410 to F.M. 471 (Grissom Road) Project; approving an additional amount not to exceed \$38,488.16 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. 14 in the amount of \$38,488.16; authorizing the President/Chief Executive Officer to pay to Bexar County an additional amount not to exceed \$38,488.16 for the additional project work and additional construction contingency expenses. Total expenditures are: \$38,488.16 for a revised contract amount of: \$3,812,922.99 (KELLEY NEUMANN – CINDY KOVACIC)
23. A Resolution approving the expenditure of funds in the amount of \$291,665.94 for the adjustment and replacement of water and sewer facilities by the Texas Department of Transportation in connection with the Wurzbach Parkway: Jones Maltsberger to Wetmore Project; approving an amount not to exceed \$29,166.59 for construction contingency expenses related to the project work; approving an amount not to exceed \$320,832.53 be made available and expended from the System's Project Fund for the project work and related construction contingencies; authorizing the President/Chief Executive Officer to execute an Advanced Funding Agreement and to pay in advance to

the Texas Department of Transportation an amount not to exceed \$291,665.94 for the project work. Located in Council District 9. Total expenditures are: \$291,665.94.  
(KELLEY NEUMANN – CINDY KOVACIC)

24. A Resolution approving the expenditure of funds in the amount of \$1,706,763.96 for the adjustment and replacement of water and sewer facilities by the Texas Department of Transportation in connection with the Wurzbach Parkway: Blanco Road to West Ave. Project; approving an amount not to exceed \$34,135.28 for construction contingency expenses related to the project work; approving an amount not to exceed \$1,740,899.24 be made available and expended from the System's Project Fund for the project work and related construction contingencies; authorizing the President/Chief Executive Officer to execute an advance funding agreement and to pay in advance to the Texas Department of Transportation an amount not to exceed \$1,706,763.96 for the project work. Located is Council District 9. Total expenditures are: \$1,706,763.96. (KELLEY NEUMANN – CINDY KOVACIC)

### **WATER RESOURCES PROJECTS**

25. A Resolution accepting the bid of Alsay, Inc., in an amount not to exceed \$475,285.00 as part of the System's Small Capacity Well Mitigation Program to provide Diagnostic and Well Services For Private Small Capacity Water Wells; awarding a contract to Alsay, Inc. in the amount not to exceed \$475,285.00 for the project work; authorizing expenditure of funds in an amount not to exceed \$475,285.00 for the project work; approving construction contingency expenses in an amount not to exceed \$23,764.25 in connection with the project work; authorizing total expenditures in an amount not to exceed \$499,049.25 from the Project Fund for the project work and related construction contingencies; authorizing the President/Chief Executive Officer and/or his designee to negotiate and execute a construction contract with Alsay, Inc., and to pay Alsay, Inc., an amount not to exceed \$475,285.00 for the project work. Total expenditures are: \$475,285.00.  
(MIKE BRINKMANN – SCOTT HALTY)

### **MISCELLANEOUS PROJECTS**

26. A Resolution exercising and approving an option for a contract renewal in the amount of \$1,384,060.00 with H.L. Zumwalt Construction Inc., in connection with the Annual 2009 Asphalt Overlay Work Order Construction Contract Project; approving the expenditure of funds in the amount of \$1,384,060.00 from the System's Project Fund for the contract renewal in connection with the project work; authorizing the President/Chief Executive Officer or his designated representative to execute a contract renewal with H.L. Zumwalt Inc., and to pay H.L. Zumwalt Inc., the amount of \$1,384,060.00 for the project work. Total expenditures are: \$1,384,060.00.  
(VAL RUIZ - JEFF BROWN)

### **EASEMENTS AND REAL PROPERTIES**

27. A Resolution accepting the offers of Rollin Mangold and Travis Salzman in the amount of \$35,000.00 the first year and \$49,840.00 annually for the second through seventh year for the lease of the Conrad, Franklin and Walton Farms generally located 5 miles north and west of the City of Uvalde in Uvalde County, Texas for agricultural purposes for a total amount of \$334,040.00 for the seven year term; authorizing the President/Chief Executive Officer or his designated representative to negotiate and execute a Lease Agreement with Rollin Mangold and Travis Salzman for the properties. Total amount received is: \$334,040.00. (MIKE BRINKMANN – BRUCE HABY)

