



## **AGENDA**

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

**March 1, 2016, 9:00 A.M.**

**6th Floor Board Room #609**

**Administrative Offices**

**2800 U. S. Hwy 281 North, San Antonio, Texas 78212**

- 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 Board Meeting of January 5, 2016.**
- 4. Ceremonial and Recognition Items.**
- 5. Public Comment.**

#### **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).

## **CONSENT AGENDA ITEMS**

**Items 6 – 21**

### **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 – YVONNE TORRES)**
  - A. Award of New One Time Purchases of Materials, Equipment and Services.**
    - 1. Approving a one-time purchase from Horton Horticulture, Inc. to provide: purchase of Phase 2 landscaping and irrigation services at the Commerce St. Cooling Plant, Bid No. 16-16007, for a total of \$107,189.74.**
  - B. Award of New and Renewal Annual Goods & Services Requirement Contract and Maintenance Agreements. Estimated annual purchases are based on unit prices bid. Actual totals and quantities may vary from the estimate.**
    - 1. Acceptance of the sole source bid of Esri, Inc. to provide: annual contract for the maintenance of the Esri Arc Geographic Information System Software, Bid No. 16-1368, for a total of \$131,200.00.**
    - 2. Authorizing the renewal of an existing contract with Safety Supply, Inc. to provide: annual contract for disposable coveralls, Bid No. 15-6025, for a total of \$85,536.00.**
    - 3. Acceptance of the best value bid of Greune Environmental Co. to provide: annual contract for hazardous/non-hazardous waste transport and disposal services, Bid No. 15-3012, for a total of \$163,287.50.**
    - 4. Acceptance of the best value bid of Wachs Valve and Hydrant Services, LLC to provide: annual contract for valve preventive maintenance services, Bid No. 15-9051, for a total of \$342,000.00.**

### **CAPITAL IMPROVEMENT CONTRACTS PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY**

#### **Developer Customer Contracts**

- 7. A Resolution awarding a construction contract to R.L. Jones LP in an amount not to exceed \$810,659.60 in connection with the Kallison Ranch Area High School 24-inch Oversized Water Main (12-inch Required) Project; approving a contract between the System, the Northside Independent School District and R.L. Jones LP for the project work; authorizing the expenditures of funds in the amount of \$686,085.66 for the System's proportionate share of the project work payable to R.L. Jones LP, and the expenditure of funds in the amount of \$68,608.57 for the System's proportionate share of the engineering design fees payable to Northside Independent School District. Total expenditures: \$754,694.23. (GENOVEVA GOMEZ – SAM MILLS)**

8. **A Resolution awarding a construction contract to San Antonio Constructors, Ltd. in an amount not to exceed \$747,760.00 in connection with the Schneider Tract Subdivision 24-inch CIP Approach Water Main Project (12-inch Required); approving a contract between the System, Pulte Homes of Texas L.P. and San Antonio Constructors, Ltd. for the project work; authorizing the expenditures of funds in the amount of \$560,820.00 for the System's proportionate share of the project work payable to San Antonio Constructors, Ltd., and expenditures of funds in the amount of \$56,082.00 for associated design fees payable to Pulte Homes of Texas, L.P. Total expenditures: \$616,902.00. (GENOVEVA GOMEZ – SAM MILLS)**
9. **A Resolution approving an Interlocal Agreement with the Northside Independent School District; approving the expenditures of funds in an amount not to exceed \$914,518.02 for the System's proportionate share of the project work, and the expenditures of funds in an amount not to exceed \$84,151.54 for the System's proportionate share of the design fees payable to Northside Independent School District in connection with the FM 471 #3 Area Elementary School Offsite Sanitary Sewer Project. Total expenditures: \$998,669.56. (GENOVEVA GOMEZ – SAM MILLS)**

#### **Water and Sewer Line Improvements**

10. **A Resolution ratifying the actions of the Vice President of Engineering and Construction in awarding a construction contract to Spiess Construction Co., Inc. in an amount not to exceed \$652,590.00 in connection with the Emergency 42-inch Sanitary Sewer Replacement – 200 Block Castillo Avenue Project. Total expenditures: \$652,590.00. (GENOVEVA GOMEZ – KATHLEEN PRICE)**
11. **A Resolution approving Recapitulation Change Order No. 25 in the decreased amount of \$347,289.89 to be credited to the construction contract with S.J. Louis Construction of Texas, Ltd. in connection with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project; authorizing the return of funds in the amount of \$347,289.89 and the construction contingency balance of \$372,981.94 for a total amount of \$720,271.83. Total decreased amount: \$720,271.83. (GENOVEVA GOMEZ – KATHLEEN PRICE)**

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

12. **A Resolution awarding a professional services contract to MWH Americas, Inc. in an amount not to exceed \$391,863.00 in connection with the Turtle Creek No. 3 Pump Station Project. Total expenditures: \$391,863.00. (GENOVEVA GOMEZ – ASHOK KAJI)**

### **REPLACEMENT AND ADJUSTMENT PROJECTS**

#### **Governmental Relocations and Replacements**

13. **A Resolution approving an Interlocal Agreement with Bexar County; approving the expenditure of funds in the amount of \$153,820.55 for the replacement of water facilities by Bexar County in connection with the Von Ormy Street Drainage Project. Total expenditures: \$153,820.55. (GENOVEVA GOMEZ – KATHLEEN PRICE)**

14. A Resolution approving an Interlocal Agreement with the City of Castle Hills; approving the expenditure of funds in the amount of \$2,053,711.32 for the replacement of water and sewer facilities by the City of Castle Hills in connection with the City of Castle Hills 2004 – 2015 Street Maintenance Project. Total expenditures: \$2,053,711.32. (GENOVEVA GOMEZ – KATHLEEN PRICE)

### **MISCELLANEOUS PROJECTS**

15. A Resolution awarding a construction contract to RCO Construction, LLC in the amount not to exceed \$866,279.00 in connection with the Chilled Water Plant Improvements Project. Total expenditures: \$866,279.00. (GENOVEVA GOMEZ – JULIE VALADEZ)

### **EASEMENT AND REAL PROPERTY**

16. A Resolution accepting an offer in the amount of \$950,000.00 for the sale of approximately 319.455 acres “Franklin Farm” located at the east and south sides of County Road 400, northwest of U.S. Highway 83 in Uvalde County, Texas and approving a Purchase Agreement with J. Allen Carnes; affirming a six percent (6%) commission to be paid to Cano and Company at closing and authorizing payment of closing costs up to \$5,000.00 at closing. Total amount received: \$950,000.00. (NANCY BELINSKY – BRUCE HABY)

### **WATER RESOURCES ITEMS**

17. A Resolution awarding a construction contract to Weisinger Incorporated in the amount not to exceed \$809,250.00 in connection with the Saturn Well Drilling Project in Gonzales County. Total expenditures: \$809,250.00. (DONOVAN BURTON – DARREN THOMPSON)

### **MISCELLANEOUS ITEMS**

18. A Resolution awarding a construction contract to D. Guerra Construction, LLC in an amount not to exceed \$974,010.00 in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 1. Total expenditures: \$974,010.00. (STEVE CLOUSE – JEFF HABY)
19. A Resolution awarding a construction contract to Austin Constructors, LLC in an amount not to exceed \$969,820.00 in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 2. Total expenditures: \$969,820.00. (STEVE CLOUSE – JEFF HABY)
20. A Resolution approving a professional services contract with ATS Communications, Inc. in an amount not to exceed \$60,000.00 for a period from March 1, 2016 through March 1, 2017 to provide federal legislative consulting services. Total expenditures: \$60,000.00. (DONOVAN BURTON)
21. A Resolution amending the annual budget for the San Antonio Water System District Special Project for the Fiscal Year ending December 31, 2015. (DOUG EVANSON – MARY BAILEY)



## ITEMS FOR INDIVIDUAL CONSIDERATION

### CAPITAL IMPROVEMENT CONTRACTS PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

#### Developer Customer Contracts

22. A Resolution approving Utility Service Agreements to provide water and/or wastewater service to the tracts listed below requiring potential oversizing of mains (OVR), and/or are located outside the San Antonio Water System water and/or wastewater Certificate of Convenience and Necessity (CCN). (GENOVEVA GOMEZ – SAM MILLS)

No.	Tract Name	Developer	Acres	W EDUs	WW EDUs	CoSA / CoSA ETJ / Outside	EARZ/ CZ	Board Reason	W CCN	WW CCN
1	Iron Horse Town Homes	Mathom LTD.	4.99	12	6	CoSA ETJ	EARZ	CCN	In	Out
Totals			4.99	12	6					

#### Water and Sewer Line Improvements

23. A Resolution awarding a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. in the amount of \$4,707,697.00 in connection with the 2015 Pipe Burst Sanitary Sewer Construction Package X. Total expenditures: \$4,707,697.00. (GENOVEVA GOMEZ – KATHLEEN PRICE)

### MISCELLANEOUS ITEMS

24. A Resolution amending the annual budget for the San Antonio Water System for the Fiscal Year ending December 31, 2016; authorizing the approved annual budget for the Fiscal Year ending December 31, 2016 be submitted to the City Council for review and consultation; and briefing and consultation with the BexarMet Integration Advisory Committee regarding the integration of the District Special Project.  
(DOUG EVANSON – MARY BAILEY)
25. BRIEFING SESSION.
- A. Briefing and deliberation regarding the Vista Ridge Project
  - B. Briefing and deliberation regarding the Federal Agenda – SA to DC
  - C. Briefing and deliberation regarding Financial Metrics and Comparisons to other Water and Sewer Utilities

26. **President/Chief Executive Officer's Report.**
  - A. **Bragg v Edwards Aquifer Authority**
27. **Inquiries of the Board of Trustees for future briefings and/or follow-up action.**
28. **The Regular Session of the March 1, 2016, Regular Board Meeting is hereby recessed to hold an Executive Session and discuss the matters listed below pursuant to Sections 551.071 and 551.074 of the Texas Open Meetings Act.**
29. **EXECUTIVE SESSION.**
  - A. **Consultation with attorneys regarding *Bragg v Edwards Aquifer Authority et al*; Cause No. 06-11-18170-CV in the 38<sup>th</sup> Judicial District Court of Medina County, Texas and *GG Ranch, Limited; et al v. Edwards Aquifer Authority; et al*; Case No. 15-50505 in the United States Court of Appeals for the Fifth Circuit.**
  - B. **Consultation with attorneys regarding Cause No. D-1-GN-15-005774, in District Court of Travis County, Texas, 201st Judicial District, styled, *Metropolitan Water Company, L.P. vs. Blue Water Systems, LP, et al.*, and other legal issues regarding the Water Transmission and Purchase Agreement between the City of San Antonio, Texas, acting by and through the San Antonio Water System Board of Trustees and Abengoa Vista Ridge, LLC.**
  - C. **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.**
30. **The Regular Session of the Regular Board Meeting of March 1, 2016, is hereby reconvened.**
31. **Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF MARCH 1, 2016, IS HEREBY ADJOURNED.**



## **MINUTES**

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

**January 5, 2016, 9:00 A.M.**

**6th Floor Board Room #609**

**Administrative Offices**

**2800 U. S. Hwy 281 North, San Antonio, Texas 78212**

#### **Board Members Present:**

Berto Guerra, Jr., Chairman  
Ivy R. Taylor, Mayor  
Pat Jasso, Vice Chair  
Ernesto Arrellano, Jr., Secretary  
Louis E. Rowe, Assistant Secretary  
David P. McGee, Trustee

#### **Board Members Absent:**

Pat Merritt, Trustee

#### **1. MEETING CALLED TO ORDER.**

The meeting of the San Antonio Water System Board of Trustees was held on January 5, 2016, and called to order at 9:09 a.m. by Chairman Berto Guerra.

#### **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.**

Chairman Guerra asked everyone to keep the Merritt and Seguin families in their thoughts and prayers after the loss of a family member.

Chairman Guerra stated Items 23, 26 and 39 were pulled from the agenda, and no action would be taken on those items.

**3. Nomination and Election of Officers and Appointment of Committee Members for the San Antonio Water System Board of Trustees.  
(BERTO GUERRA, JR., CHAIRMAN)**

Chairman Guerra asked for the nomination of Officers for the SAWS Board of Trustees.

Mr. McGee made a motion to nominate Trustee Jasso to serve as Vice Chair, Trustee Arrellano to serve as Secretary, and Trustee Rowe to serve as Assistant Secretary. Mr. Rowe seconded the motion.

After no further discussion, the motion to elect Trustee Jasso as Vice Chair, Trustee Arrellano as Secretary, and Trustee Rowe as Assistant Secretary was unanimously approved. Verbal voting.

Chairman Guerra state the appointment of Members to the SAWS Audit Committee was next.

Chairman Guerra made a motion to appoint Trustees Jasso, Merritt and McGee to serve as Members to the Audit Committee, Dr. Jim Welch to continue to serve as the one Non-Board Member to the Audit Committee, and Trustee Merritt to serve as Chair. Mr. Arrellano seconded the motion.

After no further discussion, the motion to appoint Trustees Jasso, Merritt and McGee to serve as Members to the Audit Committee, Dr. Jim Welch to serve as the one Non-Board Member, and Trustee Merritt to serve as Chair to the Audit Committee was unanimously approved. Verbal voting.

Chairman Guerra stated he also wanted to address the designation of Members to the SAWS Development Task Force. In July 2014, he created the Development Task Force and designated Trustees Rowe and Arrellano as Members to assist Executive Management and the Board through the review of SAWS policy for growth in support of the City's Master Plan and related policies. He stated he was expanding the Development Task Force to include Trustee McGee and to include Leilah Powell, Gene Dawson and Annalisa Peace as Non-Board Members. He also designated Trustee Rowe to serve as Chair for the Development Task Force.

**4. Minutes.**

**A. Approval of the Minutes of the San Antonio Water System Board of Trustees Regular Board Meeting of October 27, 2015.**

Chairman Guerra asked if there were any corrections to the minutes. Hearing none, he stated the minutes were approved as presented.

**5. Ceremonial and Recognition Items.**

None

**6. Public Comment.**

Alan Montemayor spoke about Vista Ridge and the potential bankruptcy proceedings for the

parent company Abengoa in Spain. He commented on the lawsuit between Metropolitan Water and Blue Water regarding lease payments. He stated the threat from Metropolitan Water to pull 1,300 acres of leases would leave an inadequate number of acres to fulfill the requirement of the contract, thereby voiding the contract. He asked that SAWS back away from the Vista Ridge contract, improve conservation, and proactively go after rainwater capture and stormwater reuse.

David Klar stated as a concerned SAWS ratepayer, he request the SAWS Board, the Mayor of the City of San Antonio, and the City Council to opt out of Vista Ridge. He suggested brackish desal, which was less expensive and expandable when it was needed. He commented on the reliability of Vista Ridge water and stated that that it was too expensive.

## **CONSENT AGENDA ITEMS**

### **Items 7 – 31**

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

- 7. 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 New One Time Purchases of Materials, Equipment and Services.**
    - 1. Approving a one-time purchase from JC Communications to provide: fiber optic cable installation between Medio Creek to West Side Operation Center. Bid No. 15-15125, for a total of \$122,744.42.**
  - B. Award of New and Renewal Annual Goods & Services Requirement Contract and Maintenance Agreements. Estimated annual purchases are based on unit prices bid. Actual totals and quantities may vary from the estimate.**
    - 1. Acceptance of the best value bid of Avante Solutions, Inc. to provide: the purchase of Service Desk software and software maintenance, Bid No. 15-05083, for a total of \$144,300.00.**
    - 2. Acceptance of the bid of DXI Industries, Inc. to provide: annual contract for liquid chlorine, Bid No. 15-0338, for a total of \$1,291,960.00.**
    - 3. Acceptance of the bid of HD Supply Waterworks, Ltd. to provide: annual contract for fire hydrant repair parts, Bid No. 15-0012, Groups 1, 2, 4, 5, 6 & 7 for a total of \$107,930.02.**
    - 4. Acceptance of the bid of Fortiline Waterworks to provide: annual contract for fire hydrant repair parts, Bid No. 15-0012, Groups 3 & 8 for a total of \$55,678.98.**
    - 5. Authorizing the renewal of an existing contract of Southwest Wheel to provide: annual contract for truck body and trailer parts and service, Bid No. 14-0226, for a total of \$79,318.68.**
    - 6. Acceptance of the bid of Gulf Coast Paper Co. to provide: annual contract for janitorial supplies, disinfectants and cleaners, Bid No. 15-1527, for a total of \$137,156.25.**

7. Acceptance of the bid of Flasher Equipment Co. to provide: biennial contract for traffic control devices rental, Bid No. 15-0214, for a total of \$1,087,160.00.
8. Acceptance of a sole source bid of XL Print Software to provide: Paris Enterprise license upgrade and annual maintenance for software to manage bill design and data to printers, Bid No. 15-15113, for a total of \$66,000.00.
9. Acceptance of the bid of Alterman Technologies to provide: purchase and installation of Security Management System and three years of warranty and maintenance, Bid No. 15-15091, for a total of \$249,709.00.
10. Acceptance of the bid of Marshall Distributing, Co. to provide: annual contract for fuel services for off-road equipment, Bid No. 15-1027, for a total of \$104,020.00.
11. Acceptance of the bid of Lancer Sales USA, Inc. to provide: annual contract for one laboratory glassware washer – cabinet sized and three under the counter laboratory glassware washers, Bid No. 15-15099, for a total of \$95,451.00.
12. Acceptance of the bid of Jarco Transport, LLC to provide: annual contract for supply of backfill and landscaping materials topsoil only, Bid No. 15-14070, for a total of \$596,775.00.

## CAPITAL IMPROVEMENT CONTRACTS PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

### Water and Sewer Line Improvements

8. A Resolution approving Recapitulation Change Order No. 3 in the decreased amount of \$203,772.46 to be credited to the construction contract with National Power Rodding Corp. in connection with the EARZ Small Diameter Rehab Project; authorizing the return of funds in the amount of \$203,772.46 and the construction contingency balance of \$112,737.60 for a total amount of \$316,510.06. Total decreased amount: \$316,510.06. (GENOVEVA GOMEZ – JOE CARRENO)
9. A Resolution approving Recapitulation Change Order No. 2 in the decreased amount of \$307,791.66 to be credited to the construction contract with IPR South Central, LLC in connection with the South Flores St. 48-Inch and 60-Inch Outfall Rehab Project; authorizing the return of funds in the amount of \$307,791.66 and the construction contingency balance of \$120,000.00 for a total amount of \$427,791.66. Total decreased amount: \$427,791.66. (GENOVEVA GOMEZ – JOE CARRENO)
10. A Resolution approving Change Order No. 1 in the decreased amount of \$1,668,720.37 to the construction contract with Kenny Construction Company in connection with the San Antonio River Outfall – Project 2A. Total decreased amount: \$1,668,720.37. (GENOVEVA GOMEZ – JOE CARRENO)

11. A Resolution awarding a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. in an amount not to exceed \$2,699,410.00 in connection with the 2015 UV CIPP Sanitary Sewer Package VII. Total expenditures: \$2,699,410.00. (GENOVEVA GOMEZ – JOE CARRENO)
12. A Resolution awarding a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. in an amount not to exceed \$2,298,637.00 in connection with the 2015 Open Cut Sewer Construction Package VIII. Total expenditures: \$2,298,637.00. (GENOVEVA GOMEZ – JOE CARRENO)
13. A Resolution approving Contract Amendment No. 5 in an amount not to exceed \$108,573.00 to the professional services contract with Brown and Caldwell in connection with the Western Watershed Sewer Relief Line – Middle Segment Project. Total expenditures: \$108,573.00. (GENOVEVA GOMEZ – JOE CARRENO)

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

14. A Resolution awarding a construction contract to Mar Industries, LLC in an amount not to exceed \$249,000.00 in connection with the Herndon Pass Odor Control Station Project and approving construction contingency expenses in an amount not to exceed \$12,450.00 for the project work. Total expenditures: \$261,450.00. (GENOVEVA GOMEZ – ASHOK KAJI)
15. A Resolution approving Recapitulation Change Order No. 12 in the decreased amount of \$898,041.46 to be credited to the construction contract with MGC Contractors, Inc. in connection with the Dos Rios Water Recycling Center Digester Mixing and System Enhancements Phase II Project; authorizing the return of funds in the amount of \$898,041.46 and the construction contingency balance of \$540,511.22 for a total amount of \$1,438,552.68. Total decreased amount: \$1,438,552.68. (GENOVEVA GOMEZ – ASHOK KAJI)
16. A Resolution awarding an engineering contract to Tetra Tech, Inc. in an amount not to exceed \$766,963.00 in connection with the Basin Pump Station Improvements Phase II Project. Total expenditures: \$766,963.00. (GENOVEVA GOMEZ – ASHOK KAJI)

#### **REPLACEMENT AND ADJUSTMENT PROJECTS**

##### **Governmental Relocations and Replacements**

17. A Resolution approving the expenditure of funds in the amount of \$158,508.00 for the street concrete pavement by the City of San Antonio in connection with the Alamo at Guenther Phase II – Water & Sewer Siphon Project. Total expenditures: \$158,508.00. (GENOVEVA GOMEZ – FRANCES PLOCEK)
18. A Resolution approving Recapitulation Change Order No. 12 in the decreased amount of \$110,071.00 to be credited to the construction contract with Pesado Construction Company, Inc. in connection with the Alamo at Guenther Phase II – Water & Sewer Siphon Project; authorizing the return of funds in the amount of \$110,071.00 and the construction contingency balance of \$105,240.37 for a total amount of \$215,311.37. Total decreased amount: \$215,311.37. (GENOVEVA GOMEZ – FRANCES PLOCEK)

19. A Resolution approving the expenditure of funds in the amount of \$575,215.58 for the adjustment and replacement of water and sewer facilities by the City of San Antonio in connection with the Indian Creek Channel Improvements – Phase II Project and approving construction contingency expenses in the amount not to exceed \$57,521.56 for the project work. Total expenditures: \$632,737.14.  
(GENOVEVA GOMEZ – FRANCES PLOCEK)
20. A Resolution, concerning both the San Antonio Water System and the District Special Project, approving the expenditure of funds in the amount of \$265,015.49 for the replacement of water and sewer facilities by the City of San Antonio in connection with the Fay Avenue Drainage Improvements (New Laredo Hwy to Somerset Road) Project and approving construction contingency expenses in the amount not to exceed \$26,501.55 for the project work. Total expenditures: \$291,517.04.  
(GENOVEVA GOMEZ – FRANCES PLOCEK)
21. A Resolution approving an Interlocal Agreement with Bexar County; approving the expenditure of funds in the amount of \$611,883.50 for the adjustment and replacement of water and sewer facilities by Bexar County Flood Control in connection with the Bulverde Road at Mud Creek Trib A (SC-27) Project and approving construction contingency expenses in the amount not to exceed \$61,183.35 for the project work. Total expenditures: \$673,071.85. (GENOVEVA GOMEZ – FRANCES PLOCEK)

#### **EASEMENT AND REAL PROPERTY**

22. A Resolution authorizing the expenditure and making available from the Project Fund the amount of \$75,000.00 being the amount of the Special Commissioners Award in litigation between the City of San Antonio by and through the System and Ayers Investments, Inc., successor in interest to Jester Investments, Inc., et al, in connection with the acquisition of the permanent sewer and recycled water easement being approximately 0.413 acres located along Bandera Road, between Seneca Drive and El Verde Road in Leon Valley, Bexar County, Texas, owned by Ayers Investments, Inc., successor in interest to Jester Investments, Inc., for Huebner Creek Enhanced Conveyance L-17, Phase II Project; authorizing the deposit of the amount of the award into the Registry of the Court; authorizing the System's legal counsel to continue to prosecute this litigation through conclusion. Total expenditures: \$75,000.00.  
(NANCY BELINSKY – BRUCE HABY)

Item 23 was pulled from the agenda, and no action was taken on this item.

