

**AGENDA**  
**MEETING OF THE**  
**SAN ANTONIO WATER SYSTEM**  
**BOARD OF TRUSTEES**  
**Tuesday, January 10, 2012, 9:00 A.M.**  
**6th Floor Board Room #609**  
**Administrative Offices**  
**2800 U. S. 281 North, San Antonio, Texas**

1. **MEETING CALLED TO ORDER.**
2. **Announcements.**
  - A. **The San Antonio Water System Board of Trustees will, during the Meeting, close the Meeting and hold an Executive Session pursuant to and in accordance with Chapter 551 of the Texas Open Meetings Act. The Board of Trustees may, at any time during the Meeting, close the Meeting and hold an Executive Session for consultation with its attorneys concerning any of the matters to be considered during the Meeting pursuant to Chapter 551 of the Texas Open Meetings Act.**
3. **Minutes.**
  - A. **Approval of the Minutes of the San Antonio Water System Board of Trustees Regular Meeting of December 6, 2011.**
  - B. **Approval of the Minutes of the San Antonio Water System Board of Trustees Policy and Planning Meeting of November 14, 2011.**
4. **Ceremonial Items.**

No items for this Meeting.
5. **Citizens to be Heard.**

## **ITEMS FOR INDIVIDUAL CONSIDERATION**

### **WATER RESOURCES ITEMS**

6. **A Resolution appointing Frank Almaraz, Irma de Leon, Michael Ferguson, Olga Garza Kauffman, Bianca Maldonado, Brice Moczygamba and Lisa Tatum as Citizens' Advisory Panel new members for a two-year term expiring December 31, 2013; reappointing Judge Reynolds Cate, Gilbert Gallego, Ron Link, Jesse Pacheco, Todd Schroeder and Guadalupe Torres as Citizens' Advisory Panel members for a two-year term expiring December 31, 2013; appointing Judge Reynolds Cate as the Chairman of the 2012 Citizen's Advisory Panel for a one-year term expiring December 31, 2012. (CHARLES AHRENS – CALVIN FINCH)**

**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 210.233.3859 or 711 (Texas Relay Service for the Deaf).

7. A Resolution appointing Soraya Gonzalez and Adrian Martinez as Community Conservation Committee new members for a two-year term expiring December 31, 2013; reappointing Gloria S. Martinez, Lina Luque, Roberto Rodriguez, Liza Meyer-Cardenas, Dawn Green, Carlos Silva, and Allison Rivenburgh as Community Conservation Committee members for a two-year term expiring December 31, 2013; appointing Carlos Silva as the Chairman of the 2012 Community Conservation Committee for a one-year term expiring December 31, 2012.  
(CHARLES AHRENS – KAREN GUZ)

## CONSENT AGENDA ITEMS

Items 8 – 35

### 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.
- (SBE) 1. Acceptance of the bid of Walker Process Equipment Division of McNish Corp. to provide: Purchase of 1 (one) Heat Exchanger, Bid No. 11-1169, for a total of \$62,119.00. (This contract will be utilized for the purchase of one (1) heat exchanger and ancillary devices for the digester boilers at the Dos Rios Water Recycling Center.)
- B. Award of Annual 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 Domingo Vara Chevrolet to provide: GM and Chevrolet Cars and Light Duty Vehicle Parts and Service, Bid No. 10-1057, for a total of \$83,250.00. (This contract will be utilized for the purchase of GMC and Chevrolet competitive parts and service for passenger cars and light duty vehicles. Base bid and first extension total of \$83,250.00. This contract extension will be effective Date of Award (January 10, 2012) through September 30, 2012.)
2. Acceptance of the bid of Genuine Parts Co. to provide: Automotive Miscellaneous Parts, Bid No. 10-0233, for a total of \$90,000.00. (This contract will be utilized for the purchase of miscellaneous automotive parts to include engine management parts, wire and cables, filters, filter kits, belts, hoses and hose clamps. Contract was originally awarded informally on January 1, 2011 and due to usage it is now necessary to formally award this contract. Total of \$90,000 is cumulative total through December 31, 2012. This contract will be effective Date of Award (January 10, 2012) through December 31, 2012)
3. Acceptance of the bid of Waste Management, of TX to provide: Waste Disposal Site, Bid No. 10-0087A, for a total of \$78,640.00. (This contract will be utilized for the disposal of various types of non-hazardous non-

regulated solid waste. Base bid and first extension total \$78,640.00. This contract extension will be effective Date of Award (January 10, 2012) through December 31, 2012.)

