

AGENDA
MEETING OF THE
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES
Tuesday, July 10, 2007, 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 Chapter 551 of the Texas Open Meetings Act, Texas Government Code, which permits closed meetings for purposes of consulting with its attorneys and deliberating about real property, gifts and donations, personnel matters and security devices. 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 June 5, 2007.**
 - B. **Approval of the Minutes of the San Antonio Water System Board of Trustees Special Meeting of June 2, 2007.**
4. **Ceremonial Items.**
 - A. **Resolutions recognizing the contributions made by the Bexar County Legislative Delegation of the 80th Texas Legislature.
(GREG FLORES – DONOVAN BURTON)**
 - B. **Recognition of the SAWS Women’s Tapping Team winning First Place at the National 2007 American Water Works Association Conference held in Toronto, Canada. (VAL RUIZ)**
 - C. **Recognition of David G. Bascom, SAWS’ Director of Safety and Environmental Health, for being named the Safety Professional of the Year by the American Society of Safety Engineers’ Management Practice Specialty Group. (JERRY BAILEY)**

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. Citizens to be Heard.
- 6. **BRIEFING SESSION.**
 - A. Briefing and deliberation regarding the San Antonio River Improvements Project of the San Antonio River Authority.
(SUZANNE SCOTT, SAN ANTONIO RIVER AUTHORITY)
- 7. Board of Trustees - Committee Reports.
 - A. Audit and Finance Committee.
 - B. Planning and Operations Committee.
 - C. Water Resources Committee.

CONSENT AGENDA ITEMS

Items 8 – 41

ITEMS CONCERNING THE PURCHASE OF EQUIPMENT, MATERIALS AND SUPPLIES

- 8. A Resolution accepting recommendations regarding the contracting for certain services, equipment, materials, and supplies, and authorizing the acceptance of bids as follows:
(VICK GARMON)
 - A. Award of Contracts for the Purchase of Materials, Equipment and Services.
 - 1. Acceptance of the bid of Grande Truck Center to provide: one each – 7,200 GVWR (minimum) 2x4 Sport Utility Vehicle, Bid No. 07-7023, for a total of \$31,501.00. (This unit is part of the vehicle equipment replacement program.)
 - WBE 2. Acceptance of the bid of Horizon Technology, Inc. to provide: “Best Value” bid for Purchase of Solid Phase Extraction and Concentration System, Bid No. 07-7064, for a total of \$120,540.00. (Purchase of a Solid Phase Extraction and Concentration System for analyses of fats, oils and greases and preparation of samples for pesticides/semi-volatile analyses .)
 - B. Award of Annual Service and Supply Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.
 - WBE 1. Acceptance of the bid of Safety Supply, Inc., to provide: Disposable Coveralls, Bid No. 06-6025A, for a total of \$25,000.00. (This contract will be utilized for the purchase of disposable overalls to be used by designated SAWS employees. This contract will be effective Date of Award [July 10, 2007] through May 31, 2008.)
 - 2. Acceptance of the bid of Martin Marietta Materials to provide: Cement Aggregates (Bulk Material), Bid No. 06-6024A, for a total of \$57,648.00. (This contract will be utilized for the purchase of sand and limestone on an as needed basis. This contract will be effective Date of Award [July 10, 2007] through May 31, 2008.)

- 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: Joint Restraints, Bid No. 07-0017A, for a total of \$84,558.70. (This contract will be utilized for the purchase for water and sewer repairs on an as needed basis. This contract will be effective Date of Award [July 10, 2007] through May 31, 2009.)**
2. **Acceptance of the bid of Act Pipe and Supply to provide: Joint Restraints, Bid No. 07-0017A, for a total of \$22,283.08. (This contract will be utilized for the purchase for water and sewer repairs on an as needed basis. This contract will be effective Date of Award [July 10, 2007] through May 31, 2009.)**
3. **Acceptance of the bid of. Act Pipe and Supply to provide: Ductile Iron Mechanical Joint Compact Fitting, Bid No. 07-0065, for a total of \$43,828.42 (These mechanical joint fittings are used to cap, plug, reduce and change directional position of pipelines during construction and installations of waterlines.. This contract will be effective Date of Award [July 10, 2007] through May 31, 2009.)**
4. **Acceptance of the bid of HD Supply Waterworks to provide: Ductile Iron Mechanical Joint Compact Fitting, Bid No. 07-0065, for a total of \$18,585.93 (These mechanical joint fittings are used to cap, plug, reduce and change directional position of pipelines during construction and installations of waterlines.. This contract will be effective Date of Award [July 10, 2007] through May 31, 2009.)**