## **INFORMATION RESOURCES ITEMS**

28. **A Resolution authorizing the extension of the Maintenance Renewal Agreement until May 30, 2011 for a total amount not to exceed \$129,525.46 with Oracle USA, Inc., for payment of annual software maintenance for database software utilized at the San Antonio Water System; authorizing the expenditure of a total amount not to exceed \$129,525.46 from the System Fund for Fiscal Year 2010 to Oracle USA, Inc., for payment of software maintenance for database software utilized at the San Antonio Water System; authorizing the President/Chief Executive Officer or his designee to execute the extension of the Maintenance Renewal Agreement with Oracle USA, Inc., until May 30, 2011 and to pay Oracle USA, Inc., an amount not to exceed \$129,525.46 for payment of software maintenance for database software utilized at the San Antonio Water System. Total expenditures are: \$129,525.46.  
(DOUG EVANSON – JOE SAMPLES)**

## **MISCELLANEOUS ITEMS**

29. **A Resolution approving the request from the Igniting the Harvest Christian Church located at 2311 Castroville Road for a Hardship Extension Agreement to allow payment of Impact Fees over a 60-month period; waiving the requirement that the property be residential for qualification under the Hardship Extension Program; authorizing the President/Chief Executive Officer to execute a Mechanics Lien Contract with the petitioner to secure payment of an Installation Payment Agreement. (KELLEY NEUMANN – SAM MILLS)**
30. **A Resolution accepting the proposal of and awarding a contract to Red Oak Consulting in a total amount not to exceed \$99,488.00 for costs associated with the Biochemical Oxygen Demand to Chemical Oxygen Demand Surcharge Modification and Fats, Oils and Grease Program Fee Development; authorizing that an amount not to exceed the sum of \$50,000.00 be made available from the System Fund for Fiscal Year 2010 for the project work; authorizing the President/ Chief Executive Officer to execute a professional services contract with Red Oak Consulting and to pay Red Oak Consulting a total amount not to exceed \$99,488.00 for costs associated with the Biochemical Oxygen Demand to Chemical Oxygen Demand Surcharge Modification and Fats, Oils and Grease Program Fee Development; authorizing that applicable expenditures for Fiscal Year 2011 and subsequent years shall be made pursuant to the appropriations made in the annual budget approved by the Board. Total expenditures are: \$99,488.00.  
(STEVE CLOUSE)**
31. **A Resolution authorizing a two-year extension through June 18, 2012 of the existing Letter of Engagement with Fulbright & Jaworski L.L.P., Escamilla & Poneck, Inc., and the law offices of William T. Avila, P.C. to serve as Co-Bond Counsel to provide debt related legal services; authorizing the expenditure of funds in an amount not to exceed \$300,000.00 from the System or Project Fund as appropriate, with fees for services rendered in relation to a bond issue being funded with bond proceeds which are approved by the Board of Trustees at the time of issuance; authorizing the President/Chief Executive Officer and/or his designee to execute a two-year extension to the Letter of Engagement with Fulbright & Jaworski L.L.P., Escamilla & Poneck, Inc., and the law offices of William T. Avila, P.C.; authorizing the President/Chief Executive Officer and/or his designee to pay the law firms of Fulbright & Jaworski L.L.P., Escamilla & Poneck, Inc., and the law offices of William T. Avila, P.C. an amount not to exceed \$300,000.00 to serve as Co-Bond Counsel to provide debt related legal services, with fees for services rendered in relation to a bond issue being funded with bond**

proceeds which are approved by the Board of Trustees at the time of issuance. Total expenditures are: \$300,000.00 per year. (DOUG EVANSON)

## **ITEMS FOR INDIVIDUAL CONSIDERATION**

### **FINANCIAL SERVICES ITEMS**

32. A Resolution accepting and acknowledging the Comprehensive Financial Report of the San Antonio Water System for the Fiscal Year ending December 31, 2009, including the Report of Independent Accountants, Padgett, Stratemann & Co., L.L.P., directing that the report be made available for public inspection. (DOUG EVANSON – MARY BAILEY)

### **MISCELLANEOUS ITEMS**

33. A Resolution adopting the Growth Strategy Statements into the 2015 Strategic Plan of the San Antonio Water System. (KELLEY NEUMANN)
34. A Resolution adopting the Water Management Strategy Statement into the 2015 Strategic Plan of the San Antonio Water System. (CHARLES AHRENS)
35. A Resolution approving an Agreement between the San Antonio Water System and the University of Texas at San Antonio providing that the San Antonio Water System shall fund an amount not to exceed \$100,000.00 for Fiscal Year 2010 to the University of Texas at San Antonio and that the program shall include water quality and resource issues in the curriculum; authorizing expenditures from the System Fund in an amount not to exceed \$100,000.00 for the project work; authorizing the President/Chief Executive Officer to execute the Agreement with the University of Texas at San Antonio and to pay the University of Texas at San Antonio an amount not to exceed \$100,000.00 for the support of the Pre-Freshman Engineering Program, Hydrologic Modeling and GIS Laboratory, and College of Engineering for Fiscal Year 2010. Total expenditures are: \$100,000.00. (JERRY BAILEY)