- (SBE) 4. Acceptance of the bid of Gerard Electric, Inc., to provide: Electrical Assistance, Bid No. 11-0298, for a total of \$169,850.00. (This contract will be utilized to provide Electrical Assistance that will be utilized by various SAWS Departments. This contract will be effective Date of Award (January 10, 2012) through December 31, 2012 with the availability of three (3) additional one-year option to extend as provided for and approved in future years budgets.)
- (MBE) 5. Acceptance of the bid of Commonwealth Computer Co. to provide: Dell Desktop PC's & Laptops, (State of Texas Contract) (DIR-SDD-890) Bid No. 09-6023, for a total of \$578,665.38. (This contract will be utilized for the purchase of new state of the art Dell desktop PC's and Laptop computers. This contract extension will be effective January 15, 2012 through January 14, 2013.)
6. Acceptance of the bid of HD Supply Waterworks, Ltd., to provide: HDPE DR-19 Pipe, Bid No. 11-1179, for a total of \$478,380.00. (This contract will be utilized for the purchase of HDPE Pipe DR19 in 40 foot lengths on an as needed basis as requested by SAWS. This contract will be effective Date of Award (January 10, 2012) through December 31, 2012 with the availability of three (3) additional one-year option to extend as provided for and approved in future years budgets.)
- (WBE) 7. Acceptance of the bid of Safety Supply, Inc., to provide: Rubber Safety Boots & Hip Boots, Bid No. 11-0399, for a total of \$43,636.00. (This contract will be utilized for the purchase of protective rubber boots to be worn by SAWS employees in accordance with their job classification and job duties. This contract will be effective Date of Award (January 10, 2012) through December 31, 2012 with the availability of three (3) additional one-year option to extend as provided for and approved in future years budgets.)
- (WBE) 8. Acceptance of the bid of SAT Radio Communications, Ltd., dba Industrial Communications, to provide: Installation Removal and Repair of SAWS Radio Equipment, Bid No. 09-9006, for a total of \$70,000.00. (This contract will be utilized for installation, removal and repair of SAWS radio equipment. Cumulative total \$70,000.00 through December 31, 2012. This contract extension will be effective Date of Award (January 10, 2012) through December 31, 2012.)
- (SBE) 9. Acceptance of the bid of Pencco, Inc., to provide: Fluorosilicic Acid, Bid No. 10-2008, for a total of \$500,000.00. (This contract will be utilized for the fluoridation systems at our 30 pumping stations. The fluoridation system will utilize fluorosilicic acid to treat our water supply. This contract extension will be effective February 2, 2012 through February 1, 2013.)
- C. Authorization to Utilize the City of San Antonio's Competitive Bidding Process for Annual Contracts. Estimated annual purchases are based on unit prices bid. Actual totals may vary from estimate.

No items for this Meeting.

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

No items for this Meeting.

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

1. **Acceptance of the bid of TW Telecom to provide: Internet Circuit Headquarters Location (5 years), (State of Texas Contract) (DIR-TEX-AN-NG-CTSA-006) Bid No. 11-1182, for a total of \$90,343.80. (This contract will be utilized for Internet Circuit at the SAWS Headquarters location. This contract will be effective Date of Award (January 10, 2012) through December 31, 2016.)**
2. **Acceptance of the bid of TW Cable to provide: Backup Internet Circuit Headquarters Location (5 years), Bid No. 11-1183, for a total of \$123,000.00. (This contract will be utilized for Backup Internet Circuit Headquarters location. In order to provide carrier diversity, the Internet provider for the backup system must be different than the provider for headquarters Internet Circuit. Award will be made to the second lowest bidder. This contract will be effective Date of Award (January 10, 2012) through December 31, 2016.)**
3. **Acceptance of the bid of Mainline Information Systems to provide: IBM z800 Mainframe Processor and Operating Software Hardware, (State of Texas Contract) (TX MAS 3-70090) Bid No. 09-3082, for a total of \$81,168.00. (This contract will be utilized for a 24 month lease agreement renewal of the IBM z800 Mainframe Processor. This contract will be effective February 1, 2012 through January 31, 2014.)**
4. **Acceptance of the bid of IBM to provide: IBM Operating Software, (State of Texas Contract) (TX MAS 3-70030) Bid No. 09-3082, for a total of \$431,046.00. (This contract will be utilized to operate the IBM Mainframe which consist of operating software and support software. This contract will be effective February 1, 2012 through January 31, 2014.)**

## **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 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	BMWD CONDITIONAL USA	Board Reason	Water CCN	WW CCN
1	Hardy Oak and Wilderness Oak Tract	M2G Stone Oak, Ltd.	8.484	0	32	EA/B	Applied for	Outside	1
Totals - January 2012			<u>8.484</u>	<u>0</u>	<u>32</u>				
Totals (January 2012 - December 2012)			<u>8.484</u>	<u>0</u>	<u>32</u>				

10. 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)

No.	Tract Name	Developer	Acreage	Water EDUs	WW EDUs	Board Reason	Water CCN	WW CCN
1	Halliburton-San Antonio	Halliburton Energy Services, Inc.	150	416	416	AC	Inside	Applied for
2	IH 37/Loop 1604	Hughes Sage II, LP	50	331	199	AC	Inside	Inside
Totals - January 2012			<u>200</u>	<u>747</u>	<u>615</u>			
Totals (January 2012 - December 2012)			<u>200</u>	<u>747</u>	<u>615</u>			

**EDU/Acreage Comparison Totals  
2012 – 2011**

EDU/Acreage Comparison Totals 2012 - 2011 (Year to Date - All Categories)	Total Acreage	Total Water EDU's	Total WW EDU's
Total ( January - December 2012)	208.48	747	647
Total ( January – December 2011)	178.82	63	457

