

# AGENDA

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

April 2, 2013, 2:00 P.M.

6th Floor Board Room #609

Administrative Offices

2800 U. S. 281 North, San Antonio, Texas

1. **MEETING CALLED TO ORDER.**

2. **Announcements.**

- A. The San Antonio Water System Board of Trustees will, during the Meeting, close the Meeting and hold an Executive Session pursuant to and in accordance with Chapter 551 of the Texas Open Meetings Act. The Board of Trustees may, at any time during the Meeting, close the Meeting and hold an Executive Session for consultation with its attorneys concerning any of the matters to be considered during the Meeting pursuant to Chapter 551 of the Texas Open Meetings Act.

3. **Minutes.**

- A. Approval of the Minutes of the San Antonio Water System Board of Trustees Regular Meeting of March 11, 2013.
- B. Approval of the Minutes of the San Antonio Water System Board of Trustees Policy and Planning Meeting of February 25, 2013.

4. **Ceremonial Items.**

No Items for this Meeting.

5. **Individuals to be Heard.**

## CONSENT AGENDA ITEMS

Items 6 – 23

### ITEMS CONCERNING THE PURCHASE OF EQUIPMENT, MATERIALS AND SUPPLIES

#### SAN ANTONIO WATER SYSTEM HANDICAPPED ACCESSIBILITY STATEMENT

The San Antonio Water System Buildings and Meeting Rooms are accessible to individuals with disabilities. Accessible visitor parking spaces as well as the accessible entrance and ramp are located at the west side main entrance of the SAWS Headquarters Building, Tower I, 2800 U.S. Highway 281 North. Individuals with disabilities in need of auxiliary aids and services, including Deaf interpreters, must request such aids and services forty-eight (48) hours prior to the meeting. For assistance, contact the Board Administrator at 210-233-3690 or 711 (Texas Relay Service for the Deaf).

**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 – YVONNE TORRES)**

**A. Award of Contracts for the Purchase of Materials, Equipment and Services.**

**No items for this Meeting.**

**B. Award of Annual Service and Supply Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.**

- 1. Acceptance of the bid of Texas Chiller System, LLC, to provide: Centrifugal Chiller Service Program, Bid No. 13-0292, for a total of \$298,600.00.**
- 2. Acceptance of the bid of Kinloch Equipment & Supply to provide: Sewer Cleaning Nozzles Plus Accessories and Wear Items, Bid No. 13-1083, for a total of \$242,012.04.**
- 3. Acceptance of the bid of Act Pipe & Supply to provide: Vent-O-Mat Air Release Valve, Bid No. 13-1420, for a total of \$160,000.00.**

**(SAWS-DSP) 4. Acceptance of the bid of Progressive Pumps Corp. to provide: LMI Fluoridation Equipment Parts and Service, Bid No. 13-1344, for a total of \$66,374.60.**

**(SAWS-DSP) 5. Acceptance of the bid of A.Y. McDonald Mfg. Co. to provide: Miscellaneous Brass Goods, Bid No. 12-0028, for a total of \$172,742.75.**

**(SAWS-DSP) 6. Acceptance of the bid of Airgas Southwest to provide: Safety Eyewear, Bid No. 11-0627, for a total of \$56,447.08.**

**(SAWS-DSP) 7. Acceptance of the bid of MK1 Construction Services to provide: Quick Set Flowable Fill, Bid No. 13-0207, for a total of \$803,000.00.**

**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.**

**No items for this Meeting.**

# 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 are within the 5-mile Awareness Zone of Camp Bullis. (KELLEY NEUMANN – SAM MILLS)

No.	Tract Name	Developer	Acreage	Water EDUs	WW EDUs	DISTRICT SPECIAL PROJECT (BMWD)	Board Reason	Water CCN	WW CCN
1	Highland Estates P.U.D.	Denton Communities	184.41	206	0	NO	EA/B	Inside	Outside
2	NRP Apartments-UTSA Blvd.	NRP Properties LLC	15	124	110	NO	EA/B	Inside	Inside
<b>Totals</b>			<b><u>199.41</u></b>	<b><u>330</u></b>	<b><u>110</u></b>				
<b>Totals (January-April 2013)</b>			<b><u>250.90</u></b>	<b><u>648</u></b>	<b><u>344</u></b>				

