

**AGENDA**  
**MEETING OF THE**  
**SAN ANTONIO WATER SYSTEM**  
**BOARD OF TRUSTEES**  
**Tuesday, September 4, 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 August 7, 2007.**

**4. Ceremonial Items.**

**No items for this meeting.**

**5. BRIEFING SESSION.**

- A. Briefing and deliberation regarding the Citizens Advisory Panel (CAP) Benchmarking of the Regional Carrizo Water Resources Project.  
(THE HONORABLE HOWARD PEAK, CAP CHAIRMAN)**

**6. Citizens to be Heard.**

**SAN ANTONIO WATER SYSTEM  
HANDICAPPED ACCESSIBILITY STATEMENT**

**The San Antonio Water System building and meeting rooms are handicapped accessible. Individuals with disabilities that may require special accommodations are requested to contact the Board Administrator at (210) 233 3859 for assistance.**

- 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 – 29

### **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: (DOUG EVANSON - VICK GARMON)**
  - A. **Award of Contracts for the Purchase of Materials, Equipment and Services.**
    - 1. **Acceptance of the bid of Balar Equipment/Aries Industries to provide: Equipment upgrading for four existing televising vans, Bid No. 07-7028A, for a total of \$245,361.55. (Upgrading and retrofitting existing SAWS televising vans to standardize the pipeline inspection and data management process.)**
    - 2. **Acceptance of the bid of Green Mountain Equipment Rental to provide: One each – excavator truck crawler mounted, hinge boom. Minimum 16,000 lbs., operation weight, Bid No. 07-7035A, for a total of \$81,793.00. (These units are part of the vehicle equipment replacement program and will be assigned to Mission Wastewater Maintenance.)**
    - 3. **Acceptance of the bid of VCES-San Antonio/Ingersoll Rand to provide: Nine each – portable tag-along air compressors, Bid No. 07-7036A, for a total of \$100,260.00. (These units are part of the vehicle equipment replacement program and will be assigned to various SAWS locations.)**
    - 4. **Acceptance of the bid of Planet Ford 6 to provide: Four each – 6,300 GVWR 4x4 wide and short type bed crew cab pickups, Bid No. 07-7042, for a total of \$98,704.00. (These units are part of the vehicle equipment replacement program and will be assigned to various SAWS locations.)**
    - 5. **Acceptance of the bid of Caldwell Country Chevrolet to provide: Two each – 6,200 GVWR sport utility type vehicles, Bid No. 07-7042, for a total of \$47,972.00. (These units are part of the vehicle equipment replacement program and will be assigned to various SAWS locations.)**
  - B. **Award of Annual Service and Supply Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.**
    - 1. **Acceptance of the bid of Prime Time LLC dba Daily Commercial Recorder, to provide: Official and other publications by the San Antonio Water System, Bid No. 07-2053, for a total of \$35,000.00. (The San Antonio Water System requires newspaper publication of official and other notices for departments with various publication needs. Examples of some of these needs**

are advertisements for job openings permit notices and official bid notices. This contract will be effective October 1, 2007 through September 30, 2008.)

2. Acceptance of the bid of San Antonio Express News to provide: Official and other publications by the San Antonio Water System, Bid No. 07-2053, for a total of \$55,000.00. (The San Antonio Water System requires newspaper publication of official and other notices for departments with various publication needs. Examples of some of these needs are advertisements for job openings permit notices and official bid notices. This contract will be effective October 1, 2007 through September 30, 2008.)
3. Acceptance of the bid of New Life Toner, Inc., to provide: Toner and ink cartridges for network printers, Bid No. 07-3053, for a total of \$77,646.15. (This contract will be utilized for the purchase of toner and ink cartridges for various SAWS network printers. This contract will be effective October 1, 2007 through September 30, 2008.)
4. Acceptance of the bid of Sigma Solutions, Inc., to provide: SAN maintenance/SunMicro System hardware, Bid No. 07-7046 (State of Texas Contract), for a total of \$58,565.43. (This contract will be utilized for the maintenance of SunMicro System storage hardware. This contract will be effective Date of Award September 4, 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.