CAPITAL IMPROVEMENT CONTRACTS

PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

Developer Customer Contracts

9. **A Resolution approving Utility Service Agreements to provide water and/or wastewater service to the tracts listed below. (KELLEY NEUMANN – SAM MILLS)**

| No. | Tract Name | Developer Name | Acreage | Water EDUs | WW EDUs | No. |
|-----|------------|-------------------------------------|---------|---------------|------------|-----|
| 1 | Haby Tract | Post Oak Development of Texas, Inc. | 518 | 433 | 0 | 1 |

| | | | | | | |
|--|-----------------------------------|------------------------------|---------------|---------------|---------------|----|
| 2 | Hausman Park | Lyons Commercial Properties | 7.39 | 19 | 46 | 2 |
| 3 | Kyle Seale Pkwy Middle School | Northside ISD | 27.33 | 44 | 16 | 3 |
| 4 | NEC Culebra 211 Subdivision Tract | HEB Grocery Company, LP | 100.51 | 400 | 400 | 4 |
| 5 | Pfeiffer Tract | Bitterblue, Inc. | 140.02 | 225 | 225 | 5 |
| 6 | Regal Hills | Galo Properties | 98.71 | 1,524 | 1,524 | 6 |
| 7 | Sagebiel Tract | Tildon Development | 350 | 0 | 1,600 | 7 |
| 8 | Shadow Canyon | Shadow Creek Canyon, Ltd. | 91.47 | 496 | 500 | 8 |
| 9 | Tausch Farms | Shannon Livingston Companies | 158.2 | 749 | 747 | 9 |
| 10 | U Bar Ranch | Zachry Realty | 1774 | 0 | 4,000 | 10 |
| Totals | | | <u>3,266</u> | <u>3,890</u> | <u>9,058</u> | |
| Year-to-Date Totals (January-November 2006) | | | <u>11,894</u> | <u>22,791</u> | <u>29,647</u> | |

10. A Resolution approving an Addendum to water commitment to provide water service to Forestar Real Estate Group tract, a 2,861-acre tract located north of Evans Road and east of Bulverde Road, bordered on the east by Cibolo Vista, being developed by Forestar Real Estate Group, Inc., developer., formally PGA, to reallocate EDU's from Pressure Zone #10 to Pressure Zone #11A. (KELLEY NEUMANN – SAM MILLS)

Professional Services

11. A Resolution ratifying the actions of the Vice-President of Facilities Engineering & Construction in approving Contract Amendment No. 1 in the amount of \$228,149.00 in connection with the Talley Road (FM 471 to Ray Lieck) Project; amending Resolution No. 06-287 by approving additional expenditures in an amount not to exceed \$228,149.00 for additional engineering services by Lockwood, Andrews and Newnam, Inc., in connection with the Talley Road (FM 471 to Ray Lieck) Project; approving the expenditure of impact fees in an amount not to exceed \$228,149.00 for the water related additional engineering services; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 1 and to pay Lockwood, Andrews and Newnam, Inc., an additional amount not to exceed \$228,149.00 for the additional engineering services in connection with the project. Total expenditures are: \$228,149.00. (KELLEY NEUMANN –FRANCES PLOCEK)

REPLACEMENT PROJECTS

Water and Sewer Line Improvements

12. A Resolution accepting the bid of Principle Contracting Services, LLC, in the amount of \$67,397.00 for the FM 2252 (Nacogdoches) – Loop 1604 to Evans Road Project; awarding a construction contract to Principle Contracting Services, LLC, in the amount of \$67,397.00 for the project work; approving the expenditure of funds in the amount of \$67,397.00 for the project work; approving construction contingency expenses in an amount not to exceed \$6,739.70 in connection with the project work; approving an amount not to exceed \$21,733.80 be made available and expended from the System's Project Fund for the water project work and related construction contingencies; approving an amount not to exceed \$52,402.90 be made available and expended from the System's Project Fund for the sewer project work and related construction contingencies; authorizing the President/Chief Executive Officer to execute a construction contract with Principle Contracting Services, LLC, and to pay Principle Contracting Services, LLC, an amount not to exceed \$74,136.70 for the project work

and related construction contingencies. Located in Council District No. 10. Total expenditures are: \$74,136.70. (KELLEY NEUMANN –CINDY KOVACIC)

13. A Resolution approving Recapitulation Change Order No. 12 in the decreased amount of \$150,664.00 to the construction contract with Holloman Corporation in connection with the construction of the Lincoln Heights Main Improvement & Pressure Zone Change Project; returning the amount of \$150,664.00 and the construction contingency balance of \$19,471.79 for a total amount of \$170,135.79 to the System's Project Fund; authorizing the President/Chief Executive Officer to execute Recapitulation Change Order No. 12 and close the contract with Holloman Corporation. Total decreased amount is: \$170,135.79. (KELLEY NEUMANN – ASHOK KAJI)
14. A Resolution amending Resolution No. 06-099 by approving additional contingency funds in an amount not to exceed \$10,597.86 to the construction contract with S. Olo Inc., in connection with the Brook Hollow Service Level Change Phase II Project; approving an additional amount not to exceed \$10,597.86 be made available from the System's Project Fund for the additional construction contingency expenses; authorizing the President/Chief Executive Officer to pay S. Olo Inc., an additional amount not to exceed \$10,597.86 for additional construction contingency. Total expenditures are: \$10,597.86. (KELLEY NEUMANN – CINDY KOVACIC)

