

# AGENDA

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

Tuesday, May 4, 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 April 6, 2010.**
  - B. **Approval of the Minutes of the San Antonio Water System Board of Trustees Policy and Planning Meeting of March 25, 2010.**
  - C. **Approval of the Minutes of the San Antonio Water System Board of Trustees Special Meeting of March 9, 2010.**
4. **Ceremonial Items.**
  - A. **Recognition of Drinking Water Week, May 3 – 9, 2010, sponsored by the American Water Works Association. (GREG FLORES)**
  - B. **Recognition of the contributions made by SAWS' employees as part of Public Service Recognition Week, May 3 – 9, 2010. (CHAIRMAN ALEXANDER E. BRISEÑO – MAYOR JULIAN CASTRO)**
  - C. **Recognition of SAWS being named as Employer of the Year for 2010 by the Water Environment Association of Texas. (GREG FLORES)**
  - D. **Recognition of SAWS receiving a 2010 Ethics in Business Award presented by The Ecumenical Center for Religion and Health and the UTSA College of Business. (GREG FLORES)**

**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.

5. **PUBLIC HEARING: RECOMMENDATIONS OF THE COMPREHENSIVE COST OF SERVICE RATE DESIGN STUDY.**

**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– 24

**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.**

**No items for this Meeting.**

- 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 MK1 Construction Services, to provide: Quick Set Flowable Fill, Bid No. 09-0207A, for a total of \$175,000.00. (This contract will be utilized for the purchase of quick set flowable fill used for backfill for utility trenches, abandoned pipes, manholes and valves on an as needed basis. This contract will be effective Date of Award (May 4, 2010) through September 30, 2011.).**

(SBE)

- 2. **Acceptance of the bid of Coastline, Ltd., to provide: Water Treatment Chemicals, Bid No. 06-6014, for a total of \$190,000.00. (This contract will be utilized for a comprehensive water treatment program for SAWS Heating & Cooling Plant and SAWS Headquarters operating at four major areas. The water treatment program will include all cooling towers, chillers, steam boilers and distribution system(s). This contract extension will be effective June 1, 2010 through May 31, 2011.)**
- 3. **Acceptance of the bid of Texas Municipal Equipment, LLC, to provide: Sewer Cleaning Hoses & Fittings, Bid No. 09-0152, for a total of \$176,500.50. (This contract will be utilized for sewer cleaning hose with maximum possible durability for service in cleaning service lines, storm**

drains, culverts and other open circuits. This contract extension will be effective July 1, 2010 through May 31, 2011.)

4. Acceptance of the bid of Keller Material, Inc., to provide: Backfill and Landscaping Materials, Bid No. 08-2038, for a total of \$631,921.00 (Total Service Center Sites) \$710,171.00 (Total to jobsite). (This contract will be utilized for the purchase of backfill and landscaping materials for the various backfill mixtures on an as needed basis. This contract extension will be effective June 1, 2010 through May 31, 2011.)
5. Acceptance of the bid Paragon Optical Laboratory, Inc., to provide: Prescription Safety Eyewear Program, Bid No. 07-0118, for a total of \$112,000.00. (This contract will be utilized for the purchase of prescription safety glasses. This contract includes prescription lenses, safety glasses frame and the fitting and dispensing of said safety eyewear. This contract extension will be effective June 1, 2010 through May 31, 2011.)
6. Acceptance of the bid of Clifford Power Systems, Inc., to provide: Best Value Bid for Generator Maintenance Service, Repair and Parts, Bid No. 09-0625,, for a total of \$245,001.00. (This contract will be utilized for maintenance, repair and parts for all generators as required at SAWS service area locations. This contract extension will be effective June 1, 2010 through May 31, 2011.)
7. Acceptance of the bid of INX, Inc., to provide: Cisco Networking Equipment (State of Texas Contract), Bid No. 10-1017, for a total of \$80,369.80. (This contract will be utilized for the purchase of replacement and update of CISCO hardware and software for SAWS Network within 17 SAWS facilities. This contract will be effective Date of Award (May 4, 2010) through December 31, 2010.)
- (SBE) 8. Acceptance of the bid of Service Mechanical Group, Inc., to provide: Heating Ventilation Air Conditioning, Service Program, Bid No. 10-1014, for a total of \$128,125.00. (This contract will be utilized for the services of a qualified contractor to troubleshoot, diagnose, service and repair SAWS Trane Water Cooled Screw Chillers and Carrier Air-Cooled Liquid Chillers equipment including associated components located at SAWS Headquarters and the Environmental Service Laboratory. This contract will be effective Date of Award (May 4, 2010) through February 28, 2011 with the availability of three (3) additional one-year options to extend as provided for and approved in future years budgets.)
- (WBE) 9. Acceptance of the bid of Medical Audit Consultants, Inc., to provide: Best Value Bid for Medical Cost Containment, Bid No. 10-1007, for a total of \$39,925.00. (This contract will be utilized to provide medical cost containment services designed to control and reduce the overall medical costs of its self-administered, self-insured workers' compensation program, following established protocols and procedures as required by SAWS and the Texas Workers' Compensation Act. This contract will be effective Date of Award (May 4, 2010) through March 31, 2011 with the availability of three (3) additional one-year options to extend as provided for and approved in future years budgets.)