- (MBE) 1. Acceptance of the bid of Mireles Party Ice, Inc., to provide: Ice delivery, Bid No. 07-0365A, for a total of \$71,400.00. (This contract will be utilized for the delivery of crushed ice, cubed bags of ice and blocks of ice to SAWS facilities. This contract will be effective Date of Award September 4, 2007 through September 30, 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	Bandera Plaza Retail Center	Pela General Builder, L.L.C.	2.68	14	19	1
2	Casa Bella Civic Center	Muhammed Choudary	2.18	2	2	2
3	Diamond T Ranch	Champion's Equestrian Center of S.A., L.P.	30.63	0	100	3
4	Dominion Phase XII	Into Properties II, L.P.	119	244	0	4
5	Henderson Pass PUD	Stein Real Corporation	3.35	4	5	5
6	Liberty Crossing Subdivision	Hillstar Investments	72.857	357	357	6
7	North Park Toyota	Kahlig Motor Company	53.7	237	0	7
8	Pfeiffer Ranch Corners	Dominion Advisory Group	9.02	160	160	8
9	Pinnacle At Encino Commons	Encino Crown ,LLC	14.213	42	36	9
10	Portaleon	Azcuri Texas Developments	144	507	519	10
11	Royal Crest	Joabert Development Co.	119	520	520	11
12	Scenic Loop Tract	Arquitecto Mission Obispado	269	235	0	12
13	Tesoro Ridge	Tesoro Homes	27.98	106	106	13
14	The Ridge	Design Investor, L.P.	23.57	131	81	14
15	Toepperwein Center	Laredo Toepp, Ltd.	55.09	533	367	15
<b>Totals</b>			<b><u>946</u></b>	<b><u>3,092</u></b>	<b><u>2,272</u></b>	
<b>Year-to-Date Totals ( January-September 2007)</b>			<b><u>13,194</u></b>	<b><u>27,855</u></b>	<b><u>33,818</u></b>	

10. A Resolution approving the request by Maria Luisa and Luis Limon to designate the 5100 block of Cannon Street as a Local Benefit Extension Area.  
(KELLEY NEUMANN – SAM MILLS)
11. A Resolution approving Recapitulation Change Order No. 5 in the decreased amount of \$169,907.00 to the construction contract with Holloman Corporation in connection with the construction of the U.S. Hwy 281: Oliver Ranch to Canyon Springs Water Main Project; returning the amount of \$169,907.00 and the construction contingency balance of \$10,804.62 for a total amount of \$180,711.62 to the System's Project Fund; authorizing the President/Chief Executive Officer to execute Recapitulation Change Order No. 5 and close the contract with Holloman Corporation. Total decreased amount is: \$10,804.62. (KELLEY NEUMANN –ASHOK KAJI)
12. A Resolution approving Change Order No. 1 in the amount of \$33,168.00 in connection with the Medio Creek Water Recycling Center (WRC) Expansion Project; approving total payment in the amount of \$33,168.00 to Pepper-Lawson Construction, L.P., for the additional project work associated with Change Order No. 1; authorizing the additional expenditure of funds in the amount of \$33,168.00 for Change Order No. 1 from the project construction contingency fund; authorizing the President/Chief Executive Officer to execute Change Order No. 1, and to pay Pepper-Lawson Construction, L.P., the additional sum of \$33,168.00 from the project construction contingency fund for the

additional project work associated with Change Order No. 1. Total expenditures are: \$33,168.00. (KELLEY NEUMANN –ASHOK KAJI)