Governmental Relocations and Replacements

15. A Resolution approving the expenditure of funds in the amount of \$198,412.12 for the replacement of water and wastewater facilities by the City of San Antonio in connection with the Robeson Avenue: Yucca Street to Martin Luther King Drive Project; approving construction contingency expenses related to the project work in an amount not to exceed \$21,587.88; approving an amount not to exceed \$143,000.00 be made available and expended from the System's Project Fund for the water project work and related construction contingencies; approving an amount not to exceed \$77,000.00 be made available and expended from the System's Project Fund for the sewer project work and related construction contingencies; authorizing the President/Chief Executive Officer to pay to the City of San Antonio an amount not to exceed \$220,000.00 for the project work and related construction contingencies. Located in Council District 2. Total expenditures are: \$220,000.00. (KELLEY NEUMANN – CINDY KOVACIC)
16. A Resolution approving the expenditure of funds in the amount of \$168,263.00 for the replacement of water and wastewater facilities by the City of San Antonio in connection with the Grandview Neighborhood Streets Phase III H, Hammond: Amanda to Roland Project; approving construction contingency expenses related to the project work in an amount not to exceed \$17,737.00; approving an amount not to exceed \$121,000.00 be made available and expended from the System's Project Fund for the water project work and related construction contingencies; approving an amount not to exceed \$65,000.00 be made available and expended from the System's Project Fund for the sewer project work and related construction contingencies; authorizing the President/Chief Executive Officer to pay to the City of San Antonio an amount not to exceed \$186,000.00 for the project work and related construction contingencies. Located in Council District 2. Total expenditures are: \$186,000.00. (KELLEY NEUMANN – CINDY KOVACIC)
17. A Resolution approving the expenditure of funds in the amount of \$369,584.41 for the adjustment of water and wastewater facilities by the City of San Antonio in connection with the Lockhill-Selma: West Avenue to N.W. Military Project;

approving construction contingency expenses related to the project work in an amount not to exceed \$38,415.59; approving an amount not to exceed \$261,000.00 be made available and expended from the System's Project Fund for the water project work and related construction contingencies; approving an amount not to exceed \$147,000.00 be made available and expended from the System's Project Fund for the sewer 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 City of San Antonio an amount not to exceed \$408,000.00 for the project work and related construction contingencies. Located in Council District 9. Total expenditures are: \$408,000.00. (KELLEY NEUMANN – CINDY KOVACIC)

18. A Resolution amending Resolution No. 06-226 by approving the expenditure of additional funds in an amount not to exceed \$87,000.00 payable to the City of San Antonio for additional construction contingency expenses in connection with the Marbach Road: Military Drive to Pinn Road, Phase I Project; approving an additional amount not to exceed \$87,000.00 be made available and expended from the System's Project Fund for the additional construction contingency expenses; ratifying the actions of the Vice-President of Facilities Engineering and Construction in approving Change Order No. 1 in the amount of \$78,990.00; authorizing the President/Chief Executive Officer to pay to the City of San Antonio an additional amount not to exceed \$87,000.00 for the additional project work and additional construction contingency expenses. Located in Council District 6. Total expenditures are: \$87,000.00. (KELLEY NEUMANN – CINDY KOVACIC)
19. A Resolution amending Resolution No. 07-079 by approving the expenditure of additional funds in an amount not to exceed \$90,000.00 payable to the City of San Antonio for additional construction contingency expenses in connection with the Woodlawn: San Antonio to Lake Project; approving an additional amount not to exceed \$90,000.00 be made available and expended from the System's Project Fund for the additional construction contingency expenses; ratifying the actions of the Vice-President of Facilities Engineering and Construction in approving Change Order No. 1 in the amount of \$89,725.00; authorizing the President/Chief Executive Officer to pay to the City of San Antonio an additional amount not to exceed \$90,000.00 for the additional project work and additional construction contingency expenses. Located in Council District 7. Total expenditures are: \$90,000.00.
(KELLEY NEUMANN – CINDY KOVACIC)
20. A Resolution approving the expenditure of funds in the amount of \$22,443.60 for the adjustment of water facilities by the City of Helotes in connection with the Parrigin Road Drainage Project; approving construction contingency expenses related to the project work in an amount not to exceed \$3,556.40; approving an amount not to exceed \$26,000.00 be made available and expended from the System's Project Fund for the water project work and related construction contingencies; authorizing the President/Chief Executive Officer to execute an Interlocal Agreement with the City of Helotes for the project work and to pay in advance to the City of Helotes a total amount not to exceed \$26,000.00 for the project work and related construction contingencies. Total expenditures are: \$26,000.00.
(KELLEY NEUMANN – CINDY KOVACIC)
21. A Resolution ratifying the actions of the Vice-President of Facilities Engineering & Construction in approving Contract Amendment No. 2 in an amount not to exceed \$50,000.00 in connection with the 2004 Engineering Design Services - Governmental Contract; amending Resolution No. 04-460, as amended by Resolution No. 05-273, by

approving additional expenditures in an amount not to exceed \$50,000.00 for additional engineering design services by Lockwood, Andrews, & Newnam, Inc., in connection with the 2004 Engineering Design Services - Governmental Contract; approving that an amount not to exceed \$5,342.98 be made available and expended from the System's Project Fund for the additional water engineering design services; approving that an amount not to exceed \$99,657.02 be made available and expended from the System Fund for the channel repair and roadway engineering design services; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 2 and to pay Lockwood, Andrews, & Newnam, Inc., an additional amount not to exceed \$50,000.00 for the additional engineering design services in connection with the contract. Total expenditures are: \$50,000.00.
(KELLEY NEUMANN – CINDY KOVACIC)

