

AGENDA
MEETING OF THE
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES

Tuesday, June 8, 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 May 4, 2010.

B. Approval of the Minutes of the San Antonio Water System Board of Trustees Policy and Planning Meeting of April 19, 2010.

4. Ceremonial Items.

No items for this meeting.

5. PUBLIC HEARING

PUBLIC HEARING OPENS

A. Public Hearing Briefing (DOUG EVANSON)

B. Public Hearing on the Following Items:

1. Necessity for adjustments to the structure of the Residential, General, Wholesale, and Irrigation Water Delivery and Water Supply Fee Rates.

2. Necessity for adjustments to all Water Delivery, Water Supply Fee, Wastewater and Recycled Water Rates.

3. Annual Budget for the San Antonio Water System for the Fiscal Year ending December 31, 2011.

PUBLIC HEARING CLOSES

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. **A Resolution determining the necessity for adjustments to the structure of the Residential, General, Wholesale, and Irrigation Water Delivery and Water Supply Fee Rates; recommending that the City Council of the City of San Antonio adopt such adjustments to the Water Delivery and Water Supply Fee Rate Structures; further recommending that the City Council adopt certain Amendments to Chapter 34 of the City Code of the City of San Antonio and Rate Schedules incorporated therein; directing that a full report of the basis for the proposed adjustments to the Structure of the Water Delivery and Water Supply Fee Rates be Submitted to the City Council; authorizing the implementation of such adjustments to the Water Delivery and Water Supply Fee Rate Structure to be submitted to the City Council; making the Rates Structure adjustment effective for consumption on or about November 1, 2010. (DOUG EVANSON)**
7. **A Resolution determining the necessity for adjustments to all Water Delivery, Water Supply Fee, Wastewater and Recycled Water Rates; directing that a full report of the basis for the proposed adjustments to all Water Delivery, Water Supply Fee, Wastewater and Recycled Water Rates be submitted to the City Council; recommending that the City Council of the City of San Antonio adopt such adjustments to the Water Delivery, Water Supply Fee, Wastewater and Recycled Water Rates; further recommending that the City Council adopt certain Amendments to Chapter 34 of the City Code of the City of San Antonio and rate Schedules incorporated therein; making the Rates Adjustments effective for consumption on or about November 1, 2010. (DOUG EVANSON)**
8. **A Resolution approving the Annual Budget for the San Antonio Water System for the Fiscal Year ending December 31, 2011; authorizing the approved Annual Budget for the Fiscal Year ending December 31, 2011 be submitted to the City Council for review and consultation. (DOUG EVANSON)**
9. **Citizens to be Heard.**

CONSENT AGENDA ITEMS

Items 10 – 30

ITEMS CONCERNING THE PURCHASE OF EQUIPMENT, MATERIALS AND SUPPLIES

10. **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 Moore Supply Co., to provide: Brass Gate, Globe and Ball Valves, Bid No10-0025, for a total of \$34,571.15. (This contract will be utilized for the purchase of brass gate, globe and ball valves on an as needed basis in sizes through 2 inches, installed on potable water systems. This contract will be effective Date of Award**

(June 8, 2010) through May 31, 2011 with the availability of three (3) additional one-year options to extend as provided for and approved in future years budgets.)

2. Acceptance of the bid of Holman Boiler Works, Inc., to provide: Maintenance and Inspection of Boilers, Bid No. 10-0181, for a total of \$118,776.00. (This contract will be utilized to inspect, troubleshoot, and perform minor adjustments on all boilers of the Wastewater Treatment Plants. Major repairs will not be part of this contract. This contract will be effective Date of Award (June 8, 2010) through May 31, 2011 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 Jordan Ford, Ltd., to provide: Ford Captive & Competitive Parts and Service, Bid No. 09-0387, for a total of \$75,000.00. (This contract will be utilized for Ford Captive & Competitive Parts and Service for passenger cars, light and medium duty vehicles. This contract will be effective Date of Award (June 8, 2010) through December 31, 2010 with the availability of three (3) additional one-year options to extend as provided for and approved in future years budgets.)