### **WATER RESOURCES ITEMS**

36. A Resolution approving a one-year contract extension with the Bexar County Master Gardeners to provide expanded Educational Workshops, Programs, and Research associated with the Conservation Programs; approving Contract Amendment No. 1 with the Bexar County Master Gardeners in an amount not to exceed \$38,000.00 that increases the original authorization of \$39,600.00 per year to an amended authorization of \$77,600.00 for the remainder of the period of the contract to provide expanded Educational Workshops, Programs, and Research associated with the Conservation Programs; amending Resolution No. 07-116 by approving additional expenditures in an amount not to exceed \$38,000.00 for the project work; authorizing the expenditure of funds in an amount not to exceed \$77,600.00 be made available and expended from the System Fund for the project work for 2010, and that the subsequent year's expenditures are pursuant to and contingent upon Board approval of the subsequent year budget with a line item for such expenditures; authorizing the President/Chief Executive Officer to execute a one-year contract extension and Contract Amendment No. 1 with the Bexar County Master Gardeners and to pay the Bexar County Master Gardeners an amount not to exceed \$77,600.00 for the project work. Total expenditures are: \$77,600.00 for a revised contract amount of \$194,500.00. (CHARLES AHRENS – KAREN GUZ)

37. A Resolution approving a one-year contract extension with the Gardening Volunteers of South Texas to provide expanded Educational Workshops, Programs, and Research associated with the Conservation Programs; approving Contract Amendment No. 1 with the Gardening Volunteers of South Texas in an amount not to exceed \$54,000.00 that increases the original authorization of \$39,600.00 per year to an amended authorization of \$54,000.00 for the remainder of the period of the contract to provide expanded Educational Workshops, Programs, and Research associated with the Conservation Programs; amending Resolution No. 07-117 by approving additional expenditures in an amount not to exceed \$14,400.00 for the project work; authorizing the expenditure of funds in an amount not to exceed \$54,000.00 be made available and expended from the System Fund for the project work for 2010, and that the subsequent year's expenditures are pursuant to and contingent upon Board approval of the subsequent year budget with a line item for such expenditures; authorizing the President/Chief Executive Officer to execute a one-year contract extension and Contract Amendment No. 1 with the Gardening Volunteers of South Texas and to pay the Gardening Volunteers of South Texas an amount not to exceed \$54,000.00 for the project work. Total expenditures are: \$54,600.00 for a revised contract amount of \$197,500.00.  
(CHARLES AHRENS – KAREN GUZ)

## **CAPITAL IMPROVEMENT CONTRACTS**

### **WATER RESOURCES PROJECTS**

38. A Resolution rescinding Resolution Nos. 08-096 and 09-221 that determined that the Design Build Delivery Method provides the best value for the design and construction of various components of the Brackish Groundwater Desalination Project; authorizing the use of the construction Manager at Risk Project Delivery Method and formally finding and determining that the Construction Manager at Risk Delivery Method provides the best value for the San Antonio Water System to construct the Brackish Groundwater Desalination Project; authorizing the President/Chief Executive Officer or his designee to utilize Construction Manager at Risk Project Delivery Method in connection with the project. (KELLEY NEUMANN – ESTHER HARRAH)

### **REPLACEMENT AND ADJUSTMENT PROJECTS**

39. A Resolution accepting the bid of Wauters Engineering LLC in the amount of \$1,202,188.31 for the 2010 Water and Sewer Construction Package I; awarding a construction contract to Wauters Engineering LLC in the amount of \$1,202,188.31 for the project work; approving the expenditure of funds in an amount not to exceed \$1,202,188.31 for the project work; approving construction contingency expenses in an amount not to exceed \$60,121.69 in connection with the project work; approving an amount not to exceed \$1,262,310.00 be made available and expended from the System's Project Fund for the project work and related construction contingencies; authorizing the President/Chief Executive Officer to execute a construction contract with Wauters Engineering LLC and to pay Wauters Engineering LLC an amount not to exceed \$1,262,310.00 for the project work and related construction contingencies. Total expenditures are: \$1,262,310.00. (KELLEY NEUMANN – CINDY KOVACIC)
40. A Resolution accepting the bid of R.L. Jones LP in the amount of \$1,659,178.00 for the 2010 Water and Sewer Construction Package III; awarding a construction contract to R.L. Jones LP in the amount of \$1,659,178.00 for the project work; approving the expenditure of funds in an amount not to exceed \$1,659,178.00 for the project work; approving construction contingency expenses in an amount not to

exceed \$82,972.00 in connection with the project work; approving an amount not to exceed \$1,742,150.00 be made available and expended from the System's Project Fund for the project work and related construction contingencies; authorizing the President/Chief Executive Officer to execute a construction contract with R.L. Jones LP and to pay R.L. Jones LP an amount not to exceed \$1,742,150.00 for the project work and related construction contingencies. Total expenditures are: \$1,742,150.00. (KELLEY NEUMANN – CINDY KOVACIC)