22. A Resolution approving the expenditure of funds in the amount of \$338,872.22 for the replacement of water and wastewater facilities by the City of San Antonio in connection with the Durango: Trinity to Navidad Phase II Project; approving construction contingency expenses related to the project work in an amount not to exceed \$34,127.78; approving an amount not to exceed \$240,000.00 be made available and expended from the System's Project Fund for the water project work and related construction contingencies; approving an amount not to exceed \$133,000.00 be made available and expended from the System's Project Fund for the sewer project work and related construction contingencies; authorizing the President/Chief Executive Officer to pay to the City of San Antonio an amount not to exceed \$373,000.00 for the project work and related construction contingencies. Located in Council District 5. Total expenditures are: \$373,000.00. (KELLEY NEUMANN – CINDY KOVACIC)
23. A Resolution authorizing the President/Chief Executive Officer to execute an Interlocal Agreement with the Texas Department of Transportation for the project work in connection with the IH 10 @ Camp Bullis Project.
(KELLEY NEUMANN – CINDY KOVACIC)
24. A Resolution authorizing the President/Chief Executive Officer to execute an Interlocal Agreement with the Texas Department of Transportation for the project work in connection with the IH 37: Loop 13 (S.W. Military Dr.) to New Braunfels Project. (KELLEY NEUMANN – CINDY KOVACIC)
25. A Resolution ratifying the actions of the Vice-President of Facilities Engineering & Construction in approving Contract Amendment No. 1 in the amount of \$16,000.00 in connection with the F.M. 1535 (N.W. Military Highway): Braesview Drive to Huebner Road Project; amending Resolution No. 05-142, by approving additional expenditures in an amount not to exceed \$16,000.00 for additional engineering design services by Chiang, Patel & Yerby, Inc., in connection with the F.M. 1535 (N.W. Military Highway): Braesview Drive to Huebner Road Project; approving that an amount not to exceed \$14,000.00 be made available and expended from the System's Project Fund for the water related additional engineering design services; approving that an amount not to exceed \$2,000.00 be made available and expended from the System's Project Fund for the sewer related additional engineering design services; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 1 and to pay Chiang, Patel & Yerby, Inc., an additional amount not to exceed \$16,000.00 for the additional engineering design services in connection with the project. Total expenditures are \$16,000.00. (KELLEY NEUMANN – CINDY KOVACIC)

Professional Services

26. **A Resolution ratifying the actions of the Vice-President of Facilities Engineering & Construction in approving Contract Amendment No. 1 in the amount of \$45,000.00 in connection with the 2006-2007 City Street Maintenance Water and Sewer Replacements Contract; amending Resolution No. 05-363 by approving additional expenditures in an amount not to exceed \$45,000.00 for additional engineering design services by Bain Medina Bain, Inc., in connection with the 2006-2007 City Street Maintenance Water and Sewer Replacements Contract; approving that an additional amount not to exceed \$23,000.00 be made available and expended from the System's Project Fund for the additional water engineering design work; approving the expenditure of funds in an amount not to exceed \$22,000.00 from the System's Project Fund for the sewer project engineering work; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 1 and to pay Bain Medina Bain, Inc., an additional amount not to exceed \$45,000.00 for the additional engineering design services in connection with the contract. Total expenditures are \$45,000.00. (KELLEY NEUMANN – CINDY KOVACIC)**
27. **A Resolution ratifying the actions of the Vice-President Of Facilities Engineering & Construction in approving Contract Amendment No. 2 in the amount of \$16,049.16 in connection with the Olympia Drainage Area Phase I Project; amending Resolution No. 04-125, as previously amended by Resolution No. 06-135 by approving additional expenditures in an amount not to exceed \$16,049.16 for additional engineering design services by Vickrey & Associates, Inc., in connection with the Olympia Drainage Area Phase I Project; authorizing that an amount not to exceed \$1,000.00 be made available and expended from the System's Project Fund for additional water related engineering design services; authorizing that an amount not to exceed \$15,049.16 be made available and expended from the System's Project Fund for additional sewer related engineering design services; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 2 and to pay Vickrey & Associates, Inc., an additional amount not to exceed \$16,049.16 for the additional engineering design services in connection with the project. Located in Council District 1. Total expenditures are \$16,049.16. (KELLEY NEUMANN – CINDY KOVACIC)**
28. **A Resolution approving the expenditure of funds in the amount of \$12,500.00 for air quality monitoring services by the City of San Antonio in connection with the Commerce: Railroad to S. Palmetto Project; amending Resolution No. 05-009, as amended by Resolution No. 05-486, by approving additional expenditures in an amount not to exceed \$12,500.00 for the additional project engineering work; approving an amount not to exceed \$12,500.00 be made available and expended from the System's Project Fund for the additional project engineering work; authorizing the President/Chief Executive Officer to pay to the City of San Antonio an amount not to exceed \$12,500.00 for the additional project engineering work. Located in Council District 2. Total expenditures are: \$12,500.00. (KELLEY NEUMANN – CINDY KOVACIC)**
29. **A Resolution accepting the proposal of Weston Solutions, Inc., in the lump sum amount of \$895,423.00 for the design of the Far West Inter-Basin Lift Station Transfer System Project; awarding a professional services contract to Weston Solutions, Inc., in the lump sum amount of \$895,423.00 for engineering services in connection with this project; approving the expenditure of funds in the lump sum amount of \$895,423.00 from the System's Project Fund for the engineering services in connection with this project; authorizing the President/Chief Executive Officer to execute a professional services**

contract with Weston Solutions, Inc., and to pay Weston Solutions, Inc., the lump sum amount of \$895,423.00 for engineering services in connection with this project. Total expenditures are; \$895,423.00. (KELLEY NEUMANN –ASHOK KAJI)