23. A Resolution accepting an offer in the amount of \$625,000.00 for the sale of approximately 190.848 acres “Walton Farm” located north of Hacienda Road (CR 201), between F.M. 1403 and the Nueces River in Uvalde County, Texas and approving a purchase agreement with Wayne Hale; affirming a six percent commission to be paid to Cano and Company at closing and authorizing payment of closing costs up to \$5,000.00 at closing. Total amount received: \$625,000.00.  
(NANCY BELINSKY – BRUCE HABY)

#### **MISCELLANEOUS ITEMS**

24. A Resolution, concerning both the San Antonio Water System and the District Special Project, awarding a construction contract to Austin Constructors, LLC in an amount



**not to exceed \$940,255.00 in connection with the 2016 Annual Water Distribution Leak Repairs Contract – Package 1. Total expenditures: \$940,255.00.  
(MIKE BRINKMANN – JEFF BROWN)**

- 25. A Resolution, concerning both the San Antonio Water System and the District Special Project, awarding a construction contract to Austin Constructors, LLC in an amount not to exceed \$940,255.00 in connection with the 2016 Annual Water Distribution Leak Repairs Contract – Package 2. Total expenditures: \$940,255.00.  
(MIKE BRINKMANN – JEFF BROWN)**

Item 26 was pulled from the agenda, and no action was taken on this item.

- 26. A Resolution awarding a construction contract in an amount not to exceed \$800,000.00 in connection with Chilled Water Plant Improvements Project. Total expenditures: \$800,000.00. (GENOVEVA GOMEZ – JULIE VALADEZ)**
- 27. A Resolution approving the purchase of Cisco products and services through the State of Texas Department of Information Resources contracts DIR-TSO-2542 (Cisco Systems) and its Resellers, DIR-TSO-2544 (Presidio Networked Solutions Group) and its Resellers, and DIR-TSO-2541 (AT&T), and DIR-TSO-2543 (General Datatech) in an amount not to exceed \$1,050,000.00 for various Information Systems projects for the period of January 1, 2016 through December 31, 2016. Total expenditures: \$1,050,000.00. (DOUG EVANSON – MARGARITA HUBBARD)**
- 28. A Resolution authorizing expenditures in an amount not to exceed \$54,450.00 for software subscription and maintenance agreements with B2GNow/AskReply, Inc. for the LCPtracker software. Total expenditures: \$54,450.00.  
(DOUG EVANSON – MARGARITA HUBBARD)**
- 29. A Resolution amending the Trustees of the Risk Pool under which the San Antonio Water System Medical Plan and Retiree Health Trust is operated. (DOUG EVANSON)**
- 30. A Resolution exercising an option to extend the Service Agreement with Wells Fargo Bank, N.A. to provide trust and investment management services (as discretionary trustee) for the San Antonio Water System Retiree Health Trust. (DOUG EVANSON)**
- 31. A Resolution approving the Internal Audit Risk Assessment and Annual Audit Plan for 2016 and directing that the plan be implemented. (STACEY ISENBERG)**

Chairman Guerra asked if there were any other items in the Consent Agenda that should be pulled for individual discussion or consideration. Items 23 and 26 were pulled from the agenda, and no action was taken on these items.

Mr. McGee made a motion to approve the Consent Agenda Items, Nos. 7 – 31, except for Items 23 and 26. Mr. Arrellano seconded the motion.

Consent Agenda Items, Nos. 7 – 31 except for Items 23 and 26, were unanimously approved. Verbal voting.

## ITEMS FOR INDIVIDUAL CONSIDERATION

### MISCELLANEOUS ITEMS

- 32. A Resolution appointing new members to the Citizens Advisory Panel for a two-year term expiring December 31, 2017, reappointing returning members for a term expiring December 31, 2017, and appointing the Chairwoman to the Citizens Advisory Panel for a one-year term expiring December 31, 2016.  
(DONOVAN BURTON – DARREN THOMPSON)**

Steven Siebert presented Item 32, the appointment of Members to the Citizens Advisory Panel (CAP) and appointing the chairwoman for 2016. He reviewed the background for the CAP and the membership terms. The members represented the diversity of the City of San Antonio. Recruiting efforts included the Board and the Mayor's office for new candidates, and included other organizations such as the Community Conservation Committee.

He stated there were six retiring CAP members from 2014. He discussed Kay Kutchins' prior contributions to the CAP and the recommendation to appoint her as chairwoman for 2016. Ms. Kutchins had previously served six years on the CAP. The bylaws allowed for an individual to comeback for a final two-year term. He stated there were seven individuals who were eligible to be reappointed to serve another two-year term, and those returning members included Michael Ferguson, Olga Cerza Lauffman, Bianca Maldonado, Gloria Martinez, Eddie Meza, Brice Moczygemba and Lisa Tatum. He reviewed the five new recommended candidates: Evelyn Brown, Javier Garcia, Kay Kutchins, Briana Lyssy, and Denise Ojeda. Staff recommended the reappointment of returning members, the nominees for new members, and the appointment of Ms. Kutchins to serve as chairwoman in 2016.

Mr. Rowe made a motion to approve Item 32. Mr. Arrellano seconded the motion.

Chairman Guerra acknowledged the members who were present, and thanked the members for attending and agreeing to serve.

After no further discussion, Item 32 was unanimously approved. Electronic voting.

- 33. A Briefing regarding the District Special Project progress and consultation with the BexarMet Integration Advisory Committee.  
(DONOVAN BURTON – STEVE GONZALES)**

Donovan Burton presented Item 33, the progress on the integration of the District Special Project (DSP). He discussed some of the headlines regarding the former BexarMet System, and the community pleas to act. There were various community leaders, the legislature, customers, and elected officials pleading for something to be done. Chairman Puente filed legislation in 2007 that would have ultimately dissolved BexarMet and rolled it under the county. The bill passed and placed strict audit requirements on BexarMet for both financial and operational review through the Texas Commission on Environmental Quality (TCEQ). In 2011, the legislature passed Senate Bill 341 that required an election by the voters of BexarMet to decide whether or not to dissolve that entity and roll it into SAWS. The BexarMet customers voted 74 percent in favor of the bill. He discussed some of the headlines that came out after the vote.

He reviewed some of the issues with the system. BexarMet had multiple isolated systems, a lack of redundancy. SAWS was able to go in and interconnect to these systems. Some of the things that were not really known, were the conditions of the BexarMet Headquarters. There were cracks in the walls, mold and rat droppings in some of the areas where the employees were working, so some really tough building conditions. There were numerous issues with the infrastructure all over the city, all over the community, all over the county that SAWS found and was able to resolve. BexarMet's water supplies was another major issue. Medina Lake represented about 33 percent of all of BexarMet's water supplies, and it was completely dry. The WECO contract that represented another percent of the BexarMet water supply was a perfect example of paying for water they were not able to receive. SAWS was able to resolve all of those issues including the financial mess.

He discussed the planning and work done to resolve those issues. In 2011, Trustee Rowe and the other Board members approved an integrated Capital Improvements Program (CIP). A master planning effort began in April 2011 to really see what it would look like and how two infrastructures could be brought together to form one unit, and to make sure that BexarMet's infrastructure was fixed and the customers were taken care of. Those were the kinds of planning efforts that really made this a success and were able to get to the point of being able to dissolve the system. The efforts included the approval by the Board of Trustees, and the cooperation of BexarMet and SAWS employees working together down in the trenches. The Board hired Joe Aceves through Mr. Puente to focus on the integration. The planning and hard work was getting noticed with the upgrade of the financial position by Moody and the other rating agencies. SAWS management was cited as the key point.

He reviewed some of the integration successes. The DSP did not have a water rate increase over the past few years. The customers were facing double digit water rates over the next few years, and the DSP was able to go without any water rate increase. The huge water supply shortage was resolved, and the integration of the employees was one of the most important pieces of the whole task. They renegotiated contracts for major savings that included the WECO contract saved millions of dollars for BexarMet and SAWS ratepayers. This was SAWS first step into making sure that a contract deferred the risk over to a private company, and did not pay for water that was not being received. Badly-needed upgrades were made to infrastructure, which brought about financial stability. Integration was almost complete. Formally, the legislation stated integration was complete when infrastructure met TCEQ standards, it was no longer operating as a Special Project, and then rates would be equal to SAWS. The first item was done. The dissolution of the DSP was an action item for the Board's consideration, and ultimately would be voted on by City Council. The dissolution would be completed over the next couple of months. The rates would become equal to SAWS in January 2017, and the integration would be complete at that time.

He recognized the BexarMet Integration Advisory Committee that would be in place through the integration in January 2017. Chairman Steve Gonzalez was unable to be at the meeting, but wanted to come back next month. The committee was meeting next week to go through some of these issues and others, and wanted to make sure that communication efforts continued. He stated that the next two actions were the next steps to completing the task to fully integrate BexarMet.

- 34. A Resolution recommending and requesting that the San Antonio City Council take certain actions with respect to the issuance and sale of obligations designated as "City of San Antonio, Texas Water System Junior Lien Revenue Refunding Bonds, Series 2016A**

**(No Reserve Fund)” and “City of San Antonio, Texas Water System Junior Lien Revenue Refunding Bonds, Taxable Series 2016B (No Reserve Fund)”;** the approval of an offering document relating to each of the aforementioned series of obligations.  
**(DOUG EVANSON)**

Phyllis Garcia presented Item 34, approval to request City Council to authorize the issuance of debt to refund outstanding debt of the DSP and to potentially advance refund some SAWS debt for debt service savings. When SAWS assumed the operations of BexarMet in January 2012, staff analyzed the costs and savings that could be achieved to take out the BexarMet debt at that time. Due to the long escrow account that would need to be in place to refund the BexarMet debt, a \$12 million loss was projected at that time. Therefore, staff decided to wait closer to the final integration before debt was refunded. Today, the DSP had approximately \$155.4 million in fixed rate and tax exempt and taxable debt outstanding, plus a variable debt rate of \$88.7 million in the form of a flexible rate note program. SAWS implemented that flexible rate note program in 2012, and that was used to refund some of the former BexarMet debt for interest rate savings and to provide capital for the CIP.

She reviewed the comparison of transactions and savings for potential timeframes to refund the DSP debt. Back in February if the debt was refunded in May, a savings would have been achieved. If the debt was refunded this time in 2016 and the rates stayed the same, a savings of about \$11 million could be achieved. The Board recommended to wait until closer to the integration date where more bonds were callable and more saving could be achieved. This was a very good decision because rates essentially stayed the same from February to now. She reviewed graphs of the movements for tax-exempt and taxable interest rates.

Staff proposed two bond issues, a tax-exempt issue and a taxable issue because not all of the BexarMet debt could be refunded with tax-exempt debt, and a refund of the flexible rate note with SAWS commercial paper program. Based on rates in December, the savings projected in February were very close to what could be achieved today. Rates had actually improved slightly this week so there was a potential to achieve \$11 million in net present value savings. There was a potential to look at various scenarios that could actually achieve additional savings in years 2017 through 2021 that would help offset some of the rate increase, while still achieving positive net present value savings. Staff was working with the financial advisors on different scenarios to determine the exact structure, but it was believed some savings would be achieved with this transaction.

She reviewed SAWS bond series that could be advance refunded for debt service savings. In 2007, SAWS issued \$311 million in bonds. Currently, there was \$243 million of those bonds outstanding that were callable in May 2017. SAWS could advance up to \$85 million of that debt for a net present value savings of about \$7.8 million or approximately \$590,000 of savings per year through 2032. This advance refunding was market driven so it would be analyzed on the day of pricing to determine what level of bonds should be refunded to achieve the level of savings. SAWS pool of investment bankers that assist in selling the bonds to investors was established in 2013 and consisted of 21 national, regional, and SMWB firms. Each time SAWS went out for a bond transaction, an underwriting syndicate was recommended from the pool based on a rotation of firms, coverage of SAWS, presentation of new ideas, and past performance. Staff recommended the underwriting syndicate for this transaction to include Piper Jaffray as the Senior Manager, Citigroup Global Market as a Co-Senior Manager, and First Southwest Company, Frost Bank, M.E. Allison & Company, and Siebert Brandford Shank & Company as Co-Managers.

She reviewed the calendar for the transaction that included the Board's consideration. Staff was scheduled to meet with the rating agencies next week to get their rating for this transaction, and to take this to City Council for their consideration on January 14. Staff planned to price this in early February and close in February to achieve as much savings as possible.

Staff recommended the approval of a resolution requesting City Council to authorize bond ordinances to refund the DSP debt and advance refund a portion of the SAWS debt in tax-exempt and taxable bonds for a combined amount not to exceed \$244.8 million.

Mr. Arrellano made a motion to approve Item 34. Mr. Rowe seconded the motion.

After no further discussion, Item 34 was unanimously approved. Electronic voting.

**35. A Resolution requesting San Antonio City Council take certain actions with respect to the dissolution of the District Special Project. (DOUG EVANSON)**

Ms. Garcia stated that with the refunding of the DSP debt, there was no longer a need to have the DSP. This resolution was requesting approval from City Council to dissolve the DSP upon the closing of the refunding transaction. When all the bonds were refunded, all financial results and cash flows of the DSP would be consolidated with SAWS and separate financial statements for the DSP would no longer be needed. Also, the DSP would no longer need to be a component unit of the City of San Antonio through SAWS. This was also one of the things that needed to occur to have full integration. The final item was the integration of the rates. During the last rates process, the Board approved a new rate class for SAWS, which was actually the rates of the DSP. Upon the dissolution, the new rate class would go into effect. All those former Bexar Met customers would continue to pay the new rate class until January 1, 2017, when all of the rates would be consolidated and the DSP rate class would no longer be needed. This would achieve the final item of integration where all similarly situated rate payers of SAWS paid the same rates.

Staff recommended the approval of the resolution requesting City Council to dissolve the DSP and consolidate the DSP with SAWS upon the retirement of all DSP obligations.

Mr. Rowe made a motion to approve Item 35. Mr. Arrellano seconded the motion.

After no further discussion, Item 35 was unanimously approved. Electronic voting.

**36. A Resolution recommending and requesting the San Antonio City Council approve an application for financial assistance to the Texas Water Development Board for participation in the Drinking Water State Revolving Fund Program in an amount not to exceed \$12,500,000.00; and adoption of reimbursement resolution. (DOUG EVANSON)**

Ms. Garcia presented Item 36, a request for City Council to authorize an application for financial assistance from the Texas Water Development Board (TWDB). The mission of the TWDB was to provide leadership, information, education, support for the planning, financial assistance, and outreach for the conservation and responsible development of water for Texas. She reviewed the financial assistance programs offered by TWDB, the Clean Water

State Revolving Fund, the Drinking Water State Revolving Fund, and the Water Infrastructure Fund, which was the State Water Implementation Fund for Texas, or the SWIFT Program. Under the Drinking Water State Revolving Fund, the TWDB provided loans at below-market interest rates for the planning, acquisition, design, and construction of qualifying projects. The TWDB provided a subsidy of 1.25 percent of interest below market for a 30-year maximum maturity.

She reviewed the steps to obtain financial assistance. SAWS submitted a project, the Water Production Facility Upgrades Program – 34<sup>th</sup> Street Pump Station. The construction cost was approximately \$11.1 million. The application also included the requirement of a Reserve Fund and a Cost of Issuance. There were multiple steps to receive subsidized funding. The first step was for SAWS to submit the project for consideration. The project was submitted in March 2015. TWDB ranked the projects based on project description, and sent applications to apply for financial assistance for those projects that ranked high enough to receive funding. The next step was to submit an application for financial assistance, which included a resolution from the governing body to request the financial assistance. Included in the application was also general financial and technical information on the project. The third step was for the TWDB to review the application, and approve and commit to providing funding to SAWS. The final step would be for TWDB to provide funding, which would require staff to come back to the Board and City Council to authorize a loan.

She discussed how SAWS had taken advantage of working with the TWDB since 1999. SAWS closed on 25 loans, totaling \$782 million. Some of the projects that TWDB helped SAWS fund were the Brackish Groundwater Desalination Project, the Southwest Bexar Sewer Pipeline, the Water Resources Legacy Pipeline, SSO reduction and rehabilitation projects, and pump station improvement projects. A reimbursement resolution allowed for expenses incurred for the project prior to the issuance of the bonds to be reimbursed to SAWS with those bond proceeds. The reimbursement resolution declared SAWS intent prior to the issuance of bonds and provided flexibility in the funding of the project as well as the timing on the project.

Staff recommended the approval of a resolution requesting City Council to approve a request for financial assistance to the TWDB, along with a reimbursement resolution in the amount of \$12.5 million.

Ms. Jasso made a motion to approve Item 36. Mr. Rowe seconded the motion.

After no further discussion, Item 36 was unanimously approved. Electronic voting.

**37. A Resolution approving an Interlocal Contract between the Edwards Aquifer Authority and the San Antonio Water System for the implementation of Regional Water Conservation Projects. (DONOVAN BURTON – DARREN THOMPSON)**

Patrick Shriver presented Item 37, an Interlocal Agreement with the Edwards Aquifer Authority (EAA) relating to the Edwards Aquifer Habitat Conservation Plan (EAHCP). He discussed Senate Bill 3 that was sponsored by Mr. Puente and Senator Averitt in 2007. The bill helped to increase the Edwards permits, and included provisions for the Edwards Aquifer Recovery Implementation Program (EARIP). The plan identified the primary stakeholders that would work on a resolution to maintain spring flows during extreme drought conditions. The stakeholders represented various interests, including agriculture, industry,

environmental, municipality, state, regional and local boards. The plan was in place to protect the endangered species, balance regional interests, and provide protection for users of the aquifer, including the City of San Antonio and SAWS. The plan incorporated items for echo system restoration, the removal of endangered species, the planting of native species and bank stabilization in the two primary areas of the Comal springs in New Braunfels and the San Marcos springs in San Marcos.

He discussed the four flow protection and flow regulations measures. One of those was the Voluntary Irrigation Suspension Program that involved the agricultural partners. The goal was to suspend 40,000 acre-feet during extended droughts. To date, the enrolled goal had been met. Another one was the Regional Water Conservation Program with a goal of 10,000 acre-feet enrolled in a trust managed by the EAA. To date, only 224 acre-feet had been enrolled. SAWS ASR for Springflow Protection had met some Tier 1 goals, which was to store 16,667 acre-feet, and to date, there was 14,850 acre-feet enrolled and some water pending. The fourth was the Stage 5 Critical Period reductions, which were actually put in to the EAA regulation for aquifer protection.

The Regional Conservation Program was originally intended to export some of the successful conservation measures that the City of San Antonio has had out to the region. Since that time, there had been limited interest. The two participants were the cities of Uvalde and Universal City. With the assistance of the EAA, Universal City implemented an accelerated leak detection program, which would save 32 acre-feet into the trust. The City of Uvalde implemented low-flow plumbing fixtures and added a conservation coordinator, which put 120 acre-feet into the trust. There were many reasons for the limited participation in the program, which included drought and lack of understanding of demand and planning. The Regional Water Conservation Plan was packaged in the EAHCP to conserve 20,000 acre-feet and 10,000 acre-feet committed to the groundwater trust. SAWS committed 8,000 acre-feet into the EAHCP, water conservation program experience and turnkey water conservation services to the region.

SAWS had doubled the number of non-revenue water or leak repairs through proactive leak detection. About 7,000 miles of main had been scanned and a backlog of leaks to address. The EAHCP program provided capacity to address some of that backlog. Staff approached the EAA with the idea of SAWS helping to fulfill their requirement through the Regional Conservation Program. He outline the agreement that had a term from January 2016 through March 2028. EAA annual payments to SAWS would be approximately \$4.5 million a year for year one through year four, and approximately \$600,000.00 for year five for a total of \$18.6 million. SAWS would enroll 9,806 acre-feet into the groundwater trust, which was a net over the current enrollment of 1,806 acre-feet. The initial commitment to the groundwater trust would be returned to SAWS. Each year as the leaks were tackled in the distribution system, SAWS would commit half of the water to cover the trust, and would also have some water returned. SAWS must also use contractors to do the leak repairs and could not use SAWS staff.

He reviewed some of the participation benefits for the region. The EAHCP would solidify the permit through an Incidental Take Permit. It would complement the other flow protection measures and support maintenance of minimum springflow. The Regional Water Conservation Program would have enrolled 10,030 acre-feet in total once the five-year program was completed, would help meet some of the timelines within the EAHCP, and would better solidify the flow protection measures in the plan. The participation benefits for

SAWS would include the reduction of approximately 4,700 acre-feet of savings of real loss leakages in the distribution system. Nationally, utilities across the country were facing similar types of leakage in their infrastructure. The \$18.6 million would provide additional capacity to address over 600 leaks identified through the proactive leak detection. The agreement would also create the capacity to repair the leaks when they were identified.

Staff recommended the approval of an Interlocal Agreement with the EAA, supporting the EAHCP program, benefiting SAWS Non-Revenue Water program, and continued permit stability for the Edwards permit holders including SAWS. He introduced Nathan Pence, the Executive Director of the EAHCP.

Nathan Pence stated he was employed by the EAA to represent the five permittees of the EAHCP and help administer and implement that permit. He thanked the Board and also the SAWS staff for the participation and leadership in the EAHCP. This contract was another example of those successes that benefit the entire region.

Mr. Rowe made a motion to approve Item 37. Mr. Mellano seconded the motion.

Mr. Rowe asked how the water savings from the leak repairs would be measured. Mr. Shriver replied there were a number of ways, but there were also AWWA standards. Half of the system would be scanned the first year, and then the second half of the system would be scanned the following year. By the third year, the rest of the system covered would be measuring reoccurrences of leaks. If the response time could be constrained, the leakage savings could be calculated. The calculation included the size of the hole, the pressure of the pipe, and the time between use, knowledge of the leak, and the repair. A couple of cycles would have to be done, and the target estimate was 4,700 acre-feet of real losses that was developed using those calculations.

Mayor Taylor inquired about the outreach efforts for the Regional Conservation Program moving forward. Mr. Shriver replied that the EAA did a great job advertising and trying to get participation. One of the challenges was that certain utilities may not have quite the capacity or understanding of the 10-year or 15-year horizon. In terms of scales of magnitude, the amount of water in a smaller utility versus a utility the size of SAWS was a challenge to get to that 10,000 acre-foot mark. SAWS had the ability because of its size to basically do more thorough leak detection.

Mayor Taylor asked if there was still a goal to get more participants. Mr. Pence replied there was roughly about \$250,000.00 to \$300,000.00 in this program that would be available to some of the smaller communities. He stated that the cities of Castroville and Natalia did wish to come back and take advantage of this conservation program. Some funds were held back specifically so the EAA could honor some of those obligations and work with some of those smaller communities.

After no further discussion, Item 37 was unanimously approved. Electronic voting.

## **CAPITAL IMPROVEMENT CONTRACTS**

### **REPLACEMENT AND ADJUSTMENT PROJECTS**

#### **Governmental Relocations and Replacements**



- 38. A Resolution, concerning both the San Antonio Water System and the District Special Project, approving the expenditure of funds in the amount of \$3,024,799.56 for the adjustment of water and sewer facilities by Bexar County Public Works in connection with the Potranco Road (FM 1957): Loop 1604 to Hwy 211 Project and approving construction contingency expenses in the amount not to exceed \$60,495.99 for the project work. Total expenditures: \$3,085,295.55.  
(GENOVEVA GOMEZ – FRANCES PLOCEK)**

Herminia Bittle presented Item 38, an Interlocal Agreement with Bexar County Public Works in connection with the Potranco Road (FM 1957): Loop 1604 to State Highway 211. She discussed the project background that would expand Potranco Road from the existing two-lane road to five lanes. Construction would provide for enhanced connection between two western relief routes of State Highway 211 and Loop 1604. The project length was approximately 4.7 miles. The overall anticipated duration of the project was about three years. Both SAWS and CPS would joint bid with Bexar County, and the project was eligible for partial reimbursement due to SAWS holding easements in two areas that Bexar County would acquire right-of-ways.