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

No.	Tract Name	Developer	Acreage	Water EDUs	WW EDUs	DISTRICT SPECIAL PROJECT (BMWD)	Board Reason	Water CCN	WW CCN
1	165 Acre Grosenbacher Road Tract	CDDR Properties LLC	165	597	580	YES	OVR/AC	Inside	Outside
2	Bricewood Subdivision	New Leaf LLC	99.2	480	480	NO	AC	Outside	Outside
3	San Antonio Intermodal MDP	Union Pacific Railroad	304	120	35	NO	AC	Inside	Outside
<b>Totals</b>			<b><u>568.20</u></b>	<b><u>1197</u></b>	<b><u>1095</u></b>				
<b>Totals (January- April 2013)</b>			<b><u>4898.97</u></b>	<b><u>25440</u></b>	<b><u>16998</u></b>				

### EDU/Acreage Comparison Totals 2013 – 2012

EDU/Acreage Comparison Totals 2013 - 2012 (Year to Date - All Categories)	Total Acreage	Total Water EDU's	Total WW EDU's
<b>TOTAL (April 2013)</b>	<b>6774</b>	<b>30,118</b>	<b>21,072</b>
<b>TOTAL (April 2012)</b>	<b>899</b>	<b>4,979</b>	<b>4,498</b>

## Production, Transmission and Treatment Improvements

### Professional Services

9. **A Resolution, concerning the District Special Project, approving a contract amendment to the existing professional services contract with Tetra Tech, Inc., for additional funds in an amount not to exceed \$38,140.00 for additional engineering services in connection with the DSP Somerset Facility High Service Pump Upgrades Project; amending Resolution No. 12-268, by approving additional expenditures in an amount not to exceed \$38,140.00 from the District Special Project Fund in connection with the project; authorizing the President/Chief Executive Officer or his duly appointed designee to execute an amendment to the professional services contract with Tetra Tech, Inc., and to pay an additional amount not to exceed \$38,140.00 to Tetra Tech, Inc., for the District Special Project's Obligations. Total amount: \$38,140.00.**  
(KELLEY NEUMANN – ASHOK KAJI)

## REPLACEMENT AND ADJUSTMENT PROJECTS

### Governmental Relocations and Replacements

10. **A Resolution accepting the bid of and awarding a construction contract to Qro Mex Construction Co., Inc. in the amount of \$487,016.03 for The Hope Drive: Oakwood Drive North to Oakwood Drive South Project; approving the expenditure of funds in the amount of \$487,016.03 for the project work; approving construction contingency expenses in an amount not to exceed \$48,701.61 for the project work; approving a total amount not to exceed \$535,717.64 be made available and expended from the System's Project Fund for the project work and related construction contingencies; authorizing the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with Qro Mex Construction Co., Inc. and to pay Qro Mex Construction Co., Inc. an amount not to exceed \$535,717.64 for the project work and related construction contingencies. Total expenditures: \$535,717.64.**  
(KELLEY NEUMANN – JOE CARRENO)
11. **A Resolution approving the expenditure of funds in the amount of \$91,400.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2013 Asphalt Overlay Package 2; approving an amount not to exceed \$91,400.00 be made available and expended from the System's Project Fund for the project work; authorizing the President/Chief Executive Officer or his duly appointed designee to pay the City of San Antonio an amount not to exceed \$91,400.00 for the project work. Total expenditures: \$91,400.00.** (KELLEY NEUMANN – JOE CARRENO)
12. **A Resolution approving the expenditure of funds in the amount of \$64,375.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2013 Asphalt Overlay Package 3; approving an amount not to exceed \$64,375.00 be made available and expended from the System's Project Fund for the project work; authorizing the President/Chief Executive Officer or his duly appointed designee to pay the City of San Antonio an amount not to exceed \$64,375.00 for the project work. Total expenditures: \$64,375.00.** (KELLEY NEUMANN – JOE CARRENO)
13. **A Resolution approving the expenditure of funds in the amount of \$58,750.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with**

the 2013-2014 Task Order Contract Package 8; approving an amount not to exceed \$58,750.00 be made available and expended from the System's Project Fund for the project work; authorizing the President/Chief Executive Officer or his duly appointed designee to pay the City of San Antonio an amount not to exceed \$58,750.00 for the project work. Total expenditures: \$58,750.00.