30. A Resolution accepting the proposal of Carollo Engineers in an amount not to exceed \$956,000.00 for the design of the Leon Creek Water Recycling Center Improvements Project; awarding a professional services contract to Carollo Engineers in an amount not to exceed \$956,000.00 for engineering services in connection with this project; approving the expenditure of funds in an amount not to exceed \$956,000.00 from the Project Fund for the engineering services in connection with this project; authorizing the President/Chief Executive Officer to execute a professional services contract with Carollo Engineers, and to pay Carollo Engineers an amount not to exceed \$956,000.00 for engineering services in connection with this project. Total expenditures are: \$956,000.00. (KELLEY NEUMANN –ASHOK KAJI)

Production, Transmission and Treatment Improvements

31. A Resolution amending Resolution No. 06-111 by approving the expenditure of additional funds in an amount not to exceed \$878,821.00 payable to BRH Garver for additional construction contingency expenses in connection with the Six Mile Creek Sewer Replacement Project; approving an additional amount not to exceed \$34,000.00 be made available from the System's Project Fund for the additional construction contingency expenses; ratifying the actions of the Vice President of Facilities Engineering and Construction in approving Change Order No. 1 in the amount of \$358,540.37 and Change Order No. 2 in the amount of \$520,280.63; authorizing the President/Chief Executive Officer to pay BRH Garver an amount not to exceed \$34,000.00 for the additional project work and additional construction contingency expenses. Total expenditures are: \$34,000.00. (KELLEY NEUMANN – CINDY KOVACIC)

WATER RESOURCES PROJECTS

32. A Resolution approving Change Order No. 5 resulting in an increase to the contract cost in an amount not to exceed \$110,193.00 for the construction contract with Cajun Constructors, Inc., in connection with the Aquifer Storage And Recovery Program, Phase II Water Treatment Plant Project; authorizing the additional expenditure of funds in an amount not to exceed \$110,193.00 for the additional project work associated with Change Order No. 5 from the project construction contingency fund for the additional project work; authorizing the President/Chief Executive Officer to execute Change Order No. 5 with Cajun Constructors, Inc., and to pay Cajun Constructors, Inc., an amount not to exceed \$110,193.00 for the project work. Total expenditures are: \$110,193.00. (JANELLE OKORIE – CALVIN FINCH)

Professional Services

33. A Resolution approving amendment of an existing contract with HDR Engineering Inc., and authorizing additional expenditures in an amount not to exceed \$65,009.00 for additional engineering services for the Gonzales County Carrizo Aquifer Water Supply Pump Stations Project; approving additional expenditures in an amount not to exceed \$65,009.00 for a total authorization not to exceed \$1,759,629.00; authorizing expenditures in an amount not to exceed \$65,009.00 from the System's Project Fund for the additional engineering services; authorizing the President/Chief Executive Officer to execute an amendment to the existing professional services agreement with HDR

Engineering, Inc., and to pay HDR Engineering Inc., an additional amount not to exceed \$65,009.00 for additional engineering services. Total expenditures are: \$65,009.00.
(JANELLE OKORIE – CALVIN FINCH)

MISCELLANEOUS PROJECTS

34. A Resolution amending Resolution No. 07-140 to correct the name of the contracting entity from Texas Regional Construction to TRCU, Ltd., in connection with the construction contract for the Hays Street: New Braunfels to Walters Project.
(KELLEY NEUMANN – CINDY KOVACIC)

Professional Services

35. A Resolution accepting the proposal of Goetting & Associates, Inc., in an amount not to exceed \$143,610.00 for the design of the No. 2 Chilled Water Plant Chiller Addition Project; awarding a professional services contract to Goetting & Associates, Inc., in an amount not to exceed \$143,610.00 for engineering services in connection with this project; approving the expenditure of funds in the amount of \$143,610.00 from the System’s Project Fund for the engineering services in connection with this project; authorizing the President/Chief Executive Officer to execute a professional services contract with Goetting & Associates, Inc., and to pay Goetting & Associates, Inc., an amount not to exceed \$143,610.00 for engineering services in connection with this project. Total expenditures are: \$143,610.00.
(KELLEY NEUMANN – ASHOK KAJI)