**Water and Sewer Line Improvements**

11. A Resolution approving Recapitulation Change Order No. 15 in the decreased amount of \$490,475.08 to the construction contract with San Antonio Constructors, Inc., in connection with Lackland Terrace Phase 1 Water And Sewer Improvements Project; authorizing the return of funds in the amount of \$490,475.08 and the construction contingency of \$70,406.11 for a total amount of \$560,881.19 to the Project Fund; authorizing the President/Chief Executive Officer to execute Change Order Nos. 15 and to close the contract. Located in Council District 4. Total expenditures are: \$560,881.19 for a revised contract amount of \$6,313,889.99. (KELLEY NEUMANN – FRANCES PLOCEK)

## Production, Transmission and Treatment Improvements

12. **A Resolution amending Resolution No. 09-405 by approving Change Order No. 21 in the amount of \$11,407.63 and Recapitulation Change Order No. 22 in the decreased amount of \$299,358.87 in connection with the Roosevelt Avenue Sewer Main Rehabilitation Project; authorizing additional construction contingency funds in the amount of \$16,229.68; returning funds in the amount of \$299,358.87 to the System's Project Fund; authorizing the President/Chief Executive Officer to execute Change Order No. 21 and Recapitulation Change Order No. 22 and to return funds for Recapitulation Change Order No. 22 in the total amount of \$299,358.87 to the Project Fund, and to close the contract. Located in Council Districts 3 & 5. Total expenditures are: \$299,358.87 for a revised contract amount of \$3,412,730.78. (KELLEY NEUMANN – FRANCES PLOCEK)**
13. **A Resolution ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 6 in the amount of \$38,129.36 in connection with the Central Watershed Sewer Relief Line, C-01 Project; approving the expenditure of funds in the amount of \$38,129.36 for the project work; approving an amount not to exceed \$38,129.36 be made available and expended from the System's Project Fund for the project work; authorizing the President/Chief Executive Officer to pay Don Kelly Construction, Inc., an amount not to exceed \$38,129.36 for the project work. Located in Council District 4. Total expenditures are: \$38,129.36 for a revised contract amount of \$10,142,115.12. (KELLEY NEUMANN – FRANCES PLOCEK)**
14. **A Resolution rescinding Change Order No. 4 renumbered to Change Order No. 5 in the amount of \$68,811.40 in connection with the Central Watershed Sewer Relief Line, C-02 Phase II Project; authorizing the President/Chief Executive Officer to rescind Change Order No. 4 in the construction contract with Reynolds Inliner, LLC. Located in Council District 4. Total expenditures are: \$68,811.40 for a revised contract amount of \$2,883,965.58. (KELLEY NEUMANN – FRANCES PLOCEK)**
15. **A Resolution approving Change Order No. 3 in the amount of \$66,853.90 in connection with the Dos Rios Water Recycling Center (WRC) Re-Rating Headworks Improvements and Process Enhancements Phase I Project; approving total payment in the amount of \$66,853.90 to Pepper-Lawson Construction, L.P., for the additional project work associated with Change Order No. 3; authorizing the additional expenditure of funds in the amount of \$66,853.90 for Change Order No. 3 from the project construction contingency fund; authorizing the President/Chief Executive Officer to execute Change Order No. 3 and to pay Pepper-Lawson Construction, L.P., the additional sum of \$66,853.90 from the project construction contingency fund for the additional project work associated with Change Order No. 3. Total expenditures are: \$66,853.90 for a revised contract amount of \$14,955,054.06. (KELLEY NEUMANN – ASHOK KAJI)**

## Professional Services

16. **A Resolution approving Contract Amendment No. 2 in the amount of \$40,210.50 in connection with the Western Watershed Relief Line – Middle Segment Project and to provide additional professional engineering services; amending Resolution No. 10-119 by approving additional expenditures in an amount not to exceed \$40,210.50 for additional engineering services by Brown and Caldwell in connection with the Western Watershed Relief Line – Middle Segment Project; approving the expenditure of funds in an amount not to exceed \$40,210.50 from the System's Project Fund for the project engineering work; authorizing the President/Chief Executive Officer to execute a professional services Contract Amendment No. 2 with Brown and Caldwell, and to pay Brown and Caldwell, an amount not to exceed \$40,210.50 for the project engineering work. Total**

expenditures are: \$40,210.50 for a revised contract amount of \$1,200,851.50. (KELLEY NEUMANN – FRANCES PLOCEK) 3704