(SBE)

4. Acceptance of the bid of American Signal Equipment Co. to provide: Traffic Control Devices Rental, Bid No. 09-0214, for a total of \$255,520.00. (This contract will be utilized for the rental of traffic control devices such as traffic signs, barricades, warning devices and allied items on an as needed basis. This contract will be effective Date of Award (June 8, 2010) through May 31, 2011 with the availability of three (3) additional one-year options to extend as provided for and approved in future years budgets.)

5. Acceptance of the bid Elster AMCO Water, Inc., to provide: Water Meters, Bid No. 07-0036, for a total of \$2,193,455.50. (This contract will be utilized for the purchase of water meters on an as needed basis to supply to SAWS customers. This contract extension will be effective Date of Award (June 8, 2010) through May 31, 2011.)

6. Acceptance of the bid of Badger Meter, Inc, to provide: Water Meters, Bid No. 07-0036, for a total of \$575,920.00. (This contract will be utilized for the purchase of water meters on an as needed basis to supply to SAWS customers. This contract extension will be effective Date of Award (June 8, 2010) through May 31, 2011.)

7. Acceptance of the bid of BVA Scientific, Inc., to provide: Laboratory Chemicals and Miscellaneous Supplies, Bid No. 09-0639A, for a total of \$203,955.70. (This contract will be utilized for the purchase of laboratory chemicals and supplies utilized in the operation of the San Antonio Water System. This contract extension will be effective July 1, 2010 through June 30, 2011.)

(SBE)

8. Acceptance of the bid of Stationary Unlimited, Inc., to provide: Billing and Return Envelopes, Bid No. 09-0020, for a total of \$63,940.20. (This contract will be utilized for the purchase of billing and return envelopes. This contract extension will be effective July 1, 2010 through December 31, 2010.)

(SBE)

9. **Acceptance of the bid of Horton Horticulture, Inc., to provide: Grass, Trees, Shrubs, Flowers, Plants and Planting Service, Bid No. 09-3039, for a total of \$50,000.00. (This contract will be utilized for the purchase of a variety of grass and planting services for trees, shrubs, flowers and plants. Items 1 & 2 total \$37,747.50 and Item No. 3 has an estimated usage of \$12,252.50. This contract extension will be effective July 1, 2010 through June 30, 2011.)**
10. **Acceptance of the bid of International Diving Services LLC, to provide: Potable and Reuse Water Storage Tank Cleaning and Inspection, Bid No. 10-5078, for a total of \$91,965.00. (This contract will be utilized for in-service underwater (tank full) and/or out of service (tank drained) cleaning and inspection of potable and reuse water tanks with associated reporting requirements. This contract will be effective Date of Award (June 8, 2010) through December 31, 2010 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.

(WBE)

1. **Acceptance of the bid of RKA Petroleum Companies, Inc., to provide: Gasoline Transport Loads, Bid No. 10-1026, for a total of \$995,246.00. (This contract will be utilized for Unleaded Gasoline with a maximum 10% Ethanol Blend for a period of Date of Award (June 8, 2010) through December 31, 2010, with the option to extend for two (2) additional one year periods. It is anticipated that SAWS will order primarily E10 fuel. Therefore, this bid was evaluated and awarded based solely on the pricing offered for E10. Bid award also includes pricing for conventional regular unleaded fuel, should it be in the best interest of SAWS. Pricing for Conventional Regular Unleaded Gasoline is an upcharge from San Antonio area average OPIS Composite of \$.0353 per gallon. Due to availability in the marketplace, also recommend award of Conventional Regular Unleaded Gasoline. Prices listed on Bid Tabulation do not include mandatory taxes such as LUST of .001 and the OSLTF of .0019. These items will be paid by SAWS and will be invoiced on a separate line item.)**

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 Elster AMCO Water, Inc., to provide: Water Meter Strainers, Bid No. 10-0034, for a total of \$42,811.00. (This contract will be utilized for the purchase of Water Meter Strainers on an as needed basis. This contract will be effective Date of Award (June 8, 2010) through December 31, 2012.)**