- 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 HD Supply Waterworks, to provide: Meter & Valve Box Components, Bid No. 10-0029, for a total of \$252,461.00. (This contract will be utilized for the purchase of meter and valve box components on an as needed basis. This Contract will be effective June 1, 2010 through May 31, 2012 with the availability of three (3) additional one-year options to extend as provided for and approved in future year's budgets.)**
2. **Acceptance of the bid of Ferguson Waterworks, to provide: Service Saddles, Bid No. 10-0361, for a total of \$143,431.00. (This contract will be utilized for the purchase of service saddles on an as needed basis. These service saddles are mechanically attached bands over the pipe that allows copper service piping to be repaired at the water mains. This contract will be effective Date of Award (May 4, 2010) through May 31, 2012 with the availability of three (3) additional one-year options to extend as provided for and approved in future years budgets.)**
3. **Acceptance of the bid of HD Supply Waterworks, Ltd., to provide: Service Saddles, Bid No. 10-0361, for a total of \$13,729.30. (This contract will be utilized for the purchase of service saddles on an as needed basis. These service saddles are mechanically attached bands over the pipe that allows copper service piping to be repaired at the water mains. This contract will be effective Date of Award (May 4, 2010) through May 31, 2012 with the availability of three (3) additional one-year options to extend as provided for and approved in future years budgets.)**

## **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 are 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	Judson New Elementary School #3	Judson Independent School District	16.34	30	18	Oversized line	Inside	Outside
<b>Totals</b>			<b><u>16.34</u></b>	<b><u>30</u></b>	<b><u>18</u></b>			
<b>Year-to-Date Totals ( January - May 2010)</b>			<b><u>128.92</u></b>	<b><u>1,888</u></b>	<b><u>1,876</u></b>			

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

<b>EDU/Acreage Comparison Totals 2010 - 2009 (Year to Date - All Categories)</b>	<b>Total Acreage</b>	<b>Total Water EDU's</b>	<b>Total WW EDU's</b>
<b>Total ( January - May 2010)</b>	<b>444.36</b>	<b>2,401</b>	<b>2,209</b>
<b>Total ( January - May 2009)</b>	<b>1,398</b>	<b>4,370</b>	<b>3,476</b>

9. A Resolution approving Change Order No. 1 in the amount of \$33,226.00 to the construction contract with SACC, Inc. in connection with the Winwood 24-Inch Water Oversize Approach Main Phase 1 (12-Inch Required) Project; amending Resolution No. 08-435 by approving additional funds in the amount of \$19,935.60 from the System's 2010 Capital Improvements Plan Oversize Project Fund; authorizing the President/Chief Executive Officer to execute Change Order No. 1 resulting in an increase of the project cost of \$33,226.00 for the additional project work in connection with Winwood 24-Inch Water Oversize Approach Main Phase 1 (12-Inch Required) Project. Total expenditures are: \$33,226.00 for a revised contract amount of \$980,638.50. (KELLEY NEUMANN – SAM MILLS)

**Production, Transmission and Treatment Improvements**

10. A Resolution approving Change Order No. 10 in an amount not to exceed \$28,708.23 payable to San Antonio Constructors, Ltd., in connection with the Lackland Terrace Water and Sewer Main Replacement, Phase I Project; and approving Change Order No. 10 in the amount of \$28,708.23; authorizing the President/Chief Executive Officer to pay San Antonio Constructors, Ltd., an amount not to exceed \$28,708.23 for the additional project work. Located in Council District 4. Total expenditures are: \$28,708.23 for a revised contract amount of \$6,861,046.81. (KELLEY NEUMANN – FRANCES PLOCEK)
11. A Resolution approving Change Order No. 17 in the amount of \$30,575.49 in connection with the Eastern Watershed Sewer Relief Line E-03 Project; authorizing the President/Chief Executive Officer to pay S.J. Louis Construction of Texas, Ltd., an additional amount not to exceed \$30,575.49 for the additional project work associated with Change Order No. 17. Total expenditures are: \$30,575.49 for a revised contract amount of \$24,714,264.47. (KELLEY NEUMANN – FRANCES PLOCEK)