## **REPLACEMENT AND ADJUSTMENT PROJECTS**

### **Governmental Relocations and Replacements**

17. **A Resolution approving Final Recapitulation Change Order No. 7 in the decreased amount of \$387,689.36 to the construction contract with Pipelayers, Inc. in connection with the 2009 SAWS Water And Sewer Construction Contract, Package IV; authorizing the return of funds in the amount of \$387,689.36 and the construction contingency balance of \$57,430.45 for a total amount of \$445,119.81 to the Project Fund; authorizing the President/Chief Executive Officer to execute Final Recapitulation Change Order No. 7. Total expenditures are: \$445,119.81 for a revised contract amount of \$1,773,628.42. (KELLEY NEUMANN – CINDY KOVACIC)**
18. **A Resolution approving the expenditure of funds in the amount of \$467,778.50 for the replacement of water and sewer facilities by the City of San Antonio in connection with the New Braunfels Avenue/Nacogdoches Road Intersection Project; approving an amount not to exceed \$46,777.85 for construction contingency expenses related to the project work; approving an amount not to exceed \$514,556.35 be made available and expended from the System’s Project Fund for the project work and related construction contingency expenses; authorizing the President/Chief Executive Officer to pay to the City of San Antonio an amount not to exceed \$514,556.35 for the project work and related construction contingency expenses. Located in Council District 9. Total expenditures are: \$514,556.35. (KELLEY NEUMANN – CINDY KOVACIC)**
19. **A Resolution amending Resolution No. 09-173 by approving the expenditure of additional funds in an amount not to exceed \$31,595.40 payable to Bexar County for additional construction contingency expenses in connection with the Bulverde – Evans Intersection Project; approving an additional amount not to exceed \$31,595.40 be made available and expended from the System’s Project Fund for additional construction contingency expenses; ratifying the actions of the Senior Vice President of Strategic Resources in approving Change Order No. 3 in the amount of \$35,400.00; authorizing the President/Chief Executive Officer to pay Bexar County an additional amount not to exceed \$31,595.40 for additional construction contingency expenses. Total expenditures are: \$31,595.40 for a revised contract amount of \$407,321.50. (KELLEY NEUMANN – CINDY KOVACIC)**

## **WATER RESOURCES PROJECTS**

### **Professional Services Contracts**

20. **A Resolution amending Resolution No. 04-346, as previously amended by Resolution Nos. 06-268, 07-011, and 11-050, to provide for additional professional services to the existing professional services contract with CH2M Hill, Inc., in an amount not to exceed \$401,893.00 in connection with the Regional Carrizo Project, Well Field Project located in Gonzales County and the overall program in Gonzales, Guadalupe, and Bexar Counties; approving additional expenditures in an amount not to exceed \$401,893.00; approving the expenditure of funds in an amount not to exceed \$401,893.00 from the San Antonio Water System’s Project Fund for additional professional services; authorizing the President/Chief Executive Officer or his designee to finalize and execute Amendment No. 6 to the existing professional services agreement with CH2M Hill, Inc., and to pay CH2M Hill, Inc., an additional amount not to exceed \$401,893.00 for**

additional professional services. Total expenditures are: \$401,893.00 for a revised contract amount of \$3,923,735.44. (CHARLES AHRENS – GARY GUY)

## **EASEMENTS AND REAL PROPERTY**

21. A Resolution authorizing the President/Chief Executive Officer or his designated representative to execute an Amendment to Shopping Center Sublease Agreement (the “Sublease Agreement”) between the San Antonio Water System and CPS Energy for a term of twelve months at the Las Palmas Shopping Center for approximately 2,857 square feet of office space located at 803 Castroville Road, Suite 406, San Antonio, Texas (The “Property”) in a total rent amount not to exceed \$31,800.00 and an annual pro rata share of maintenance and utility expense not to exceed \$10,000.00 for a total sum of \$41,800.00 for the twelve month sublease term; authorizing the expenditure from the System Fund in an amount not to exceed \$38,316.67 for fiscal year 2012 and that expenditures in the subsequent fiscal year shall not exceed \$3,483.33 and are pursuant to and contingent upon Board approval of subsequent year’s budget with a line item for such expenditures; authorizing the President/Chief Executive Officer or his designated representative to pay the total amount not to exceed \$41,800.00 during the term of the sublease agreement to CPS Energy for said sublease. Total expenditures are: \$41,800.00. (MIKE BRINKMANN – BRUCE HABY)
  
22. A Resolution approving the Purchase Agreement in the amount of \$135,000.00 with Centex Homes, a Nevada General Partnership, (“Purchase Agreement”) for the purchase by the City of San Antonio, acting by and through the San Antonio Water System, of a 0.260 acre tract and a 0.562 acre access easement located in the northeast quadrant of Bexar County near the intersection of TPC Parkway and Marriot Parkway outside the city limits of San Antonio (“Property”), for access to the Cibolo Elevated Tank Site; authorizing the acquisition of the property in accordance with the terms of the Purchase Agreement; authorizing the expenditure of funds from the System’s Project Fund in a total amount not to exceed \$137,500.00 for the acquisition of the property and related closing costs; authorizing the President/Chief Executive Officer or his designated representative to execute all documents necessary to effectuate the acquisition of the property and to pay the amount not to exceed \$135,000.00 to Centex Homes, a Nevada General Partnership through Alamo Title Company as Escrow Agent for the acquisition of the property, and up to \$2,500.00 to Alamo Title Company for related closing and title insurance costs. Total expenditures are: \$137,500.00. (MIKE BRINKMANN – BRUCE HABY)