2. Acceptance of the bid of Badger Meter, Inc, to provide: Water Meter Strainers, Bid No. 10-0034, for a total of \$9,375.00. (This contract will be utilized for the purchase of Water Meter Strainers on an as needed basis. This contract will be effective Date of Award (June 8, 2010) through December 31, 2012.)
3. Acceptance of the bid of Act Pipe & Supply., to provide: Water Meter Strainers, Bid No. 10-0034, for a total of \$6,260.00. (This contract will be utilized for the purchase of Water Meter Strainers on an as needed basis. This contract will be effective Date of Award (June 8, 2010) through December 31, 2012.)
4. Acceptance of the bid of Newton Construction & Trucking, LLC, to provide: Gate Operator Maintenance Repairs & Replacement Parts, Bid No. 10-3043, for a total of \$106,000.00. (This contract will be utilized to provide quarterly inspections, repairs, installations, upgrades. Preventive and scheduled maintenance to gates and gate operator systems at SAWS locations. This contract will be effective Date of Award (June 8, 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

11. A Resolution approving Utility Service Agreements to provide water and/or wastewater service to the tracts listed below which are located over the Edwards Aquifer Recharge or Contributing Zone and are 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	CVS Store No. 3551	M2G Net Lease Funding	1.635	0	4	5-mile Awareness Zone/ EARZ	B.M.W.D.	Applied for
2	Enchanted Rock Vodka	Craimar, LLC.	1.91	0	2	5-mile Awareness Zone/ EARZ	B.M.W.D.	Applied for
3	Northside Church of Christ	Northside Church of Christ	24.93	50	27	5-mile Awareness Zone/ EARZ	Inside	Applied for
Totals			<u>28.47</u>	<u>50</u>	<u>33</u>			
Year-to-Date Totals (January – June 2010)			<u>172.11</u>	<u>429</u>	<u>366</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 - June 2010)	472.83	2,451	2,242
Total (January – June 2009)	1,429	4,549	3,655

12. A Resolution accepting the bid of San Antonio Constructors, Ltd., in the amount of \$391,101.70 for the construction of the 24-inch water main in connection with the Western Development 24-Inch Oversize (12-Inch Required) Water Main Project; awarding a construction contract to San Antonio Constructors, Ltd. in the amount of \$391,101.70 for the project work; authorizing the expenditure of System funds in the amount of \$293,326.28 for the System's proportionate share of the project work; authorizing the expenditure of System funds in the amount of \$29,332.63 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 \$10,000.00 in connection with the project work; authorizing a total amount not to exceed \$332,658.91 from the 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 Western Real Estate, L.P., and San Antonio Constructors, Ltd., and provide payment in an amount not to exceed \$332,658.91 to San Antonio Constructors, Ltd., in care of Western Real Estate, L.P., for the System's proportionate share of the cost to oversize the proposed water mains. Total expenditures are: \$332,658.91. (KELLEY NEUMANN – SAM MILLS)

Production, Transmission and Treatment Improvements

13. A Resolution approving Recapitulation Change Order No. 2 in the decreased amount of \$130,944.85 to the construction contract with A & L Underground, Inc., in connection with the Brooks City Base Water Improvements Project; authorizing the return of funds in the amount of \$130,944.85 and the construction contingency of \$10,676.45 for a total amount of \$141,621.30 to the Project Fund; authorizing the President/Chief Executive Officer to execute Change Order No. 2 and to close the contract. Located in Council District 3. Total return of funds in the amount of \$130,944.85 and the construction contingency of \$10,676.45 for a total amount of \$141,621.30 for a total revised contract amount of \$523,265.73. (KELLEY NEUMANN – FRANCES PLOCEK)
14. A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 1 in connection with the Central Watershed Sewer Relief Line, C-01 Project in the amount of \$77,070.00; approving the expenditure of funds in the amount of \$77,070.00 for the project work; approving an amount not to exceed \$77,070.00 be made available and expended from the System's Project Fund for the project work; authorizing the President/Chief Executive officer to pay Don Kelly Construction, Inc., an amount not to exceed \$77,070.00 for the project work. Located in Council District 4. Total expenditures are: \$77,070.00 for a revised contract amount of \$10,253,650.00. (KELLEY NEUMANN – FRANCES PLOCEK)