### Professional Services

13. A Resolution ratifying the actions of the Vice-President of Facilities Engineering & Construction in approving Contract Amendment No. 1 in the amount of \$9,000.00 in connection with the IH 10 @ Dominion Project; amending Resolution No. 03-047 by approving additional expenditures in an amount not to exceed \$9,000.00 for additional engineering design services by Pate Engineers, Inc., in connection with the IH 10 @ Dominion Project; approving that an amount not to exceed \$9,000.00 be made available and expended from the System's Project Fund for the water related additional engineering design services; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 1 and to pay Pate Engineers, Inc., an additional amount not to exceed \$9,000.00 for the additional engineering design services in connection with the project. Located in Council District No. 8. Total expenditures are: \$9,000.00. (KELLEY NEUMANN – CINDY KOVACIC)
14. A Resolution accepting the proposal of Camp Dresser & McKee Inc., in the lump sum amount of \$174,611.00 for the design of the Dos Rios Water Recycling Center Flow Equalization Basins Diversion Modifications Project; awarding a professional services contract to Camp Dresser & McKee Inc., in the lump sum amount of \$174,611.00 for engineering services in connection with the project work; approving the expenditure of funds in the amount of \$174,611.00 from the Project Fund for the engineering services in connection with the project 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., the lump sum amount of \$174,611.00 for engineering services in connection with the project work. Total expenditures are: \$174,611.00. (KELLEY NEUMANN - ASHOK KAJI)
15. A Resolution approving Contract Amendment No. 3 in an amount not to exceed \$21,566.00 in connection with the South Area Lift Stations Elimination Project; amending Resolution No. 95-033, as previously amended by Resolution Nos. 02-034, 05-072 and 06-228, by approving additional expenditures in an amount not to exceed \$21,566.00 for additional engineering services by Bain Medina Bain, Inc., in connection with the South Area Lift Stations Elimination Project; approving that an additional amount not to exceed \$21,566.00 be made available and expended from the System's Project Fund for the sewer related additional engineering services; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 3 and to pay Bain Medina Bain, Inc., an additional amount not to exceed \$21,566.00 for the additional engineering services in connection with the project. Total expenditures are: \$21,566.00. (KELLEY NEUMANN – FRANCES PLOCEK)

## REPLACEMENT PROJECTS

### Governmental Relocations and Replacements

16. A Resolution amending Resolution No. 07-197 to change the contractor from E-Z Bel Construction Co., Inc., to Silverado Brothers in connection with the Lockhill-Selma: West Avenue to N.W. Military Project. (KELLEY NEUMANN –CINDY KOVACIC)
17. A Resolution amending Resolution No. 07-139 by approving the expenditure of additional funds in an amount not to exceed \$1,440.97 payable to Rockin Q Construction, L.L.C., for additional construction

contingency expenses in connection with the Loop 368 (Austin Hwy.) @ Harry Wurzbach Parkway Project; approving an additional amount not to exceed \$1,440.97 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 authorizing additional construction contingency funds in the amount of \$1,440.97; authorizing the President/Chief Executive Officer to pay to Rockin Q Construction, L.L.C., an additional amount not to exceed \$1,440.97 for the additional project work and additional construction contingency expenses. Total expenditures are: \$1,440.97.

(KELLEY NEUMANN – CINDY KOVACIC)

18. A Resolution amending Resolution No. 06-216, as amended by Resolution No. 07-007, by approving the expenditure of additional funds in an amount not to exceed \$241,450.00 payable to Holloman Corporation for additional construction contingency expenses in connection with the Terrell Hills Northeast Patch and Seal Project; approving an additional amount not to exceed \$241,450.00 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. 2 in the amount of \$241,450.00; authorizing the President/Chief Executive Officer to pay Holloman Corporation an amount not to exceed \$241,450.00 for the additional project work and additional construction contingency expenses. Total expenditures are: \$241,450.00.

(KELLEY NEUMANN – CINDY KOVACIC)

#### Professional Services

- (MBE) 19. A Resolution accepting the proposal of and awarding a professional services contract to Maestas & Bailey, Inc., in an amount not to exceed \$500,000.00 for the 2007 Engineering Design Services – Replacements and Improvements, Contract III; approving the expenditure of funds in an amount not to exceed \$300,000.00 for the sewer project engineering work; approving the expenditure of funds in an amount not to exceed \$200,000.00 from the System's Project Fund for the water project engineering work; authorizing the President/Chief Executive Officer to execute a professional services contract with Maestas & Bailey, Inc., and to pay Maestas & Bailey, Inc., an amount not to exceed \$500,000.00 for the project engineering work. Total expenditures are: \$500,000.00. (KELLEY NEUMANN –FRANCES PLOCEK)