## **FINANCIAL ITEMS**

23. A Resolution approving Amendment No. 4 in the amount of \$23,000.00 to the Audit Services Agreement with Padgett Stratemann & Co., for additional audit fees for audits of the San Antonio Water System for the years ending December 31, 2011 and 2012; authorizing additional audit fees in the amount of \$23,000.00 to be expended from the System Fund for audits of the San Antonio Water System for the years ending December 31, 2011 and 2012; authorizing the President/Chief Executive Officer to execute Amendment No. 4 to the Audit Services Agreement with Padgett Stratemann & Co.; and authorizing the expenditure of additional funds of \$23,000.00 payable to Padgett Stratemann & Co. for additional audit fees for audits of the San Antonio Water System for the years ending December 31, 2011 and 2012. Total expenditures are: \$23,000.00 for a revised contract amount of \$495,700.00. (DOUG EVANSON)
  
24. A Resolution amending Resolution No. 01-093 by substituting the name of Yvonne Torres for that of Vick Garmon as the agent of record for the participation in the State



## INFORMATION SERVICES ITEMS

25. A Resolution authorizing the second of a three-year agreement with Dell/ASAP Software for the period of January 1, 2012 to December 31, 2012; approving expenditures from the System Fund for the second year in an amount not to exceed \$492,053.30 for the 2012 Microsoft Full Platform Enterprise Agreement and an amount not to exceed \$21,847.26 for 2011 true-up costs for related software; authorizing the President/Chief Executive Officer or his designee to executive the second of a three-year agreement with DELL/ASAP Software and to pay Dell/ASAP Software an amount not to exceed \$513,900.56 for the 2012 Microsoft Full Platform Enterprise Agreement and 2011 true-up costs for related software for the second year of a three year agreement; directing the Staff of the System to return to the Board of Trustees for authorization of payment of funds for subsequent fiscal years. Total expenditures are: \$513,900.56.  
(DOUG EVANSON – JOE SAMPLES)

## HUMAN RESOURCES ITEMS

26. A Resolution authorizes the expenditure of funds in an amount not to exceed \$115,000.00 to fund the San Antonio Water System 2011 Safety Incentive Program, authorize payment in 2012, from January 1, 2011 through December 31, 2011 in an amount not to exceed \$115,000.00 from the System Fund; authorizing the President/Chief Executive Officer to fund an amount not to exceed \$115,000.00 for the San Antonio Water System 2011 Safety Incentive Program, payable in 2012, from January 1, 2011 through December 31, 2011. Total expenditures are: \$115,000.00.  
(JERRY BAILEY – DAN O'BRIEN)

## PUBLIC AFFAIRS ITEMS

27. A Resolution approving the expenditure of funds to develop and place advertising in excess of \$50,000.00 per media outlet in an amount not to exceed \$1,013,404.00 in the aggregate from the Public Affairs budget; authorizing these expenditures in an amount not to exceed \$1,013,404.00 from the Public Affairs Fiscal Year 2012 budget for the period of January 1, 2012 through December 31, 2012 from the System Fund; authorizing the President/Chief Executive Officer or his designee to allow the use of funds in excess of \$50,000.00 per production and media outlet to support SAWS messaging to the ratepayers of San Antonio and to pay various media outlets in an amount not to exceed \$1,013,404.00 from the Public Affairs budget for the period of January 1, 2012 through December 31, 2012 for media time or space. Total expenditures are: \$1,013,404.00. (GREG FLORES – ANNE HAYDEN)
28. A Resolution approving Contract Amendment No. 1 under Resolution No. 10-029 with Guerra, Deberry, Coody in the amount of \$40,000.00 thereby increasing the annual contract amount for work done by Guerra, Deberry, Coody from \$110,000.00 annually to \$150,000.00; for additional work and assignments related to but not limited to local and regional public relations, creative content development and crisis communications services; approving the expenditure of funds in a total amount not to exceed \$150,000.00 from the System Fund for consulting services including but not limited to local and regional public relations, creative content development and crisis communications services; authorizing the President/Chief Executive Officer to execute Contract Amendment No. 1 with Guerra, Deberry, Coody, and to pay Guerra, Deberry, Coody an amount not to exceed \$150,000.00 per annum under the current contract period which expires December 31, 2012, which contract contains two one-year options to extend the

term; the revised contract amount total for 2012 is \$150,000.00. Total Expenditures are: \$40,000.00 for a revised contract amount of \$150,000.00.  
(GREG FLORES – ANNE HAYDEN)

29. A Resolution amending Resolution No. 11-175 and ratifying the actions of the Vice President of Public Affairs in authorizing the additional expenditures in the amount of \$40,000.00 from the System Fund for media time and space in connection with the BexarMet Integration Awareness Campaign. Total expenditures are: \$40,000.00.  
(GREG FLORES – ANNE HAYDEN)
30. A Resolution authorizing an interjurisdictional agreement with the City of San Antonio Department of Human Services for Administrative Services to certify eligible ratepayers for the Affordability Discount Program (ADP), and to qualify eligible ratepayers for the Project Agua Program for calendar years 2012-2016; and approving the expenditure of funds in an amount not to exceed \$258,000.00 from the System Fund for payment to the City of San Antonio Department of Human Services for calendar year 2012; authorizing the expenditure of funds in an amount not to exceed \$258,000.00 from the System Fund to reimburse the City of San Antonio Department of Human Services for administrative and direct staff costs related to the certification and qualification of eligible ratepayers for the ADP and Project Agua Program in calendar year 2012, authorizing the President/Chief Executive Officer or designated representative execute the agreement with the City of San Antonio Department of Human Services and to pay the City of San Antonio Department of Human Services for administrative and direct staff costs related to the certification and qualification of eligible ratepayers for the ADP and Project Agua Program in calendar year 2012 in an amount not to exceed \$258,000.00. Total expenditures are: \$258,000.00. (GREG FLORES – ANNE HAYDEN)