Professional Services

15. A Resolution amending Resolution No. 09-274 by ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 1 in the amount of \$52,371.85 in connection with the Lift Station Elimination Phase I Project and approving the authorization of additional contingency funds in the amount of \$31,100.00; approving an additional amount not to exceed \$52,371.85 to be made available from the System's Project Fund for the additional construction contingency expenses; authorizing the President/Chief Executive Officer to pay Principle Contracting Services, LLC, an additional amount not to exceed \$52,371.85 for the additional project work. Total expenditures are: \$52,371.85 for a total revised contract amount of \$705,501.70. (KELLEY NEUMANN – FRANCES PLOCEK)

REPLACEMENT AND ADJUSTMENT PROJECTS

Governmental Relocations and Replacements

16. A Resolution amending Resolution No. 08-190 by approving the expenditure of additional funds in an amount not to exceed \$40,000.00 payable to the City of San Antonio for additional construction contingency expenses in connection with the Callaghan Road: Ingram to Horseshoe Bend and Callaghan Road: Horseshoe Bend to Bandera Road Project; approving an additional amount not to exceed \$40,000.00 be made available and expended from the System's Project Fund for the additional construction contingency expenses; ratifying the actions of the Senior Vice President of Strategic Resources in approving additional construction contingency funds in an amount not to exceed \$40,000.00; authorizing the President/Chief Executive Officer to pay to the City of San Antonio an additional amount not to exceed \$40,000.00 for the additional project work and additional construction contingency expenses. Located in Council District 7. Total expenditures are: \$40,000.00 for a total revised contract amount of \$1,014,227.70. (KELLEY NEUMANN – DAVID MAXWELL)
17. A Resolution approving the expenditure of funds in the amount of \$330,904.33 for the replacement of water and sewer facilities by the City of San Antonio in connection with the Orchard: W.W. White to W. Hein Project; approving an amount not to exceed \$33,090.44 for construction contingency expenses related to the project work; approving an amount not to exceed \$363,994.77 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 \$363,994.77 for the project work and related construction contingency expenses. Located in Council District 2. Total expenditures are: \$363,994.77. (KELLEY NEUMANN – CINDY KOVACIC)
18. A Resolution approving the expenditure of funds in the amount of \$1,022,457.36 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the Babcock Road: Hollyhock to Prue Road Project; approving an amount not to exceed \$52,194.87 for construction contingency expenses related to the project work; approving an amount not to exceed \$1,074,652.23 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 \$1,074,652.23 for the project work and related construction contingency expenses. Located in Council District 7. Total expenditures are: \$1,074,652.23. (KELLEY NEUMANN – CINDY KOVACIC)

19. **A Resolution amending Resolution No. 07-392, as previously amended by Resolution No. 08-140, by approving the expenditure of additional funds in an amount not to exceed \$16,984.80 payable to the City of San Antonio for additional engineering services in connection with the Redland Road: U.S. 281 to 3600 Feet East Project; approving an additional amount not to exceed \$16,984.80 be made available and expended from the System's Project Fund for the additional engineering services; authorizing the President/Chief Executive Officer to pay the City of San Antonio an additional amount not to exceed \$16,984.80 for the additional engineering services. Located in Council District 9. Total expenditures are: \$16,984.80 for a revised contract amount of \$406,829.00. (KELLEY NEUMANN – CINDY KOVACIC)**
20. **A Resolution amending Resolution No. 09-125 by approving the expenditure of additional funds in an amount not to exceed \$11,661.16 payable to Holloman Corporation for additional construction contingency expenses in connection with the Terrell Hills Water and Sewer Main Replacement Phase I Project; approving an additional amount not to exceed \$11,661.16 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 additional construction contingency funds in an amount not to exceed \$11,661.16; authorizing the President/Chief Executive Officer to pay Holloman Corporation an additional amount not to exceed \$11,661.16 for additional construction contingency expenses. Total expenditures are: \$11,661.16 for a revised contract amount of: \$2,802,676.86. (KELLEY NEUMANN – CINDY KOVACIC)**
21. **A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 1 in the amount of \$25,765.61 in connection with the FM 2252 (Nacogdoches): Loop 1604 to Evans Road, 24-Inch Water Adjustment Project; authorizing the President/Chief Executive Officer to pay Holloman Corporation an additional amount not to exceed \$25,765.61 for the additional project work. Located in council District 10. Total expenditures are: \$25,765.61 for a revised contract amount of: \$262,614.61. (KELLEY NEUMANN – CINDY KOVACIC)**
22. **A Resolution authorizing the President/Chief Executive Officer to execute an Interlocal Agreement with Bexar County in the amount of \$29,600.00 in connection with the Heritage Park III Project. Total expenditures are: \$29,600.00. (KELLEY NEUMANN – CINDY KOVACIC)**
23. **A Resolution amending Resolution No. 08-376 by approving the reallocation of funds in the amount of \$10,052.78 from the amount authorized for the project work to the amount authorized for contingency funds to pay for Construction Change Order No. 1 and Construction Change Order No. 2 in connection with the Comal Street: Commerce Street to Martin Street Project. Total amount reallocated is: \$10,052.78. (KELLEY NEUMANN – CINDY KOVACIC)**