12. **A Resolution amending Resolution No. 10-129 by approving the expenditure of additional funds in an amount not to exceed \$63,682.50 payable to S.J. Louis Construction of Texas Ltd., for additional construction contingency expenses in connection with the Morey Rd Emergency Project; approving an additional amount not to exceed \$63,682.50 be made available from the System's Project Fund for the additional construction contingency expenses; ratifying the actions of the Senior Vice President of Strategic Resources and Construction in approving Change Order No. 1 in the amount of \$55,367.64 and Change Order No. 2 in the amount of \$42,534.86; authorizing the President/Chief Executive Officer to pay S.J. Louis Construction of Texas Ltd., an amount not to exceed \$63,682.50 for the additional project work and additional construction contingency expenses. Located in Council District 4. Total expenditures are: \$63,682.50 for a total revised contract amount of \$690,111.90. (KELLEY NEUMANN – FRANCES PLOCEK)**
13. **A Resolution amending Resolution No. 10-120, by approving the expenditure of additional funds in an amount not to exceed \$100,000.00 payable to PM Construction for additional construction expenses in connection with the Annual 2010 Pipe Bursting Work Order Construction Contract Project; approving an additional amount not to exceed \$100,000.00 be made available and expended from the System's Project Fund for additional construction expenses; approving Change Order No. 1 in the amount of \$100,000.00; authorizing the President/Chief Executive Officer to pay to PM Construction an additional amount not to exceed \$100,000.00 for the additional project work. Total expenditures are: \$100,000.00 for a total revised contract amount of \$3,642,550.00. (KELLEY NEUMANN – FRANCES PLOCEK)**
14. **A Resolution amending Resolution No. 10-087 by approving the expenditure of additional funds in an amount not to exceed of \$284,485.04 payable to Laughlin-Thyssen, Inc., for additional construction contingency expenses in connection with the Old Salado Creek Siphon Replacement Project; approving an additional amount not to exceed \$284,485.04 be made available 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. 7 in the amount of \$34,684.94 and Change Order No. 8 in the amount of \$70,819.26; approving Change Order No. 9 in the amount of \$28,102.50; authorizing the President/Chief Executive Officer to pay to Laughlin-Thyssen, Inc., an additional amount not to exceed \$284,485.04 for the additional project work associated with Change Orders Nos. 7, 8, 9, and additional construction contingency expenses. Located in Council District 3. Total expenditures are: \$588,160.34 for a total revised contract amount of \$7,334,173.62. (KELLEY NEUMANN – FRANCES PLOCEK)**
15. **A Resolution approving Recapitulation Change Order No. 4 in the decreased amount of \$151,017.95 to the construction contract with S.J. Louis Construction of Texas Ltd, L.L.P., in connection with the Salado Sanitary Sewer Outfall Siphons, #8, #9, & #10 Project; authorizing the return of funds in the amount of \$151,017.95 and the construction contingency of \$407,166.82 for a total amount of \$558,184.77 to the Project Fund; authorizing the President/Chief Executive Officer to execute Recapitulation Change Order No. 4 and to close the contract. Total decrease in the contract amount is: \$558,184.77 for a revised contract amount of \$9,323,569.50. (KELLEY NEUMANN – FRANCES PLOCEK)**

