

AGENDA
MEETING OF THE
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES
Tuesday, July 7, 2009, 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 Special Meeting/Board Workshop of May 15, 2009.**
 - B. **Approval of the Minutes of the San Antonio Water System Board of Trustees Special Meeting/Social Event of May 15, 2009.**
 - C. **Approval of the Minutes of the San Antonio Water System Board of Trustees Special Meeting/Board Workshop of May 16, 2009.**
 - D. **Approval of the Minutes of the San Antonio Water System Board of Trustees Policy and Planning Meeting of May 18, 2009.**
 - E. **Approval of the Minutes of the San Antonio Water System Board of Trustees Special Meeting/Social Event of June 1, 2009.**
 - F. **Approval of the Minutes of the San Antonio Water System Board of Trustees Regular Meeting of June 2, 2009.**
 - G. **Approval of the Minutes of the San Antonio Water System Board of Trustees Special Meeting/Social Event of June 12, 2009.**
4. **Ceremonial Items.**
 - A. **Recognition of the SAWS employees that took part in the San Antonio River Museum Reach Grand Opening on May 30, 2009. (GREG FLORES)**

SAN ANTONIO WATER SYSTEM
HANDICAPPED ACCESSIBILITY STATEMENT

The San Antonio Water System building and meeting rooms are handicapped accessible. Individuals with disabilities that may require special accommodations are requested to contact the Board Administrator at 210.233.3859 for assistance.

- B. Recognition of the Auction winners at the SAWS – SARA 2nd Annual Bar-B-Que of June 12, 2009. (STEVE CLOUSE)

5. Citizens to be Heard.

CONSENT AGENDA ITEMS

Items 6 – 29

ITEMS CONCERNING THE PURCHASE OF EQUIPMENT, MATERIALS AND SUPPLIES

6. 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 Grande Truck Center, to provide: Two each - 25,000 GVWR cab-chassis, regular cab, 84" CA with mounted hydraulic sewer rodder, Bid No. 09-9032, for a total of \$240,418.00. (These units are part of the vehicle equipment replacement program and will be assigned to various SAWS locations.)
 2. Acceptance of the bid of Grande Truck Center, to provide: Twenty five each - 4,600 GVWR wide and short type bed, extended, club, super cab pickup truck , Bid No. 09-9028, for a total of \$373,000.00. (These units are part of the vehicle equipment replacement program and will be assigned to various SAWS locations.)
 - (MBE) 3. Acceptance of the bid of Bluebonnet Motors, Inc., to provide: Three each - 9,600 GVWR single rear 2 wheel, two wheel, two wheel drive, regular cab truck with installed service body. Bid No. 09-9028, for a total of \$66,192.99. (These units are part of the vehicle equipment replacement program and will be assigned to various SAWS locations.)
 4. Acceptance of the bid of Freightliner of San Antonio, Ltd., to provide: Two each - 35,000 GVWR cab-chassis with mounted hydraulic dump body and other equipment, Bid No. 09-9038, for a total of \$138,986.00. (These units are part of the vehicle equipment replacement program and will be assigned to various SAWS locations.)
 - (SBE) 5. Acceptance of the bid of Green Equipment Co., to provide: Water Distribution System Leak Detection and Correlation Equipment, Bid No. 09-9036, for a total of \$119,990.00. (This contract will be utilized in replacing existing older water distribution system Leak Detection Survey Instruments and Correlation Systems to standardize the leak detection process.)
 6. Acceptance of the bid of French Ellison Truck Center., to provide: One each - 33,000 GVWR extended cab chassis, low profile, hybrid, 84 CA with installed crane service body and 6,000 pound crane, Bid No. 09-9035, for a total of \$181,749.00. (This unit is part of the vehicle

equipment replacement program and will be assigned to a SAWS location.)