Professional Services Contracts

24. **A Resolution amending Resolution No. 06-254, as amended by Resolution No. 08-110, by approving the reallocation of funds in the amount of \$40,000.00 from the sewer authorization to the water authorization to pay for water related engineering services by Lockwood, Andrews & Newnam, Inc., in connection with the 2006 and 2007 Engineering Design Services Contract - TXDOT Projects. Total reallocation is: \$40,000.00. (KELLEY NEUMANN – CINDY KOVACIC)**

WATER RESOURCES PROJECTS

Professional Services

25. A Resolution amending Resolution No. 07-151, as previously amended by Resolution Nos. 08-214, 09-223, and 09-376, to provide for additional professional services to the existing professional services contract with Carollo Engineers, P.C., in an amount not to exceed \$160,537.00 in connection with the Brackish Groundwater Desalination Membrane Pilot Testing Project; approving additional expenditures in an amount not to exceed \$160,537.00; approving the expenditure of funds in an amount not to exceed \$160,537.00 from the System's Project Fund for additional professional services; authorizing the President/Chief Executive Officer or his designee to execute Amendment No. 4 to the existing professional services agreement with Carollo Engineers, P.C., and to pay Carollo Engineers, P.C., an additional amount not to exceed \$160,537.00 for additional professional services. Total expenditures are: \$160,537.00 for a revised contract amount of \$2,350,701.00.
(CHARLES AHRENS – ESTHER HARRAH)

MISCELLANEOUS PROJECTS

Production, Transmission and Treatment Improvements

26. A Resolution accepting the bid of Pronto Sandblasting and Coating, Inc., in the amount of \$153,414.00 for the Elimination of Lift Station 227, Wilderness Oak, Part 2 Project; awarding a construction contract to Pronto Sandblasting and Coating, Inc., in the amount of \$153,414.00 for the project work; approving the expenditure of funds in the amount of \$153,414.00 for the project work; approving construction contingency expenses in an amount not to exceed \$15,341.00 in connection with the project work; approving an amount not to exceed \$168,755.00 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 Pronto Sandblasting and Coating, Inc., and to pay Pronto Sandblasting and Coating, Inc., an amount not to exceed \$168,755.00 for the project work and related construction contingencies. Total expenditures are: \$168,755.00. (KELLEY NEUMANN – JORGE MONSERRATE)
27. A Resolution determining that the Competitive Sealed Proposals Procurement Method provided under Section 271.116 of the Texas Local Government Code provides the Best Value for the Mission Tank Painting and Rehabilitation Project; authorizing the President/Chief Executive Officer to utilize the Competitive Sealed Proposals Procurement Method in connection with this project.
(KELLEY NEUMANN – ASHOK KAJI)

EASEMENTS AND REAL PROPERTIES

28. A Resolution authorizing the acquisition of a permanent sewer easement affecting 7.43 acres located along the western side of U.S. Hwy 281 South and the eastern side of Pleasanton Road, approximately 3 miles south of Loop 410 and Pleasanton Road intersection in the southwestern quadrant of Bexar County, Texas, in the City of San Antonio, Bexar County, Texas, in connection with the Medina River Sewer Outfall Project; authorizing the expenditure of funds from the System's Project Fund in the amount of \$56,500.00 for acquisition of the easement; authorizing the President/Chief Executive Officer to execute all documents necessary for the acquisition of the easement on behalf of the City of San Antonio for the use and benefit of the San Antonio Water System; authorizing payment of the amount of \$56,500.00 to Cook Memorial Trusts c/o