20. A Resolution accepting the proposal of and awarding a professional services contract to M. W. Cude Engineers in an amount not to exceed \$500,000.00 for the 2007 Engineering Design Services – Replacements and Improvements, Contract IV; approving the expenditure of funds in an amount not to exceed \$300,000.00 for the sewer project engineering work; approving the expenditure of funds in an amount not to exceed \$200,000.00 from the System's Project Fund for the water project engineering work; authorizing the President/Chief Executive Officer to execute a professional services contract with M. W. Cude Engineers and to pay M. W. Cude Engineers an amount not to exceed \$500,000.00 for the project engineering work. Total expenditures are: \$500,000.00. (KELLEY NEUMANN –FRANCES PLOCEK)

## **WATER RESOURCES PROJECTS**

21. A Resolution ratifying the actions of the President/Chief Executive Officer in approving Change Order No. 1 resulting in an increase to the contract cost in an amount not to exceed \$47,700.00 for the construction contract with Stewart Brothers Drilling Enterprises, Inc., in connection with the Local Carrizo Onsite Drilling and Testing Project; authorizing the additional expenditure of funds in an amount not to exceed \$47,700.00 for the additional project work associated with Change Order No. 1 from the project construction contingency fund for the additional project work; authorizing the President/Chief Executive Officer to execute Change Order No. 1 with Stewart Brothers Drilling Enterprises, Inc., and to pay an amount not to exceed \$47,700.00 to Stewart Brothers Drilling Enterprises, Inc., for the project work. Total expenditures are: \$47,700.00. (JANELLE OKORIE – CALVIN FINCH)
22. A Resolution approving Change Order No. 6 resulting in an increase to the contract cost in an amount not to exceed \$93,000.00 for the construction contract with Cajun Constructors, Inc., in connection with the Carrizo Aquifer Storage and Recovery Program, Phase II Well Addition Project – Wellfield Construction Package; authorizing the additional expenditure of funds in an amount not to exceed \$93,000.00 for the additional project work associated with Change Order No. 6 from the project construction contingency fund; authorizing the President/Chief Executive Officer to execute Change Order No. 6 and to pay an amount not to exceed \$93,000.00 to Cajun Constructors, Inc., in connection with Change Order No. 6. Total expenditures are: \$93,000.00. (JANELLE OKORIE – CALVIN FINCH)

### **Professional Services**

- (MBE) 23. A Resolution accepting the proposal of and awarding a Surveying Contract to SAM Surveying & Mapping, Inc., in an amount not to exceed \$200,000.00 in connection with the Water Resources Surveying Services Project; approving the expenditure of funds in an amount not to exceed \$200,000.00 from the System's Project Fund for the professional surveying work; authorizing the President/Chief Executive Officer to execute a Surveying Contract with SAM Surveying & Mapping, Inc., and to pay SAM Surveying & Mapping, Inc., an amount not to exceed \$200,000.00 for the professional work. Total expenditures are: \$200,000.00. (JANELLE OKORIE – CALVIN FINCH)

## **EASEMENTS AND REAL PROPERTY**

### **\Water Resources**

24. A Resolution approving a Water Sales Agreement between the San Antonio Water System and Aaron Welch and Connie Welch, providing for the sale of 37.351 acre-feet of water out of 37.351 surface acres from Gonzales County for the Gonzales Water Supply Project at a cost of \$62.50 per acre-foot plus an escalator comprised of the average of the Producers Price Index and the Consumers Price Index from the previous year as well as a right of first refusal for the purchase of 37.351 surface acres; approving the expenditure of funds for the System's obligation under the Water Sales Agreement from the Water Supply Fee Revenues of the Project Fund; approving the payment of \$3,735.10 to Aaron Welch and Connie Welch and \$3,500.00 in closing costs; authorizing the President/Chief Executive Officer to execute the Water Sales Agreement with Aaron Welch and Connie Welch, and to pay the required amounts in succeeding years in accordance with the terms of the Water Sales Agreement for the duration of the Water Sales Agreement and take such steps necessary to implement the Water Sales