## **REPLACEMENT AND ADJUSTMENT PROJECTS**

### **Governmental Relocations and Replacements**

16. **A Resolution approving the expenditure of funds in the amount of \$602,020.00 for the replacement of water and sewer facilities by the City of San Antonio in connection with the N. Hein (W.W. White to W. Hein) and W. Hein (Rice to N. Hein) Project; approving an amount not to exceed \$60,202.00 for construction contingency expenses related to the project work; approving an amount not to exceed \$662,222.00 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 to the City of San Antonio an amount not to exceed \$662,222.00 for the project work and related construction contingency expenses. Located in Council District 2. Total expenditures are: \$662,222.00. (KELLEY NEUMANN – CINDY KOVACIC)**
17. **A Resolution approving the expenditure of funds in the amount of \$131,444.25 for the replacement of water and sewer facilities by the City of San Antonio in connection with the Walters Street: E. Houston to Paso Hondo Project; approving an amount not to exceed \$13,144.43 for construction contingency expenses related to the project work; approving an amount not to exceed \$144,588.68 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 to the City of San Antonio an amount not to exceed \$144,588.68 for the project work and related construction contingency expenses. Located in Council District 2. Total expenditures are: \$144,588.68. (KELLEY NEUMANN – CINDY KOVACIC)**
18. **A Resolution approving the expenditure of funds in the amount of \$1,105,368.31 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 36<sup>th</sup> Street Extension: Growden to Billy Mitchell Project; approving an amount not to exceed \$55,268.42 for construction contingency expenses related to the project work; approving an amount not to exceed \$1,160,636.73 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 execute a Funding Agreement in the amount of \$1,105,368.31 and to reimburse the City of San Antonio an amount not to exceed \$1,160,636.73 for the project work and related construction contingency expenses. Located in Council District 4. Total expenditures are: \$1,160,636.73. (KELLEY NEUMANN – CINDY KOVACIC)**

## **MISCELLANEOUS PROJECTS**

### **Production, Transmission and Treatment Improvements**

19. **A Resolution approving Recapitulation Change Order No. 4 in the decreased amount of \$82,640.08 to the construction contract with Shannon-Monk Inc., in connection with the Broadview Water Tank Project; returning the amount of \$82,640.08 and the construction contingency balance of \$52,786.44 for a total of \$135,426.52 to the System's Project Fund; authorizing the President/Chief Executive Officer to execute Recapitulation Change Order No. 4 and to close the contract with Shannon-Monk Inc. Total decreased contract amount is: \$135,426.52 for a revised contract amount of \$4,744,573.48. (KELLEY NEUMANN – ASHOK KAJI)**

## **WATER RESOURCES ITEMS**

20. **A Resolution appointing the Community Conservation Committee new members for a two-year term expiring May 31, 2012. (CHARLES AHRENS – KAREN GUZ)**

## **FINANCIAL SERVICES ITEMS**

21. A Resolution authorizing an Amendment to the Utility Service Contract with City of San Antonio in order to modify the surcharge associated with the engineering, development, construction and interim financing of the New Chilled Water Facilities serving the Convention Center from the SAWS Chilled Water Plant located near the Alamodome. (DOUG EVANSON – DAN CROWLEY)

## **HUMAN RESOURCES ITEMS**

22. A Resolution accepting the proposal of Asentrene, Inc., to provide Project Management Training Services in a total amount not to exceed \$65,000.00; awarding a contract to Asentrene, Inc., to provide Project Management Training Services; approving an amount not to exceed \$65,000.00 be made available and expended from the System Fund for Fiscal Year 2010 for these training services; authorizing the President/Chief Executive Officer or his duly-appointed designee to execute a contract with Asentrene, Inc., and to pay Asentrene, Inc., for such services in a total amount not to exceed \$65,000.00. Total expenditures are: \$65,000.00.  
(JERRY BAILEY – DOUG PARTAIN)

## **INFORMATION SERVICES ITEMS**

23. A Resolution approving the renewal of an Agreement with Xerox Corporation in an amount not to exceed \$105,800.00 for maintenance of High Speed Multi-Color Production Copy/Print Equipment for the period May 1, 2010 through April 30, 2011; authorizing a one time expenditure from the System Fund in an amount not to exceed \$105,800.00 to Xerox Corporation for maintenance of High Speed Multi-Color Production Copy/Print Equipment; authorizing the President/Chief Executive Officer to execute the renewal of the Agreement with Xerox Corporation and authorizing the President/Chief Executive Officer or his designee to pay Xerox Corporation an amount not to exceed \$105,800.00 for maintenance of High Speed Multi-Color Production Copy/Print Equipment for the period May 1, 2010 through April 30, 2011. Total expenditures are: \$105,800.00 per year. (DOUG EVANSON – JOE SAMPLES)
24. A Resolution authorizing the extension of the Maintenance Renewal Agreement until June 30, 2011 for a total amount not to exceed \$324,449.95 with Lawson Software, Inc., for payment of Software Maintenance for Finance, Procurement, and Human Resource Software utilized at the San Antonio Water System; authorizing the expenditure of an amount not to exceed \$324,449.95 from the System Fund to Lawson Software, Inc., June 30, 2011; authorizing the President/Chief Executive Officer or his designee to execute the extension of the Maintenance Renewal Agreement with Lawson Software, Inc., until June 30, 2011 in a total amount not to exceed \$324,449.95 and to pay Lawson Software, Inc., an amount not to exceed \$324,449.95 for Software Maintenance for Finance, Procurement, and Human Resource Software utilized at the San Antonio Water System. Total expenditures are: \$324,449.95. (DOUG EVANSON – JOE SAMPLES)