**41. BRIEFING SESSION.**

- A. "The Infrastructure Minute" - Briefing and deliberation regarding the 2010 Capital Improvements Program Highlights. (KELLEY NEUMANN)
- B. Briefing and deliberation regarding the SAWS' Small, Minority, and Woman Business Program participation for the First Quarter of 2010. (DOUG EVANSON - PHIL CAMPOS – RUBY WEBB)
- C. Briefing and deliberation regarding the SAWS' Red Flag Rule – Identity Theft Program. (STACEY ISENBERG)
- D. Briefing and deliberation regarding the 2010 Debt Transaction Disclosure Report. (DOUG EVANSON)

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

- A. Quarterly Report on administrative expenditures for contracts previously approved by the Board (per Resolution No. 10-031).
- B. 2010 SA to DC Trip and SAWS Congressional visits.

**43. Inquiries.**

**44. The Regular Session of the April 6, 2010, 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.**

**45. 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 Cause No. 2008-CI-18206; *Jose A. Perez v. San Antonio Water System*, In the 131<sup>st</sup> Judicial District Court, Bexar County, Texas. (FRANK STENGER-CASTRO – BILL CROW)
- C. Consultation with attorneys and deliberation regarding potential litigation relating to matters in connection with wastewater permit compliance issues. (FRANK STENGER-CASTRO – JOHN REYNOLDS)
- D. Consultation with attorneys and deliberation regarding pending contested case proceedings before the Gonzales County Underground Water Conservation District in regards to Applications of the San Antonio Water System for Permits to Produce and Transport Groundwater From the Carrizo Aquifer in Gonzales

E. Consultation with attorneys regarding *The Aransas Project v Shaw, et al*, filed on March 11, 2010, in the United States District Court for the Southern District of Texas – Corpus Christi Division.

(FRANK STENGER-CASTRO – STEVE KOSUB)

F. 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)

46. The Regular Session of the Regular Board Meeting of April 6, 2010, is hereby reconvened.

47. A Resolution approving Settlement of the lawsuit of Jose A. Perez against the San Antonio Water System; approving the System's financial obligation under the Settlement; authorizing expenditures in the total amount of \$24,000.00 from the System Fund for purposes of the Settlement; authorizing the President/Chief Executive Officer and the System's Legal Counsel to execute the Settlement Agreement and to pay \$24,000.00 to Jose A. Perez and his attorneys, for the System's obligations under the terms of the Settlement Agreement. Total expenditures are: \$24,000.00.

(FRANK STENGER-CASTRO – BILL CROW)

48. A Resolution approving a Settlement Agreement between the San Antonio Water System and the Gonzales County Water Supply Corporation providing that (i) the Gonzales County Water Supply Corporation will sell surplus Carrizo Aquifer water to the San Antonio Water System, (ii) that the Gonzales County Water Supply Corporation will remove themselves from contesting status in San Antonio Water System's Production and Transportation Permit Applications currently in front of the Gonzales County Underground Water Conservation District, (iii) the San Antonio Water System will provide a Carrizo well to the Gonzales County Water Supply Corporation within 10 years of San Antonio Water System's Permit Applications approval by the Gonzales County Underground Water Conservation District, (iv) the San Antonio Water System will provide emergency raw water to the Gonzales County Water Supply Corporation, and (v) the Gonzales County Water Supply Corporation will support the San Antonio Water System's Production and Transportation Permit Applications currently before the Gonzales County Underground Water Conservation District; approving the expenditure of funds for the San Antonio Water System's obligations in the future under the Settlement Agreement from the Water Supply Fee Revenues of the System Fund and that the subsequent year's expenditures are pursuant to and contingent upon San Antonio Water System Board of Trustees approval of the subsequent years budget with a line item for such expenditures; authorizing the San Antonio Water System's President/Chief Executive Officer or his designee to execute the San Antonio Water System - Gonzales County Water Supply Corporation Settlement Agreement and to pay the required amounts in accordance with the terms of the Settlement Agreement in the future for the duration of the Settlement Agreement. (CHARLES AHRENS – GARY GUY)

49. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF APRIL 6, 2010, IS HEREBY ADJOURNED.