- (MBE) 7. Acceptance of the bid of Bluebonnet Motors, Inc., to provide: Two each - 8,600 GVWR cargo vans. Bid No. 09-9039, for a total of \$47,227.28. (These units are part of the vehicle equipment replacement program and will be assigned to various SAWS locations.)
8. Acceptance of the bid of Grande Truck Center, to provide: Nine each – 9,600 GVWR single rear wheel, two wheel drive, regular cab trucks and six each – 19,000 GVWR 84” CA cab chassis with installed reinforced utility bed, 6,000 pound corner mounted crane and one each – 9,600 GVWR single rear wheel, two wheel drive, extended cab truck with installed service body and one each – 9,600 GVWR single rear wheel two wheel drive, standard cab truck with installed service body and one each – 9,600 GVWR single rear wheel, two wheel drive, standard cab truck with installed service body and canopy and six each - 9,600 GVWR single rear wheel, two wheel drive, standard cab truck with installed service body, Bid No. 09-9039, for a total of \$875,038.00. (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 Clifford Power Systems, to provide: Best Value Bid for Generator Maintenance Service, Repair and Parts, Bid No. 09-0625, for a total of \$245,001.00. (This contract will be utilized for maintenance, repair and parts for all generators as required at SAWS service area locations. This contract will be effective Date of Award (July 7, 2009) through June 30, 2010.)
- (WBE) 2. Acceptance of the bid of Texas Municipal Equipment, LLC., to provide: Sewer Cleaning Hoses and Fittings, Bid No. 09-0152, for a total of \$176,660.00. (This contract will be utilized for sewer cleaning hose with maximum possible durability for service in cleaning service lines, storm drains, culverts and other open circuits. This contract will be effective Date of Award (July 7, 2009) through June 30, 2010.)
- (MBE) 3. Acceptance of the bid of Stationery Unlimited, Inc., to provide: Billing and Return Envelopes, Bid No. 09-0020, for a total of \$127,880.40. (This contract will be utilized for the purchase of billing and return envelopes. This contract will be effective Date of Award (July 7, 2009) through June 30, 2010.)
- (WBE) 4. Acceptance of the bid of BVA Scientific, 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 will be effective Date of Award (July 7, 2009) through June 30, 2010.)
5. Acceptance of the bid of HD Supply Waterworks to provide: Meter & Valve Box Components, Bid No. 07-0029, for a total of \$100,000.00. (This contract will be utilized for the purchase of meter and valve box

components on an as needed basis. This contract extension will be effective June 1, 2009 through May 31, 2010.)

6. Acceptance of the bid of Pencco, Inc., to provide: Fluorosilicic Acid, Bid No. 08-2008, for a total of \$497,650.00. (The San Antonio Water System has installed fluoridation systems at 14 primary and 13 secondary pump stations. The fluoridation system will utilize hydrofluorosilicic acid to treat the water. This extension contract will be effective August 1, 2009 through January 1, 2010.)
7. Acceptance of the bid of Elster AMCO Water, Inc., to provide: Water Meters, Bid No. 07-0036, for a total of \$750,000.00. (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 (July 7, 2009) through May 31, 2010.)
8. Acceptance of the bid of Badger Meter, Inc., to provide: Water Meters, Bid No. 07-0036, for a total of \$250,000.00. (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 (July 7, 2009) through May 31, 2010.)

- C. Authorization to Utilize the City of San Antonio's Competitive Bidding Process for Annual Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.

No items for this Meeting.

- D. Authorization to Utilize the City of San Antonio's Competitive Bidding Process for Biennial Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.

No items for this Meeting.

- E. Award of Biennial Service and Supply Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.

- (SBE)
1. Acceptance of the bid of Royall Matthiessen, to provide: Personal Protective Glove Wear. Bid No. 09-0714, for a total of \$93,843.28.15. (This contract will be utilized for the purchase of personal protective glove wear on an as needed basis. This contract will be effective Date of Award (July 7, 2009) through May 31, 2011.)
 2. Acceptance of the bid of AT&T, to provide: AT&T Communications Services Renewal Agreement (DIR State of Texas Contract). Bid No. 09-9037, for a total of \$1,196,493.12. (This contract will be utilized for a 36 month period to include fiber services for network connectivity within SAWS 20 facilities, Smart Trucks (A digital truck service provided by AT&T, for in bound and out bound calls) and DID-Direct inward dialing a feature offered by AT&T, for use with SAWS private branch exchange (PBX) systems. This contract will be effective Date of Award (July 7, 2009) through December 31, 2012.)