### CUSTOMER SERVICE ITEMS

31. A Resolution determining that the Competitive Sealed Proposals Procurement Method provided under Section 2267.056 of the Texas Government Code provides the Best Value for the 2012 Meter Replacement Program Project; authorizing the President/Chief Executive Officer to utilize the Competitive Sealed Proposals Procurement Method in connection with this project.  
(STACEY ISENBERG – ALAN WILLIAMS)
32. A Resolution accepting the proposal of and awarding consulting services contracts to Credit Systems International, Inc. and Municipal Services Bureau in an amount not to exceed \$300,000.00 for consulting services regarding the Third Party Collections Initiative; approving the expenditure of funds in an amount not to exceed \$300,000.00 from the Project Fund to procure the said services of third party collections; authorizing the System's President/Chief Executive Officer to execute consulting contracts with Credit Systems International, Inc. and Municipal Services Bureau an amount not to exceed \$300,000.00 for the third party collections initiative work. Total expenditures are: \$300,000.00. (STACEY ISENBERG – ALAN WILLIAMS)

### MISCELLANEOUS ITEMS

33. A Resolution approving the expenditure of an amount not to exceed \$165,818.00 from the System Fund for Ruben Barrera of the law firm of Bracewell & Giuliani, L.L.P., to act as Special Counsel to the Board for the 2012 calendar year and granting authority to the Board Chairman to execute a letter of engagement for the retention of Ruben Barrera's legal services for the 2012 calendar year.  
(BERTO GUERRA, JR., CHAIRMAN)

34. A Resolution renewing a sole source contract with Emerson Process Management Power & Water Solutions, in an amount not to exceed \$73,113.00 for component coverage, expert telephone support, internet information access, remote system diagnostics, guardian support and scheduled on-site service for the Emerson Ovation Control Systems at the Dos Rios, Leon Creek, and Medio Creek Water Recycling Centers; authorizing the expenditure of funds in an amount not to exceed \$73,113.00 from the System Fund for component coverage, expert telephone support, internet information access, remote system diagnostics, guardian support and scheduled on-site service for the Emerson Ovation Control Systems at the Dos Rios, Leon Creek, and Medio Creek Water Recycling Centers; authorizing the President/Chief Executive Officer to execute the renewal of a sole source contract with Emerson Process Management Power & Water Solutions and to pay Emerson Process Management Power & Water Solutions an amount not to exceed \$73,113.00 for a component coverage, expert telephone support, internet information access, remote system diagnostics, guardian support and scheduled on-site service for the Emerson Ovation Control Systems at the Dos Rios, Leon Creek, and Medio Creek Water Recycling Centers. Total expenditures are: \$73,113.00.  
(STEVE CLOUSE – JEFF HABY)
35. A Resolution amending Resolution No. 11-217 by approving Change Order No. 1 in the amount of \$430,000.00 to the construction contract with H.L. Zumwalt Construction Inc. in connection with the renewal of the Annual 2011 Asphalt Overlay Work Order Construction Contract Project; approving the expenditure of additional funds in the amount of \$430,000.00 from the System Fund for Change Order No. 1; authorizing the President/Chief Executive Officer or his designated representative to execute Change Order No. 1 and to pay to H.L. Zumwalt Construction Inc. an additional amount not to exceed \$430,000.00 for the additional project work associated with Change Order No. 1. Total expenditures are: \$430,000.00 for a revised contract amount of \$2,473,445.50.  
(VAL RUIZ – JEFF BROWN)

## **ITEMS FOR INDIVIDUAL CONSIDERATION**

### **CAPITAL IMPROVEMENT CONTRACTS**

#### **PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY**

##### **Production, Transmission and Treatment Improvements**

36. A Resolution approving a contract in the amount of \$3,191,000.00 with Guadalupe Valley Electric Cooperative, Inc., to provide design and construction of the electrical infrastructure to San Antonio Water System's Buckhorn Well Field and San Antonio Water System's Schertz Parkway Pump Station; approving the installation of a 25 kv electric substation in Gonzales County near San Antonio Water System's Buckhorn Well Field; approving approximately 80,000 feet of overhead power lines to the nine wells in the Buckhorn Well Field; approving the installation of an overhead power line to the pump at the Gonzales County Water Supply Corporation's Bebe Well Site; approving the installation of a 12.4 kv underground power line and ground-mounted transformer to service San Antonio Water System's Schertz Parkway Pump Station in the City of Schertz; approving the payment to Guadalupe Valley Electric Cooperative, Inc., in the amount of \$3,191,000.00 for the design and construction of the 25 kv substation in Gonzales County, construction of power lines to the nine production wells in San Antonio Water System's Buckhorn Well Field, construction of a power line to the