EASEMENTS AND REAL PROPERTY

Miscellaneous Items

36. A Resolution declaring a public necessity for the acquisition of certain privately owned real property interests in the City of San Antonio, Bexar County, Texas, as described herein below (“the property”) by negotiation and/or condemnation if necessary, for the public purpose of the expansion and operation of the water system through the construction of the Alamo Ranch/Medio Creek Southern Sanitary Sewer Outfall Project (“the project”); requesting that the City Council of the City of San Antonio (“Council”): (i) adopt an Ordinance reaffirming and declaring that the project is for a public purpose and a necessity exists for the acquisition of the property; (ii) authorize the System to take all appropriate action to acquire the property by negotiation and/or condemnation; (iii) declare that the conveyance of the property shall be to the City of San Antonio for the use and benefit of the System; authorizing the General Counsel and/or designated Special Counsel to file the eminent domain proceedings, if necessary; providing and approving funding for the project. The property to be acquired consists of permanent and temporary easements as described below:

| PARCELS | SQUARE FOOTAGE OF LAND RIGHTS PERMANENT (P) AND TEMPORARY (T) | LEGAL DESCRIPTION |
|----------|---|---|
| P07-027P | 92,467 square feet | Part of 536.83 Ac. Track in the B.F. Bradford Survey No. 201 ABS No. 88 CB 4390 |
| P07-027T | 83,742 square feet | Part of 536.83 Ac. Track in the B.F. Bradford Survey No. 201 ABS No. 88 CB 4390 |

| | | |
|----------|--------------------|--|
| P07-027T | 52,645 square feet | Part of 536.83 Ac. Tract in the B.F. Bradford Survey No. 201 ABS No. 88 CB 4390 |
| P07-027T | 16,190 square feet | Part of 536.83 Ac. Tract in the B.F. Bradford Survey No. 201 ABS No. 88 CB 4390 |
| P07-051P | 12,219 square feet | Part of 18.164 Ac. Tract in the V. Hoefflinger Survey No. 200 ¼ ABS 333 CB 4363 |
| P07-051T | 16,033 square feet | Part of 18.164 Ac. Tract in the V. Hoefflinger Survey No. 200 ¼ ABS 333, CB 4363 |
| P07-055P | 1,858 square feet | Part of 24.00 Ac. Tract in the Thomas Davidson Survey No. 200 ABS 196, CB 4361 |
| P07-055T | 3,085 square feet | Part of 24.00 Ac. Tract in the Thomas Davidson Survey No. 200 ABS 196, CB 4361 |
| P07-099P | 1,056 square feet | Part of 63.23 Ac. Tract in the Thomas Davidson Survey No. 200 ABS 196, CB 4361 |
| P07-099T | 1,849 square feet | Part of 63.23 Ac. Tract in the Thomas Davidson Survey No. 200 ABS 196, CB 4361 |

***"T"** after Parcel Number denotes Temporary Construction Easement
(MIKE BRINKMANN – BRUCE HABY)

37. A Resolution declaring a public necessity for the acquisition of certain privately owned real property interests in the City of San Antonio, Bexar County, Texas, as described herein below (“the property”) by negotiation and/or condemnation, if necessary, for the public purpose of the expansion and operation of the water system through the construction of the Eastern Watershed Sewer Relief Line E-03 Project and Salado Outfall Siphons Stage II 8, 9 and 10 Project (the “projects”); requesting that the City Council of the City of San Antonio (Council’): (i) adopt an Ordinance reaffirming and declaring that the projects are for a public purpose and a public necessity exists for the acquisition of the property; (ii) authorize the System to take all appropriate action to acquire the property by negotiation and/or condemnation; (iii) declare that the conveyance of the property shall be to the City of San Antonio for the use and benefit of the System; authorizing the General Counsel and/or designated Special Counsel to file the eminent domain proceedings, if necessary; providing and approving funding for the projects. The property to be acquired consists of permanent and temporary easements as described below:

| PARCELS | SQUARE FOOTAGE OF LAND RIGHTS | LEGAL DESCRIPTION |
|--------------|-------------------------------|---|
| SAWS-E-9664T | 8,965.78 sq. ft. | Part of 13.424 acre Tract out of Lot J, Block 31, N.C.B. 10583 situated within the corporate limits of the City San Antonio, Bexar County, Texas, and recorded in Volume 3425, Pages 409-411 of the Deed and Plant Records of Bexar County, Texas |
| SAWS-E-9664 | 9,031.21 sq. ft. | Part of 13.424 acre Tract out of Lot J, Block 31, N.C.B. 10583 situated within the corporate limits of the City San Antonio, Bexar County, Texas, and recorded in Volume 3425, Pages 409-411 of the Deed and Plant Records of Bexar County, Texas |
| P07-082T | 5,519 sq. ft. | Part of 13.424 acre Tract recorded in Volume 12469, Page 1516 Official Public Records Bexar County , Texas |

***"T"** denotes Temporary Construction Easement
(MIKE BRINKMANN – BRUCE HABY)

WATER RESOURCES ITEMS

38. A Resolution approving a Joint Funding Agreement between the San Antonio Water System and the United States Geological Survey for the period of July 2007 to September 30, 2007 in an amount not to exceed \$77,800.00 for a surface geophysical survey of the Cibolo Canyons area;; authorizing the expenditure of funds for Fiscal Year 2007 from the System Fund to pay for obligations incurred pursuant to the Joint Funding Agreement; authorizing the President/Chief Executive Officer or his designee to execute the Joint Funding Agreement with the United States Geological Survey and to pay an amount not to exceed \$77,800.00 to the United States Geological Survey pursuant to the Joint Funding Agreement. Total expenditures are: \$77,800.00.
(JANELLE OKORIE – SCOTT HALTY)