CAPITAL IMPROVEMENT CONTRACTS

PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

Developer Customer Contracts

7. 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 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 8978	Carlos Fis Menache	1.69	0	4	EARZ	B.M.W.D.	Applied for
2	Gospel Halls-Henderson Pass	Daniel A. Holt	1.25	4	4	EARZ	Inside	Inside
3	Steubing Property	Steubing Ranch Limited Partnership	651.3	2,605	2,470	EARZ/AC/OVR	Inside	Applied for
4	Tradesman Quarry Phase 1	Tradesman Development, Ltd.	71.50	175	286	EARZ/AC	Inside	Inside
Totals			<u>725.74</u>	<u>2,188</u>	<u>2,157</u>			
Year-to-Date Totals (January - July 2009)			<u>1,307</u>	<u>4,823</u>	<u>4,575</u>			

8. A Resolution approving Utility Service Agreements to provide water and/or wastewater service to the tracts listed below which are not located over the Edwards Aquifer Recharge or Contributing Zone and not within the 5-mile Awareness Zone of Camp Bullis. (KELLEY NEUMANN – SAM MILLS)

No.	Tract Name	Developer Name	Acreage	Water EDUs	WW EDUs	Board Reason	Water CCN	WW CCN
1	Quiet Creek*	Be Homes LLC/Flotex Developers LLC	215.36	681	0	AC/OVR	Inside	S.A.R.A.
Totals			<u>215.36</u>	<u>681</u>	<u>0</u>			
Year-to-Date Totals (January -July 2009)			<u>767.4</u>	<u>2,526</u>	<u>1,227</u>			

*The noted USA has been previously approved by the Board and requires a new approval due to a change of water/wastewater EDUs

**EDU/Acreage Comparison Totals
2009 - 2008**

EDU/Acreage Comparison Totals 2009 - 2008 (Year to Date - All Categories)	Total Acreage	Total Water EDU's	Total WW EDU's			
Total (January -July 2009)	2,370.52	7,418	5,812			
Total (January -July 2008)	10,018	26,207	46,867			

*The Verano Development had 2,659 acres, 909 W EDU's and 21,558 WW EDU's approved in February 2008. 2008 totals include Galm Road Tract which is located within the jurisdiction of the two different water purveyors (SAWS & Forest Glen Utility Co.)

9. **A Resolution approving Final Recapitulation Change Order No. 4 in the decreased amount of \$26,875.96 to the construction contract with Big State Excavation, Inc., in connection with the Babcock Wastewater Participation Group Sanitary Sewer Extension Project; authorizing the return of funds in the amount of \$16,181.84 to the Project Fund; authorizing the President/Chief Executive Officer to execute the Final Recapitulation Change Order No. 4 and to close the contract. Total decreased amount is: \$26,875.96 for a revised contract amount of: \$1,035,300.73.
(KELLEY NEUMANN – SAM MILLS)**

Production, Transmission and Treatment Improvements

10. **A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 7 in the decreased amount of \$30,000.00 and Recapitulation Change Order No. 8 in the decreased amount of \$210,166.22 for a total amount of \$210,166.22 to the construction contract with BRH-Garver Construction, L.P., in connection with the Western Watershed Sewer Relief Line W-04 Project; authorizing the return of funds for Change Order No. 7 in the total amount of \$30,000.00 and Recapitulation Change Order No. 8 in the total amount of \$210,166.22 for a total amount of 210,166.22 to the Project Fund, and to close the contract. Located in Council District 6. Total decreased amount is: 210,166.22 for a revised contract amount of: \$19,205,618.83. (KELLEY NEUMANN – FRANCES PLOCEK)**
11. **A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 1 in the amount of \$29,133.35 in connection with the Eastside Service Center Improvement Project; authorizing the President/Chief Executive Officer to pay to S.J. Louis Construction of Texas, Ltd., an additional amount not to exceed \$29,133.35 for the additional project work. Total expenditures are: \$29,133.35 for a revised contract amount of: \$1,228,679.35.
(KELLEY NEUMANN – FRANCES PLOCEK)**

REPLACEMENT AND ADJUSTMENT PROJECTS

12. **A Resolution amending Resolution No. 07-429 by approving Change Order No. 3 in the amount of \$40,967.52 in connection with the Lakeside Village Water and Sewer Main Replacement Project; approving the expenditure of additional funds in an amount not to exceed \$87,182.66 payable to TRCU, Ltd., for additional construction contingency expenses; approving an additional amount not to exceed \$87,182.66 be made available from the System's Project Fund for the additional construction contingency expenses; authorizing the President/Chief Executive Officer to pay to TRCU, Ltd., an additional**

amount not to exceed \$87,182.66 for the additional project work and additional construction contingency expenses. Total expenditures are: \$87,182.66 for a revised contract amount of: \$1,341,040.17. (KELLEY NEUMANN – DAVID MAXWELL)