She reviewed a project map and pictures of the existing roadway conditions. Due to the difficulty of the project, Bexar County would acquire right-of-ways throughout the entire project, and the right-of-ways varied from 80 to 140 feet. She discussed the complexity of the work and the congestion of relocating the utilities within the right-of-way. The proposed work included approximately 1.7 miles of 12-inch SAWS water main constructed between 1999 and 2002, and approximately 0.8 miles of 12-inch to 30-inch DSP water main constructed between 1998 and 2013. There was also the adjustment of about 74 feet of 21-inch sewer main constructed in 1986.

This project was eligible for reimbursement due to facilities within two existing easements. The reimbursement was for construction design and construction cost associated with relocating approximately 1,600 feet of 12-inch and 24-inch water main. It was anticipated that about \$19,000.00 of engineering cost and \$536,000.00 of construction cost would be paid directly by the County, which equated to about 33 percent of the DSP water work. The remaining \$3 million, which was about 66 percent of DSP water and 100 percent of SAWS water and SAWS sewer adjustment work, would be funded by SAWS.

Bids opened on November 20, 2015, and four bids were received. The engineer's estimate was about \$4.4 million, and the contractor's bid came in at about \$3.5 million, about a 19 percent decrease over the engineer's estimate. The County would recommend the approval of the bid from Sterling Construction, Inc. for construction on this project on January 12, 2016. Staff recommended the approval of an Interlocal Agreement with Bexar County Public Works, and approval of an Advance Funding Agreement with Bexar County in the amount of \$3,085,295.55.

Mr. Arrellano made a motion to approve Item 38. Mr. Rowe seconded the motion.

After no further discussion, Item 38 was unanimously approved. Electronic voting.

Item 39 was pulled from the agenda, and no action was taken on this item.

- 39. A Resolution, concerning both the San Antonio Water System and the District Special Project, authorizing the expenditure of funds for owner controlled construction changes for the calendar year ending December 31, 2016. (MARY BAILEY)**

**40. BRIEFING SESSION.**

**A. Briefing and deliberation regarding the Vista Ridge Project**

Gene Dawson gave an update on the project. He commented on the closing of the Abengoa office in Austin, and their move to the San Antonio office to continue the work and dedication on the Vista Ridge project. The right-of-entry process had been completed, and proposals had been sent out to 89 of the landowners. In the field, the test wells and pilot wells have been completed. The engineering process was really focused on right-of-way. Once the right-of-entry was obtained, the surveying, environmental, and archeological work would be done. This was proposed to be completed by the end of January to be able to then do all the appraisals and make offers to landowners. Mr. Harding was completing the hydrology report, which would prove up the capacity of the aquifers that was the basis of the project. Proposals had been made to 89 of the landowners that represented 34 percent of the value. There were about 90 proposals ready to go out at this time so they were in the process of engaging in dialogue and negotiating each one.

He commented on Abengoa going through a restructuring and working with creditors. Abengoa was required to have their restructuring plan by the end of March. He stated that this added another level of administration on what was done on a daily basis that could cause a few months delay, but would still be within the context of the contract. He stated the project was financed, and it was not dependent upon Abengoa's financial condition.

Mr. Rowe asked when the other offers for right-of-way would be made. Mr. Dawson responded the majority of the offers would be out by the end of February. He stated there was some difficulty with a group of the right-of-entries.

Chairman Guerra thanked Mr. Dawson for attending and for providing an update on the project. He welcomed Mr. Almagro to the San Antonio offices, and thanked him for his commitment to the project.

**B. Briefing and deliberation regarding the M/WBE Disparity Study**

Marisol Robles gave an overview of the Minority and Women Owned Business Enterprise (M/WBE) Program Disparity Study. The Disparity Study consultant was MGT of America. MGT of America has conducted hundreds of studies across the United States and guided organizations through disparity evaluations and analyses.

The Disparity Study measured contracting practices from the beginning of 2011 through the end of 2013, and measured the utilization of M/WBE firms through payments made by SAWS. Availability identified M/WBEs that were available in the local area to do business with SAWS. The purpose of a Disparity Study was to see if SAWS was utilizing fewer minority and women-owned businesses than what was available in the local area. She noted that only minority and women-owned businesses were studied, and small business

enterprises were not studied.

The Disparity Study would serve as the cornerstone of data used to update the SMWB policy. By law, race and gender-based preference policies must be narrowly tailored around disparity study data to be legally defensible against lawsuits. Contracting practices with local M/WBE firms was the required focal point of this study. The local market area was identified as Bexar County and the eight surrounding counties: Atascosa, Bandera, Guadalupe, Comal, Kendall, Medina and Wilson. The study revealed that 68 percent of all subcontractor payments went to M/WBE subcontractors. The highest dollar contracts were in construction and engineering and were normally for very specialized work. The largely non-SMWB prime contractors were doing what they could to make sure SMWB participation was at the desired levels. Regarding prime contractors, only 10 percent of all prime contractor payments went to M/WBE firms. Ideas were being explored to achieve greater M/WBE prime contractor participation within the confines of state law in a largely low bid environment. In summary, the Disparity Study provided strong evidence to support continuation of a program to continue M/WBE utilization.

She reviewed the SMWB goals for both prime and subcontractors of 17 percent for construction, 25 percent for engineering and other professional services, and 19 percent for procurement. These goals had been in place since 2007. The new recommended goals separated prime and subcontractor goals. The new goals were based upon Disparity Study data and were closer to actual utilization. She reviewed the next steps. The study would be taken to the trade associations and chambers of commerce to gather input. Staff would then come back to the Board for the adoption of the Disparity Study that would be used to draft the new SMWB policy.

**C. Briefing and deliberation regarding the Pass-Through Fees for the Edwards Aquifer Authority and Texas Commission on Environment Quality**

Mary Bailey gave a briefing on the pass-through fees charged to the customers. These pass-through fees recover the fees that were paid both to the EAA as well as the TCEQ. No Board action was required and Council would not need to take any further action. The Public Utilities Offices reviewed the calculations, and the changes would be put into effect at the beginning of each year.

The EAA pass-through fee was meant to recover the fees paid to the EAA on permitted water rights. The EAA did not change the total per acre-foot charge for 2016 so it would be \$84 per acre-foot. The EAA pass-through fee was applied to potable water only. While the total fees paid to the EAA were not expected to change, there were a couple of important factors that were impacting the actual pass-through charge. The first one involved the heavy rainfall received in 2015. In total, San Antonio received 44 inches. As a result, less water was billed out so the fee was under-recovered. This was required to be considered in the next year's calculation. Probably the second and biggest factor impacting the calculation for 2016 was the previous rebates from the EAA. Up until 2015, fees were refunded for water rights not used, and included any critical period cutbacks. The EAA discontinued that practice in 2015. A rebate was received in 2015 of \$3.5 million that was related to the 2014 pumpage. The final impact was related to the projected water sales. In the 2016 Budget, the projections for the potable water sales were reduced to better reflect customer use. All three issues combined essentially resulted in the pass-through charge to go up by about one cent per hundred gallon between 2015 and 2016. She reviewed the pass-through fees for the average residential

customer's bill that would go from \$2.59 to \$3.26 in 2016. The TCEQ fees would not change in 2016. She discussed the legislative funding changes for the TCEQ that required the TCEQ to fund its operating budget through the assessments to their water and wastewater utility based on the number of customer connections or population served by those utilities. In 2015, the legislature authorized that TCEQ could dramatically increase the rate that they were charging. They currently charge \$2.15 per connection for water utility, and they have the authority to increase that all the way up to \$4.00. This did not have an impact on the pass-through charge in 2016, but would will have an impact in 2017.

She discussed the calculation of the EAA pass-through fee for the DSP. A much lower percentage of the DPS water supplies came from the EAA, so their EAA pass-through rate was less than SAWS. The calculation for 2016 was slightly over-recovered in 2015, and that was largely the result of DSP usage as an influence by the rain and the number of areas that did not irrigate. The projected water sales were also not as significantly reduced as SAWS. The DSP also paid the TCEQ pass-through rate. In total, the average residential customer's pass-through charges would go from \$1.88 to \$2.00 in 2016.

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

Mr. Puente stated he would move the end-of-the-year report to the February board meeting.

**42. Inquiries of the Board of Trustees for future briefing and/or follow-up action.**

None

**43. The Regular Session of the January 5, 2016, Regular Board Meeting is hereby recessed to hold an Executive Session and discuss the matters listed below pursuant to Section 551.071 of the Texas Open Meetings Act.**

At this point in the meeting, an Executive Session was held. The time was 10:42 a.m.

**44. EXECUTIVE SESSION.**

- A. 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.**
- B. Consultation with attorneys regarding Cause No. D-1-GN-15-005774, in District Court of Travis County, Texas, 201<sup>st</sup> Judicial District, styled, *Metropolitan Water Company, L.P. vs. Blue Water Systems, LP, et al.*, and other legal issues regarding the Water Transmission and Purchase Agreement between the City of San Antonio, Texas, acting by and through the San Antonio Water System Board of Trustees and Abengoa Vista Ridge, LLC.**

**45. The Regular Session of the Regular Board Meeting of January 5, 2016, is hereby reconvened.**

The meeting reconvened at 11:12 a.m. The Chairman stated that no decisions were made in Executive Session.

**46. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF JANUARY 5, 2016, IS HEREBY ADJOURNED.**

The San Antonio Water System Board of Trustees Meeting of January 5, 2016, adjourned at 11:13 a.m.

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Berto Guerra, Jr., Chairman

**ATTEST:**

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Ernesto Arrellano, Jr., Secretary

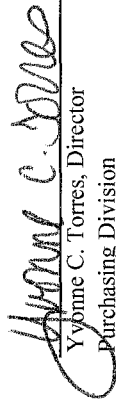
DRAFT

TO: San Antonio Water System Board of Trustees  
 FROM: Robert R. Puente, President/Chief Executive Officer  
 SUBJECT: Acceptance of Bids for Services, Equipment, Materials and Supplies

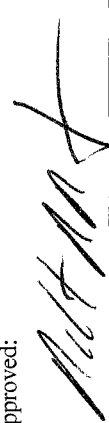
Board Action Date: March 1, 2016

The attached resolution accepts bids and awards contracts for services, equipment and supplies as follows:


	This Board Meeting			Year-to-Date		
	Number of Contracts	(SMWB)	Estimated Amount	(SMWB)	Estimated Amount	(SMWB)
A. Award of New One Time Purchases of Materials, Equipment or Services (December 2014)	1	0	107,189.74	0.00	313,886.16	83,952.00
B. Award of New and Renewal of Annual Goods & Services Requirements Contracts and Maintenance Agreements (December 2014)	4	3	722,023.50	590,823.50	5,324,283.27	2,860,045.93
	<u>5</u>	<u>3</u>	<u>\$ 829,213.24</u>	<u>590,823.50</u>	<u>\$ 5,638,169.43</u>	<u>\$ 2,943,997.93</u>
SMWB Purchasing Contracts (percentage)	60.00%		71.25%	50.00%	52.22%	
*****	*****	*****	*****	*****	*****	*****

  
 Yvonne C. Torres, Director  
 Purchasing Division

Approved:

  
 Robert R. Puente  
 President/Chief Executive Officer

Reviewed:

  
 Marisol A. Robles  
 SMWB Program Manager

## **RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING BIDS AND AWARDING CONTRACTS FOR THE PROCUREMENT OF CERTAIN SERVICES, EQUIPMENT, MATERIALS AND SUPPLIES; AUTHORIZING EXPENDITURES TO PROCURE THE SAID SERVICES, EQUIPMENT, MATERIALS AND SUPPLIES; AUTHORIZING THE DIRECTOR OF THE PURCHASING DIVISION, OR HER DESIGNEE, TO EXECUTE DOCUMENTS RELATED THERETO; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, the Director of the Purchasing Division of the San Antonio Water System (the "System") has recommended certain bids be accepted, that certain contracts be awarded, and that certain other actions be taken to procure services, equipment, materials and supplies which are necessary for the operation of the System; and

**WHEREAS**, the said recommendations are fully set out in "Attachment I" which is attached hereto and made a part hereof, and said recommendations have been approved by the System's President/Chief Executive Officer; and

**WHEREAS**, the appropriate bidding procedures regarding the procurement of goods and services have been adhered to in the compiling of the attached recommendations, as reflected in administrative records supporting this resolution; and

**WHEREAS**, funds are available in the System's budget to pay for the required services, equipment, materials and supplies; and

**WHEREAS**, the Board of Trustees of the San Antonio Water System desires (i) to accept the bids and award the contracts as recommended, (ii) to authorize from available funds of the System the expenditures necessary to carry out the recommended procurements, and (iii) to authorize the Director of the Purchasing Division or her designee to execute all contracts and other documents necessary to carry out the recommended procurements; now, therefore:

### **BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the bids are accepted and the contracts are awarded for procurement of the services, equipment, materials and supplies listed in Attachment I, as recommended by the Director of the Purchasing Division.
2. That the expenditure of the necessary funds from the appropriate budget fund of the System for the procurement of the said services, equipment, materials and supplies is hereby authorized.

3. That the Director of the Purchasing Division, or her designee, is hereby authorized to notify bidders of the acceptance of bids, to execute contracts and other documents, and to carry out all other actions necessary to procure the said services, equipment, materials and supplies.

4. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.

5. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.

6. This resolution becomes effective immediately upon its passage.

**PASSED AND APPROVED** this the 1<sup>st</sup> day of March, 2016

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**Berto Guerra, Jr., Chairman**

**ATTEST:**

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**Ernesto Arrellano, Jr., Secretary**



### Award of New One Time Purchases of Materials, Equipment or Services

A. The following items will establish price and delivery for the one time purchase of Materials, Equipment and Services. These items are included in the current budget. Payment will be made from the applicable fund.

A.	VENDOR	DESCRIPTION	ITEM NO(s).	ESTIMATED TOTAL PURCHASES		REMARKS
1.	Horton Horticulture, Inc.	One Time Purchase of Phase 2 Landscaping and Irrigation Services at the Commerce St. Cooling Plant Bid No. 16-16007	All	\$	107,189.74	This contract will be utilized for a one time purchase of Phase 2 Landscaping and Irrigation Services at the Commerce St. Cooling Plant.

\*Indicates vendor is an SMW/B, unless otherwise noted vendor is non minority.

Board Date: March 1, 2016

**Award of New and Renewal Annual Goods & Services Requirement Contracts and Maintenance Agreements**

B. The following items will establish estimated quantities, unit price and delivery for the Service and Supply Contracts and their extensions. These items are included in the current budget. Payment will be made from the applicable fund. Estimated annual purchase is based on unit price bid; actual total and quantities, may vary from the estimate.

B.	VENDOR	DESCRIPTION	ITEM NO(s).	TOTAL		REMARKS
				PURCHASES		
1.	Esri, Inc.	Annual Contract for the Maintenance of the Esri Arc Geographic Information System Software Bid No. 16-1368	All	\$	131,200.00	This is a sole source. This is a new contract. This contract will be utilized for continued Geographic Information System software maintenance in support of SAWS purchased licenses. SAWS Program Planning currently has 80 licenses that support over 100 daily users. This contract will be effective Date of Award (March 1, 2016) through February 28, 2017. If determined that an extension is favorable to System, price and service considered, the award includes the availability of four (4) additional one-year options to extend as provided for and approved in future years budgets.

**DIRECTOR COMMENTS:**

SAWS Program Planning (Mapping and Planning), currently has 80 licenses that support over 100 daily users. The licenses: (1) support daily data production in spatial formats, (2) support SAWS pipeline modeling efforts, (3) are the base software for 7 GeoCortex custom sites that support SAWS. The licenses are also used in the televising and sewer cleaning trucks as well as with the revenue loss effort. Emergency Operations, Customer Service, Engineering, and Distribution and Collection all use the licenses to make informed decisions about the network of SAWS' pipelines. The Esri software is the only software that SAWS utilizes to track locational information about every pipe and valve that is inclusive of over 12,000 miles of underground main. In addition, without this software, the SAWS INFOR asset management and work order system would not function efficiently. Recommend Award.

\*Indicates vendor is an SMWB unless otherwise noted vendor is non minority.

B.	VENDOR	DESCRIPTION	ITEM NO(s).	TOTAL PURCHASES	REMARKS
2.	Safety Supply, Inc. (SBE)	Annual Contract for Disposable Coveralls Bid No. 15-6025	All	\$ 85,536.00	This is a renewal of an existing contract. This contract will be utilized by designated System employees to provide a protective barrier from a variety of particles, and light splashes of oil-based and water-based liquids. Base bid, first extension total \$85,536.00. Safety Supply, Inc. has performed well during the contract period and System has determined pricing to be favorable. This contract will be effective June 1, 2016 through May 31, 2017. If determined that an extension is favorable to the System, price and service considered, the award includes the availability of two (2) additional one-year options to extend as provided for, and approved in future year's budgets.
3.	Gruene Environmental Co. (SBE)	Best Value Bid for Annual Contract for Hazardous/Non-Hazardous Waste Transport and Disposal Services Bid No. 15-3012	All	\$ 163,287.50	This is a new contract. This contract will be utilized hazardous and non-hazardous waste transportation and disposal services including but not limited to handling, collecting, containing and packaging, transporting, disposing and managing of all waste materials. This contract will be effective Date of Award (March 1, 2016) through December 31, 2016. If determined that an extension is favorable to the System, price and service considered, the award includes the availability of three (3) additional one-year options to extend as provided for, and approved in future year's budgets.
4.	Wachs Valve and Hydrant Services, LLC (SBE)	Best Value Bid for Annual Contract for Valve Preventive Maintenance Services Bid No. 15-9051	All	\$ 342,000.00	This is a new contract. This contract will be utilized by SAWS Distribution & Collection for valve and hydrants assessment and repairs on an as needed basis. This contract will be effective Date of Award (March 1, 2016) through December 31, 2016. If determined that an extension is favorable to the System, price and service considered, the award includes the availability of four (4) additional one-year options to extend as provided for, and approved in future year's budgets.
				<u>\$ 722,023.50</u>	

Board Date: March 1, 2016

\*Indicates vendor is an SMWB unless otherwise noted vendor is non minority.

**SAN ANTONIO WATER SYSTEM**

P. O. BOX 2449  
 SAN ANTONIO, TEXAS 78298-2449  
**TABULATION OF BIDS**

PROPOSAL FOR: One Time Purchase of Phase 2 Landscaping and Irrigation Services at the  
 TIME & DATE: Commerce Street Cooling Plant

DATE: 3:00 p.m., February 3, 2015

ITEM NO. DESCRIPTION AND APPROXIMATE QUANTITY

1.	<b>INSTALLATION</b>	UNIT			
	1 LS	PRICE			
	Bed creation per attached drawing	TOTAL	8,034.25		
	1 LS	UNIT			
	Irrigation Installation per attached drawing	PRICE	5,335.68		
	1 LS	TOTAL			
	Landscape Installation	UNIT	61,010.81		
		PRICE			
		TOTAL			
	<b>TOTAL INSTALLATION</b>	TOTAL	74,380.74		
2.	<b>LANDSCAPING ITEMS</b>	UNIT			
	250 SF	PRICE	1.25		
L-01	Existing Vegetation Removal	TOTAL	312.50		
		UNIT			
	200 LF	PRICE	2.25		
L-02	Existing Irrigation Removal	TOTAL	450.00		
		UNIT			
	10 CY	PRICE	37.00		
L-03	Topsoil	TOTAL	370.00		
		UNIT			
	6 ea.	PRICE	205.00		
L-04	Tuscarora Crape Myrtle (container 8' - 10' ht.)	TOTAL	1,230.00		
		UNIT			
	13 ea.	PRICE	20.50		
L-05	American Beautyberry (5 gal.)	TOTAL	266.50		
		UNIT			
	13 ea.	PRICE	20.50		
L-06	Turk's Cap (5 gal.)	TOTAL	266.50		
		UNIT			
	27 ea.	PRICE	16.75		
L-07	Cherry Pink Salvia (5 gal.)	TOTAL	452.25		
		UNIT			
	9 ea.	PRICE	26.25		
L-08	Sandankwa Viburnum (5 gal.)	TOTAL	236.25		
		UNIT			
	73 ea.	PRICE	17.75		
L-09	Bicolor Iris (5 gal.)	TOTAL	1,295.75		
		UNIT			
	45 ea.	PRICE	19.00		
L-10	Giant Liriope (5 gal.)	TOTAL	855.00		
		UNIT			
	36 ea.	PRICE	8.50		
L-11	Foxtail Fern (1 gal.)	TOTAL	306.00		
		UNIT			
	111 ea.	PRICE	7.25		
L-12	Silver Dalea (1 gal.)	TOTAL	804.75		
		UNIT			
	63 ea.	PRICE	6.00		
L-13	Pink Skullcap (1 gal.)	TOTAL	378.00		
		UNIT			
	35 ea.	PRICE	7.25		
L-14	Society Garlic (1 gal.)	TOTAL	253.75		
		UNIT			
	38 ea.	PRICE	10.75		
L-15	Red Spider Lily (1 gal.)	TOTAL	408.50		
		UNIT			
	351 ea.	PRICE	1.50		
L-16	Katie Pink Petunia (4" pot)	TOTAL	526.50		
		UNIT			
	10 CY	PRICE	39.75		
L-17	Native Shredded Hardwood Mulch	TOTAL	397.50		
		UNIT			
	10 CY	PRICE	37.00		
L-18	Soil Amendment (Garden-Ville 4-way mix)	TOTAL	370.00		
		UNIT			
	100 SF	PRICE	1.25		
L-19	Tree and Shrub Fertilizer	TOTAL	125.00		

Horton Horticulture, Inc.  
 538 Everest  
 San Antonio, TX 78209

Maldonado Nursery and  
 Landscaping  
 16348 Nacogdoches Rd.  
 San Antonio, TX 78247

INCOMPLETE BID

**SAN ANTONIO WATER SYSTEM**

P. O. BOX 2449  
 SAN ANTONIO, TEXAS 78298-2449

**TABULATION OF BIDS**

PROPOSAL One Time Purchase of Phase 2 Landscaping and Irrigation Services at the  
 FOR: Commerce Street Cooling Plant  
 TIME &  
 DATE: 3:00 p.m., February 3, 2015  
 ITEM NO. DESCRIPTION AND APPROXIMATE QUANTITY

Horton Horticulture, Inc.  
 538 Everest  
 San Antonio, TX 78209

Maldonado Nursery and  
 Landscaping  
 16348 Nacogdoches Rd.  
 San Antonio, TX 78247