INFORMATIONS SYSTEMS ITEMS

39. A Resolution authorizing the extension of the Maintenance Agreement until June 30, 2008 for a total amount not to exceed \$499,352.56 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 \$229,905.81 from the System Fund for FY 2007 to Lawson Software, Inc., for payment of software maintenance for Finance, Procurement, and Human Resource software utilized at the San Antonio Water System, and that FY 2008 expenditures in an amount not to exceed \$269,446.75, shall be authorized to be made pursuant to the appropriations made in the annual budgets approved by the Board with a line item for such expenditures; authorizing the President/Chief Executive Officer or his designee to approve the extension of the Maintenance Renewal Agreement with Lawson Software, Inc., until June 30, 2008 in a total amount not to exceed \$499,352.56 and to pay Lawson Software, Inc., an amount not to exceed \$499,352.56 for software maintenance for Finance, Procurement, and Human Resource software utilized at the San Antonio Water System. Total expenditures are: \$499,352.56.
(STACEY ISENBERG – VERONICA GODLEY)

MISCELLANEOUS ITEMS

40. A Resolution approving the Second Amendment to the professional services contract with Hamby Associates to continue to conduct an organizational review of the Board of Trustees and President/Chief Executive Officer in an additional amount not to exceed \$15,000.00; amending Resolution Nos. 06-073 and 06-212, by approving additional expenditures in Fiscal Year 2007 in an amount not to exceed \$15,000.00 for additional professional services by Hamby Associates; authorizing that an amount not to exceed \$15,000.00 be made available and expended from the System Fund for Fiscal Year 2007 for the additional professional services by Hamby Associates; authorizing the Chairman or Vice Chairman of the Board of Trustees to execute the Second Contract Amendment and to pay Hamby Associates an additional amount not to exceed \$15,000.00 for the additional professional services. Total expenditures are: \$15,000.00.
(CHAIRMAN BRISEÑO)
41. A Resolution approving settlement of the lawsuit of Mary Smith against the San Antonio Water System; approving the System's financial obligation under the settlement; authorizing expenditures in the total amount of \$15,000.00 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 Agreements and to pay \$15,000.00 to

Mary Smith, for the System's obligations under the terms of the Settlement Agreement.
Total expenditures are: \$15,000.00.
(FRANK STENGER-CASTRO – BILL CROW)

ITEMS FOR INDIVIDUAL CONSIDERATION

CAPITAL IMPROVEMENT CONTRACTS

REPLACEMENT PROJECTS

Water and Sewer Line Improvements

42. A Resolution accepting the bid of Texas Sterling Construction in the amount of \$943,927.00 for the Goliad Road Outfall Project; awarding a construction contract to Texas Sterling Construction in the amount of \$943,927.00 for the project work; approving the expenditure of funds in the amount of \$943,927.00 for the project work; approving construction contingency expenses in an amount not to exceed \$95,073.00 in connection with the project work; approving an amount not to exceed \$151,000.00 be made available and expended from the System's Project Fund for the water project work and related construction contingencies; approving that an amount not to exceed \$888,000.00 be made available and expended from the System's Project Fund for the channel repair and roadway project work and related contingencies; authorizing the President/Chief Executive Officer to execute a construction contract with Texas Sterling Construction and to pay Texas Sterling Construction an amount not to exceed \$1,039,000.00 for the project work and related construction contingencies. Total expenditures are: \$1,039,000.00. KELLEY NEUMANN – CINDY KOVACIC)

Professional Services

43. A Resolution accepting the proposal of and awarding a professional services contract to Camp Dresser & McKee, Inc., in an amount not to exceed \$1,241,646.00 in connection with the Western Watershed Sewer Relief Line – Hwy. 90 to S.W. Loop 410 Project; approving the expenditure of funds in an amount not to exceed \$1,241,646.00 from the System's Project Fund for the project engineering work; authorizing the President/Chief Executive Officer to execute a professional services contract with Camp Dresser & McKee, Inc., and to pay Camp Dresser & McKee, Inc., in an amount not to exceed \$1,241,646.00 for the project engineering work. Total expenditures are: \$1,241,646.00. (KELLEY NEUMANN – CINDY KOVACIC)

EASEMENTS AND REAL PROPERTY

Water Resources Items

44. A Resolution approving the final form of the Conservation Easement from William Cofer, George H. Cofer, Jr., Nancy Kathryn McQuown Wendlant, Albert Bruce McQuown, Paul Corley McQuown, McQuown Investments, Ltd., and Carolyn F. Chapman Investments Ltd., (collectively the "Annandale Heirs"), for the purchase by the City of San Antonio, for the use and benefit of a Conservation Easement on 7,552.68 acres of land in Uvalde County, Texas, located along the westerly side of U.S. Highway 127 near the intersection with F.M. 2690, known as a part of the Annandale Ranch ("property"); authorizing the expenditure of funds in the amount not to exceed \$4,000,000.00 from the System's Project Fund for the acquisition of the Conservation Easement and an amount not to exceed \$5,000.00 for associated closing costs, for a total