(KELLEY NEUMANN – JOE CARRENO)

14. A Resolution approving the expenditure of funds in the amount of \$555,688.71 for the adjustment and replacement of water and sewer facilities by the City of San Antonio in connection with the Houston Street: AT&T Center Parkway to I. H. 10 Project; approving an amount not to exceed \$55,568.87 for construction contingency expenses related to the project work; approving a total amount not to exceed \$611,257.58 be made available and expended from the System's Project Fund for the project work and related construction contingency expenses; authorizing the President/Chief Executive Officer or his duly appointed designee to pay to the City of San Antonio an amount not to exceed \$611,257.58 for the project work and related construction contingency expenses. Total expenditures: \$611,257.58. (KELLEY NEUMANN – JOE CARRENO)

- (SAWS-DSP) 15. A Resolution, concerning both the San Antonio Water System and the District Special Project, approving the expenditure of funds in the amount of \$729,931.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the W. Villaret Blvd. – SH16 to Jennifer Blvd. Drainage Project; approving an amount not to exceed \$72,993.10 for construction contingency expenses related to the project work; approving a total amount not to exceed \$802,924.10 be made available and expended from both the System's and DSP's Project Fund for the project work and related construction contingency expenses; authorizing the President/Chief Executive Officer or his duly appointed designee to pay to the City of San Antonio an amount not to exceed \$802,924.10 for the project work and related construction contingency expenses for both the System and the DSP. Total expenditures: \$802,924.10. (KELLEY NEUMANN – JOE CARRENO)

- (SAWS-DSP) 16. A Resolution, concerning both the San Antonio Water System and the District Special Project, approving the expenditure of funds in the amount of \$2,557,287.55 for the adjustment and replacement of water and sewer facilities by Bexar County in connection with the Big Country Phase V Project; approving construction contingency expenses related to the project work in an amount not to exceed \$127,864.38; approving a total amount not to exceed \$2,685,151.93 be made available and expended from both the System's and DSP's Project Fund for the project work and related construction contingencies; approving an Interlocal Agreement with Bexar County and authorizing the President/Chief Executive Officer or his duly appointed designee to execute the Interlocal Agreement and to pay in advance to Bexar County an amount not to exceed \$2,685,151.93 for the project work and related construction contingencies for both the System and the DSP. Total expenditures: \$2,685,151.93. (KELLEY NEUMANN – JOE CARRENO)

## WATER RESOURCES PROJECTS

### Professional Services

17. A Resolution approving Change Order No. 1 in the amount of \$98,322.53 to the construction contract with Layne Christensen Company in connection with the

**Brackish Groundwater Desalination Program, Well Construction Services Package I – Wells 5 – 8 Project; approving total payment of \$98,322.53 to Layne Christensen Company for the additional work associated with Change Order No. 1; authorizing additional funds in the amount not to exceed \$98,322.53 from the System’s project construction contingency fund; authorizing the President/Chief Executive Officer or his duly appointed designee to execute Change Order No. 1 and to pay Layne Christensen Company the additional sum of \$98,322.53 from the project construction contingency fund for the additional project work. Total expenditures: \$98,322.53. (KELLEY NEUMANN – ASHOK KAJI – ESTHER HARRAH)**