13. A Resolution accepting the bid of Du-Mor Enterprises, Inc., in the amount of \$2,209,790.00 for the 2009 SAWS Water & Sewer Construction Contract, Package III; awarding a construction contract to Du-Mor Enterprises, Inc., in the amount of \$2,209,790.00 for the project work; approving the expenditure of funds in an amount not to exceed \$2,209,790.00 for the project work; approving construction contingency expenses in an amount not to exceed \$110,489.50 in connection with the project work; approving an amount not to exceed \$1,126,496.44 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 \$1,193,783.06 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 Du-Mor Enterprises, Inc., and to pay Du-Mor Enterprises, Inc., an amount not to exceed \$2,320,279.50 for the project work and related construction contingencies. Total expenditures are: \$2,320,279.50. (KELLEY NEUMANN – CINDY KOVACIC)
14. A Resolution accepting the bid of Pipelayers, Inc., in the amount of \$2,122,580.00 for the 2009 SAWS Water & Sewer Construction Contract, Package IV; awarding a construction contract to Pipelayers, Inc., in the amount of \$2,122,580.00 for the project work; approving the expenditure of funds in an amount not to exceed \$2,122,580.00 for the project work; approving construction contingency expenses in an amount not to exceed \$106,129.00 in connection with the project work; approving an amount not to exceed \$1,036,276.50 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 \$1,192,432.50 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 Pipelayers, Inc., and to pay Pipelayers, Inc., an amount not to exceed \$2,228,709.00 for the project work and related construction contingencies. Total expenditures are: \$2,228,709.00. (KELLEY NEUMANN – CINDY KOVACIC)

Governmental Relocations and Replacements

15. A Resolution authorizing the President/Chief Executive Officer to execute a Utility Attachment Agreement for On-System Bridges with the Texas Department of Transportation for the project work in connection with the bridge on FM 2252 at Loop 1604 Project. Located in Council District 10. (KELLEY NEUMANN – CINDY KOVACIC)
16. A Resolution approving the expenditure of funds in the amount of \$367,786.40 for the replacement and adjustment of water and sewer facilities by Bexar County in connection with the Bulverde-Evans Intersection Project; approving construction contingency expenses related to the project work in an amount not to exceed \$41,180.94; approving an amount not to exceed \$356,139.74 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 \$52,827.60 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 Interlocal Agreement and to pay in advance to Bexar County a total amount not to exceed \$408,967.34 for the project work and related construction contingencies. Total

expenditures are: \$408,967.34. (KELLEY NEUMANN – CINDY KOVACIC)

Professional Services

17. A Resolution accepting the proposal of HNTB Corporation in an amount not to exceed \$121,786.00 for the design of water and sewer facility adjustments and installations in connection with the Bexar County's Galm Road: FM 1560 to Government Canyon Project; awarding a professional services contract to HNTB Corporation in an amount not to exceed \$121,786.00 for engineering services in connection with the project; approving the expenditure of funds in an amount not to exceed \$115,419.00 from the System's Project Fund for the water project engineering work; approving the expenditure of funds in an amount not to exceed \$6,367.00 from the System's Project Fund for the sewer project engineering work; authorizing the President/Chief Executive Officer to execute a professional services contract with HNTB Corporation and to pay HNTB Corporation an amount not to exceed \$121,786.00 for the project engineering work in connection with the Galm Road: FM 1560 to Government Canyon Project;. Total expenditures are: \$121,786.00. (KELLEY NEUMANN – CINDY KOVACIC)
18. A Resolution approving Contract Amendment No. 3 in the amount of \$30,200.00 in connection with the Roosevelt Avenue Sanitary Sewer Main Rehabilitation Project; amending Resolution No. 06-186 as amended by Resolution No. 08-378 by approving additional expenditures in an amount not to exceed \$30,200.00 for additional engineering services by RJN Group, Inc., in connection with the Roosevelt Avenue Sanitary Sewer Main Rehabilitation Project; approving that an amount not to exceed \$30,200.00 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 RJN Group, Inc., an additional amount not to exceed \$30,200.00 for engineering services in connection with the project. Total expenditures are: \$30,200.00 for a revised contract amount of: \$478,743.88. (KELLEY NEUMANN – FRANCES PLOCEK)