James W. Collins, Trustee for the purchase price of the easement. Total expenditures are: \$56,500.00. (MIKE BRINKMANN – BRUCE HABY)

Professional Services

29. A Resolution amending Resolution No. 09-245 to provide for additional funds to the existing contract with Stewart Title Guaranty Company to provide Real Estate Land Title Services Project 3: Title Insurance for Edwards Aquifer Authority Permitted Water Rights in connection with Various Capital Improvement Projects for an additional amount not to exceed \$200,000.00; authorizing total expenditures in an amount not to exceed \$200,000.00 from the Project Fund for the additional project work; authorizing the President/Chief Executive Officer or his designated representative to negotiate and execute an Amendment with Stewart Title Guaranty Company and to pay Stewart Title Guaranty Company an amount not to exceed \$200,000.00 to provide for the additional project work. Total expenditures are: \$200,000.00 for a revised contract amount of \$366,666.67. (MIKE BRINKMANN – BRUCE HABY)

FINANCIAL SERVICES ITEMS

30. A Resolution recommending and requesting that the San Antonio City Council take certain actions with respect to an application for financial assistance through the Texas Water Development Board's Water Infrastructure Fund Loan in an amount not to exceed \$94,935,000.00 for constructing improvements to the System's utility system. (DOUG EVANSON)

31. **BRIEFING SESSION.**

- A. Briefing and deliberation regarding the System's Asset Management Program Properties. (MIKE BRINKMANN – BRUCE HABY)

ITEMS FOR INDIVIDUAL CONSIDERATION

EASEMENTS AND REAL PROPERTIES

32. A Resolution declaring certain real property containing 85.516 acres located at 8400 Old Pearsall Road (the "Catfish Farm") recorded in volume 4892, page 671 of the real property records of Bexar County, Texas; being out of the Stephen Jett Survey Number 53, Abstract Number 372, County Block 4231; and the Samuel McCulloch Survey Number 54, Abstract Number 472, County Block 4299, Bexar County, Texas., as surplus to the System as required by City Ordinance No. 75686; recommending that the San Antonio Planning Commission and City Council consent to such declaration as required by City Ordinance No. 75686; authorizing the President/Chief Executive Officer or his designated representative to dispose of said properties pursuant to Chapter 272 of the Texas Local Government Code and applicable City of San Antonio and System policies and procedures. (MIKE BRINKMANN – BRUCE HABY)

WATER RESOURCES ITEMS

33. A Resolution approving a Water Supply Agreement with Massah Corp. to purchase Trinity Aquifer Water in connection with the Oliver Ranch Water Supply Project; authorizing the expenditure from the System Fund in an amount of \$550.00 per acre-foot of Non-Edwards Aquifer Groundwater purchased for the first year of the Water

Supply Agreement; further authorizing the expenditure from the System Fund of an amount for Non-Edwards Aquifer Groundwater purchased during the remainder of the Water Supply Agreement term based upon percentage increases or decreases in the Producer's Price Index applied to the Base Price; approving the expenditure of funds for the San Antonio Water System's obligations under the Water Supply Agreements with Massah Corp. for the supply of Trinity Aquifer Water from the Water Supply Fee Revenues of the System Fund; authorizing the expenditure of funds to pay the Regulatory Fee to the Trinity Glen Rose Underground Water District from the Water Supply Fee Revenues of the System Fund; authorizing the San Antonio Water System's President/Chief Executive Officer or his designee to negotiate and execute the Water Supply Agreement between the San Antonio Water System and Massah Corp., and to pay the required amounts in accordance with the terms of the Water Supply Agreement for Massah Corp. and the Regulatory Fee to the Trinity Glen Rose Underground Water District for the duration of the initial term of the Water Supply Agreement.
(CHARLES AHRENS – GARY GUY)