amount not to exceed \$4,005,000.00 to be paid to the Annandale Heirs and Commerce Land Title for the purchase of the Conservation Easement and associated closing costs; authorizing the President/Chief Executive Officer or his designated representative to pay the total amount not to exceed \$4,000,000.00 from the System's Project fund for the acquisition of the Conservation Easement and an amount not to exceed \$45,000.00 for associated closing costs to the Annandale Heirs and Commerce Land Title respectively; authorizing the President/Chief Executive Officer or his designated representative to accept Federal Grant Funds from the Environmental Protection Agency in the amount of \$1,734,700.00 for the acquisition of the Conservation Easement and authorizing the President/Chief Executive Officer or his designated representative to execute the Conservation Easement and all other documents necessary to effectuate the acquisition of the Grant Funds and acquisition of the Conservation Easement and perform all duties of the buyer under terms of the Conservation Easement Purchase Agreement as amended. Total expenditures are: \$4,005,000.00.

(MIKE BRINKMANN – BRUCE HABY)

WATER RESOURCES ITEMS

45. A Resolution approving an Amendment to the 2006 Water Supply Capital Improvement Program Budget and the 2007 Water Supply Capital Improvement Program Budget; authorizing an Amendment in the decreased amount of \$29,494,960.00 for the 2006 Water Supply Capital Improvement Program Budget and an Amendment in the decreased amount of \$76,857,470.00 for the 2007 Water Supply Capital Improvement Program Budget; authorizing the President/Chief Executive Officer or his designee to execute the 2006 Water Supply Capital Improvement Program and the 2007 Water Supply Capital Improvement Program. (DOUG EVANSON - JANELLE OKORIE)

MISCELLANEOUS ITEMS

46. A Resolution approving an Agreement between the San Antonio Water System and the Port Authority of San Antonio for the transfer of the central steam facilities back to the Port San Antonio; authorizing the President/Chief Executive Officer to execute the Agreement with the Port Authority of San Antonio and all related documents to provide for the transfer of the central steam facilities back to the Port San Antonio. (STEVE CLOUSE – VIC STUCKEY)
47. Chairman of the Board's Initiative.
48. President/Chief Executive Officer's Report.
49. Inquiries.
50. The Regular Session of the July 10, 2007 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.
51. **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 legal issues relating to matters in connection with wastewater permit requirements.
(FRANK STENGER-CASTRO - JOE COLE)
- C. Consultation with attorneys and deliberation regarding the lawsuit filed in Cause No. 2006-CI-14077; styled *Rufus Odem v. San Antonio Water System and David Chardavoine*, in the 45th Judicial District Court, Bexar County, Texas.
(FRANK STENGER-CASTRO – BILL CROW)
- D. Consultation with attorneys and deliberation regarding 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)
- E. Consultation with attorneys and deliberation regarding legal issues relating to matters in anticipation of litigation in connection with Medio Creek Water Recycling Center Sandblasting and Coating Project.
(FRANK STENGER-CASTRO - JOE COLE)
- F. Consultation with attorneys and deliberation regarding Cause No. 04-06-00782-CV in the Fourth Court of Appeals, San Antonio; *City of Del Rio v. Clayton Sam Colt Hamilton Trust*.
(FRANK STENGER-CASTRO – STEVE KOSUB)
- G. Consultation with attorneys and deliberation regarding legal issues relating to the investigation report of surplus property sales of copper and brass at SAWS service centers. (FRANK STENGER-CASTRO – BILL CROW)
- 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)

52. The Regular Session of the Regular Board Meeting of July 10, 2007, is hereby reconvened.

53. A Resolution authorizing the filing of an *Amicus Curiae* (Friend of the Court) Brief in *City of Del Rio v Clayton Sam Colt Hamilton Trust*, in the Fourth Court of Appeals, San Antonio Texas; further authorizing the System’s General Counsel to take all necessary legal action relating to such Brief, including subsequent briefing to the Texas Supreme Court as may be required.
(FRANK STENGER-CASTRO – STEVE KOSUB)

54. A Resolution accepting the proposals of First Southwest Company and Estrada Hinojosa & Co., Inc., to serve as the System’s Co-Financial Advisors for a contract term of three years beginning July 19, 2007, (with two additional one-year extension options); awarding a three-year contract (with two one-year extension options) to First Southwest Company and Estrada Hinojosa & Co., Inc., to serve as the System’s Co-Financial Advisors and other matters in connection therewith; authorizing payment for services rendered for the issuance of debt to be paid from the Project Fund in accordance with the per bond fee scheduled set out in the contract; authorizing payment for services rendered on special projects be paid from the System Fund in an amount not to exceed \$40,000.00 annually; authorizing the

expenditure of an amount not to exceed \$20,000 for the remainder of Fiscal Year 2007 for services rendered on special projects, and also to provide that future year's expenditures shall be authorized to be made pursuant to the appropriations made in the annual budgets approved by the Board with a line item for such expenditures for the annual retainer; authorizing the President/Chief Executive Officer to execute a three year contract, with two one-year extension options, with First Southwest Company and Estrada Hinojosa & Co., Inc., for professional financial advisory services beginning July 19, 2007. (DOUG EVANSON)

55. Adjournment.

THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF JULY 10, 2007, IS HEREBY ADJOURNED.