WATER RESOURCES PROJECTS

19. A Resolution approving Recapitulation Change Order No. 4 resulting in an increase to the contract cost in an amount not to exceed \$99,294.00 for the construction contract with Alsay Incorporated, in connection with the Local Carrizo Program Offsite Well Drilling and Testing Project; amending Resolution No. 08-356, by approving the additional funds in an amount not to exceed \$27,927.00 to the Project Fund plus construction contingency funds in the amount of \$71,367.00 for a total increased amount of \$99,294.00; authorizing the President/Chief Executive Officer or his designee to execute Recapitulation Change Order No. 4, to increase funds in an amount not to exceed \$27,927.00 to the Project Fund for a total increased amount of \$99,294.00, to pay Alsay Incorporated, an amount not to exceed \$99,294.00 for the additional project work, and to close the contract with Alsay Incorporated. Total expenditures are: \$99,294.00 for a revised contract amount of: \$2,015,873.00.
(CHARLES AHRENS - ESTHER HARRAH)

MISCELLANEOUS PROJECTS

20. A Resolution accepting the bid of and awarding a two year construction contract in the amount of \$705,725.56 to National Power Rodding, Inc., in connection with the 2009 Annual Sanitary Sewer Main Point Repair and Manhole Adjustments Construction Contract; approving the expenditure of funds in the amount of \$705,725.56 for the project work; authorizing the total expenditures in the amount of \$705,725.56 from the System's Project Fund for the project work for Fiscal Year 2009, and that the

subsequent years expenditures are pursuant to and contingent upon Board approval of the subsequent years budget with a line item for such expenditures; authorizing the President/Chief Executive Officer or his designated representative, to execute a two year contract with National Power Rodding, Inc., and to pay National Power Rodding, Inc., the amount of \$705,725.56 for the project work. Total expenditures are: \$705,725.56. (VAL RUIZ – JEFF BROWN)

21. A Resolution amending Resolution No. 06-386, by approving the expenditure of additional funds in an amount not to exceed \$91,791.56 payable to PM Construction for additional construction expenses in connection with the Annual 2006 Pipe Bursting Work Order Construction Contract Project; approving an additional amount not to exceed \$91,791.56 be made available and expended from the System's Project Fund for additional construction expenses; ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 1 in the amount of \$91,791.56; authorizing the President/Chief Executive Officer to pay to pm construction an additional amount not to exceed \$91,791.56 for the additional project work. Total expenditures are: \$91,791.56 for a revised contract amount of: \$2,145,173.16. (KELLEY NEUMANN – FRANCES PLOCEK)
22. A Resolution amending Resolution No. 08-271, by approving the expenditure of additional funds in an amount not to exceed \$117,317.00 payable to PM Construction for additional construction expenses in connection with the Annual 2008 Pipe Bursting Work Order Construction Contract Project; approving an additional amount not to exceed \$117,317.00 be made available and expended from the System's Project Fund for additional construction expenses; ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 1 in the amount of \$117,317.00; authorizing the President/Chief Executive Officer to pay to PM Construction an additional amount not to exceed \$117,317.00 for the additional project work. Total expenditures are: \$117,317.00 for a revised contract amount of: \$1,915,947.00. (KELLEY NEUMANN – FRANCES PLOCEK)

WATER RESOURCES ITEMS

23. A Resolution approving Contract Amendment No. 1 in an aggregate amount not to exceed \$46,750.00 per year for A-Ram Plumbing and My Plumber Inc., dba J.R.'S Plumbing to conduct water leak repair services for qualifying San Antonio Water System residential customers performed under the Plumbers to People Program; amending Resolution No. 08-347 by approving additional expenditures in an amount not to exceed \$46,750.00 per year for A-Ram Plumbing and My Plumber Inc., dba J.R.'S Plumbing to conduct water leak repair services for qualifying San Antonio Water System residential customers performed under the Plumbers to People Program; authorizing that an additional aggregate amount not to exceed \$46,750.00 for Fiscal Year 2009 be made available and expended from the System Fund to conduct water leak repair services for qualifying San Antonio Water System residential customers, and that future years expenditures are pursuant to and contingent upon the Board's approval of subsequent years budgets with a line item for such expenditures; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 1 and to pay A-Ram Plumbing and My Plumber Inc., dba J.R.'S Plumbing an amount not to exceed \$46,750.00 per year to conduct water leak repair services for qualifying San Antonio Water System residential customers performed under the Plumbers to People Program. Total expenditures are: \$46,750.00 per year for a revised contract amount of: \$233,750.00. (CHARLES AHRENS – KAREN GUZ)