## **ITEMS FOR INDIVIDUAL CONSIDERATION**

### **CAPITAL IMPROVEMENT CONTRACTS**

#### **REPLACEMENT AND ADJUSTMENT PROJECTS**

##### **Governmental Relocations and Replacements**

25. A Resolution accepting the bid of Holloman Corporation in the amount of \$1,698,291.00 for the 2010 Water and Sewer Construction Package II; awarding a

construction contract to Holloman Corporation in the amount of \$1,698,291.00 for the project work; approving the expenditure of funds in an amount not to exceed \$1,698,291.00 for the project work; approving construction contingency expenses in an amount not to exceed \$84,919.00 in connection with the project work; approving an amount not to exceed \$1,783,210.00 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 Holloman Corporation and to pay Holloman Corporation an amount not to exceed \$1,783,210.00 for the project work and related construction contingencies. Total expenditures are: \$1,783,210.00. (KELLEY NEUMANN – CINDY KOVACIC)

26. A Resolution accepting the bid of Holloman Corporation in the amount of \$1,339,172.50 for the San Antonio River Improvements Historic Mission Reach Phase IV Project; awarding a construction contract to Holloman Corporation in the amount of \$1,339,172.50 for the project work; approving the expenditure of funds in the amount of \$1,339,172.50 for the project work; approving construction contingency expenses in an amount not to exceed \$66,958.63 in connection with the project work; approving an amount not to exceed \$1,406,131.13 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 Holloman Corporation and to pay Holloman Corporation an amount not to exceed \$1,406,131.13 for the project work and related construction contingencies. Located in Council District 3. Total expenditures are: \$1,406,131.13. (KELLEY NEUMANN – CINDY KOVACIC)

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

- A. Status of the long term planning of the proposed expansion of SAWS' Water Recycling Centers.
- B. Status of the inventory and utilization of SAWS' owned agricultural properties.

28. Inquiries.

29. The Regular Session of the May 4, 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.

30. **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 and legal issues related to the Construction Contract with Cajun Constructors, Inc. for the Carrizo ASR Program Phase II WTP Improvements Project. (FRANK STENGER-CASTRO – NANCY BELINSKY)

- C. Consultation with attorneys and deliberation regarding Cause No. 347255; *Elias Castillo vs. San Antonio Water System*, In the County Court at Law No. 2, Bexar County, Texas. (Frank Stenger-Castro - Bill Crow).  
(FRANK STENGER-CASTRO – BILL CROW)
- D. Consultation with attorneys and deliberation regarding Cause No. 2010-CI-03111; *Carlos A. Martinez and San Antonio Water System v. Safeco Lloyd's Insurance Company and Eugene Hopkins*, In the 57th Judicial District Court, Bexar County, Texas. (FRANK STENGER-CASTRO – BILL CROW)
- E. Consultation with attorneys and deliberation regarding Adversary #09-01161-A, *Claude Lightfoot, Trustee for Unsecured Creditor Committee vs. City of San Antonio acting by and through San Antonio Water System*, Eastern District of Louisiana (New Orleans Division).  
(FRANK STENGER-CASTRO)
- F. Consultation with attorneys and deliberation regarding *The Aransas Project v Shaw, et al*; Civil Action No. 10-75 in the United States District Court for the Southern District of Texas – Corpus Christi Division.  
(FRANK STENGER-CASTRO – STEVE KOSUB)
- G. Consultation with attorneys and deliberation regarding legal and real property issues related to the potential purchase of the Forest Glen Water Utility System.  
(FRANK STENGER-CASTRO – KEITH MARTIN)
- H. Deliberation about the value of the real property and consultation with attorneys regarding terms and provisions of proposed amendments to Water Sales Agreement affecting land in Western Gonzales County, Texas, outside of SAWS permitted area. (FRANK STENGER-CASTRO-NANCY BELINSKY)
- I. Deliberation regarding the annual evaluation, performance objectives, duties and amendment to the employment contract of the President/Chief Executive Officer of the San Antonio Water System; and consultation with attorneys concerning legal issues regarding the annual evaluation, performance objectives, duties and amendment to the employment contract of the President/Chief Executive Officer of the San Antonio Water System.  
(FRANK STENGER-CASTRO)
- J. 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)