ITEM NO.	DESCRIPTION AND APPROXIMATE QUANTITY	UNIT	PRICE	TOTAL
L-20	100 SF Pre-emergent Herbicide	UNIT PRICE TOTAL	0.75 75.00	
L-21	100 SF Post-emergent Herbicide	UNIT PRICE TOTAL	0.75 75.00	
L-22	100 SF Pesticides	UNIT PRICE TOTAL	2.00 200.00	
L-23	1 ea. Stakes	UNIT PRICE TOTAL	8.00 8.00	
L-24	20 LF Wire	UNIT PRICE TOTAL	0.25 5.00	
L-25	10 LF Hose	UNIT PRICE TOTAL	1.00 10.00	
L-26	1 LS Prune Palm Tree @ Commerce & Bowie	UNIT PRICE TOTAL	350.00 350.00	
L-27	10 LF Tree Barricade Fencing	UNIT PRICE TOTAL	2.00 20.00	
L-28	1 SF Tree Wound Paint	UNIT PRICE TOTAL	8.00 8.00	
L-29	10 SF Existing Tree Fertilizer	UNIT PRICE TOTAL	1.25 12.50	
L-30	1 ea. Tree Armor (per tree)	UNIT PRICE TOTAL	5.25 5.25	
L-31	13 CY Decomposed Granite Gravel	UNIT PRICE TOTAL	67.50 877.50	
L-32	3,770 LF 1/4" Steel Edging	UNIT PRICE TOTAL	5.50 20,735.00	
L-33	1,150 SF Weed Control Fabric	UNIT PRICE TOTAL	0.50 575.00	
	<b>TOTAL LANDSCAPE MATERIALS</b>	TOTAL	32,261.00	
<b>3.</b>	<b>IRRIGATION ITEMS</b>	UNIT		
I-01	1 LF Purple Schedule 40 PVC Pipe (1 1/2")	PRICE TOTAL	1.00 1.00	
I-02	1 LF Purple Class 315 PVC Pipe (1/2")	UNIT PRICE TOTAL	0.50 0.50	
I-03	1 LF Drip distribution tubing (1/2")	UNIT PRICE TOTAL	0.50 0.50	
I-04	1 ea. Schedule 80 threaded PVC fitting (1")	UNIT PRICE TOTAL	5.00 5.00	
I-05	1 ea. Drip emitter	UNIT PRICE TOTAL	4.00 4.00	
I-06	1 ea. Gate valve (1 1/2")	UNIT PRICE TOTAL	43.75 43.75	
I-07	1 ea. Isolation valve (1 1/2")	UNIT PRICE TOTAL	31.00 31.00	
I-08	1 ea. Quick coupler valve (1")	UNIT PRICE TOTAL	79.25 79.25	
I-09	1 ea. Control valve (1")	UNIT PRICE TOTAL	103.50 103.50	

INCOMPLETE BID

**SAN ANTONIO WATER SYSTEM**

P. O. BOX 2449  
 SAN ANTONIO, TEXAS 78298-2449  
**TABULATION OF BIDS**

PROPOSAL FOR: One Time Purchase of Phase 2 Landscaping and Irrigation Services at the Commerce Street Cooling Plant  
 TIME & DATE: 3:00 p.m., February 3, 2015  
 ITEM NO. DESCRIPTION AND APPROXIMATE QUANTITY

Horton Horticulture, Inc.  
 538 Everest  
 San Antonio, TX 78209

Maldonado Nursery and Landscaping  
 16348 Nacogdoches Rd.  
 San Antonio, TX 78247

I-10	1 ea. Valve box (purple 10" round)	UNIT PRICE TOTAL	26.25 26.25	INCOMPLETE BID	
I-11	1 ea. Valve (purple standard rectangular)	UNIT PRICE TOTAL	45.50 45.50		
I-12	1 ea. Valve box (purple standard jumbo)	UNIT PRICE TOTAL	83.25 83.25		
I-13	1 LF Schedule 40 PVC sleeve (4")	UNIT PRICE TOTAL	3.75 3.75		
I-14	1 LF Schedule 40 PVC sleeve (1")	UNIT PRICE TOTAL	0.75 0.75		
I-15	1 CY Fill (1/2" Washed Pea Gravel)	UNIT PRICE TOTAL	77.50 77.50		
I-16	1 CY Washed Sand	UNIT PRICE TOTAL	42.50 42.50		
	<b>TOTAL IRRIGATION MATERIALS</b>	TOTAL	548.00		
	<b>TOTAL INSTALLATION</b>	TOTAL	74,380.74		
	<b>TOTAL LANDSCAPE MATERIALS</b>	TOTAL	32,261.00		
	<b>TOTAL IRRIGATION MATERIALS</b>	TOTAL	548.00		
	<b>GRAND TOTAL</b>	TOTAL	107,189.74		
	Terms		Net 30 days		
	Delivery Days				

**\*LOW BIDDER****BIDS WERE E-MAILED TO AND/OR PICKED UP BY:**

A Affordable Lawn and Tree  
 A Cut Above and Landscaping  
 Cantu  
 EC Landscaping  
 Greater Texas Landscape Services  
 Green Grass  
 Hill Horticulture  
 Horton Horticulture, Inc.  
 J&S Lawn Service

Maldonado Nursery and Landscaping  
 MLC Landscaping  
 Oliva Landscaping  
 Paradise Lawn  
 Preferred Landscape  
 Prestonwood Landscape Service  
 SA Landscaping  
 Summit Landscap and Design

SAWS Website

**BID 16-1368**  
**Esri Sole Source Justification for Geographic Information System (GIS) Software Maintenance**  
**SOLE SOURCE**

Esri is the sole-source provider of software maintenance (technical support plus Esri software updates/upgrades) for Esri products.

The purpose of this purchase is to provide for continued Geographic Information System software maintenance in support of SAWS purchased licenses. SAWS Program Planning (Mapping and Planning), currently has 80 licenses that support over 100 daily users. The licenses: (1) support daily data production in spatial formats, (2) support SAWS pipeline modeling efforts, (3) are the base software for 7 GeoCortex custom sites that support SAWS. The licenses are also used in the televising and sewer cleaning trucks as well as with the revenue loss effort. Emergency Operations, Customer Service, Engineering, and Distribution and Collection all use the licenses to make informed decisions about the network of SAWS' pipelines. The Esri software is the only software that SAWS utilizes to track locational information about every pipe and valve that is inclusive of over 12,000 miles of underground main. In addition, without this software, the SAWS INFOR asset management and work order system would not function efficiently.

The Esri current annual contract with SAWS for this continued software maintenance is scheduled to expire 26 Feb 16.

The highly specialized capability provided by Esri providing for continued GIS software maintenance makes Esri the only responsible source in providing for this continued service.

- SAWS seeks approval for Esri to continue to provide for this required support.
- The not to exceed amount is \$131,200 to include out-year pricing as follows:

Original POP	\$131,200
Extension 1	\$137,760
Extension 2	\$144,648
Extension 3	\$151,880.40
Extension 4	\$159,474.42

Each period reflects an estimated 5% annual escalation, which is customary in the software maintenance field.

**SAN ANTONIO WATER SYSTEM**  
**P. O. BOX 2449**  
**SAN ANTONIO, TEXAS 78298-2449**  
**TABULATION OF BIDS**

Annual Contract for Disposable Coversalls

(Date of Award through May 31, 2016)

3:00 p.m., April 6, 2015

DESCRIPTION AND APPROXIMATE QUANTITY

ITEM NO.	DESCRIPTION AND APPROXIMATE QUANTITY	UNIT PRICE	TOTAL	SAF-T-GLOVE, INC. 1121 Fountain Pkwy Grand Prairie, TX 75050	MOTION INDUSTRIES 4536 Macior San Antonio, TX 78218	WESCO DISTRIBUTION, INC. 4410 Dividend San Antonio, TX 78219	SUNBELT MILL SUPPLY 7715 Gritsom Road San Antonio, TX 78251	UNIFORMS MANUFACTURING, INC. P.O. Box 12716 Scottsdale, AZ 85267	ALL SAFE INDUSTRIES 1830 Cargo Ct. Louisville, KY 40299	MASTERMANS, LLP 11 C Street Auburn, MA 01501	GSA, INC. 3535 Shurgis Rd. Rapid City, SD 57702	MSC INDUSTRIAL SUPPLY 121 Inepark Blvd., Ste. 1203 San Antonio, TX 78216	MAGID GLOVE & SAFETY 1300 Naperville Drive Romoville, IL 60446-1043	Baytech Supply
1.	2,400 ea. Disposable Coversalls, Size Large, SAWS Lawson No. 11289 Manufacturer/Model	UNIT PRICE TOTAL	2.64 6,336.00	Safety Supply, Inc. 11827 Tecu Com Dr., Ste. 114 San Antonio, TX 78233	Lakeland NSCTL414 Box Qty: 25	Lakeland NSCTL414 Box Qty: 25	Lakeland CTL414L Box Qty: 25	6,192.00 2.58	San Antonio, TX 78218	6,792.00 2.83	12,384.00 5.16	12,384.00 5.16	12,384.00 5.16	12,384.00 5.16
2.	3,200 ea. Disposable Coversalls, Size X-Large, SAWS Lawson No. 11286 Manufacturer/Model	UNIT PRICE TOTAL	2.64 8,448.00	Lakeland NSCTL414 Box Qty: 25	Lakeland NSCTL414 Box Qty: 25	Lakeland CTL414XL Box Qty: 25	Lakeland CTL414 Box Qty: 25	8,256.00 2.58	San Antonio, TX 78218	9,056.00 2.83	16,512.00 5.16	16,512.00 5.16	16,512.00 5.16	16,512.00 5.16
3.	4,000 ea. Disposable Coversalls, Size 2X-Large, SAWS Lawson No. 11287 Manufacturer/Model	UNIT PRICE TOTAL	2.64 10,560.00	Lakeland NSCTL414 Box Qty: 25	Lakeland NSCTL414 Box Qty: 25	Lakeland CTL414-2XL Box Qty: 25	Lakeland CTL414 Box Qty: 25	10,320.00 2.58	San Antonio, TX 78218	11,320.00 2.83	21,920.00 5.48	21,920.00 5.48	21,920.00 5.48	21,920.00 5.48
4.	4,200 ea. Disposable Coversalls, Size 3X-Large, SAWS Lawson No. 11288 Manufacturer/Model	UNIT PRICE TOTAL	2.64 11,088.00	Lakeland NSCTL414 Box Qty: 25	Lakeland NSCTL414 Box Qty: 25	Lakeland CTL414-3XL Box Qty: 25	Lakeland CTL414 Box Qty: 25	11,340.00 2.70	San Antonio, TX 78218	12,474.00 2.97	24,360.00 5.80	24,360.00 5.80	24,360.00 5.80	24,360.00 5.80
5.	1,200 ea. Disposable Coversalls, Size 4X-Large, SAWS Lawson No. 31233 Manufacturer/Model	UNIT PRICE TOTAL	2.64 3,168.00	Lakeland NSCTL414 Box Qty: 25	Lakeland NSCTL414 Box Qty: 25	Lakeland CTL414-4XL Box Qty: 25	Lakeland CTL414 Box Qty: 25	3,420.00 2.85	San Antonio, TX 78218	3,780.00 3.15	7,488.00 6.24	7,488.00 6.24	7,488.00 6.24	7,488.00 6.24
6.	1,200 ea. Disposable Coversalls, Size 5X-Large, SAWS Lawson No. 31234 Manufacturer/Model	UNIT PRICE TOTAL	2.64 3,168.00	Lakeland NSCTL414 Box Qty: 25	Lakeland NSCTL414 Box Qty: 25	Lakeland CTL414-5XL Box Qty: 25	Lakeland CTL414 Box Qty: 25	3,696.00 3.08	San Antonio, TX 78218	4,068.00 3.39	7,680.00 6.40	7,680.00 6.40	7,680.00 6.40	7,680.00 6.40
	<b>TOTAL</b>	<b>TOTAL</b>	<b>42,768.00</b>	<b>42,768.00</b>	<b>42,768.00</b>	<b>42,768.00</b>	<b>42,768.00</b>	<b>42,768.00</b>	<b>42,768.00</b>	<b>42,768.00</b>	<b>42,768.00</b>	<b>42,768.00</b>	<b>42,768.00</b>	<b>42,768.00</b>
	<b>EXTENSION 1</b>		<b>42,768.00</b>											
	<b>EXTENSION 2</b>		<b>42,768.00</b>											
	<b>EXTENSION 3</b>		<b>42,768.00</b>											
	Terms		2%	10 days	Net	30 days	Net	30 days	Net	30 days	Net	30 days	Net	30 days
	Delivery		1-2 days	5 days	42 days	2-3 days	42 days	2-3 days	42 days	2-3 days	42 days	2-3 days	42 days	2-3 days
	<b>*LOW BIDDER</b>													

BID INVITATIONS E-MAILED TO AND/OR PICKED UP BY:

Airgas  
Alamo Iron Works  
All Safe Industries  
Baytech Supply  
Grainger  
GSA, Inc.  
Magid Gloves & Safety  
Mapa Distributors  
Mastermans, LLP  
MC Master

Demandeur  
SAWS Website

Motion Industries  
MSC Direct  
MSC Industrial Supply  
ORR Corp.  
Royal Mathiessen  
Safety Supply  
SAF-T-Glove, Inc.  
Sunbelt Mill Supply  
Uniforms Mfr., Inc.  
Wesco Distribution, Inc.



**BEST VALUE BID  
FOR  
ANNUAL CONTRACT FOR HAZARDOUS/NON-HAZARDOUS WASTE TRANSPORT  
AND DISPOSAL SERVICES**

**SAWS Bid # 15-3012**

**SUPPLEMENTARY COMMENTS:**

Staff recommends that the contract be awarded to **Gruene Environmental Companies, a Local/SBE** firm, as the bidder who will provide the goods or services at the best value for the Water System based on the selection criteria set forth below. Price and other factors have been considered. In determining the “best value”, the Evaluation Criteria listed below have been considered and weighted as shown.

- A) **Evaluation Committee:** All properly submitted bids were reviewed by an Evaluation Committee.
- B) **Weighted Evaluation Criteria:** The following weighted criteria were considered to determine which bid offers the “best value” to the San Antonio Water System.

<b>Evaluation Criteria</b>	<b>Points</b>
a. Bidder's Pricing	40
b. Proposed Methods of Disposal	15
c. Experience, Qualifications and Safety record	15
d. Small, Minority and Woman Business Program Compliance	15
e. Safety and Training Plan	10
f. Financial/ Operational Stability	5
<b>TOTAL</b>	<b>100</b>

SAWS received bids from the following companies:

No	Bidders Name	Bid Amount	Best Value Score	Local/ SMWB
1	<b><u>*Gruene Environmental Companies</u></b>	<b><u>\$163,287.50</u></b>	<b><u>392.75</u></b>	<b><u>Local/ SBE</u></b>
	Extension 1	\$163,287.50		
	Extension 2	\$163,287.50		
	Extension 3	\$163,287.50		
2	<u>Tradebe Treatment and Recycling</u>	<u>\$176,300.00</u>	<u>339.95</u>	<u>Non-Local/ Non SMWB</u>

*\*Bidder offering the best value.*

Additionally, the overall SMWB analysis is shown in the following table:

Best Value Bid for Annual Contract for Hazardous/Non-Hazardous Waste Transportation and Disposal Services	
GRUENE ENVIRONMENTAL COMPANIES	
SMWB ANALYSIS – BOARD AWARD	
SBE	98.00%
MBE – African American	0.00%
MBE - Asian	0.00%
MBE - Hispanic	1.50%
MBE - Other	0.00%
WBE - Minority	0.00%
WBE – Non-Minority	0.00%
<b>SMWB Total</b>	<b>99.50%</b>

### **PERIOD OF AWARD**

Contract period begins March 1, 2016 and terminates on December 31, 2016. If determined renewal is favorable to the **System**, price and service considered, the award includes the availability of three (3) additional one-year options to extend maintenance and support as provided for and approved in future years' budgets.

In determining the best value, staff considered relevant criteria specifically listed in the request for bid. Staff has determined that **Gruene Environmental Companies** will provide services at the best value to **SAWS**.

**BEST VALUE BID  
FOR  
FOR THE CONTRACT FOR VALVE PREVENTIVE MAINTENANCE SERVICES**

**SAWS Bid # 15-9051**

**SUPPLEMENTARY COMMENTS:**

Staff recommends that the contract be awarded to Wachs Valve and Hydrant Services, LLC., Non-Local/SBE firm, as the bidder who will provide the goods or services at the best value for the Water System based on the selection criteria set forth below. Price and other factors have been considered. In determining the “best value”, the Evaluation Criteria listed below have been considered and weighted as shown.

- A) Evaluation Committee: All properly submitted bids were reviewed by an Evaluation Committee.
- B) Weighted Evaluation Criteria: The following weighted criteria were considered to determine which bid offers the “best value” to the San Antonio Water System.

Evaluation Criteria	Points
a. Bidder's Pricing	40
b. Project Approach & Similar Prior Experiences	20
c. Project Team & Resources	20
d. Small, Minority and Woman Business Program Compliance	15
e. Financial/Operational Stability	5
<b>TOTAL</b>	<b>100</b>

SAWS received bids from the following companies:

No	Bidders Name	Bid Amount	Best Value Score	Local/ SMWB
1	<u>*WACHS VALVE &amp; HYDRANT SERVICES, LLC</u>  <i>Extension 1</i> <i>Extension 2</i> <i>Extension 3</i> <i>Extension 4</i>	<i>TOTAL BID \$342,000.00</i>  <i>\$342,000.00</i> <i>\$342,000.00</i> <i>\$342,000.00</i> <i>\$342,000.00</i>	<b><u>450</u></b>	<b><u>Non-Local/ SBE</u></b>
2	<u>R&amp;M SERVICE SOLUTIONS, LLC</u>	<i>TOTAL BID \$410,200.00</i>	<b><u>343.9</u></b>	<b><u>Non-Local/ Non-SMWB</u></b>

*\*Bidder offering the best value*

Additionally, the overall SMWB analysis is shown in the following table:

<b>Best Value Bid SAWS Bid No. 15-9051</b> <b>For Valve Preventive Maintenance Services</b>  <b>WACHS VALVE AND HYDRANT SERVICE, LLC</b>  <b>SMWB ANALYSIS – BOARD AWARD</b>	
SBE	0.00%
MBE – African American	0.00%
MBE - Asian	1.50%
MBE - Hispanic	17.50%
MBE - Other	0.00%
WBE - Minority	0.00%
WBE – Non-Minority	10.00%
<b>SMWB Total</b>	<b>19.00%</b>

### **PERIOD OF AWARD**

Contract period begins March 1, 2016 and terminates on December 31, 2016. If determined renewal is favorable to the *System*, price and service considered, the award includes the availability of four (4) additional one-year options to extend as provided for and approved in future years' budgets.

In determining the best value, staff considered relevant criteria specifically listed in the request for bid. Staff has determined that Wachs Valve and Hydrant Services, LLC., will provide services at the best value to **SAWS**.

TO: San Antonio Water System Board of Trustees

FROM: Sam Mills, P.E., Director, Development, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: AWARD OF CONSTRUCTION CONTRACT AND APPROVAL OF EXPENDITURES FOR THE KALLISON RANCH AREA HIGH SCHOOL 24-INCH OVERSIZED WATER MAIN (12-INCH REQUIRED) PROJECT

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution accepts the low responsible bid from R.L. Jones LP, in the amount of \$810,659.60 on a Developer Customer construction contract, and authorizes the payment of \$810,659.60 for associated construction fees for the cost to oversize and extend the water main to R.L. Jones LP, and additional reimbursements of \$68,608.57 for associated design fees to Northside Independent School District (NISD).

- On August 5, 2014, by Resolution No. 14-185, the San Antonio Water System (the "System") Board of Trustees approved a Utility Service Agreement (USA) to provide water and/or wastewater services to a tract of land known as Kallison Ranch NISD, a 126.7-acre tract, being developed by NISD and the oversizing of approximately 3,250 linear feet of 12-inch water main to 24-inch water main and an extension of approximately 1,144 linear feet of 24-inch water main located on Old FM 471 on the northeast and northwest intersection of Talley Road in order to conform with the Water Infrastructure Master Plan.
- The Developer is required to construct a 12-inch water main. The System staff recommends oversizing 3,250 linear feet of the 12-inch water main to a 24-inch water main. The Developer is responsible for 25 percent of the oversizing of the 12-inch water main to a 24-inch water main. The System is responsible for 75 percent of the oversizing of the 12-inch water main to a 24-inch water main.
- The System is responsible for 100 percent of the extension of the proposed 24-inch water main.
- The System solicited bids for the construction of the oversizing and extension of the water main. Upon Board authorization of the construction contract, NISD will enter into a contract with both the Contractor and the System. The contract provides for the completion of this project within 80 calendar days.

- This project consists of the oversize construction of approximately 3,250 linear feet of 24-inch water main and an extension of approximately 1,144 linear feet of the proposed 24-inch water main. The construction area is not located over the Edwards Aquifer Recharge Zone. The tract is not located within a City Council District.
- R.L. Jones LP, a local, SBE contractor, has submitted the low bid of \$810,659.60 for construction of the project.
- The System will pay to R.L. Jones LP, monthly, for the System's proportionate share of the construction costs for the oversize project. NISD will pay R.L. Jones LP, within twelve working days of the notice of approval for payment(s) by the System.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The project will be funded from the 2016 Capital Improvements Plan Oversize Projects fund. This is a Capital Improvement Project that will be financed by the Service Recovery Account, job number 14-1044. The applicable water main oversize and extension payment will be made monthly to R.L. Jones LP in accordance with the System's Utility Service Regulations. The applicable design fees payment will be made to NISD. The responsible low bid for the project was R.L. Jones LP. The System will pay \$686,085.66 for construction costs and \$68,608.57 for associated design fees for a total cost of \$754,694.23. The Developer will pay \$124,573.94 of the construction costs and the remainder of the design fees.

Upon completion of construction, the cost of the project will be recorded as a Developer contribution along with an allowance for reimbursement.

**SUPPLEMENTARY COMMENTS:**

Bids for this project were opened on February 10, 2016, at 10:00 AM. The following bids were accepted for submittal:

Award of Construction Contract  
Kallison Ranch Area High School  
24-inch Oversized Water Main (12-inch Required) Project

Page 3

<b>BIDDERS</b>	<b>BID AMOUNT</b>	<b>LOCAL / SMWB</b>
<b>R.L. Jones LP*</b>	<b>\$810,659.60</b>	<b>Local / SBE</b>
Qro Mex Construction Co., Inc.	\$834,935.00	Non-Local / MBE-Hispanic
Pesado Construction Company, Inc.	\$858,586.35	Local / SBE
Harper Brothers Construction, LLC	\$877,149.92	Local / Non-SMWB
Black Rock Construction	\$881,037.78	Non-Local / Non-SMWB
Wauters Engineering, LLC	\$885,643.99	Local / SBE
San Antonio Constructors, Ltd	\$911,409.00	Local / SBE
Prota Construction Inc. and Prota Inc., Joint Venture	\$912,286.00	Non-Local / Non-SMWB
D & D Contractors, Inc.	\$925,882.20	Local / SBE
Atlas Construction, Inc.	\$985,472.00	Non-Local / MBE-Hispanic
DNT Construction	\$990,224.50	Local / Non-SMWB
Black Castle General Contractor	\$997,258.00	Local / Non-SMWB
Spiess Construction Co., Inc.	\$1,065,047.50	Non-Local / SBE
<i>Engineer's Estimate</i>	<i>\$1,124,363.00</i>	
Pronto Sandblasting & Coating & Oilfield Services, Co., Inc.	\$1,260,389.00	Local / MBE-Hispanic


\*Low Responsible Bidder

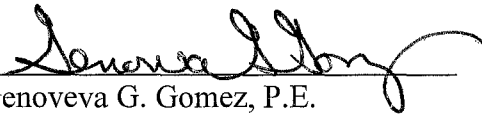
The Engineer's Opinion of Probable Construction Cost Estimate for this project was \$1,124,363.00.