HUMAN RESOURCES ITEMS

24. A Resolution accepting the proposal of and awarding a contract to AON Consulting, Inc., to provide benefits consulting services for the System's Self-Funded and Insured Employee Benefits Programs for the period of July 13, 2009 through December 31, 2012, with three successive one-year term extensions; authorizing expenditures in an amount not to exceed \$71,038.00 for from the System Fund for Fiscal Year 2009, and that subsequent year expenditures in an amount not to exceed \$465,000.00, pursuant to and contingent upon Board approval of subsequent years budgets with a line item for such expenditures; authorizing the President/Chief Executive Officer to further negotiate and execute a contract and all related documents with AON Consulting, Inc., for benefits consulting services for the System's Self-Funded And Insured Employee Benefits Programs from July 13, 2009 through December 31, 2012 and to pay AON Consulting, Inc., an amount not to exceed \$536,038.00. Total expenditures are: \$536,038.00.
(JERRY BAILEY)

INFORMATION SERVICES ITEMS

25. A Resolution approving the renewal of an Agreement with Xerox Corporation in an amount not to exceed \$231,360.00 for maintenance of high speed multi-color production printing equipment for the period May 1, 2009 through April 30, 2010; authorizing a one time expenditure from the System Fund in an amount not to exceed \$231,360.00 to Xerox Corporation for maintenance of high speed multi-color production printing equipment; authorizing the President/Chief Executive Officer to execute the renewal of the Agreement with Xerox Corporation and authorizing the President/Chief Executive Officer or his designee to pay Xerox Corporation an amount not to exceed \$231,360.00 for maintenance of high speed multi-color production printing equipment for the period May 1, 2009 through April 30, 2010. Total expenditures are: \$231,360.00.
(DOUG EVANSON – JOE SAMPLES)

FINANCIAL SERVICES ITEMS

26. A Resolution approving an Interlocal Agreement between the San Antonio Water System and the City of Balcones Heights, Texas, for sewer billing services; authorizing the President/Chief Executive Officer or his designated representative to execute the Interlocal Agreement. (DOUG EVANSON – MARY BAILEY)

MISCELLANEOUS ITEMS

27. A Resolution approving a Wholesale Sewer Service and Treatment Entity Contract with the City of Balcones Heights, Texas; authorizing the President/Chief Executive Officer or his designated representative to execute the contract.
(KELLEY NEUMANN – SAM MILLS)
28. A Resolution approving the request by Chris Knox of 314 Eastover Street for a Water Impact Fee Deferment; waiving the requirement that the property be residential for qualification of the Hardship Extension Policy; authorizing the President/Chief Executive Officer to execute and file a mechanic's lien and trust deed against the petitioner's property securing payment of the Installment Payment Agreement.
(KELLEY NEUMANN – SAM MILLS)
29. A Resolution ratifying the actions of the President/Chief Executive Officer in authorizing payment to Ashland, Inc., for additional costs related to the thickening and dewatering polymer in the amount of \$34,966.41, approving the fourth year extension of

the contract with Ashland, Inc., to provide thickening and dewatering polymer in an amount not to exceed \$670,687.50; authorizing payment from the System Fund in a total amount not to exceed \$705,653.91 for the additional costs and for the fourth year of the contract for thickening and dewatering polymer; authorizing the President/Chief Executive Officer or his designated representative to execute a contract with Ashland, Inc., and to authorize payment to Ashland Inc., in an amount not to exceed \$705,653.91 for the additional costs and for the fourth year of the contract for thickening and dewatering polymer. Total expenditures are: \$705,653.91.
(STEVE CLOUSE – ROBERT YRLE)