Agreement. Total expenditures are: \$3,735.10 and \$3,500.00 in closing costs in closing costs. (JANELLE OKORIE – CALVIN FINCH)

## **WATER RESOURCES ITEMS**

25. **A Resolution approving a Joint Funding Agreement between the San Antonio Water System and the United States Geological Survey in connection with Water Quality and Water Quality Protection for the period of October 1, 2007 to September 30, 2008 in an amount not to exceed \$372,200.00; 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 expenditure of funds for Fiscal Year 2008 pursuant to and contingent upon the Board’s approval of the Fiscal Year 2008 budget with a line item for such expenditures; 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 \$372,200.00 to the United States Geological Survey pursuant to the Joint Funding Agreement. Total expenditures are: \$372,200.00. (JANELLE OKORIE –SCOTT HALTY)**
26. **A Resolution approving a Joint Funding Agreement between the San Antonio Water System and the United States Geological Survey in connection with Edwards Aquifer Saline and Optimization Studies for the period of October 1, 2007 to September 30, 2008 in an amount not to exceed \$360,000.00; 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 expenditure of funds for Fiscal Year 2008 pursuant to and contingent upon the Board’s approval of the Fiscal Year 2008 budget with a line item for such expenditures; 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 \$360,000.00 to the United States Geological Survey pursuant to the Joint Funding Agreement. Total expenditures are: \$360,000.00. (JANELLE OKORIE –CALVIN FINCH)**

## **MISCELLANEOUS ITEMS**

27. **A Resolution approving a Sixth Amendment to the Memorandum of Agreement with the Brooks Development Authority to continue providing operations and maintenance services for the Central Heating and Cooling Plant at Brooks City Base from October 1, 2007 to September 30, 2008; authorizing the President/Chief Executive Officer or his designated representative to execute the Sixth Amendment to the Memorandum of Agreement and all related documents to continue providing operations and maintenance services for the Brooks Central Heating and Cooling Plant from October 1, 2007 to September 30, 2008. (STEVE CLOUSE – VIC STUCKEY)**
28. **A Resolution amending Resolution No. 05-369 as amended by Resolution No. 06-028 to extend the contracts for professional legislative consultant services for these individual firms: Baker Botts L.L.P., J.E. “Buster” Brown, and Marc Rodriguez, for a portion of the interim of the 80th Texas Legislature from November 1, 2007 to December 31, 2007; authorizing funds from the System Fund in the total amount not to exceed \$34,000.00 for these individual firms: Baker Botts L.L.P., J.E. “Buster” Brown, and Marc Rodriguez in connection with these services; authorizing the President/Chief Executive Officer to execute contract amendments with Baker Botts L.L.P., J.E. “Buster” Brown, and Marc Rodriguez in the amounts not to exceed \$12,000.00, \$12,000.00 and \$10,000.00 respectively; authorizing the President/Chief Executive Officer to pay the following amounts not to exceed \$12,000.00, \$12,000.00 and \$10,000.00 to Baker Botts L.L.P., J.E.**

**“Buster” Brown, and Marc Rodriguez respectively in connection with these services. Total expenditures are: \$34,000.00. (GREG FLORES)**

- 29. A Resolution approving funding in an amount not to exceed \$33,000.00 for the fifth year of a five-year Marketing Agreement with the San Antonio Economic Development Foundation, Inc., for the identification and development of potential customers for the San Antonio Water System; authorizing the expenditure of funds in an amount not to exceed \$33,000.00 from the System Fund to pay the San Antonio Economic Development Foundation, Inc., for the fifth year of a five-year Marketing Agreement; authorizing the President/Chief Executive Officer to pay the San Antonio Economic Development Foundation, Inc., an amount not to exceed \$33,000.00 for the fifth year of a five-year Marketing Agreement. Total expenditures are: \$33,000.00. (JANELLE OKORIE)**

## **ITEMS FOR INDIVIDUAL CONSIDERATION**

### **FINANCIAL ITEMS**

- 30. A Resolution awarding a Professional Services Agreement to a qualified firm or individual to provide an additional independent level of audit services to the Board of Trustees and approving expenditures from the System Fund for these services. (MIKE LACKEY)**