Kallison Ranch Area High School 24-inch Oversized Water Main (12-inch Required) Project	
<b>R.L. Jones LP</b>	
<b>SMWB ANALYSIS – BOARD AWARD</b>	
SBE	42.52%
MBE – African American	0.00%
MBE – Asian	0.00%
MBE – Hispanic	4.31%
MBE – Other	0.00%
WBE – Minority	0.00%
WBE – Non-Minority	0.00%
<b>SMWB Total</b>	<b>46.83%</b>


Award of Construction Contract  
Kallison Ranch Area High School  
24-inch Oversized Water Main (12-inch Required) Project

Page 4

  
For: Sam Mills, P.E.  
Director  
Development

  
Genoveva G. Gomez, P.E.  
Vice President  
Engineering and Construction

APPROVED:

  
Robert R. Puente  
President/Chief Executive Officer

Attachments:

1. Project Area Map
2. Project Site Map



This map illustrates the geographical context of the study area within Bexar County, Texas. The county is divided into four quadrants: NW, NE, SW, and SE. Major highways are shown, including US HWY 90, US HWY 151, US HWY 87, and various state and federal loops (e.g., Loop 1604, Loop 410, Loop 1303). A red star marks the location of Culebra Rd, which is situated in the NW quadrant, near the intersection of US HWY 90 and US HWY 151. The map also shows the locations of neighboring counties: Kendall, Comal, Guadalupe, Medina, Atascosa, and Wilson. A north arrow is located in the top right corner.

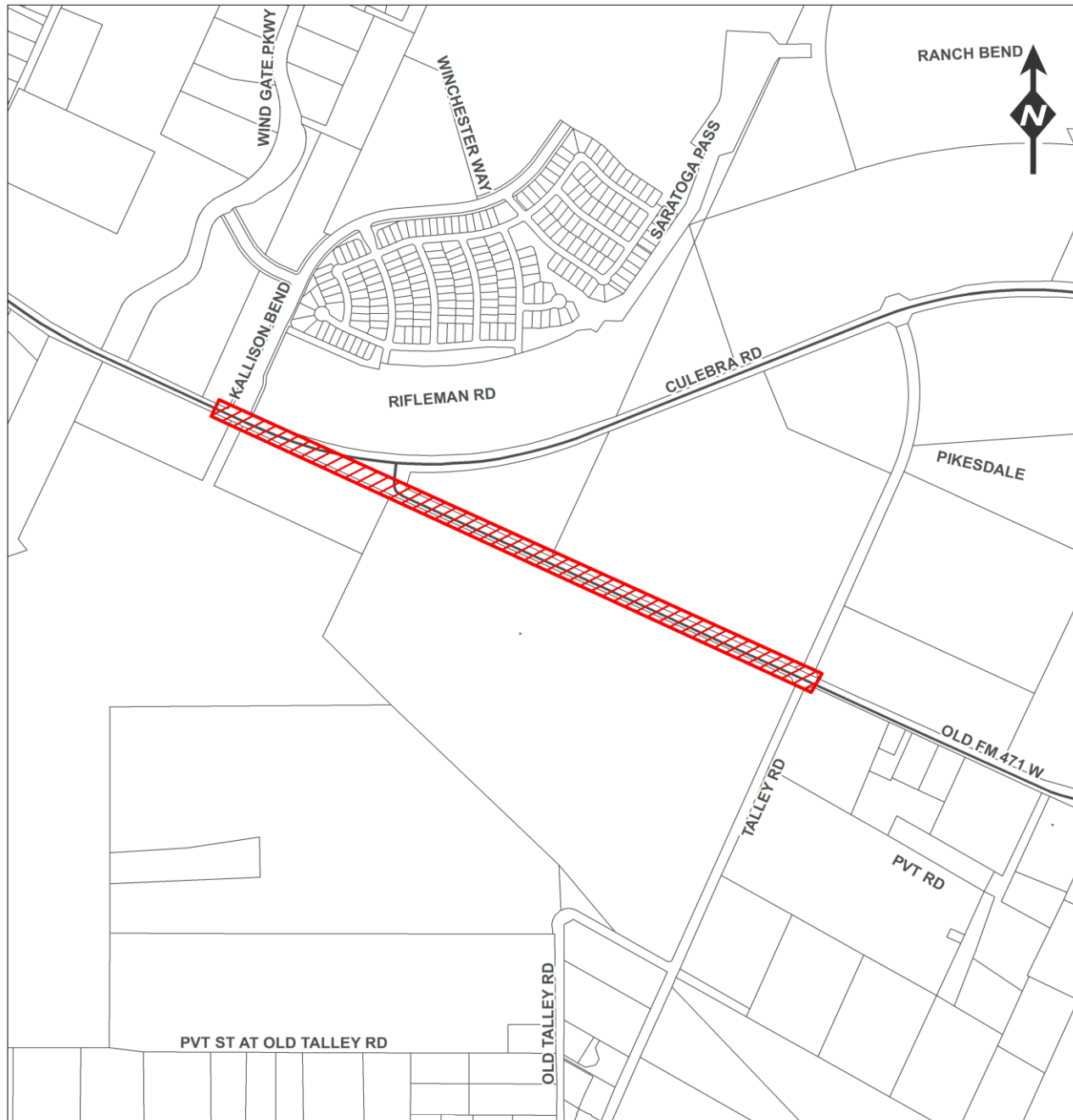
### LEGEND



EDWARDS AQUIFER RECHARGE ZONE



# SAN ANTONIO WATER SYSTEM PROJECT SITE MAP ATTACHMENT II



## KALLISON RANCH NISD TRACT

### LEGEND

 PROJECT LIMITS



**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE BID OF R.L. JONES LP IN THE AMOUNT OF \$810,659.60 FOR THE CONSTRUCTION OF THE 24-INCH WATER MAIN IN CONNECTION WITH THE KALLISON RANCH AREA HIGH SCHOOL 24-INCH OVERSIZED WATER MAIN (12-INCH REQUIRED) PROJECT; AWARDING A CONSTRUCTION CONTRACT TO R.L. JONES LP IN THE AMOUNT OF \$810,659.60 FOR THE PROJECT WORK; AUTHORIZING THE EXPENDITURE OF SYSTEM FUNDS IN THE AMOUNT OF \$686,085.66 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK; AUTHORIZING THE EXPENDITURE OF SYSTEM FUNDS IN THE AMOUNT OF \$68,608.57 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE ENGINEERING DESIGN FEES; AUTHORIZING A TOTAL AMOUNT NOT TO EXCEED \$754,694.23 FROM THE SYSTEM'S 2016 CAPITAL IMPROVEMENTS PLAN OVERSIZE PROJECTS FUND FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK AND ENGINEERING FEES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONTRACT WITH NISD, AND R.L. JONES LP, AND TO PROVIDE PAYMENT IN AN AMOUNT NOT TO EXCEED \$686,085.66 TO R.L. JONES LP AND REIMBURSEMENTS OF \$68,608.57 TO NISD, FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE COST TO OVERSIZE AND EXTEND THE PROPOSED WATER MAIN; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, by Resolution No. 14-185, approved on August 5, 2014, the San Antonio Water System (the "System") authorized the extension of water service within the Kallison Ranch Northside Independent School District (NISD), a 126.7-acre tract being developed by NISD, and the oversize of approximately 3,250 linear feet of 12-inch water main to a 24-inch water main and an extension of approximately 1,144 linear feet of 24-inch water main to conform with the Water Infrastructure Master Plan; and

**WHEREAS**, the Developer is required to construct a 12-inch water main and the System has elected to oversize a portion of the 12-inch water main to a 24-inch water main; and

**WHEREAS**, the System has solicited bids for the Kallison Ranch Area High School 24-inch Oversized Water Main (12-inch Required) Project (the “project work”); and

**WHEREAS**, the project work includes the oversize construction of approximately 3,250 linear feet of 12-inch water main to 24-inch water main and an extension of approximately 1,144 linear feet of 24-inch water main; and

**WHEREAS**, R.L. Jones LP, a local, SBE contractor, submitted the bid of \$810,659.60 for construction of the project and this bid is determined to be the lowest responsible bid; and

**WHEREAS**, NISD is responsible for funding their proportionate share of the construction of the project; and

**WHEREAS**, the NISD is responsible for 25 percent of the project costs for the 24-inch oversized main, the System is responsible for 75 percent of the project costs for the 24-inch oversized main; and

**WHEREAS**, the System is responsible for 100 percent of the project costs for the 24-inch main extension; and

**WHEREAS**, the System will pay to R.L. Jones LP, monthly, for the System’s proportionate share of the cost to oversize and extend the water main in accordance with the System’s Utility Service Regulations; and

**WHEREAS**, the amount of \$754,694.23 is available in the System’s 2016 Capital Improvements Plan Oversize Projects Fund for the System’s proportionate share of the project work costs and engineering fees related to oversizing and extending the proposed off-site water main; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to accept the bid of R.L. Jones LP, in the amount of \$810,659.60 for the project work, in connection with the Kallison Ranch Area High School 24-inch Oversized Water Main (12-inch Required) Project, (ii) to award a construction contract to R.L. Jones LP, in the amount of \$810,659.60 for the project work, (iii) to authorize System funds in the amount of \$686,085.66 for the project work, (iv) to authorize System funds in the amount of \$68,608.57 for design fees, (v) to make available a total amount not to exceed \$754,694.23 from the System’s 2016 Capital Improvements Plan Oversize Projects Fund for the System’s proportionate share of the project work and engineering fees related to oversizing and extending the proposed off-site water main, and (vi) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with NISD, and R.L. Jones LP for the project work and to provide payment in an amount not to exceed \$686,085.66 to R.L. Jones LP and reimbursements in an amount not to exceed \$68,608.57 to NISD, for the System’s cost to oversize and extend the proposed off-site water main; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the bid of R.L. Jones LP, in the amount of \$810,659.60 for the project work in connection with the Kallison Ranch Area High School 24-inch Oversized Water Main (12-inch Required) Project is hereby accepted.
2. That a construction contract for the project work is hereby awarded to R.L. Jones LP, in the amount of \$810,659.60.
3. That the expenditure of System funds in an amount of \$686,085.66 for the System's proportionate share of the project work is hereby approved.
4. That the expenditure of System funds in the amount of \$68,608.57 for the System's proportionate share of engineering design fees associated with the project work is hereby authorized and approved.
5. That a total sum not to exceed \$754,694.23 consisting of the System's proportionate share of the project work costs and engineering fees related to the 24-inch oversized (12-inch Required) water main, is hereby made available and is to be expended from the System's 2016 Capital Improvements Plan Oversize Projects Fund.
6. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized and directed to execute a contract with NISD, Developer, and the Contractor, R.L. Jones LP, and to further provide payment in an amount not to exceed \$686,085.66 for the cost to oversize and extend the proposed off-site water main to R.L. Jones LP and reimbursements in an amount not to exceed \$68,608.57 to NISD, in accordance with the System's Utility Service Regulations in connection with the Kallison Ranch Area High School 24-inch Oversized Water Main (12-inch Required) Project.
7. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.
8. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.
9. This resolution shall take effect immediately upon its passage.

PASSED AND APPROVED on this 1<sup>st</sup> day of March, 2016.

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Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

DRAFT

TO: San Antonio Water System Board of Trustees

FROM: Sam Mills, P.E., Director, Development, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: AWARD OF CONSTRUCTION CONTRACT AND APPROVAL OF EXPENDITURES FOR THE SCHNEIDER TRACT SUBDIVISION 24-INCH CIP APPROACH WATER MAIN PROJECT (12-INCH REQUIRED)

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution accepts the low responsible bid from San Antonio Constructors, Ltd., in the amount of \$747,760.00 on a Developer Customer construction contract, and authorizes the payment of \$560,820.00 for associated construction fees for the cost to oversize the water main to San Antonio Constructors, Ltd., and reimbursements of \$56,082.00 for associated design fees to Pulte Homes of Texas, L.P.

- On December 2, 2014, by Resolution No. 14-343, the San Antonio Water System (the “System”) Board of Trustees approved a Utility Service Agreement (USA) to provide water and/or wastewater services to a tract of land known as Schneider Tract, a 128-acre tract, being developed by Pulte Homes of Texas, L.P., and the oversizing of approximately 4,860 linear feet of 12-inch water main to 24-inch water main located along Galm Road in order to conform with the Water Infrastructure Master Plan.
- The Developer is required to construct a 12-inch water main. System staff recommends oversizing a portion of the 12-inch water main to a 24-inch water main. The Developer is responsible for 25 percent of the oversizing of the 12-inch water main to a 24-inch water main. The System is responsible for 75 percent of the oversizing of the 12-inch water main to a 24-inch water main.
- The System solicited bids for the construction of the oversize water main. Upon Board authorization of the construction contract, Pulte Homes of Texas, L.P., will enter into a contract with both the Contractor and the System. The contract provides for the completion of this project within 120 calendar days.
- This project consists of the oversize construction of approximately 4,860 linear feet of 24-inch water main. The construction area is not located over the Edwards Aquifer Recharge Zone. The tract is not located within a City Council District.

- San Antonio Constructors, Ltd., a local, SBE contractor, has submitted the low bid of \$747,760.00 for construction of the project.
- The System will pay to San Antonio Constructors, Ltd., monthly, for the System's proportionate share of the construction costs for the oversize project. Pulte Homes of Texas, L.P., will pay San Antonio Constructors, Ltd., within twelve working days of the notice of approval for payment(s) by the System.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The project will be funded from the 2016 Capital Improvements Plan Oversize Projects fund. This is a Capital Improvement Project that will be financed by the Service Recovery Account, job number 15-1072. The applicable water main oversize payment will be made monthly to San Antonio Constructors, Ltd., in accordance with the System's Utility Service Regulations. The applicable design fees payment will be made to Pulte Homes of Texas, L.P. The System will pay \$560,820.00 for construction costs and \$56,082.00 for associated design fees for a total cost of \$616,902.00. The Developer will pay \$186,940.00 of the construction costs and the remainder of the design fees.

Upon completion of construction, the cost of the project will be recorded as a Developer contribution along with an allowance for reimbursement.

**SUPPLEMENTARY COMMENTS:**

Bids for this project were opened on February 10, 2016, at 2:00 PM. The following bids were accepted for submittal:



<b>BIDDERS</b>	<b>BID AMOUNT</b>	<b>LOCAL / SMWB</b>
<b>San Antonio Constructors, Ltd.*</b>	<b>\$747,760.00</b>	<b>Local / SBE</b>
Wauters Engineering, LLC	\$786,145.09	Local / SBE
Harper Brothers Construction, LLC	\$855,524.85	Local / Non-SMWB
Prota Construction Inc. and Prota Inc., Joint Venture	\$889,256.50	Non-Local / Non-SMWB
Qro Mex Construction Co., Inc.	\$892,104.00	Non-Local / MBE-Hispanic
Black Rock Construction	\$895,315.37	Non-Local / Non-SMWB
Pesado Construction Company, Inc.	\$904,394.00	Local / SBE
Atlas Construction, Inc.	\$912,761.00	Non-Local / MBE-Hispanic
DNT Construction	\$925,518.15	Local / Non-SMWB
R.L. Jones LP	\$943,806.50	Local / SBE
Spiess Construction Co., Inc.	\$946,062.50	Non-Local / SBE
Black Castle General Contractor	\$969,919.52	Local / Non-SMWB
<i>Engineer's Estimate</i>	<i>\$1,096,110.00</i>	
Pronto Sandblasting & Coating & Oilfield Services, Co., Inc.	\$1,182,228.00	Local / MBE-Hispanic
Waste Water Solutions	\$1,472,414.17	Non-Local / Non-SMWB

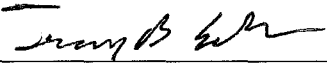
\*Low Responsible Bidder


The Engineer's Opinion of Probable Construction Cost Estimate for this project was \$1,096,110.00.

Schneider Tract Subdivision 24-inch CIP Project Approach Water Main Project (12-inch Required)	
San Antonio Constructors, Ltd.	
SMWB ANALYSIS – BOARD AWARD	
SBE	83.00%
MBE – African American	0.00%
MBE – Asian	0.00%
MBE – Hispanic	5.00%
MBE – Other	0.00%
WBE – Minority	12.00%
WBE – Non-Minority	0.00%
<b>SMWB Total</b>	<b>100.00%</b>

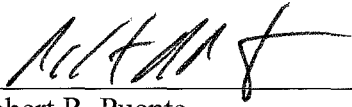
Award of Construction Contract  
Schneider Tract Subdivision 24-inch CIP Approach Main (12-inch Required)

Page 4

  
For: Sam Mills, P.E.  
Director  
Development

  
Genoveva G. Gomez, P.E.  
Vice President  
Engineering and Construction

APPROVED:

  
Robert R. Puente  
President/Chief Executive Office

Attachments:

1. Project Area Map
2. Project Site Map

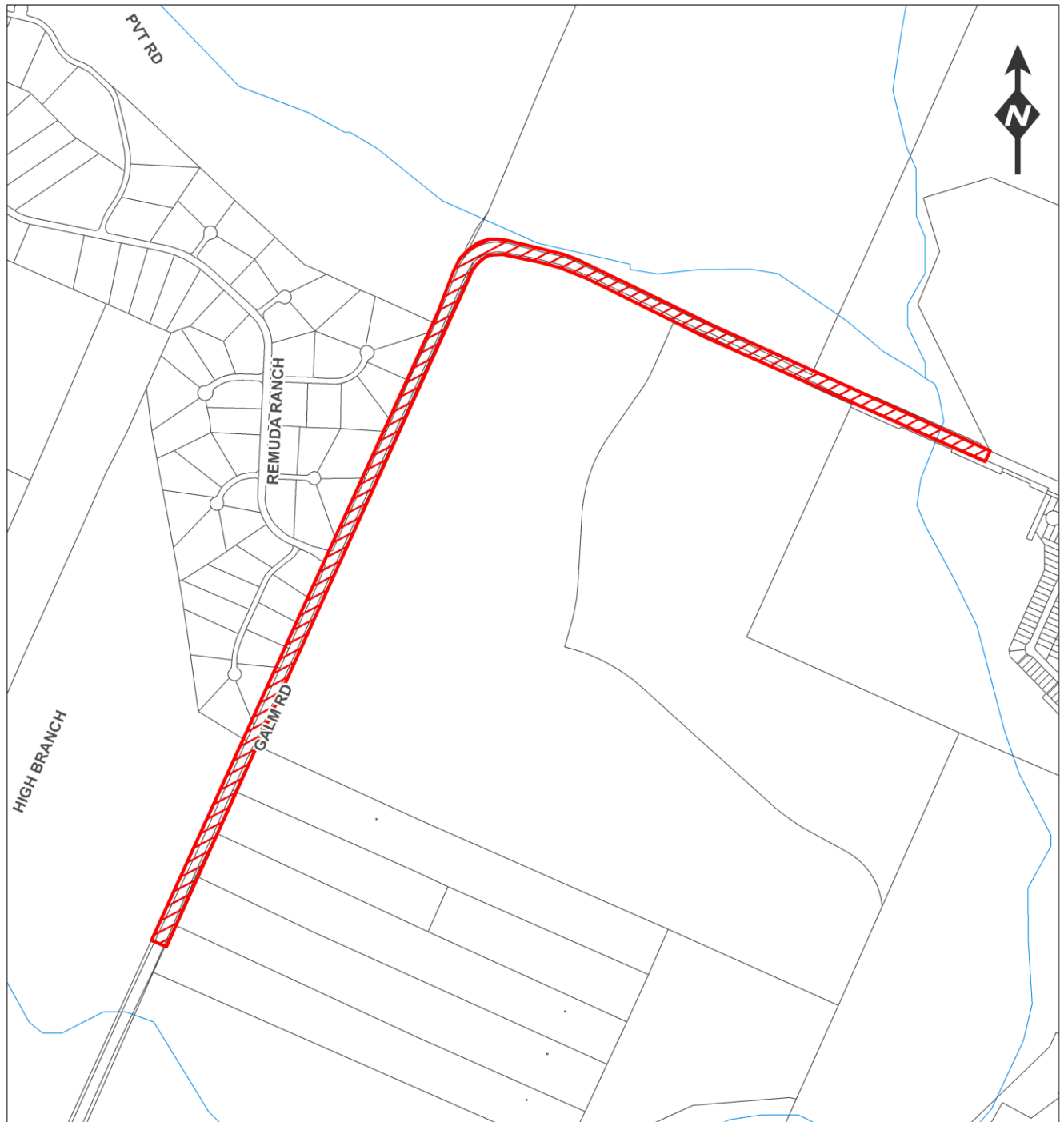
## LEGEND



EDWARDS AQUIFER RECHARGE ZONE



# SAN ANTONIO WATER SYSTEM PROJECT SITE MAP ATTACHMENT II



## SCHNEIDER TRACT

### LEGEND

 PROJECT LIMITS



**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE BID OF SAN ANTONIO CONSTRUCTORS, LTD., IN THE AMOUNT OF \$747,760.00 FOR THE CONSTRUCTION OF THE 24-INCH WATER MAIN IN CONNECTION WITH THE SCHNEIDER TRACT SUBDIVISION 24-INCH CIP APPROACH WATER MAIN PROJECT; AWARDING A CONSTRUCTION CONTRACT TO SAN ANTONIO CONSTRUCTORS, LTD., IN THE AMOUNT OF \$747,760.00 FOR THE PROJECT WORK; AUTHORIZING THE EXPENDITURE OF SYSTEM FUNDS IN THE AMOUNT OF \$560,820.00 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK; AUTHORIZING THE EXPENDITURE OF SYSTEM FUNDS IN THE AMOUNT OF \$56,082.00 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE ENGINEERING DESIGN FEES; AUTHORIZING A TOTAL AMOUNT NOT TO EXCEED \$616,902.00 FROM SYSTEM'S 2016 CAPITAL IMPROVEMENTS PLAN OVERSIZE PROJECTS FUND FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK AND ENGINEERING FEES RELATED TO THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNER TO EXECUTE A CONTRACT WITH PULTE HOMES OF TEXAS, L.P., AND SAN ANTONIO CONSTRUCTORS, LTD., AND PROVIDE PAYMENT IN AN AMOUNT NOT TO EXCEED \$560,820.00 TO SAN ANTONIO CONSTRUCTORS, LTD., AND REIMBURSEMENTS OF \$56,082.00 TO PULTE HOMES OF TEXAS, L.P., FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE COST TO OVERSIZE THE PROPOSED WATER MAIN; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, by Resolution No. 14-343, approved on December 2, 2014, the San Antonio Water System (the "System") authorized the extension of water service within the Schneider Tract Development, a 128-acre tract being developed by Pulte Homes of Texas, L.P., and the oversize of approximately 4,860 linear feet of 12-inch water main to a 24-inch water main to conform with the Water Infrastructure Master Plan; and

**WHEREAS**, the Developer is required to construct a 12-inch water main and the System has elected to oversize a portion of the 12-inch water main to a 24-inch water main; and

**WHEREAS**, the System has solicited bids for the Schneider Tract Subdivision 24-inch CIP Approach Water Main (the “project work”); and

**WHEREAS**, the project work includes the oversize construction of approximately 4,860 linear feet of 12-inch water main to 24-inch water main; and

**WHEREAS**, San Antonio Constructors, Ltd., a local, SBE contractor, submitted the bid of \$747,760.00 for construction of the project and this bid is determined to be the lowest responsible bid; and

**WHEREAS**, Pulte Homes of Texas, L.P., is responsible for funding their proportionate share of the construction of the project; and

**WHEREAS**, the Pulte Homes of Texas, L.P., is responsible for 25 percent of the project costs for the 24-inch oversized main, the System is responsible for 75 percent of the project costs for the 24-inch oversized main; and

**WHEREAS**, the System will pay to San Antonio Constructors, Ltd., monthly, for the System’s proportionate share of the cost to oversize the water main in accordance with the System’s Utility Service Regulations; and

**WHEREAS**, the amount of \$616,902.00 is available in the System’s 2016 Capital Improvements Plan Oversize Projects Fund for the System’s proportionate share of the project work costs and engineering fees related to oversizing the off-site water main; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to accept the bid of San Antonio Constructors, Ltd., in the amount of \$747,760.00 for the project work, in connection with the Schneider Tract Subdivision 24-inch CIP Approach Water Main Project, (ii) to award a construction contract to San Antonio Constructors, Ltd., in the amount of \$747,760.00 for the project work, (iii) to authorize System funds in the amount of \$560,820.00 for the project work, (iv) to authorize System funds in the amount of \$56,082.00 for design fees, (v) to make available a total amount not to exceed \$616,902.00 from the System’s 2016 Capital Improvements Plan Oversize Projects Fund for the System’s proportionate share of the project work and engineering fees related to oversizing the proposed off-site water main, and (vi) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Pulte Homes of Texas, L.P., and San Antonio Constructors, Ltd., for the project work and to provide payment in an amount not to exceed \$560,820.00 to San Antonio Constructors, Ltd., and reimbursements in an amount not to exceed \$56,082.00 to Pulte Homes of Texas, L.P., for the System’s cost to oversize the proposed off-site water main; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the bid of San Antonio Constructors, Ltd., in the amount of \$747,760.00 for the project work in connection with the Schneider Tract Subdivision 24-inch CIP Approach Water Main Project is hereby accepted.
2. That a construction contract for the project work is hereby awarded to San Antonio Constructors, Ltd., in the amount of \$747,760.00.
3. That the expenditure of System funds in an amount of \$560,820.00 for the System's proportionate share of the project work is hereby approved.
4. That the expenditure of System funds in the amount of \$56,082.00 for the System's proportionate share of engineering design fees associated with the project work is hereby authorized and approved.
5. That a total sum not to exceed \$616,902.00 consisting of the System's proportionate share of the project work costs and engineering fees related to 24-inch oversize (12-inch required) water main, is hereby made available and to be expended from the System's 2016 Capital Improvements Plan Oversize Projects Fund.
6. That the President/Chief Executive Officer, or his duly appointed designee, is hereby authorized and directed to execute a contract with Pulte Homes of Texas, L.P., Developer, and the Contractor, San Antonio Constructors, Ltd., and to further provide payment in an amount not to exceed \$560,820.00 for the cost to oversize the off-site water main to San Antonio Constructors, Ltd., and reimbursement in an amount not to exceed \$56,082.00 to Pulte Homes of Texas, L.P., in accordance with the System's Utility Service Regulations in connection with the Schneider Tract Subdivision 24-inch CIP Approach Water Main Project.
7. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.
8. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.
9. This resolution shall take effect immediately upon its passage.