### **FINANCIAL ITEMS**

- 18. A Resolution appointing a pool of investment banking firms consisting of Barclays Capital, Inc., Cabrera Capital Markets, LLC., Citigroup Global Markets, Inc., Coastal Securities, Inc., First Southwest Company, Frost Bank Capital Markets, Jeffries & Company, Inc., JPMorgan Securities, LLC., Loop Capital Markets, LLC., M.E. Allison & Co., Inc., Mesirow Financial, Inc., Mitsubishi UFJ Securities (USA), Inc., Morgan Stanley & Co., LLC., Piper Jaffray & Co., Ramirez & Co., Inc., Raymond James & Associates, Inc., Rice Financial Products, Co., Robert W. Baird & Co., Inc., Seibert Brandford Shank & Co., Stifel, Nicolaus & Co., Inc., and Wells Fargo to provide underwriting services to assist the San Antonio Water System in securing funding for capital improvements programs; appointing an underwriting syndicate for the City of San Antonio, Texas Water System Junior Lien Revenue Refunding Bonds, Series 2013B. (DOUG EVANSON – PHYLLIS GARCIA)**

### **MISCELLANEOUS ITEMS**

- 19. A Resolution approving Recapitulation Change Order No. 1 in the decreased amount of \$78,358.85 to the meter installation services contract with Grid One Solutions, Inc., in connection with the 2012 Meter Replacement Program Project Initiative; returning the amount of \$78,358.85 and the contingency balance of \$67,465.56 for a total amount of \$145,824.41 to the System’s Project Fund; authorizing the President/Chief Executive Officer or his duly appointed designee to execute Recapitulation Change Order No. 1 and close the contract with Grid One Solutions, Inc. Total decreased amount \$145,824.41. (STACEY ISENBERG – ALAN WILLIAMS)**
- 20. A Resolution accepting the bid of and awarding a service contract with a term through the end of 2013 to Ace Pipe Cleaning, Inc., in the amount of \$1,470,008.03 in connection with the Designated Year One Small Diameter Mains Sanitary Sewer Cleaning and Inspection Contract; approving the expenditure of funds and to make available the amount of \$1,470,008.03 for cleaning and inspection services from the System Fund; authorizing the President/Chief Executive Officer or his duly appointed designee to execute a service contract with a term through the end of 2013 with Ace Pipe Cleaning, Inc., and to pay Ace Pipe Cleaning, Inc., the amount of \$1,470,008.03 for the project work. Total expenditures: \$1,470,008.03. (STEVE CLOUSE – JEFF HABY)**
- 21. A Resolution approving an agreement between the San Antonio Water System and the University of Texas at San Antonio providing that the San Antonio Water System shall fund an amount not to exceed \$85,000.00 for fiscal year 2013 to the University of Texas at San Antonio and that the program shall include water quality and resource issues in the curriculum; authorizing expenditures from the System Fund in an amount not to exceed \$85,000.00 for the project work; authorizing the**

President/Chief Executive Officer or his duly appointed designee to execute the agreement with the University of Texas at San Antonio and to pay the University of Texas at San Antonio an amount not to exceed \$85,000.00 for the support of the Pre-Freshman Engineering Program, Hydrologic Modeling and GIS Laboratory, and College of Engineering for fiscal year 2013. Total expenditures: \$85,000.00. (SHARON DE LA GARZA)

22. A Resolution reinstating and extending a professional services contract with Wilson Perkins Allen Opinion Research, and authorizing expenditures in the amount of \$80,000.00 for 2013 Professional Consumer Research Services; approving the reinstatement and extension of a professional services contract with Wilson Perkins Allen Opinion Research; authorizing the System to pay an amount not to exceed \$80,000.00 to Wilson Perkins Allen Opinion Research, for the 2013 Professional Consumer Research Services. Total expenditures are: \$80,000.00. (GREG FLORES – ANNE HAYDEN)

23. A Resolution approving settlement of the lawsuit of Margarita Ayala-Meggett against the San Antonio Water System; approving the System's financial obligation under the settlement; authorizing expenditures in the total amount of \$2,000.00 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 \$2,000.00 to Margarita Ayala-Meggett, for the System's obligation under the terms of the Settlement Agreement. Total expenditures are: \$2,000.00. (NANCY BELINSKY – BILL CROW)