### **INFORMATION SYSTEMS ITEMS**

- 31. A Resolution accepting the proposal of and awarding a contract to Motorola, Inc., for the purchase of Harmony Wireless Communication (radio) equipment and installation of the Harmony Wireless Communication (radio) system, authorizing funds in an amount not to exceed \$1,850,000.00 from the System Fund payable to Motorola, Inc., for the purchase of a Harmony Wireless Communication (radio) equipment and installation of the Harmony Wireless Communication (radio) system; authorizing the President/Chief Executive Officer to enter into an Agreement with the City Public Service Energy (CPS Energy) to utilize the CPS Energy Harmony Wireless Communication (radio) system and to pay CPS Energy the amount of \$16,720.00 per month for the period of January 1, 2008 to January 31, 2012, and this and future year’s expenditures shall be authorized to be made pursuant to and contingent upon the appropriations made in the annual budget approved by the Board with a line item for such expenditures; authorizing the President/Chief Executive Officer or his designee to pay Motorola, Inc., an amount not to exceed \$1,850,000.00 for the purchase and installation of the Harmony Wireless Communication equipment. Total expenditures are: \$1,850,000.00. (STACEY ISENBERG – JOE SAMPLES)**

### **HUMAN RESOURCES ITEMS**

- 32. A Resolution authorizing expenditures in an amount not to exceed \$12,105,000.00 in Fiscal Year 2008 from January 1, 2008 through December 31, 2008 pursuant to and contingent upon Board approval of the 2008 budget with a line item for such expenditures; authorizing the President/Chief Executive Officer to pay Blue Cross Blue Shield of Texas an amount not to exceed \$12,105,000.00 for Fiscal Year 2008 from January 1, 2008 through December 31, 2008 for the Stop Loss Insurance, Third Party Medical Benefits Administration and Network Access and Claims Reimbursement. Total expenditures are: \$12,105,000.00. (JERRY BAILEY- NEIRA WHITE)**

33. A Resolution authorizing expenditures in an amount not to exceed \$4,600,000.00 to Caremark for the System's pharmacy benefit management services for the Health Benefit Program for the period of January 1, 2008 through December 31, 2008; authorizing expenditures in an amount not to exceed \$4,600,000.00 in Fiscal Year 2008 pursuant to and contingent upon Board approval of the 2008 budget with a line item for such expenditures; authorizing the President/Chief Executive Officer to pay Caremark an amount not to exceed \$4,600,000.00 for the System's pharmacy benefit management services for the Health Benefits Program for Fiscal Year 2008. Total expenditures are: \$4,600,000.00. (JERRY BAILEY - NEIRA WHITE)
34. A Resolution authorizing the extension of the contract with MetLife in the amount of \$900,000.00 for administration, claims adjudication and reimbursement for the Self-Insured Dental Benefits Program for the period of January 1, 2008 through December 31, 2008; authorizing expenditures in an amount not to exceed \$900,000.00 in Fiscal Year 2008 pursuant to and contingent upon Board approval of the 2008 budget with a line item for such expenditures; authorizing the President/Chief Executive Officer to execute a contract extension with MetLife for such services in an amount not to exceed \$900,000.00 for Fiscal Year 2008 and to pay MetLife an amount not to exceed \$900,000.00 for such services for Fiscal Year 2008. Total expenditures are: \$900,000.00. (JERRY BAILEY - NEIRA WHITE)
35. A Resolution authorizing the extension of the contract with Conexis to provide COBRA, HIPAA and flexible spending account administrative services for the System's Employee Benefits Program for the period of January 1, 2008 through December 31, 2008 in an amount not to exceed \$43,600.00; authorizing expenditures in an amount not to exceed \$43,600.00 in Fiscal Year 2008 pursuant to and contingent upon Board approval of the 2008 budget with a line item for such expenditures; authorizing the President/Chief Executive Officer to execute a contract extension with Conexis for such services in an amount not to exceed \$43,600.00 for Fiscal Year 2008 and to pay Conexis an amount not to exceed \$43,600.00 for such services for Fiscal Year 2008. Total expenditures are: \$43,600.00. (JERRY BAILEY - NEIRA WHITE)
36. A Resolution authorizing expenditures for the third year of a three year contract with Principal Financial Group to fund the insurance policies for Basic Life Insurance, Accidental Death and Dismemberment, and Long-Term Disability Insurance for Fiscal Year 2008 in an amount not to exceed \$610,000.00; authorizing expenditures in an amount not to exceed \$610,000.00 for Fiscal Year 2008 to be made available pursuant to and contingent upon Board approval of the 2008 budget with a line item for such expenditures; authorizing the President/Chief Executive Officer to pay Principal Financial Group an amount not to exceed \$610,000.00 to fund the insurance policies for Basic Life Insurance, Accidental Death and Dismemberment, and Long-Term Disability Insurance for Fiscal Year 2008. Total expenditures are: \$610,000.00. (JERRY BAILEY - NEIRA WHITE)