PASSED AND APPROVED on this 1<sup>st</sup> day of March, 2016.

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Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

DRAFT



TO: San Antonio Water System Board of Trustees

FROM: Sam Mills, P.E., Director, Development, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: APPROVING OF INTERLOCAL AGREEMENT AND AUTHORIZING EXPENDITURES FOR THE FM 471 #3 AREA ELEMENTARY SCHOOL OFFSITE SANITARY SEWER PROJECT

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution authorizes the San Antonio Water System (the “System”) President/Chief Executive Officer to execute an Interlocal Agreement with Northside Independent School District (NISD) for the project work in connection with the FM 471 #3 Area Elementary School Offsite Sanitary Sewer Project.

- On December 2, 2014, by Resolution No. 14-343, the System’s Board of Trustees approved a Utility Service Agreement (USA) to provide water and/or wastewater services to a tract of land known as FM 471 #3 Area Elementary School, a 19.77-acre tract, being developed by NISD, and the oversizing of approximately 6,051 linear feet of 8-inch sewer main located along FM 1560 in order to conform with the Wastewater Infrastructure Master Plan.
- The Developer is required to construct an 8-inch sewer main. The System staff recommends oversizing a portion of the 8-inch sewer main to a 12-inch sewer main. The Developer is responsible for 44.44 percent of the cost of the oversizing of the 8-inch sewer main to a 12-inch sewer main. The System is responsible for 55.56 percent of the cost of the oversizing of the 8-inch sewer main to a 12-inch sewer main.
- The Developer is required to construct an 8-inch sewer main. System staff recommends oversizing a portion of the 8-inch sewer main to a 15-inch sewer main. The Developer is responsible for 28.44 percent of the cost of the oversizing of the 8-inch sewer main to a 15-inch sewer main. The System is responsible for 71.56 percent of the cost of the oversizing of the 8-inch sewer main to a 15-inch sewer main.

- The Developer is required to construct an 8-inch sewer main. The System staff recommends oversizing a portion of the 8-inch sewer main to an 18-inch sewer main. The Developer is responsible for 20.20 percent of the cost of the oversizing of the 8-inch sewer main to an 18-inch sewer main. The System is responsible for 79.80 percent of the cost of the oversizing of the 8-inch sewer main to an 18-inch sewer main.
- This project consists of the oversize construction of approximately 458 linear feet of 12-inch sewer main, approximately 3,950 linear feet of 15-inch sewer main, and approximately 1,643 linear feet of 18-inch sewer main. This project will be completed in two phases. The FM 471 #3 Area Elementary School Offsite Sanitary Sewer Project is located within the System's Upper Collection and Treatment Area and lies within the Upper Culebra Creek Watershed. The project is not located within a City Council District.
- NISD solicited publicly held bids for the construction of the oversize sewer main. Upon Board authorization, the System will enter into an Interlocal Agreement with NISD to reimburse NISD for the System's proportionate share of the project. RTM Construction Co., LTD, a local, SBE contractor, has submitted the low bid of \$1,260,971.35 for construction of the project. NISD will enter into a contract with RTM Construction Co., LTD, for construction of the project. The contract provides for the completion of this project within 120 calendar days.
- The System will pay to NISD, monthly, for reimbursement of the System's proportionate share of the construction and engineering costs for the oversize project.

Staff recommends that the Board approve this resolution.

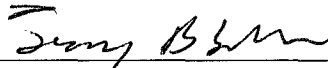
**FINANCIAL IMPACT:**


This project will be funded from the 2016 Capital Improvements Plan Oversize Projects fund. This is a Capital Improvement Project that will be financed by the Service Recovery Account, job numbers 15-1555 and 15-1588. The applicable sewer main oversize payment will be made monthly to NISD in accordance with the System's Utility Service Regulations. The System will reimburse \$914,518.02 for construction costs and \$84,151.54 for associated design fees expenses for a total cost of \$998,669.56 to NISD. The Developer is responsible for \$346,453.33 of the construction costs and the remainder of the design and contingency fees.

Approve Interlocal Agreement and Authorize Expenditures  
FM 471 #3 Area Elementary School Offsite Sanitary Sewer Project

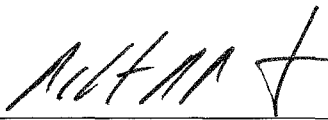
Page 3

Upon completion of construction, the cost of the project will be recorded as an Interlocal Agreement between the System and the Developer.

  
For: Sam Mills, P.E.  
Director  
Development

  
Genoveva G. Gomez, P.E.  
Vice President  
Engineering and Construction

APPROVED:

  
Robert R. Puente  
President/Chief Executive Officer

Attachments:

1. Project Area Map
2. Project Site Map

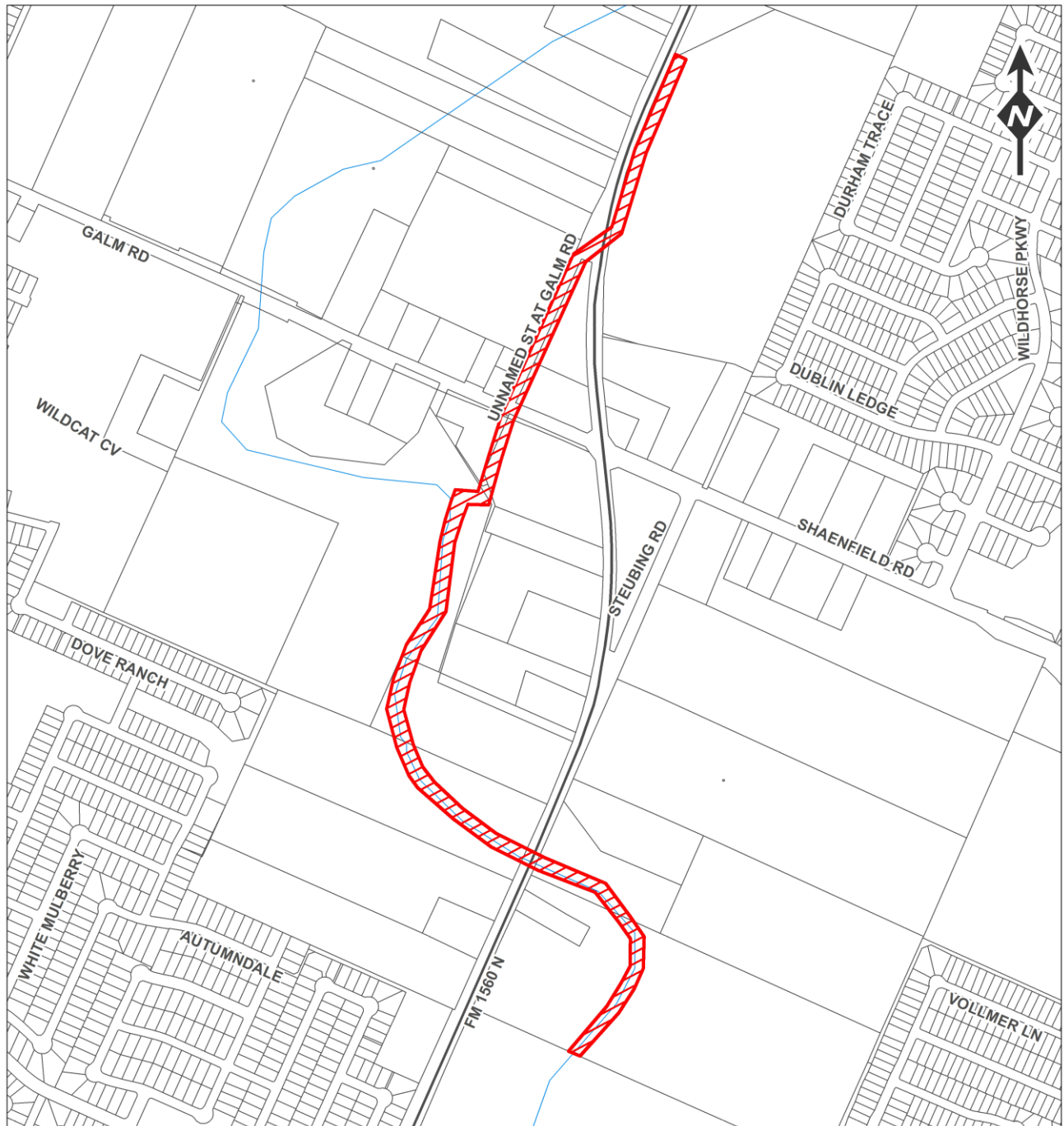
### LEGEND



EDWARDS AQUIFER RECHARGE ZONE



# SAN ANTONIO WATER SYSTEM PROJECT SITE MAP ATTACHMENT II



## FM 471 AREA #3 ELEMENTARY SCHOOL TRACT

### LEGEND

 PROJECT LIMITS



**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING AN INTERLOCAL AGREEMENT WITH NORTHSIDE INDEPENDENT SCHOOL DISTRICT FOR THE PROJECT WORK IN CONNECTION WITH THE FM 471 #3 AREA ELEMENTARY SCHOOL OFFSITE SANITARY SEWER PROJECT; AUTHORIZING THE EXPENDITURE OF SYSTEM FUNDS IN THE AMOUNT OF \$914,518.02 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK; AUTHORIZING THE EXPENDITURE OF SYSTEM FUNDS IN THE AMOUNT OF \$84,151.54 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE ENGINEERING DESIGN FEES; AUTHORIZING A TOTAL AMOUNT NOT TO EXCEED \$998,669.56 FROM SYSTEM'S 2016 CAPITAL IMPROVEMENTS PLAN OVERSIZE PROJECTS FUND FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK AND DESIGN FEES RELATED TO THE PROJECT WORK; AUTHORIZING THE PRESIDENT, CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE AN INTERLOCAL AGREEMENT WITH NORTHSIDE INDEPENDENT SCHOOL DISTRICT, AND PROVIDE REIMBURSEMENT IN AN AMOUNT NOT TO EXCEED \$998,669.56 TO NORTHSIDE INDEPENDENT SCHOOL DISTRICT, FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE COST TO OVERSIZE THE PROPOSED SEWER MAIN; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, by Resolution No. 14-343, approved on December 2, 2014, the San Antonio Water System (the "System") Board of Trustees approved a Utility Service Agreement (USA) to provide water and/or wastewater services to a tract of land known as FM 471 #3 Area Elementary School, a 19.77-acre tract, being developed by Northside Independent School District (NISD), and the oversizing of approximately 458 linear feet of 8-inch sewer main to 12-inch sewer main, and the oversizing of approximately 3,950 linear feet of 8-inch sewer main to 15-inch sewer main, and the oversizing of approximately 1,643 linear feet of 8-inch sewer main to 18-inch sewer main located along FM 1560 in order to conform with the Wastewater Infrastructure Master Plan; and

**WHEREAS**, the Developer is required to construct an 8-inch sewer main and the System has elected to oversize a portion of the 8-inch sewer main to a 12-inch sewer main, a portion of the 8-inch sewer main to a 15-inch sewer main, and a portion of the 8-inch sewer main to an 18-inch sewer main; and

**WHEREAS**, the NISD has publicly solicited bids for the FM 471 #3 Area Elementary School Offsite Sanitary Sewer Project (the “project work”); and

**WHEREAS**, the project work includes the oversize construction of approximately 458 linear feet of 8-inch sewer main to 12-inch sewer main; and

**WHEREAS**, the project work includes the oversize construction of approximately 3,950 linear feet of 8-inch sewer main to 15-inch sewer main; and

**WHEREAS**, the project work includes the oversize construction of approximately 1,643 linear feet of 8-inch sewer main to 18-inch sewer main; and

**WHEREAS**, RTM Construction Company, LTD, a local, SBE contractor, submitted the bid of \$1,260,971.35 for construction of the project to NISD and this bid is determined to be the lowest responsible bid; and

**WHEREAS**, the NISD is responsible for funding their proportionate share of the construction of the project; and

**WHEREAS**, the NISD is responsible for 44.44 percent of the project costs for the 12-inch oversized main, the System is responsible for 55.56 percent of the project costs for the 12-inch oversized main; and

**WHEREAS**, the NISD is responsible for 28.44 percent of the project costs for the 15-inch oversized main, the System is responsible for 71.56 percent of the project costs for the 15-inch oversized main; and

**WHEREAS**, the NISD is responsible for 20.20 percent of the project costs for the 18-inch oversized main, the System is responsible for 79.80 percent of the project costs for the 18-inch oversized main; and

**WHEREAS**, the System will pay to the NISD, monthly, for the System’s proportionate share of the cost to oversize the sewer main in accordance with the System’s Utility Service Regulations; and

**WHEREAS**, the amount of \$998,669.56 is available in the System’s 2016 Capital Improvements Plan Oversize Projects Fund for the System’s proportionate share of the project work costs and engineering fees related to oversizing the water main extension; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to approve an Interlocal Agreement with NISD for the project work in connection with the FM 471 #3 Area Offsite Sanitary Sewer Project, (ii) to authorize System funds in the amount of \$914,518.02 for the project work, (iii) to authorize System funds in the amount of \$84,151.54 for design fees, (iv) to make available a total amount not to exceed \$998,669.56 from the System's 2016 Capital Improvements Plan Oversize Projects Fund for the System's proportionate share of the project work and the design fees related to oversizing the proposed sewer main extension, and (v) to authorize the President/Chief Executive Officer or his duly appointed designee to execute an Interlocal Agreement with NISD for the project work, and to provide reimbursements in an amount not to exceed \$998,669.56 to NISD for the System's cost to oversize the proposed sewer main extension; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That an Interlocal Agreement with NISD for the project work in connection with the FM 471 #3 Area Elementary School Offsite Sanitary Sewer Project is hereby approved.
2. That the expenditure of System funds in an amount of \$914,518.02 for the System's proportionate share of the project work is hereby approved.
3. That the expenditure of System funds in an amount of \$84,151.54 for the System's proportionate share of engineering design fees associated with the project work is hereby authorized and approved.
4. That a total sum not to exceed \$998,669.56 consisting of the System's proportionate share of the project work costs and engineering fees related to 12-inch, 15-inch and 18-inch oversize (8-inch required) sewer mains is hereby made available and is to be expended from the System's 2016 Capital Improvements plan Oversize Project Fund.
5. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized and directed to execute an Interlocal Agreement with NISD, and to further provide payment in an amount not to exceed \$998,669.56 for reimbursements to NISD, in accordance with the System's Utility Service Regulations in connection with the FM 471 #3 Area Elementary School Offsite Sanitary Sewer Project.
6. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.
7. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid



as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.

8. This resolution shall take effect immediately upon its passage.

PASSED AND APPROVED on this 1<sup>st</sup> day of March, 2016.

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Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

DRAFT

TO: San Antonio Water System Board of Trustees

FROM: Kathleen Price, P.E., Interim-Director, Pipelines, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: RATIFICATION OF AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE EMERGENCY 42-INCH SANITARY SEWER REPLACEMENT – 200 BLOCK CASTILLO AVE. PROJECT

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution ratifies the actions of the Vice President of Engineering and Construction in approving the construction contract in the amount of \$652,590.00 payable to Spiess Construction Co., Inc., a non-local, small business enterprise contractor, in connection with the Emergency 42-inch Sanitary Sewer Replacement – 200 Block Castillo Ave. Project. This project is located in Council District 5.

- On February 2, 2016, the existing 42-inch sanitary sewer main within the alley between Castillo Ave. and Hunstock Ave. along West Highland Ave. experienced multiple collapses. The existing main is clay and was constructed in 1964.
- San Antonio Water System's (the "System") Operations engaged the Engineering Department to assist with the design and replacement of approximately 212 linear feet of the existing sewer main.
- The System declared an emergency project on February 3, 2016 in order to mobilize a contractor to the site. Design plans and specifications were prepared in-house; two contractors were contacted and attended the pre-bid meeting at the site.
- Spiess Construction Co., Inc., submitted the lowest responsible bid of \$652,590.00.
- Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this expenditure included in the CY 2016 Capital Improvement Program. This project is included in the Wastewater Core Business budget line item. The amount is \$652,590.00 for sewer related construction work under job number 16-0503.

**SUPPLEMENTARY COMMENTS:**

A bid opening was held on February 5, 2016, at 2:30 PM. The following bids were submitted:

<b>BIDDER</b>	<b>BID AMOUNT</b>	<b>LOCAL/SMWB</b>
<b>Spiess Construction Co., Inc.*</b>	<b>\$652,590.00</b>	<b>Non Local/ SBE</b>
<i>Engineers Estimate</i>	<i>\$750,000.00</i>	
SJ Louis Construction of Texas, LTD	\$744,785.12	Local/Non-SMWB

\* Low Responsible Bidder

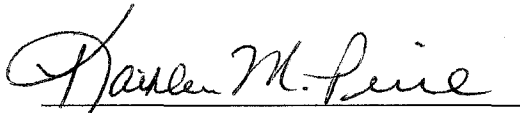
The bid amount represents a 12.99 percent decrease from the estimated construction cost.

This contract has 60 calendar days for construction completion.

<b>Emergency 24-inch Sanitary Sewer Replacement 200 Block of Castillo Ave. Project</b>	
<b>SPIESS CONSTRUCTION CO., INC.</b>	
<b>SMWB ANALYSIS – BOARD AWARD</b>	
SBE	87.74%
MBE – African American	0.00%
MBE – Asian	0.00%
MBE – Hispanic	0.00%
MBE – Other	0.00%
WBE – Minority	12.26%
WBE – Non-Minority	0.00%
<b>SMWB Total</b>	<b>100.00%</b>

Ratification of Award of Construction Contract  
Emergency 42-inch Sanitary Sewer Replacement  
200 Block Castillo Ave. Project

Page 3

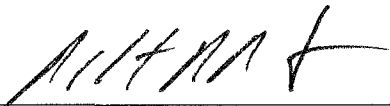


Kathleen Price, P.E.  
Interim-Director  
Construction



Genoveva G. Gomez, P.E.  
Vice President  
Engineering and Construction

APPROVED:



Robert R. Puente  
President/Chief Executive Officer

Attachments:

1. Project Area Map
2. Project Site Map

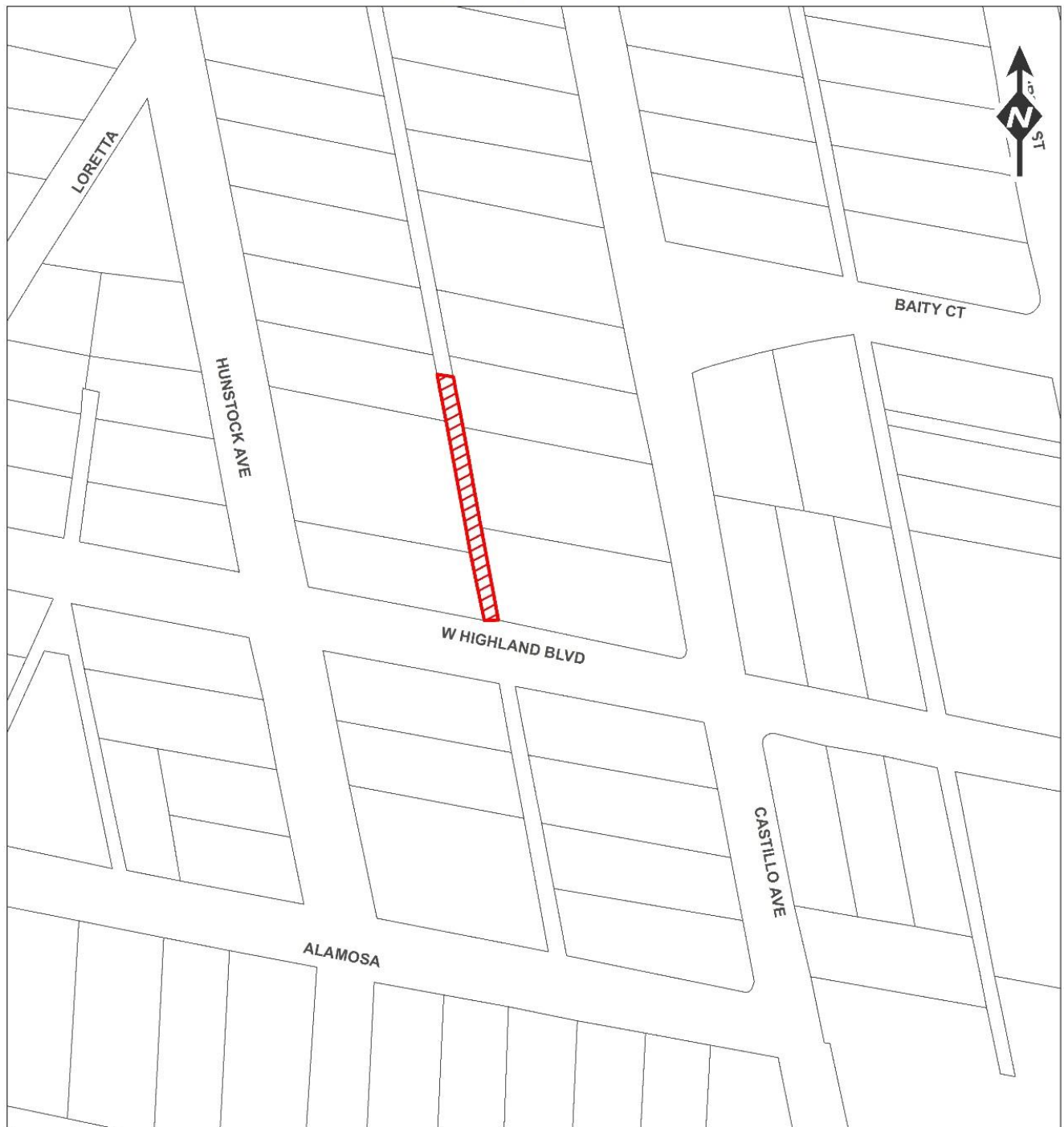
### LEGEND



Edwards Aquifer Recharge Zone



# SAN ANTONIO WATER SYSTEM PROJECT SITE MAP ATTACHMENT II



## EMERGENCY 42" SEWER REPLACEMENT 200 BLK CASTILLO AVE

### LEGEND

 PROJECT LIMITS



**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES RATIFYING THE ACTIONS OF THE VICE PRESIDENT OF ENGINEERING AND CONSTRUCTION IN APPROVING THE AWARD OF A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$652,590.00 IN CONNECTION WITH THE EMERGENCY 42-INCH SANITARY SEWER REPLACEMENT - 200 BLOCK CASTILLO AVE. PROJECT; APPROVING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED \$652,590.00 PAYABLE TO SPIESS CONSTRUCTION CO., INC., FOR THE EMERGENCY 42-INCH SANITARY SEWER REPLACEMENT - 200 BLOCK CASTILLO AVE. PROJECT; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE CONTRACT WITH SPIESS CONSTRUCTION CO., INC. AND TO PAY TO SPIESS CONSTRUCTION CO., INC., AN AMOUNT NOT TO EXCEED \$652,590.00 FOR THE PROJECT WORK ASSOCIATED WITH THE EMERGENCY 42-INCH SANITARY SEWER REPLACEMENT - 200 BLOCK CASTILLO AVE. PROJECT; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, on February 2, 2018, the existing 42-inch sanitary sewer main within the alley between Castillo and Munstock Ave. along West Highland Ave. had experienced multiple collapses; and