pump at the Gonzales County Water Supply Corporation's Bebe Well Site and installation of a 12.4 kv underground power line and ground-mounted transformer for service to San Antonio Water System's Schertz Parkway Pump Station in the City of Schertz in connection with the Regional Carrizo Program; authorizing total expenditures of funds in an amount not to exceed \$3,191,000.00.00 from the System's Project Fund Water Supply Fee for the project work; authorizing the President/Chief Executive Officer or his designee to execute a contract with Guadalupe Valley Electric Cooperative, Inc., and to pay Guadalupe Valley Electric Cooperative, Inc., the amount of \$3,191,000.00 for the project work; authorizing the President/Chief Executive Officer or his designee to execute a contract with Guadalupe Valley Electric Cooperative, Inc., for retail electric service in connection with the Regional Carrizo Project, including service to the Beckhorn Well Field and San Antonio Water System's Schertz Parkway Pump Station. Total expenditures are: \$3,191,000.00.  
(CHARLES AHRENS – GARY GUY)

## **WATER RESOURCES PROJECTS**

### **Professional Services**

37. A Resolution amending Resolution No. 03-393 as previously amended by Resolution Nos. 04-304, 04-355, 06-043, 06-269 and 10-104 by approving Contract Amendment No. 8 to the existing professional services contract with Black & Veatch Corporation in an amount not to exceed \$2,200,000.00 and by extending the professional services contract through June 1, 2014, in connection with the Regional Carrizo Program; approving additional expenditures in an amount not to exceed \$2,200,000.00; approving the expenditure of funds in an amount not to exceed \$2,200,000.00 from the San Antonio Water System's Project Fund for additional professional services; authorizing the President/Chief Executive Officer or his designee to execute Contract Amendment No. 8 in connection with the Regional Carrizo Program and by extending the professional services contract through June 1, 2014; authorizing the President/Chief Executive Officer or his designee to approve the payment of funds to Black & Veatch Corporation in an amount not to exceed \$2,200,000.00 for the additional engineering services related to the program work. Total expenditures are: \$2,200,000.00 for a revised contract amount of \$12,796,058.00. (CHARLES AHRENS – GARY GUY)

## **WATER RESOURCES ITEMS**

38. A Resolution accepting the proposal of Moore Supply Company to distribute residential-style high-efficiency toilets and accessories in an amount not to exceed \$3,317,700.60; awarding a two-year contract with three one-year extension options to Moore Supply Company for the purchase and distribution of residential-style high-efficiency toilets; authorizing an amount not to exceed \$3,317,700.60 for the two-year contract term with expenditures for Fiscal Year 2012 be made available from the System Fund and expenditures for subsequent years to be pursuant to and contingent upon Board approval of subsequent year's budget with a line item for such expenditures for the purchase and distribution of residential-style high-efficiency toilets; authorizing the President/Chief Executive Officer or his designee to execute a two-year contract with three one-year extension options with Moore Supply Company and to pay Moore Supply Company a total amount not to exceed \$3,317,700.60 for the purchase of residential-style high-efficiency toilets. Total returned amount is: \$3,317,700.60.  
(CHARLES AHRENS – KAREN GUZ)

## **MISCELLANEOUS ITEMS**

39. **A Resolution authorizing the President/Chief Executive Officer at the recommendation of the General Counsel to continue or negotiate new letters of engagement, as appropriate, with existing and new law firms to provide legal services to the San Antonio Water System; authorizing the expenditure of an amount not to exceed \$4,200,900.00 for calendar year 2012 from the System Fund and Project Fund for legal services provided for the operation and maintenance and capital projects of the system; directing the General Counsel to follow certain criteria and requirements in the negotiation and execution of letters of engagement. Total expenditures are: \$4,200,900.00.**  
**(NANCY BELINSKY)**
40. **A Resolution authorizing the President/Chief Executive Officer to administratively approve in calendar year 2012 additional expenditures in an amount not to exceed \$10,000.00 in the aggregate for each contract or agreement previously approved by the San Antonio Water System Board of Trustees; authorizing appropriation of funds in an amount not to exceed \$100,000.00 from the System Fund for this purpose; directing the staff to provide the San Antonio Water System Board of Trustees with an end-of-year report and to seek re-delegation of this authority on an annual basis. Total expenditures are: \$100,000.00. (DOUG EVANSON – PHILIP CAMPOS)**
41. **BRIEFING SESSION.**
- A. **Briefing and deliberation regarding Developments with Edwards Aquifer Recovery Implementation Program Habitat Conservation Plan.**  
**(CHARLES AHRENS)**
- B. **Briefing and deliberation regarding Gauging customer satisfaction, Feedback from November 2011 customer survey. (GREG FLORES)**
42. **President/Chief Executive Officer’s Report. Presentation of and deliberation on the following Items:**
- A. **2011 Capital Improvement Program (CIP) execution**  
B. **2011 Accomplishments**
43. **Inquiries.**
44. **The Regular Session of the January 10, 2012, 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.**
45. **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 - WILLIAM CROW)**
- B. **Consultation with attorneys and deliberation regarding legal matters related to the integration of the Bexar Metropolitan Water District into the San Antonio Water System, including without limitation legal matters related to the Second Amended and Restated Water Supply Agreement (Stein Tract) between Bexar Metropolitan Water District and Water Exploration Co., LTD. dated April 11, 2011, and Amended and Restated Water Supply Contract (Dym Tract) between Bexar Metropolitan Water District and Water Exploration Co., LTD. dated May 19, 2011. (NANCY BELINSKY-STEVE KOSUB)**
- C. **Consultation with attorneys and deliberation regarding Cause No. 2010-ED-**