ITEMS FOR INDIVIDUAL CONSIDERATION

CAPITAL IMPROVEMENT CONTRACTS

WATER RESOURCES PROJECTS

30. A Resolution accepting the bid of Garney Companies, Inc., in the amount of \$4,028,420.50 for construction of the Local Carrizo Program, Offsite Well Collection Project; awarding a construction contract to Garney Companies, Inc., in the amount of \$4,028,420.50 for the project work; approving the expenditure of funds in the amount of \$4,028,420.50 for the project work; approving construction contingency expenses in an amount not to exceed \$202,000.00 in connection with the project work; approving total expenditures in an amount not to exceed \$4,230,420.50 from the System's Project Fund for the project work, and related construction contingencies; authorizing the President/Chief Executive Officer or his designee to execute a contract with Garney Companies, Inc., and to pay Garney Companies, Inc., the amount of \$4,230,420.50 for the project work. Total expenditures are: \$4,230,420.50.
(CHARLES AHRENS – ESTHER HARRAH)

PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

Professional Services

31. A Resolution accepting the proposal of and awarding a professional services contract to Black & Veatch in an amount not to exceed \$145,858.00 in connection with constructability review of the Medina River Sewer Outfall Design Plans; approving the expenditure of funds in an amount not to exceed \$145,858.00 from the System's Project Fund for the project engineering work; authorizing the President/Chief Executive Officer to execute a professional services contract with Black & Veatch and to pay Black & Veatch an amount not to exceed \$145,858.00 for the project engineering work. Total expenditures are: \$145,858.00.
(KELLEY NEUMANN – SAM MILLS)

REPLACEMENT AND ADJUSTMENT PROJECTS

Governmental Relocations and Replacements

32. A Resolution approving the expenditure of funds in the amount of \$2,264,650.00 for the replacement and adjustment of water and sewer facilities by the City of San Antonio in connection with the Fiscal Year 2009-2010 Indefinite Delivery Contract for Public Works Package II; approving construction contingency funds in an amount not to exceed \$113,232.50 in connection with the project work; approving an amount not to exceed \$1,008,840.00 be made available and expended from the System's Project Fund

for the sewer project work and related construction contingencies; approving an amount not to exceed \$1,369,042.50 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 reimburse the City of San Antonio an amount not to exceed \$2,377,882.50 for the project work and related construction contingencies. Total expenditures are: \$2,377,882.50. (KELLEY NEUMANN – CINDY KOVACIC)

MISCELLANEOUS PROJECTS

33. A Resolution accepting the bid of PM Construction & Rehab, L. P., in the amount of \$1,603,780.00 in connection with the Annual 2009 Pipe Bursting Work Order Construction Contract; awarding a construction contract to PM Construction, Inc., in the amount of \$1,603,780.00 for the project work; approving the expenditure of the amount of \$1,603,780.00 from System funds for the project work; approving the amount of \$1,603,780.00 be made available from the System's Project Fund for the project work; 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 \$1,603,780.00 for the project work. Total expenditures are: \$1,603,780.00. (KELLEY NEUMANN – FRANCES PLOCEK)
34. A Resolution accepting the bid of Insituform Technologies, Inc., in the amount of \$2,091,615.00 in connection with the Annual 2009 Cured-In-Place Pipe Work Order Construction Contract Project; awarding a construction contract to Insituform Technologies, Inc., in the amount of \$2,091,615.00 for the project work; approving the expenditure of an amount not to exceed \$2,091,615.00 for the project work; approving an amount not to exceed \$2,091,615.00 be made available and expended from the System's Project Fund for the project work; authorizing the President/Chief Executive Officer to execute a construction contract with Insituform Technologies, Inc., and to pay Insituform Technologies, Inc., an amount not to exceed \$2,091,615.00 for the project work. Total expenditures are: \$2,091,615.00. (KELLEY NEUMANN – FRANCES PLOCEK)
35. 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 Foster Tank Painting and Rehabilitation Project; authorizing the President/Chief Executive Officer to utilize the Competitive Sealed Proposals Procurement Method in connection with the project. (KELLEY NEUMANN – ASHOK KAJI)
36. A Resolution accepting the bid of Holloman Corporation in the amount of \$2,495,000.00 for the construction of the Water Production Facility Upgrades Phase II - Bitters and Sutton Pump Stations; awarding a construction contract in the amount of \$2,495,000.00 to Holloman Corporation for the project work; authorizing construction contingency expenses in an amount not to exceed \$50,000.00 in connection with the project work; authorizing total expenditures in an amount not to exceed \$2,545,000.00 from the System's Project Fund for the project work and construction contingencies; authorizing the President/Chief Executive Officer to execute a contract with Holloman Corporation and to pay Holloman Corporation, the amount of \$2,495,000.00 for the project work. Total expenditures are: \$2,495,000.00. (KELLEY NEUMANN – ASHOK KAJI)
37. A Resolution accepting the bid of H. L. Zumwalt Construction, Inc., in the amount of \$1,384,060.00 for the Annual 2009 Asphalt Overlay Work Order Construction Contract with an option for a one year renewal; awarding a construction contract with an option for a one year renewal to H. L. Zumwalt Construction, Inc., in the amount of