CAPITAL IMPROVEMENT CONTRACTS

PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

34. A Resolution accepting the bid of PM Construction & Rehab, L. P., in the amount of \$2,099,549.00 in connection with the 2010 Pipe Bursting Work Order Construction Contract Phase 2; awarding a construction contract to PM Construction & Rehab, L. P., in the amount of \$2,099,549.00 for the project work; approving the expenditure of the amount of \$2,099,549.00 from System funds for the project work; approving the amount of \$2,099,549.00 to be made available from the System's Project Fund for the project work; approving construction contingency expenses in an amount not to exceed \$210,000.00 in connection with the project work; authorizing total expenditures in an amount not to exceed \$2,309,549.00 be made available from the System's Project Fund for the project work and construction contingency expenses; authorizing the President/Chief Executive Officer to execute a construction contract with PM Construction & Rehab, L. P., and to pay PM Construction & Rehab, L. P., the amount of \$2,309,549.00 for the project work and related construction contingencies. Total expenditures are: \$2,309,549.00.
(KELLEY NEUMANN – FRANCES PLOCEK)

REPLACEMENT AND ADJUSTMENT PROJECTS

Governmental Relocations and Replacements

35. A Resolution amending Resolution No. 00-354, as previously amended by Resolution Nos. 01-286, 02-196, 02-278, 03-124, 03-143, 03-335, 03-375, 06-361, and 08-169, by approving the expenditure of additional funds in an amount not to exceed \$886,851.00 for delay charges in connection with the Loop 1604: Culebra to US Highway 90 Project; approving that an amount not to exceed \$886,851.00 be made available and expended from the System's Project Fund for the additional project work costs; authorizing the President/Chief Executive Officer to pay the Texas Department of Transportation an amount not to exceed \$886,851.00 for the additional project work costs. Total expenditures are: \$886,851.00 for a revised contract amount of \$5,607,188.11. (KELLEY NEUMANN – CINDY KOVACIC)

FINANCIAL SERVICES ITEMS

36. A Resolution requesting the City Council of the City of San Antonio, Texas to approve an Ordinance authorizing the execution of a First Amendment to Second Amended and Restated Revolving Credit Agreement relating to the City of San Antonio, Texas Water System Commercial Paper Notes, Series A; approving an updated Offering Memorandum relating thereto. (DOUG EVANSON)

37. **BRIEFING SESSION.**

- A. Briefing and deliberation on coordination efforts with other governmental agencies regarding their long term plans and potential overlaps with SAWS' 5 Year CIP and Master Plan.
(KELLEY NEUMANN – CINDY KOVACIC)

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

- A. Outreach and Partnership Opportunities.

39. Inquiries.

40. The Regular Session of the June 8, 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.

41. **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 proposed settlement of *Cause No. 2005-CI-01377; Gallagher Headquarters Ranch Development, Ltd., et al. v. City of San Antonio, Texas, et al.*, In the 225th Judicial District Court, Bexar County, Texas. (FRANK STENGER-CASTRO – NANCY BELINSKY)
- D. Consultation with attorneys and deliberation regarding legal issues related to the Definitive Agreement between the San Antonio Water System and the Lower Colorado River Authority.
(FRANK STENGER-CASTRO-STEVE KOSUB)
- E. 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 County, Texas. (FRANK STENGER-CASTRO – STEVE KOSUB)

- 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. Deliberation regarding the evaluation, performance, objectives and duties of the President/ Chief Executive Officer; and consultation with attorneys concerning legal issues regarding the regarding the evaluation, performance, objectives and duties of the President/ Chief Executive Officer. (FRANK STENGER-CASTRO)
 - H. 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)
42. The Regular Session of the Regular Board Meeting of June 8, 2010, is hereby reconvened.
43. A Resolution approving a Settlement Agreement with the plaintiffs in connection with the lawsuit styled *Cause No. 2005-Ci-01377, Gallagher Headquarters Ranch Development, Ltd. et al. vs. the City of San Antonio, Texas et al.*; authorizing the President And Chief Executive Officer or his designee execute all documents necessary to settle the lawsuit at no cost to SAWS. (FRANK STENGER-CASTRO)
44. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF JUNE 8, 2010, IS HEREBY ADJOURNED.