## **CAPITAL IMPROVEMENT CONTRACTS**

### **REPLACEMENT PROJECTS**

#### **Professional Services**

37. A Resolution accepting the proposal of and awarding a professional services contract to CDS/Muery Services in an amount not to exceed \$1,469,485.00 in connection with the Twin 72-Inch Sewer Main Replacement Project; approving the expenditure of funds in an amount not to exceed \$1,469,485.00 from the System's Project Fund for the project

engineering work; authorizing the President/Chief Executive Officer to execute a professional services contract with CDS/Muery Services and to pay CDS/Muery Services an amount not to exceed \$1,469,485.00 for the project engineering work. Located in Council District No. 3. Total expenditures are: \$1,469,485.00.  
(KELLEY NEUMANN – FRANCES PLOCEK)

## **WATER RESOURCES PROJECTS**

38. A Resolution. accepting the bid of Garney Companies, Inc., in the amount of \$4,214,217.00 for construction of the Local Carrizo Program Onsite Well Collection Project; awarding a construction contract to Garney Companies, Inc., in the amount of \$4,214,217.00 for the project work; approving the expenditure of funds in the amount of \$4,214,217.00 for the project work; approving construction contingency expenses in an amount not to exceed \$215,000.00 in connection with the project work; approving total expenditures in an amount not to exceed \$4,429,217.00 from the System's Project Fund for the project work, and related construction contingencies; authorizing the President/Chief Executive Officer to execute a contract with Garney Companies, Inc., and to pay Garney Companies, Inc., the amount of \$4,214,217.00 for the project work. Total expenditures are: \$4,429,217.00. (JANELLE OKORIE – CALVIN FINCH)

## **MISCELLANEOUS PROJECTS**

39. A Resolution accepting the bid of Classic Protective Coatings, Inc., in the amount of \$1,364,892.00 for maintenance of the water facilities in connection with the 2007 Water Production Facility Painting and Rehabilitation Project- Package II; awarding a construction contract in the amount of \$1,364,892.00 to Classic Protective Coatings, Inc., for the project work; authorizing the expenditure of funds in an amount not to exceed \$1,364,892.00 for the project work; authorizing construction contingency expenses in an amount not to exceed \$27,000.00 in connection with the project work; amending Resolution No. 06-270 by authorizing additional expenditures of \$20,000.00 for construction phase services; authorizing total expenditures in an amount not to exceed \$1,411,892.00 from the System Fund for the project work, construction contingencies and construction phase services; authorizing the President/Chief Executive Officer to execute a contract with Classic Protective Coatings, Inc., and to pay Classic Protective Coatings, Inc., the amount not to exceed \$1,364,892.00 for the project work; authorizing the President/Chief Executive Officer to pay an additional amount not to exceed \$20,000.00 to Kleinfelder, for the construction phase services. Total expenditures are: \$1,411,892.00. (KELLEY NEUMANN – ASHOK KAJI)
40. A Resolution accepting the bid of and awarding an annual service contract to Peerless Equipment, Ltd., in an amount not to exceed \$2,216,000.00 to execute and complete well maintenance and plugging in areas designated by SAWS for the period September 2007 to September 2008; authorizing the expenditure of funds for Fiscal Year 2007 from the System Fund; authorizing expenditures for future Fiscal Years to be made available pursuant to and contingent upon Board approval of the 2008 budget with a line item for such expenditures; authorizing the President/Chief Executive Officer or his designated representative to execute an annual service contract with Peerless, Ltd., and to pay Peerless, Ltd., an amount not to exceed \$2,216,000.00 to execute and complete well maintenance and plugging services. Total expenditures are: \$2,216, 000.00.  
(STEVE CLOUSE – PHIL COOK)