\$1,384,060.00 for the project work; approving the expenditure of funds in the amount of \$1,384,060.00 from the System Fund for the project work; authorizing the President/Chief Executive Officer or his designated representative, to execute a contract with an option for a one year renewal with H. L. Zumwalt Construction, Inc., and to pay H. L. Zumwalt Construction, Inc., the amount of \$1,384,060.00 for the project work. Total expenditures are: \$1,384,060.00. (VAL RUIZ – JEFF BROWN)

38. BRIEFING SESSION.

- A. “The Infrastructure Minute” - Briefing and deliberation regarding the Eastern Watershed Sewer Relief Line. (KELLEY NEUMANN)
- B. Briefing and deliberation regarding the Drought Management Plan. (CHARLES AHRENS – KAREN GUZ)

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

No Report for this Meeting.

40. Inquiries.

41. The Regular Session of the July 7, 2009, 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.

42. EXECUTIVE SESSION.

- A. Consultation with attorneys and deliberation regarding the appointment, employment, reassignment, duties, discipline, or dismissal of a public officer or employee. (FRANK STENGER-CASTRO – BILL CROW)
- B. Consultation with attorneys and deliberation regarding Cause No. SA08CA0407XR; *Gloria Puente v. San Antonio Water System*, in the United States District Court for the Western District of Texas, San Antonio Division. (FRANK STENGER-CASTRO - BILL CROW)
- C. Consultation with attorneys and deliberation regarding Cause No. 2008-CI-11701; *Carlos Xavier Salazar v. San Antonio Water System*, in the 408th Judicial District Court, Bexar County, Texas. (FRANK STENGER-CASTRO - BILL CROW)
- D. Consultation with attorneys and deliberation regarding potential litigation relating to matters in connection with wastewater permit compliance issues. (FRANK STENGER-CASTRO – JOHN REYNOLDS)
- E. 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)
- F. Consultation with attorneys and deliberation regarding Cause No. 08-ED-0030; *SAWS v. 16030 Somerset Road, L.L.C.*, in the Bexar County Probate Court No. 2, Bexar County, Texas. (FRANK STENGER-CASTRO AND NANCY BELINSKY)

- G. Consultation with attorneys and deliberation regarding legal issues related to the settlement of a dispute with Richard Reddout regarding property located at 16501 State Highway 16, Bandera Road, Bexar County, Texas and also known as 10855 Jericho in Bexar County, Texas.
(FRANK STENGER-CASTRO AND NANCY BELINSKY)**
- 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)**
- 43. The Regular Session of the Regular Board Meeting of July 7, 2009, is hereby reconvened.**
- 44. A Resolution approving Settlement of the lawsuit of Carlos Xavier Salazar against the San Antonio Water System; approving the System's financial obligation under the Settlement; authorizing expenditures in the total amount of \$48,000.00 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 \$48,000.00 to Carlos Xavier Salazar and his attorney for the System's obligation under the terms of Settlement Agreement. Total expenditures are: \$48,000.00.
(FRANK STENGER-CASTRO - BILL CROW)**
- 45. A Resolution approving a Settlement of lawsuit for condemnation of interest in land near the intersection of Moursand Blvd. and Ashley Road styled SAWS vs. 16030 Somerset Road, L.L.C.; approving the System's financial and other obligations under the Settlement; authorizing expenditures in the total amount of \$24,000.00 from the System Fund for purposes of the Settlement; authorizing the President/Chief Executive Officer or the System's General Counsel to execute all documents necessary to settle and dismiss the lawsuit and to pay \$24,000.00 to 16030 Somerset Road, L.L.C. Total amount received is: \$24,000.00.
(FRANK STENGER-CASTRO – NANCY BELINSKY)**
- 46. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF JULY 7, 2009, IS HEREBY ADJOURNED.**