## ITEMS FOR INDIVIDUAL CONSIDERATION

### WATER RESOURCES ITEMS

24. A Resolution, concerning the San Antonio Water System and the District Special Project, approving a Conservation Instant Rebate Program under the San Antonio Water System's Conservation Department; authorizing the President/Chief Executive Officer or his duly appointed designee to execute agreements with qualifying local businesses under the San Antonio Water System's Conservation Department, and approving such agreements, and authorizing reimbursement of participating local businesses for accepting conservation instant rebates from preapproved customers under such agreements. (CHARLES AHRENS – KAREN GUZ)

(SAWS-DSP)

25. A Resolution, concerning the District Special Project, approving an Interlocal Cooperation Agreement with the Edwards Aquifer Authority for the San Antonio Water System District Special Project Meter Implementation Project Agreement; authorizing the President/Chief Executive Officer to execute the Interlocal Cooperation Agreement and all related documents with the Edwards Aquifer Authority for modification of District Special Project Edwards Aquifer well meters. (CHARLES AHRENS – DARREN THOMPSON)

### 26. BRIEFING SESSION.

A. Briefing and deliberation regarding Proposed Rate Design Study. (MARY BAILEY)

27. **President/Chief Executive Officer's Report. Presentation of and deliberation on the following Items:**
- A. **Efficiency Initiative**
28. **Inquiries.**
29. **The Regular Session of the April 2, 2013, Regular Board Meeting is hereby recessed to hold an Executive Session and discuss the matters listed below pursuant to Sections 551.071, 551.072, 551.073, and 551.074 of the Texas Open Meetings Act.**
30. **EXECUTIVE SESSION.**
- A. **Consultation with attorneys and deliberation regarding the appointment, employment, reassignment, duties, discipline, or dismissal of a public officer or employee. (NANCY BELINSKY - BILL CROW)**
- B. **Consultation with attorneys and deliberation regarding potential litigation relating to matters in connection with wastewater permit compliance issues. (NANCY BELINSKY – JOHN REYNOLDS)**
- C. **Consultation with attorney regarding *The Aransas Project v Bryan Shaw, et al*; Civil Action No. C-10-75 in the United States District Court for the Southern District of Texas, Corpus Christi Division. (NANCY BELINSKY – STEVE KOSUB)**
- D. **Consultation with attorneys and deliberation regarding potential initiation of legal proceedings seeking easement acquisition for the Dominion Fire Flow Improvement Project, located in the Northwestern Quadrant of Bexar County, Texas, and deliberation regarding the value of real property for said Project. (NANCY BELINSKY – MARK BREWTON)**
- E. **Consultation with attorneys and deliberation regarding certain personnel matters related to the Chief of Internal Audit pursuant to Texas Open Meetings Act Sections 551.071 (consultation with attorneys) and 551.074 (personnel matters). (NANCY BELINSKY)**
- F. **Deliberation regarding the annual evaluation, performance objectives and duties of the President/Chief Executive Officer; and consultation with attorneys concerning legal issues regarding the annual evaluation, performance objectives and duties of the President/Chief Executive Officer. (NANCY BELINSKY)**
- G. **Consultation with attorneys and deliberation 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. (NANCY BELINSKY)**



31. **The Regular Session of the Regular Board Meeting of April 2, 2013, is hereby reconvened.**
32. **A Resolution accepting the recommendation of the Audit Committee of the San Antonio Water System's Board of Trustees to appoint Stacey Isenberg, CPA, as the System's Interim Chief of Internal Audit; authorizing the appointment of Stacey Isenberg, CPA, as the System's Interim Chief of Internal Audit. (BERTO GUERRA, JR.)**
33. **A Resolution declaring a public necessity for public use the acquisition of certain privately owned real property interests in the City of San Antonio being permanent water line easement and temporary construction easement interests, this project being generally located in the Dominion Subdivision, in the northwest quadrant of Bexar County, Texas, which easements shall be acquired by negotiation and/or condemnation, if necessary, for the public use of the expansion and operation of the System through the construction of the Dominion Fire Flow Improvements Project.  
(MIKE BRINKMANN – BRUCE HABY)**
34. **Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF APRIL 2, 2013, IS HEREBY ADJOURNED.**