**WHEREAS**, San Antonio Water System's (the "System") Operations engaged the Engineering Department to assist with the design and replacement of approximately 212 linear feet of the existing sewer main; and

**WHEREAS**, an emergency project was declared in order for the System to mobilize a contractor to the site; and

**WHEREAS**, the System contacted two contractors to attend a pre-bid meeting at the site and the System received two bids; and

**WHEREAS**, Spiess Construction Co., Inc., a non-local, small business enterprise contractor, has submitted a bid in the amount of \$652,590.00 for the project work and this bidder has been determined to be the lowest responsible bidder; and

**WHEREAS**, System funds in the amount of \$652,590.00 are required for the project work; and

**WHEREAS**, the total amount of \$652,590.00 is available from the System's Project Fund for the project work; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to ratify the actions of the Vice President of Engineering and Construction in awarding a construction contract in the amount of \$652,590.00 in connection with the Emergency 42-inch Sanitary Sewer Replacement – 200 Block Castillo Ave. Project, (ii) to approve the expenditure of an amount not to exceed \$652,590.00 payable to Spiess Construction Co., Inc., for the work related with the Emergency 42-inch Sanitary Sewer Replacement – 200 Block Castillo Ave. Project, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Spiess Construction Co., Inc., and to pay an amount not to exceed \$652,590.00 to Spiess Construction Co., Inc., for the project work associated with Emergency 42-inch Sanitary Sewer Replacement – 200 Block Castillo Ave. Project; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That this procurement was necessary to protect the public health and safety of the residents of the City of San Antonio.
2. That the actions of the Vice President of Engineering and Construction in awarding a construction contract in the amount of \$652,590.00 payable to Spiess Construction Co., Inc., for the project work in connection with the Emergency 42-inch Sanitary Sewer Replacement – 200 Block Castillo Ave. Project are hereby ratified.
3. That the expenditure of an amount not to exceed \$652,590.00 payable to Spiess Construction Co., Inc., is hereby approved.
4. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a contract with Spiess Construction Co., Inc., and to pay to Spiess Construction Co., Inc., an amount not to exceed \$652,590.00 for the project work associated with the Emergency 42-inch Sanitary Sewer Replacement – 200 Block Castillo Ave. Project.
5. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place, and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.
6. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid, or ineffective.



7. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016.

---

Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

DRAFT

TO: San Antonio Water System Board of Trustees

FROM: Kathleen M. Price, P.E., Interim-Director, Pipelines, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: APPROVAL OF RECAPITULATION CHANGE ORDER NO. 25 IN CONNECTION WITH THE OLMOS BASIN CENTRAL WATERSHED SEWER RELIEF LINE (C-3) PROJECT

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution approves Recapitulation Change Order No. 25 in the decreased amount of \$347,289.89 to be credited to the construction contract with S.J. Louis Construction of Texas, Ltd., in connection with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project. It further returns the balance of construction contingency funds in the amount of \$372,981.94 for a total of \$720,271.83 to the Project Fund and closes the contract. This project is located in Council District 5.

- The contract that is the subject of the attached resolution will authorize work that is required by Section V. B. Early Action Program of the Consent Decree between the San Antonio Water System (the “System”), the United States of America, and the State of Texas that was lodged in the United States District Court for the Western District of Texas on July 23, 2013.
- This project was identified in the Comprehensive Wastewater Master Plan developed by the the System’s Master Planning Division. The mains were in poor condition due to deterioration and lacked sufficient capacity to handle future sewer flows due to growth and during peak storm events.
- The project includes the construction of approximately 1.6 miles of sewer main along Avenue B from approximately 700 feet north of Tuleta Drive to Josephine Avenue.
- S.J. Louis Construction of Texas, Ltd., a local, non-SWMB contractor, was declared the lowest responsible bidder at \$9,578,874.44.
- Change Order No. 1, in an amount not to exceed \$3,622.50, provided for shielded fence panels for the Witte Museum tunnel at the Witte Museum’s request.

- Change Order No. 2, in an amount not to exceed \$24,217.42, provided for the re-route of the 54-inch diameter sanitary sewer main along Tuleta Drive. The re-route was necessary to avoid a dinosaur exhibit installed by the Witte Museum.
- Change Order No. 3, in an amount not to exceed \$18,089.12, provided for permanent relocation of buried AT&T cable in conflict with the proposed junction structure Manhole 101. The AT&T cable's exact location in relation to the manhole was not identified until after construction began.
- Change Order No. 4, in an amount not to exceed \$33,513.84, provided for additional costs associated with the required change of manhole rings and covers. System's Operations requested the change in manhole rings and covers in order to provide better access for maintenance.
- Change Order No. 5, in an amount not to exceed \$17,430.24, provided for relocation of construction materials at Lions Field in support of the Siclovía Festival.
- Change Order No. 6, in an amount not to exceed \$22,894.28, provided for exploratory work for CPS Energy conflicts at the intersection of Avenue B and Mulberry Avenue. CPS Energy improvements were performed as part of the City of San Antonio (the "City") Catalpa Pershing project. Exact locations of the CPS Energy infrastructure was not known at the time of bidding.
- Change Order No. 7, in an amount not to exceed \$32,348.32, provided for the demobilization from the Witte Museum and temporary site restoration in order to minimize disruption to the Witte Museum operations.
- Change Order No. 8, in an amount not to exceed \$17,533.53, provided for additional costs for re-routing an unknown sewer service lateral along Avenue B, behind the Butterkrust Development.
- Change Order No. 9, in an amount not to exceed \$2,716.45, provided for additional sodding at Lions Field for the Siclovía Festival on September 29, 2013.
- Change Order No. 10, in an amount not to exceed \$51,412.80, provided for the repair of underground electrical and lighting along Avenue B. Improvements were installed as part of the Butterkrust Development, after the System's C-3 project was advertised for bids.
- Change Order No. 11, in an amount not to exceed \$199,419.03, provided for the construction of two storm sewer siphons at Lions Field. The City is allowing the System

to modify the existing storm sewer drains in order to avoid a conflict with the new C-3 sewer line. The City, Bexar County, and the Texas Department of Transportation did not claim ownership of the storm drains during design. After the project was awarded, the City informed the System that the storm drains belonged to the City and were active.

- Change Order No. 12, in an amount not to exceed \$61,338.45, provided for downtime associated with delays from CPS Energy conflicts at Avenue B and Mulberry Avenue, and for downtime associated with a damaged waterline on Avenue B by Butterkrust. The contractor was not able to work on the project until unforeseen conflicts were resolved.
- Change Order No. 13, in an amount not to exceed \$122,750.52, provided a modification to the Mulberry Avenue tunnel crossing from the original design in order to avoid the CPS Energy conflicts at Avenue B and Mulberry Avenue. The modification was a result of the findings of the exploratory work performed under Change Order No. 6.
- Change Order No. 14, in an amount not to exceed \$16,537.77, provided additional asphaltic material and street milling costs due to delays encountered on the project.
- Change Order No. 15, in an amount not to exceed \$122,706.83, provided for expedited and out of sequence work at the Witte Museum. This work is necessary in order for the Witte Museum to begin their museum expansion project on November 1, 2014. The new 54-inch sewer line at the Witte Museum will need to be installed and in service prior to the Witte Museum's expansion.
- Change Order No. 16, in an amount not to exceed \$17,912.46, provided for expedited restoration of Lions Field due to Siclovia event.
- Change Order No. 17, in an amount not to exceed \$23,875.37, provided for the installation of a new 8-inch sewer lateral from the new Witte Museum expansion.
- Change Order No. 18, in an amount not to exceed \$18,974.66, provided for the physical removal of an abandoned 24-inch sewer line at Lions Field. Sewer line requires removal due exposed sections above ground and safety concerns.
- Change Order No. 19, in an amount not to exceed \$17,974.91, provided for the relocation of an existing fire hydrant at the intersection of Avenue B and Tuleta. The fire hydrant requires relocation due to a City project which will realign Tuleta at the Witte Museum.
- Change Order No. 20, in an amount not to exceed \$119,265.68, provided for adjustments to the System's facilities along Avenue B behind the former Butterkrust building, and additional base material and grading to match the proposed elevations of the Butterkrust

Development Project. The adjustments include changes to the top of manhole elevations of existing System facilities, and manholes and structures constructed with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project.

- Change Order No. 21, in an amount not to exceed \$84,801.00, provided for the relocation of the existing 6-inch water main and to construct the 4-inch temporary water main.
- Change Order No. 22, in a credit to the System in the amount of \$8.74, provided for additional costs associated with downtime due to City of San Antonio Fiesta events along Avenue B.
- Change Order No. 23, in a credit to the System in the amount of \$9.15, provided for adjustments to two concrete manholes and change of alignment in the north Witte parking lot.
- Change Order No. 24, in a credit to the System in the amount of \$9.34, provided for an incremental price increase for construction materials associated with the pipeline construction.
- Change Order Nos. 22, 23, and 24 deleted various quantities of Hot Mix Asphaltic Pavement Type D – 3 inches pavement thickness that resulted in credits to the System, allowing the System to pay for completed work and close the contract with S.J. Louis Construction of Texas, Ltd.
- Change Order No. 25 recapitulates the construction contract quantities in the decreased amount of \$347,289.89. It further returns the remaining construction contingency funds in the amount of \$372,981.94 for a total amount of \$720,271.83 to the Project Fund and closes the contract.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

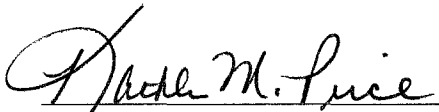
The authorizations for this project are as follows:


	<b>Amount Authorized</b>
<b>Contract:</b>	
Original Contract Amount (Resolution No. 12-096)	\$9,578,874.44
Change Order Nos. 1 through 24	682,018.06
Proposed Recapitulation Change Order No. 25	(347,289.89)
Revised Contract Amount	\$10,260,892.50
<b>Contingency:</b>	
Original Contingency Amount (Resolution No. 12-096)	\$450,000.00
Additional Contingency Authorized (Resolution No. 14-077)	200,000.00
Additional Contingency Authorized (Resolution No. 14-190)	125,000.00
Additional Contingency Authorized (Resolution No. 15-028)	205,000.00
Additional Contingency Authorized (Resolution No. 15-123)	75,000.00
Change Order Nos. 1 through 24	(682,018.06)
Remaining Contingency Balance	\$372,981.94
<b>Balance Returned:</b>	
Proposed Recapitulation Change Order No. 25	\$347,289.89
Remaining Contingency Balance	372,981.94
Total Remaining Balance Returned	<b>\$720,271.83</b>

Construction funds in the amount of \$347,289.89 are being returned to the Project Fund. Construction contingency funds in the amount of \$372,981.94 are also being returned to the Project Fund for a total of \$720,271.83. The job number is 08-2515.

**SUPPLEMENTARY COMMENTS:**

Previous change orders and Recapitulation Change Order No. 25 reflect a 7.12 percent increase to the original contract amount.

  
Kathleen M. Price, P.E.  
Interim-Director  
Pipelines

  
Genoveva G. Gomez, P.E.  
Vice President  
Engineering and Construction

APPROVED:

  
Robert R. Puente  
President/Chief Executive Officer

Attachments:

1. Project Area Map
2. Project Site Map

# SAN ANTONIO WATER SYSTEM PROJECT AREA MAP ATTACHMENT I



## OLMOS BASIN CENTRAL WATERSHED SEWER RELIEF LINE (C-3)

### LEGEND



PROJECT SITE

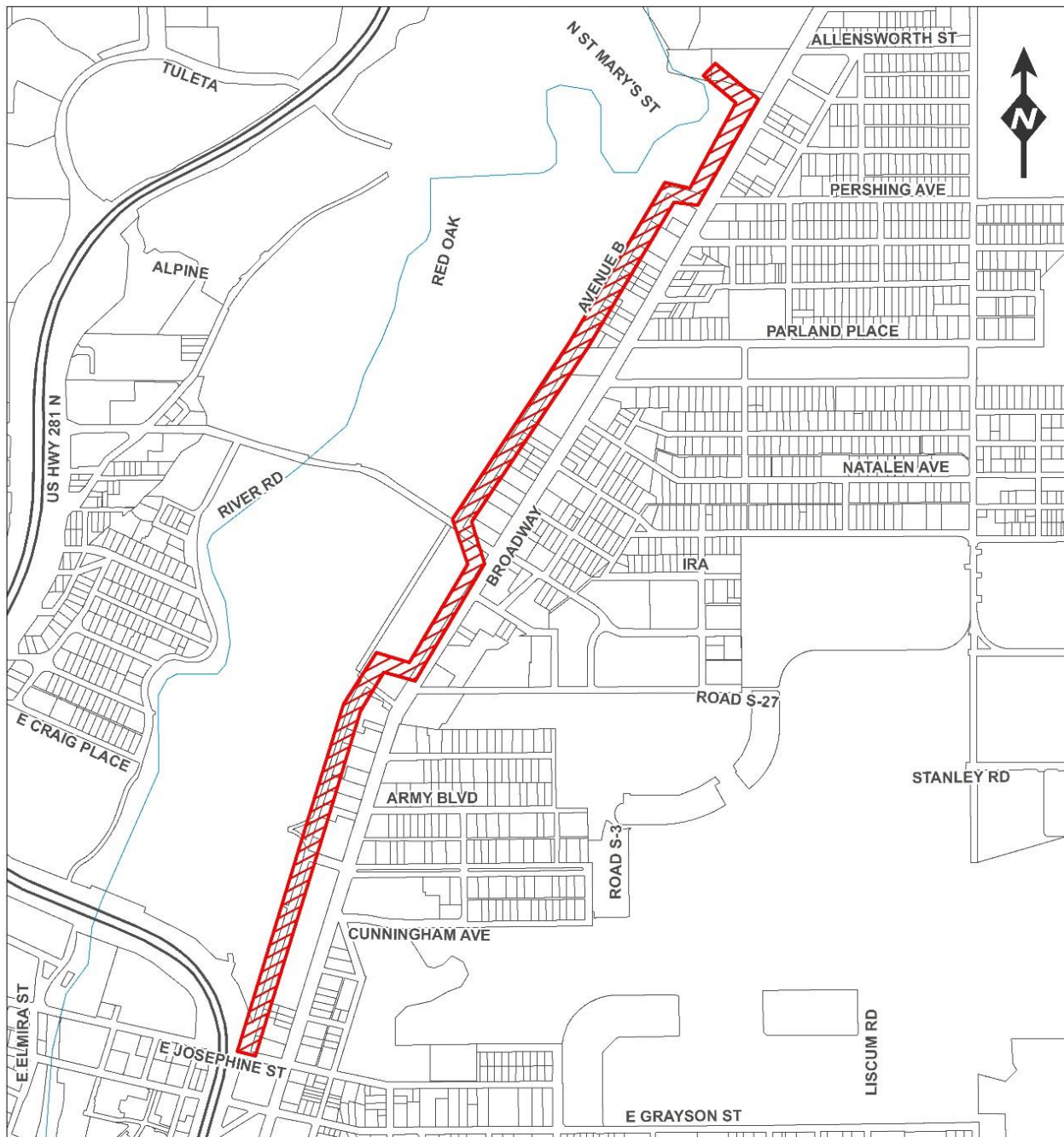


EDWARDS AQUIFER RECHARGE ZONE





# SAN ANTONIO WATER SYSTEM PROJECT SITE MAP ATTACHMENT II



## OLMOS BASIN CENTRAL WATERSHED SEWER RELIEF LINE (C-3)

### LEGEND

 PROJECT LIMITS



**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING RECAPITULATION CHANGE ORDER NO. 25 IN THE DECREASED AMOUNT OF \$347,289.89 TO THE CONSTRUCTION CONTRACT WITH S.J. LOUIS CONSTRUCTION OF TEXAS, LTD., IN CONNECTION WITH THE OLMOS BASIN CENTRAL WATERSHED SEWER RELIEF LINE (C-3) PROJECT; AUTHORIZING THE RETURN OF FUNDS IN THE AMOUNT OF \$347,289.89 AND THE REMAINING CONSTRUCTION CONTINGENCY FUNDS IN THE AMOUNT OF \$372,981.94 FOR A TOTAL AMOUNT OF \$720,271.83 TO THE SYSTEM'S PROJECT FUND; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE RECAPITULATION CHANGE ORDER NO. 25 AND CLOSE THE CONTRACT WITH S.J. LOUIS CONSTRUCTION OF TEXAS, LTD.; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, the San Antonio Water System (the "System") has completed the project work under the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project as part of its Capital Improvement Program; and

**WHEREAS**, funds in the amount of \$9,578,874.44 for the construction contract with S.J. Louis Construction of Texas, Ltd., and \$450,000.00 for construction contingency expenses were authorized for the project by Resolution 12-096, adopted March 5, 2012; and

**WHEREAS**, this project included the construction of approximately 1.6 miles of sewer main along Avenue B from approximately 700 feet north of Tuleta Drive to Josephine Avenue; and

**WHEREAS**, the construction of this project is complete; and

**WHEREAS**, Change Order No. 25 recapitulates the construction contract quantities in the decreased amount of \$347,289.89, and it further returns the remaining construction contingency funds in the amount of \$372,981.94 for a total amount of \$720,271.83; and

**WHEREAS**, funds in the amount of \$720,271.83 are to be returned to the System's Project Fund; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to approve Recapitulation Change Order No. 25 in the decreased amount of \$347,289.89 in connection with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project, (ii) to return the amount of \$347,289.89 and the construction contingency balance of \$372,981.94 for a total returned amount of \$720,271.83 to the System's Project Fund, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute Recapitulation Change Order No. 25 and to close the contract; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That Recapitulation Change Order No. 25 in the decreased amount of \$347,289.89 in connection with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project is hereby approved.
2. That the amount of \$347,289.89 and the construction contingency balance of \$372,981.94 for the total amount of \$720,271.83 is hereby returned to the System's Project Fund.
3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute Recapitulation Change Order No. 25 to the construction contract between the System and S.J. Louis Construction Co., Texas, Ltd., in connection with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project and to close the contract.
4. It is officially found, determined, and declared that the meeting at which this resolution is adopted was open to the public, and that the public notice of the time, place, and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.
5. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.

6. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016.

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Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

DRAFT

TO: San Antonio Water System Board of Trustees

FROM: Ashok S. Kaji, P.E., Director, Plants and Major Projects, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: AWARD OF PROFESSIONAL SERVICES CONTRACT FOR THE TURTLE CREEK NO. 3 PUMP STATION PROJECT

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution awards a professional services contract to MWH Americas, Inc., a non-SMWB national firm with a local office, and authorizes funds in the amount of \$391,863.00 for the Turtle Creek No. 3 Pump Station Project (the “project”).

- The existing Turtle Creek No. 3 secondary pump station is located at the intersection of Bluffcreek Drive and Bluffdale Drive near the Medical Center in northwest San Antonio. This secondary station does not have any high service pumps or ground storage tank, but pumps directly into the distribution system from a well after chlorination.
- The station is 43 years old and serves the Medical Center and surrounding area. The existing station’s electrical equipment is in need of replacement. In addition, new wells and other equipment are necessary.
- The project work will provide two new wells, high service pumps, a ground storage tank, and electrical equipment in a new building, new disinfection system, and a transmission main to convey water from this station to the Medical Elevated Storage Tank located along Fredericksburg Road.
- These improvements will provide an additional source of water and redundancy to this highly critical area.
- The project scope includes:
  - Hydraulic modeling services to determine the optimum size of wells, well pumps, storage tank, high service pumps, valves, piping, and associated appurtenances
  - Design of deep wells and associated well pumps and motors
  - Preparation of the site master plan, that will include layout and alignment options, easement documents and field notes, and re-platting of the site
  - Required permitting documents

- Evaluation and recommendation of the alignment options and a constructability assessment for a transmission main from Turtle Creek No. 3 to a tie-in at the Medical Elevated Storage Tank
  - Associated civil, environmental, archaeological, mechanical, structural, electrical, subsurface utility engineering, and instrumentation and controls work for the site
- A Request for Qualifications was issued on November 24, 2014, for professional services for this project and eleven interest statements were received by the San Antonio Water System (the “System”) for the project. MWH Americas, Inc., a local, non-SMWB firm, was selected through the Architect and Engineer Selection Process.
- MWH Americas, Inc., will provide engineering services for the Preliminary Engineering Report for a negotiated not to exceed amount of \$391,863.00. Services include civil, mechanical, electrical and surveying. MWH Americas, Inc., will complete the Preliminary Engineering Phase in 180 calendar days.
- Upon completion of the Preliminary Engineering Phase, the System and MWH Americas, Inc., will negotiate the fee for engineering services required for the Design and Construction Phases of this project, and the professional services contract will be amended to include those services.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The project fund will finance this expenditure included in the CY 2015 Capital Improvement Program. The project work is included in the Water Delivery Core Business, Turtle Creek No. 3 Pump Station budget line. The amount is \$391,863.00 and the job number for this project is 11-6003.