0008; *City of San Antonio, acting by and through the San Antonio Water System, Condemnor v. Hanford-Southport, LLC., et al, Condemnee*; In Probate Court No. 2, Bexar County, Texas. (NANCY BELINSKY)

- D. Consultation with attorneys and deliberation regarding Regional Carrizo Water Delivery Pipeline Project easements acquisitions, including request to City Council for declaration of public necessity for such acquisitions and authorization of eminent domain proceedings to acquire necessary easements. (NANCY BELINSKY – MARK BREWTON)
- E. Consultation with attorneys and deliberation regarding the awarded contract to Western Summit Constructors, Inc. for the Olmos Basin Central Watershed Sewer Relief Line (C-3), Reaches 1 to 4, Project. (NANCY BELINSKY – SCOTT OLIVER)
- F. Deliberation regarding the annual evaluation, performance objectives and duties of the President/CEO; and consultation with attorneys concerning legal issues regarding the annual evaluation, performance objectives and duties of the President/CEO. (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)

- 46. The Regular Session of the Regular Board Meeting of January 10, 2012, is hereby reconvened.
- 47. A Resolution authorizing the expenditure of funds from the Project Fund in an amount not to exceed \$110,000.00 in accordance with the judgment in the lawsuit styled Cause No. 2010-ED-0008, *City of San Antonio, acting by and through the San Antonio Water System, Condemnor v. Hanford-Southport, LLC., et al, Condemnee*, in Probate Court No. 2, Bexar County, Texas in connection with the condemnation of the permanent sewer easement described as a 14.42-acre tract located near the intersection of Lone Star Pass and Applewhite Road in Bexar County, Texas owned by Hanford-Southport, LLC; authorizing payment of an amount not to exceed \$110,000.00 in satisfaction of the final judgment; authorizing the System’s attorneys to take all other action necessary to finally resolve this condemnation proceeding through conclusion, including final judgment and all necessary appeals. Total expenditures are: \$110,000.00. (MIKE BRINKMANN – BRUCE HABY)
- 48. A Resolution declaring a Public Necessity for public use for the acquisition of certain privately owned real property interests being permanent water line easements and temporary construction easements (collectively, the “Easements”) along a general route beginning from a point at the Schertz Parkway Pump Station and tank site located at 1744 Schertz Parkway, City of Schertz, in the northwestern quadrant of Guadalupe County Texas, thence in a northern direction within the western Dietz Creek Channel crossing Interstate Highway 35 to a point east of the intersection of Lookout Road and Jordan Road in the southwestern quadrant of Comal County Texas, thence in a westerly direction along the Lookout Road right of way crossing the Cibolo Creek into Bexar County Texas through the intersection with Loop 1604 continuing to a point to the intersection with Old O’Conner Road thence in a northern direction along Old O’Conner road right of way to O’Conner Road

continuing to a point ending at the Naco Pump Station located at 13655 O'Conner Road, City of San Antonio, in the northeastern quadrant of Bexar County Texas, being described as the Project Alignment for the Regional Carrizo Program, Water Delivery Pipeline Project; which 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 Regional Carrizo Program Water Delivery Pipeline Project (the "Project"); requesting that the City Council of the City of San Antonio ("City Council"): (i) adopt an ordinance reaffirming and declaring that the Project is for a public use and a public necessity exists for the acquisition of the easements; (ii) authorize the System to take all appropriate action to acquire the easements by negotiation and/or condemnation; (iii) declare that the conveyance of the easements shall be to the City of San Antonio for the use and benefit of the System; authorizing the City Manager or designees, including the City Attorney, General Counsel and/or designated special counsel to file eminent domain proceedings, if necessary; providing and approving funding for the Project.

(MIKE BRINKMANN – BRUCE HABY)

49. A Resolution rescinding Resolution No. 11-400 dated December 6, 2011 that awarded a contract to Western Summit Constructors, Inc. for the Olmos Basin Central Watershed Sewer Relief Line (C-3), Reaches 1 to 4 Project, rescinding the award of the contract and returning funds in the amount of \$10,747.624.00 to the Project Fund.  
(KELLEY NEUMANN – FRANCES PLOCEK)
50. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF JANUARY 10, 2012, IS HEREBY ADJOURNED.