**41. BRIEFING SESSION.**

- A. Briefing and deliberation regarding the SAWS' Small, Minority, and Woman Business Program outreach efforts for the Second Quarter 2007. (FRANK STENGER-CASTRO – RUBEN SAENZ)**
- B. Briefing and deliberation regarding the status of SAWS' Business Planning Process. (JANELLE OKORIE)**
- C. Briefing and deliberation regarding the SAWS wastewater system Grease Campaign. (GREG FLORES)**

**42. Chairman of the Board's Initiative.**

**43. President/Chief Executive Officer's Report.**

**44. Inquiries.**

**45. The Regular Session of the September 4, 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.**

**46. 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 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)**
- C. Consultation with attorneys regarding legal issues relating to matters in anticipation of potential litigation related to the SAWS Market Street Pump Station On-Site Hypochlorite Generation Project, Job No. 05-6006. (FRANK STENGER-CASTRO - SCOTT OLIVER)**
- D. 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)**
- E. Consultation with attorneys pursuant to Texas Government Code Section 551.071 about legal issues related to the applicability of SAWS' utility service agreements, utility service regulations and impact fees to school districts. (FRANK STENGER-CASTRO – KEITH MARTIN)**
- F. Consultation with attorneys and deliberation regarding the filing of a lawsuit in Travis County, Texas against the Texas Attorney General challenging his opinion and order regarding the Enterprise Resource Software System Software Quality Assurance Audit Report, dated March 20, 2007. (FRANK STENGER – CASTRO)**

**G. 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)**

- 47. The Regular Session of the Regular Board Meeting of September 4, 2007, is hereby reconvened.**
- 48. A Resolution approving Settlement of the lawsuit of Rufus Odem against the San Antonio Water System and David Chardavoyné; approving the System's financial obligation under the Settlement; authorizing expenditures in the total amount of \$635,000.00 from the System Fund for purposes of the Settlement; authorizing the President/Chief Executive Officer and the System's Legal Counsel to execute the Settlement Agreement and to pay \$635,000.00 to Rufus Odem and his attorney for the System's obligation under the terms of the Settlement Agreement. Total expenditures are: \$635,000.00. (FRANK STENGER-CASTRO – BILL CROW)**
- 49. A Resolution approving a Settlement Agreement between the San Antonio Water System and Greystar EIG, LP, in response to a request from Greystar EIG, LP,, to terminate the construction contract for the Market Street Pump Station On-Site Chlorine Generation Project; accepting pursuant to the Settlement Agreement the amount of \$100,464.00 from Greystar EIG, LP,, payable to the San Antonio Water System; authorizing the President/Chief Executive Officer to execute the Settlement Agreement; terminating upon the execution by the System and Greystar EIG, LP, of the Settlement Agreement, the construction contract for Saws Job No. 05-6006, the Market Street Pump Station On-Site Hypochlorite Generation Project between the San Antonio Water System and Greystar EIG, LP, Total amount accepted: \$100,464.00. (FRANK STENGER-CASTRO - KELLEY NEUMANN)**
- 50. A Resolution approving the filing of a lawsuit against the Texas Attorney General in reference to an Attorney General Opinion issued in OR2007-10996, dated August 23, 2007, regarding the Enterprise Resource Software System Software Quality Assurance Draft Audit Report dated March 20, 2007; authorizing the President/Chief Executive Officer and the System's Legal Counsel to pay attorney's fees for professional services in connection with the lawsuit. (FRANK STENGER -CASTRO)**
- 51. Adjournment.**

**THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF SEPTEMBER 4, 2007, IS HEREBY ADJOURNED.**