31. The Regular Session of the Regular Board Meeting of May 4, 2010, is hereby reconvened.

32. A Resolution approving Settlement of the lawsuit of Elias Castillo against the San Antonio Water System; approving the System's financial obligation under the Settlement; authorizing expenditures in the total amount of \$17,500.00 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 \$17,500.00 to Elias Castillo and his attorneys, for the System's obligations under the

terms of the Settlement Agreement. Total expenditures are: \$17,500.00.  
(FRANK STENGER-CASTRO – BILL CROW)

33. A Resolution ratifying the filing of a Lawsuit by the System against Safeco Lloyd's Insurance Company and Eugene Hopkins and approving Settlement of the Lawsuit and accepting Settlement in the total amount of \$250,000.00, payable to Carlos A. Martinez and the System, and authorizing the President/Chief Executive Officer and the System's Legal Counsel to execute the Settlement Agreement. Total amount received: \$250,000.00. (FRANK STENGER-CASTRO – BILL CROW)
34. A Resolution approving Settlement of the Adversary Case of Claude Lightfoot, Trustee for the Unsecured Creditors' Trust, against the San Antonio Water System in the bankruptcy proceedings of MBS Management Services, Inc.; authorizing expenditures in the total amount of \$30,472.02 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 \$30,472.02 to Claude Lightfoot, Trustee for the Unsecured Creditors' Trust and his attorneys, for the System's obligations under the terms of the Settlement Agreement. Total expenditures are: \$30,472.02.  
(FRANK STENGER-CASTRO)
35. A Resolution authorizing the filing of a motion to Intervene (or in the alternative, Amicus Curiae Briefing) in *the Aransas Project v Shaw et al; Civil Action No. C-10-75*, in the United States District Court for the Southern District of Texas Corpus Christi Division; further authorizing the System's General Counsel to take all necessary legal action relating to such Intervention (or in the alternative, Amicus Curiae Briefing).  
(FRANK STENGER-CASTRO – STEVE KOSUB)
36. A Resolution authorizing the President/Chief Executive Officer or his designated representative to execute the Modified Purchase Agreement with the Forest Glen Utility Company, Inc., which authorizes the purchase of certain assets of the Forest Glen Utility Company for \$1,346,489.20; appropriating funds for the purchase, and additional funds up to \$5,000.00 for certain closing costs, \$147,660.00 to install pressure reducing valves, and \$6,156.00 to replace meters for a total amount not to exceed \$1,505,305.20. Total expenditures are: \$1,505,305.20. (KELLEY NEUMANN – SAM MILLS)
37. A Resolution approving term changes to the Water Sales Agreements for ten Outside Permit Area Landowners in connection with the Gonzales Water Supply Project; approving the expenditure of additional funds for the San Antonio Water System's obligations under the Amended Water Sales Agreements for ten of the Outside Permit Area Landowners from the Water Supply Fee Revenues of the Project Fund; authorizing the San Antonio Water System's President/Chief Executive Officer or his designee to negotiate and execute Amendments to the Water Sales Agreements between the San Antonio Water System and Outside Permit Area Landowners, and to pay the required amounts in accordance with the terms of the Amended Water Sales Agreements for the Outside Permit Area Landowners for the duration of the Water Sales Agreements. (CHARLES AHRENS – GARY GUY)
38. A Resolution approving the amendment of the employment contract with the President/Chief Executive Officer of the San Antonio Water System; approving a modification to the severance provisions in the employment contract; approving the effective date for calculation of benefits under the employment contract; and authorizing the Chairman of the Board of Trustees to execute the amendment to the employment contract with the President/Chief Executive Officer of the San Antonio Water System.  
(CHAIRMAN ALEXANDER E. BRISEÑO)

**39. WORKSHOP SESSION.**

**(The Workshop Session is to be held in the Executive Conference Room, Room 695, adjacent to the Board Room.)**

- A. Briefing and deliberation regarding a review of the 2010 Budget for the San Antonio Water System and a review of the Annual Budget/Rate Structure for the San Antonio Water System for the Fiscal Year beginning January 1, 2011, and ending December 31, 2011.**

- 40. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF MAY 4, 2010, IS HEREBY ADJOURNED.**