**SUPPLEMENTARY COMMENTS:**

The eleven firms that provided interest statements for this project are listed below:

<b>NAME OF FIRM</b>	<b>LOCAL/SMWB</b>
AECOM Technical Services, Inc.	Local/Non-SMWB
Arcadis U.S., Inc.	Local/Non-SMWB
Arredondo, Zepeda & Brunz, LLC	Local/MBE-Hispanic
Freese and Nichols, Inc.	Local/Non-SMWB
Garcia & Wright Consulting Engineers, Inc.	Local/MBE-Hispanic
HDR Engineering	Local/Non-SMWB
Kimley-Horn and Associates, Inc.	Local/Non-SMWB
Maestas & Associates, Inc.	Local/MBE-Hispanic
<b>MWH Americas, Inc.*</b>	<b>Local/Non-SMWB</b>
Taerang Engineering	Local/Non-SMWB
Tetra Tech, Inc.	Local/Non-SMWB


\*Selected Firm


MWH Americas, Inc., proposed to use the following sub-consultants for services on this contract:

<b>NAME OF FIRM</b>	<b>PERCENT OF FEE</b>	<b>LOCAL/SMWB</b>
Grubb Engineering, Inc.	0.60%	Local/WBE-Caucasian
Garza EMC, LLC	29.40%	Local/MBE-Hispanic
INTERA Incorporated	4.00%	Non-Local/SBE


SMWB participation for the selected firm is 34 percent which includes the following:

<b>Turtle Creek No. 3 Pump Station Project</b>	
<b>MWH Americas, Inc.</b>	
<b>SMWB ANALYSIS- BOARD AWARD</b>	
SBE	4.00%
MBE – African American	0.00%
MBE – Asian	0.00%
MBE – Hispanic	29.40%
MEB – Other	0.00%
WBE – Minority	0.00%
WBE – Non-Minority	0.60%
<b>SMWB Total</b>	<b>34.00%</b>

  
\_\_\_\_\_  
Ashok S. Kaji, P.E.  
Director  
Plants and Major Projects

  
\_\_\_\_\_  
Genoveva G. Gomez, P.E.  
Vice President  
Engineering and Construction

APPROVED:

  
\_\_\_\_\_  
Robert R. Puente  
President/Chief Executive Officer

Attachments:

1. Project Area Map
2. Project Site Map



# SAN ANTONIO WATER SYSTEM PROJECT AREA MAP ATTACHMENT I

**TURTLE CREEK NO. 3  
PUMP STATION PROJECT**

**LEGEND**

- ★ PROJECT SITE
- EDWARDS AQUIFER RECHARGE ZONE

**San Antonio Water System**

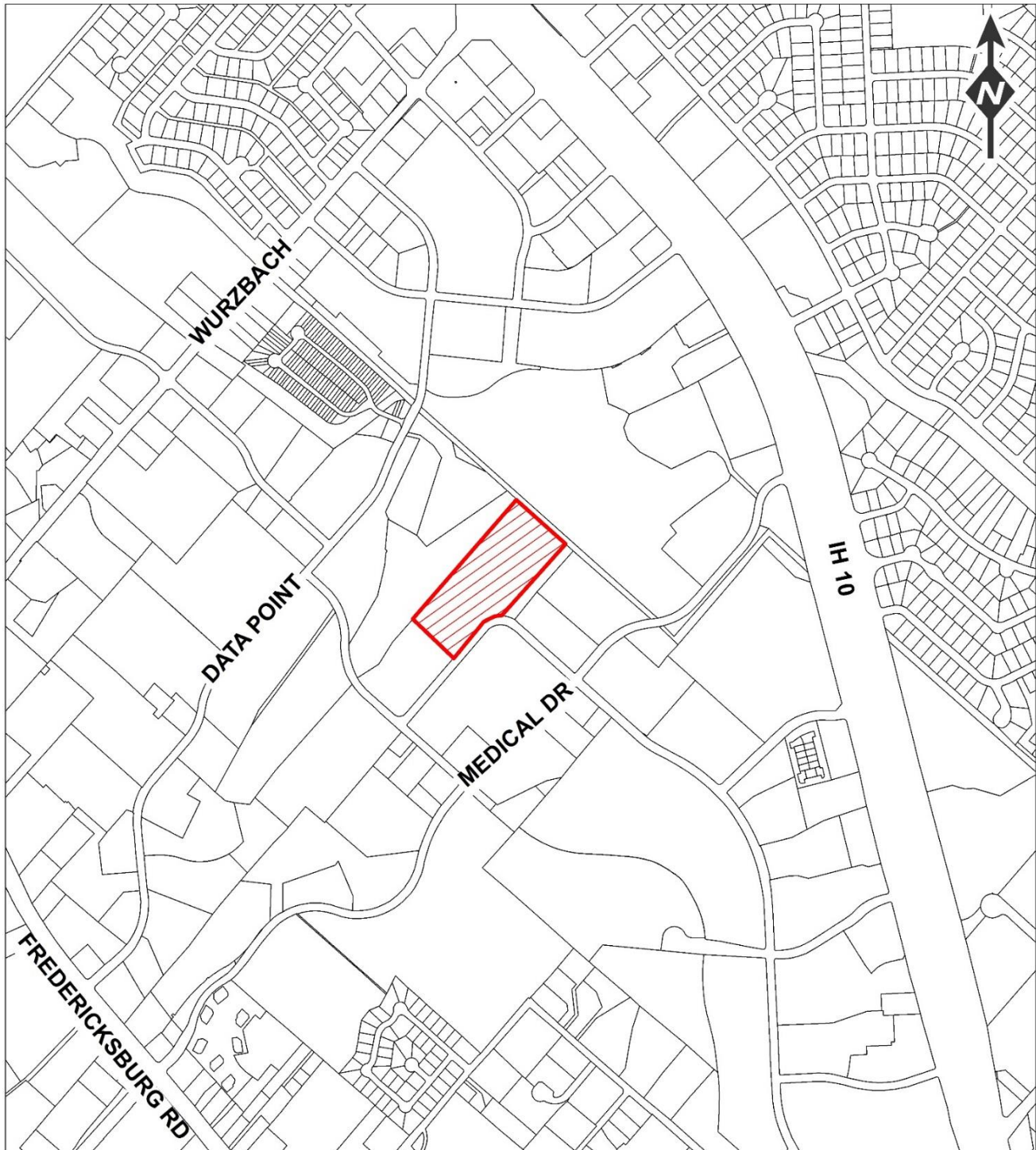


TURTLE CREEK NO. 3  
PUMP STATION PROJECT



# San Antonio Water System

# SAN ANTONIO WATER SYSTEM PROJECT SITE MAP ATTACHMENT II



## TURTLE CREEK NO. 3 PUMP STATION PROJECT

### LEGEND

 PROJECT LIMITS



## **RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE PROPOSAL OF MWH AMERICAS, INC., IN AN AMOUNT NOT TO EXCEED \$391,863.00 FOR THE TURTLE CREEK NO. 3 PUMP STATION PROJECT; AWARDING A PROFESSIONAL SERVICES CONTRACT TO MWH AMERICAS, INC., IN AN AMOUNT NOT TO EXCEED \$391,863.00 IN CONNECTION WITH THE PRELIMINARY ENGINEERING REPORT PHASE OF THE PROJECT; AUTHORIZING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED \$391,863.00 FROM THE SYSTEM'S PROJECT FUND FOR THE PRELIMINARY ENGINEERING REPORT PHASE OF THE PROJECT ENGINEERING SERVICES IN CONNECTION WITH THIS PROJECT; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A PROFESSIONAL SERVICES CONTRACT WITH MWH AMERICAS, INC., AND TO PAY MWH AMERICAS, INC., AN AMOUNT NOT TO EXCEED \$391,863.00 FOR THE PRELIMINARY ENGINEERING REPORT PHASE OF THE PROJECT ENGINEERING SERVICES IN CONNECTION WITH THE PROJECT; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE, AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, the existing Turtle Creek No. 3 secondary pump station is located at the intersection of Bluffcreek Drive and Bluffdale Drive near the medical center in northwest San Antonio. This secondary station does not have any high service pumps or ground storage tank, but pumps directly into the distribution system from a well after chlorination; and

**WHEREAS**, the station is 43 years old and serves the Medical Center and surrounding area. The existing station's electrical equipment is in need of replacement. In addition, new wells and other equipment are necessary; and

**WHEREAS**, the new work will provide two new wells, high service pumps, a ground storage tank, electrical equipment in a new building, new disinfection system, and a transmission main to convey water from this station to the Medical Elevated Storage Tank located along Fredericksburg Road; and

**WHEREAS**, these improvements will provide an additional source of water and

redundancy to this highly critical area; and

**WHEREAS**, the project scope includes hydraulic modeling services to determine the optimum size of wells, well pumps, storage tank, high service pumps, piping, and associated appurtenances, design of deep wells and associated well pumps and motors, preparation of the site master plan that includes facility layout and alignment options, evaluation and recommendation of the alignment options for a transmission main from Turtle Creek No. 3 to the Medical Elevated Storage Tank, and associated work.

**WHEREAS**, the San Antonio Water System (the "System") requires professional services ("project engineering work") for design of the Turtle Creek No. 3 Pump Station Project (the "project"); and

**WHEREAS**, the System has solicited proposals for the required project engineering work in connection with the project, and

**WHEREAS**, the System's Architect and Engineer Selection Committee has selected MWH Americas, Inc., to provide the required project engineering work in connection with the project; and

**WHEREAS**, MWH Americas, Inc., a local non-SMWB firm, has submitted a proposal in an amount not to exceed \$391,863.00 to provide a Preliminary Engineering Report in connection with the project; and

**WHEREAS**, MWH Americas, Inc., has been determined to be the most highly qualified provider of these engineering services on the basis of demonstrated competence and qualifications and for a fair and reasonable price; and

**WHEREAS**, System funds in an amount not to exceed \$391,863.00 are required for the project engineering work; and

**WHEREAS**, the required amount not to exceed \$391,863.00 is available from the System's Project Fund; and

**WHEREAS**, the San Antonio Water System's Board of Trustees desires (i) to accept the proposal of MWH Americas, Inc., in an amount not to exceed \$391,863.00 for the preliminary engineering report phase of the project engineering work in connection with the Turtle Creek No. 3 Pump Station Project, (ii) to award a professional engineering services contract to MWH Americas, Inc., in an amount not to exceed \$391,863.00 for the project engineering work, (iii) to authorize the expenditure of System funds in an amount not to exceed \$391,863.00 for the preliminary engineering report phase of the project engineering work, (iv) to make available a total amount not to exceed \$391,863.00 from the System's Project Fund for the preliminary engineering report phase of the project engineering work, and (v) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a professional services contract with MWH Americas, Inc., for the preliminary engineering report phase of the project engineering work and

further to pay an amount not to exceed \$391,863.00 to MWH Americas, Inc., for the preliminary engineering report phase of the project engineering work in connection with this project; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the proposal of MWH Americas, Inc., for the project engineering work in connection with the Turtle Creek No. 3 Pump Station Project is hereby authorized and accepted.
2. That a professional services contract in an amount not to exceed \$391,863.00 is hereby awarded to MWH Americas, Inc., for the project engineering work in connection with the project.
3. That the expenditure of System funds in an amount not to exceed \$391,863.00 for the project engineering work is hereby approved.
4. That an amount not to exceed \$391,863.00 for the project engineering work is hereby made available, and is to be expended from the System's Project Fund.
5. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a professional services contract for engineering services with MWH Americas, Inc., and to pay an amount not to exceed \$391,863.00 to MWH Americas, Inc., for the project engineering work provided in connection with this project.
6. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated as amended, Title 5, Chapter 551, Government Code.
7. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative, or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.

8. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016.

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Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

DRAFT

TO: San Antonio Water System Board of Trustees

FROM: Kathleen M. Price, P.E., Interim-Director, Pipelines, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: APPROVING AN INTERLOCAL AGREEMENT AND AUTHORIZING EXPENDITURES TO BEXAR COUNTY IN CONNECTION WITH THE VON ORMY STREET DRAINAGE PROJECT

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution authorizes the President/Chief Executive Officer to execute an interlocal agreement with Bexar County through the Bexar County Department of Community Resources Program (the “County”) and authorizes expenditures to the County not to exceed \$153,820.55 for the joint construction of water facility replacements in connection with the Von Ormy Street Drainage Project.

- The County proposes to construct street and drainage improvements in the area illustrated on the attached maps. The County’s improvement work is estimated to cost \$373,150.70.
- Due to the street and drainage improvements of the Von Ormy Street Drainage Project, the existing water mains constructed between 1971 through 1973 require replacement to meet current San Antonio Water System (the “System”) standards.
- There are no sewer facilities within the project limits that require adjustment or replacement; therefore, there is no sewer work on this project.
- The water replacement work will consist of approximately 1,598 feet of 8-inch water main.
- The County approved the bid of R.L. Jones LP for construction of this project on December 14, 2015. As part of the joint bidding, advanced approval for funding and for the execution of an Interlocal Agreement is required by the County prior to issuing a notice to proceed on construction.
- Funds as determined by the amount bid will be transferred to County following the execution of the Interlocal Agreement.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The System's Project Fund will finance \$153,820.55 of the total expenditure included in the CY 2016 Capital Improvement Program. The water work is included in the Water Delivery Core Business, Governmental - Water Category, and Governmental Water Replacements budget line item. The job number is DSP-13-5205-000.

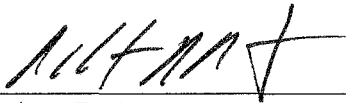


Kathleen M. Price, P.E.  
Interim-Director  
Pipelines



Genoveva G. Gomez, P.E.  
Vice President  
Engineering and Construction

APPROVED:



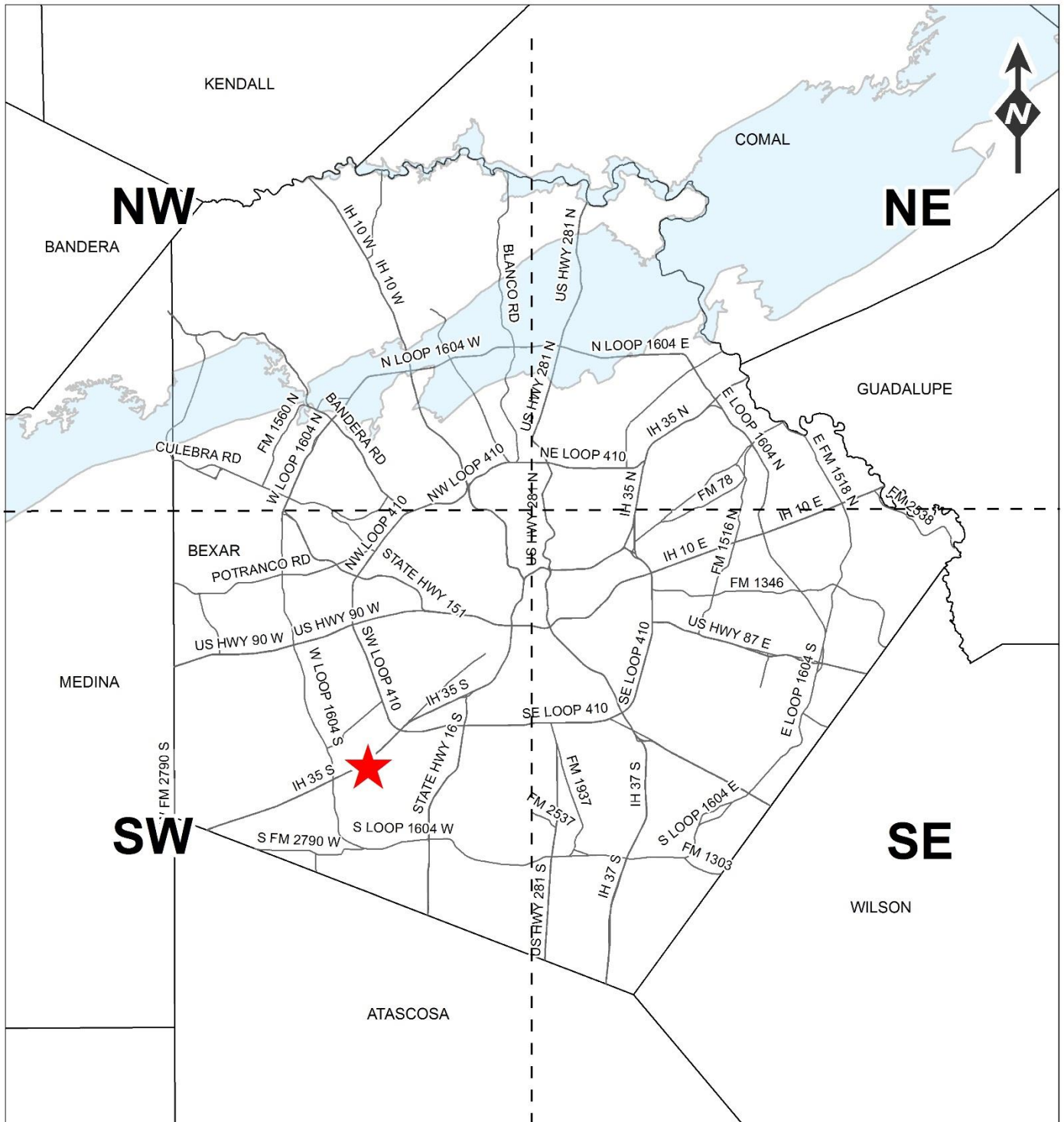
Robert R. Puente  
President/Chief Executive Officer

Attachments:

1. Project Area Map
2. Project Site Map



# SAN ANTONIO WATER SYSTEM PROJECT AREA MAP ATTACHMENT I



## LEGEND



PROJECT SITE



EDWARDS AQUIFER RECHARGE ZONE

## VON ARMY STREET DRAINAGE



# SAN ANTONIO WATER SYSTEM PROJECT SITE MAP ATTACHMENT II



## VON ARMY STREET DRAINAGE

### LEGEND

 PROJECT LIMITS



**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING AN INTERLOCAL AGREEMENT WITH BEXAR COUNTY AND AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE INTERLOCAL AGREEMENT FOR THE REPLACEMENT OF WATER FACILITIES BY BEXAR COUNTY DEPARTMENT OF COMMUNITY RESOURCES IN CONNECTION WITH THE VON ORMY STREET DRAINAGE PROJECT; AUTHORIZING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED \$153,820.55 FOR SYSTEM'S SHARE OF THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, Bexar County through the Bexar County Department of Community Resources Program (the "County") proposes to construct the Von Ormy Street Drainage Project; and

**WHEREAS**, the Von Ormy Street Drainage Project will require the replacement of certain water facilities of the San Antonio Water System (the "System"); and

**WHEREAS**, the project work will consist of adjustment work of approximately 1,598 feet of 8-inch main (the "project work"); and

**WHEREAS**, the County has requested that the System execute an Interlocal Agreement and pay the County for the project work costs; and

**WHEREAS**, System funds in the amount of \$153,820.55 are required for the project work; and

**WHEREAS**, the amount of \$153,820.55 is available from the System's Project Fund for the project work; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to approve an Interlocal Agreement with the County for the replacement of water facilities by the County in connection with the Von Ormy Street Drainage Project and to authorize the President/Chief Executive Officer or his duly appointed designee to execute the Interlocal Agreement, and (ii) to authorize the expenditure of funds in the amount not to exceed \$153,820.55 for the project work; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That an Interlocal Agreement with the County substantially in the form of the agreement attached hereto is hereby approved and the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the Interlocal Agreement with the County in connection with the Von Ormy Street Drainage Project.
2. That the expenditure of funds in the amount of \$153,820.55 for the replacement of water facilities by the County in connection with the Von Ormy Street Drainage Project is hereby authorized.
3. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place, and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.
4. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid, or ineffective.
5. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016.

\_\_\_\_\_  
Berto Guerra, Jr., Chairman

ATTEST:

\_\_\_\_\_  
Ernesto Arrellano, Jr., Secretary

**STATE OF TEXAS**           §  
  §  
**COUNTY OF BEXAR**       §

**INTERLOCAL AGREEMENT**

This Interlocal Agreement is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between the **COUNTY OF BEXAR**, a political subdivision of the State of Texas (“COUNTY”), and **SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES**, a political subdivision of the State of Texas (“SAWS”) (also, individually, a “Party” or, collectively, the “Parties”), pursuant to the Interlocal Cooperation Act, Chapter 791 of the Government Code.

**PURPOSE**

1.01 The purpose of this Agreement is to facilitate the COUNTY’s improvement of the City of Von Ormy Street Drainage Project (the “Project”) by including certain necessary SAWS installations and adjustments in COUNTY’s Specifications for the Project, thus assuring the coordination of COUNTY’s road and drainage improvements with SAWS’s adjustments and installations.

**SERVICES**

2.01 COUNTY agrees to include in the Bexar Specifications for the Project the plans and specifications for DSP Water Job No. 13-52 (the “SAWS Work”) which SAWS shall prepare and deliver to COUNTY and is incorporated by reference herein, and to contract for the performance of the SAWS Work.

2.02 Immediately after tabulating all of the bids received for the Project, COUNTY will notify SAWS in writing of the name of the contractor selected by COUNTY for the Project (the “Contractor”) and the bid amount (the “Original Bid”) for the SAWS Work.

2.03 COUNTY agrees to use its best efforts to enforce all of its rights and remedies against the Contractor for the SAWS Work.

2.04 COUNTY agrees to allow SAWS access to the Project site to (i) inspect and witness testing of the SAWS Work and to determine if the SAWS Work is in conformity with the plans, specifications and special provisions applicable thereto and is in good working order, and (ii) verify all quantities used in connection with the SAWS Work.

**FEE**

3.01 COUNTY acknowledges that SAWS has provided the COUNTY with two signed copies of this Interlocal Agreement. COUNTY will return one fully executed original to SAWS upon COUNTY’s approval. Additionally, COUNTY acknowledges that SAWS has conditionally delivered to COUNTY good and sufficient funds (the “Funds”) for the bid amount (See Exhibit A) plus Fifteen percent (15%) contingency. Any and all control and beneficial use of the funds by the COUNTY, will be contingent on SAWS receiving a fully executed original of this Interlocal Agreement from the COUNTY.

3.02 For materials and construction used in the SAWS Work, SAWS agrees to pay to COUNTY the amount of One Hundred Fifty Three Thousand and Eight Hundred and Twenty Dollars and Fifty-Five Cents (\$153,820.55), which includes the Original Bid amount and a Fifteen percent (15%) contingency.

3.03 If the cost of performing the SAWS Work exceeds the Original Bid, the following provisions shall apply:

- (a) Costs exceed Original Bid but do not exceed the Original Bid plus Fifteen percent (15%) contingency. Once COUNTY receives notice from the Contractor that additional funds will be needed for SAWS Work, COUNTY will notify SAWS in writing of the change order. Unless, SAWS objects within five (5) business days of receipt of the written notification of the change order, COUNTY will proceed with SAWS Work and utilize the contingency amount for payment to the Contractor.
- (b) Change Orders. If change orders are requested by SAWS or required for SAWS Work under this Agreement, SAWS will make a change order request and SAWS staff or SAWS's Consultant shall prepare the change order. If COUNTY requires a change order that affects the SAWS Work, the change order will be submitted to SAWS staff for approval. SAWS staff agrees to use good faith efforts to respond to change orders within five business days after SAWS staff receipt of request, or such additional period of time as may be reasonably necessary under the circumstances based on the complexity of the change order. In no event will SAWS's deliberative process be allowed to jeopardize COUNTY's timely completion of COUNTY's Project, as determined by COUNTY. SAWS staff is under no obligation to approve any change orders, and in no event shall SAWS be responsible for costs or expenses under change orders that are not approved by SAWS staff.
- (c) If a change order results in total costs exceeding the amount stated in §3.02, COUNTY will send copies of invoices covering the additional amounts authorized by a change order approved by SAWS staff, and SAWS shall pay COUNTY the additional amounts in the approved change order within 15 days, unless further time is required for Board action to appropriate funds.

3.04 If the cost of performing the SAWS Work is less than the amount stated in §3.02, COUNTY agrees to refund the overpayment to SAWS within 15 days of determination of same.

3.05 After County's final recapitulation with the contractor, County will refund SAWS for Funds previously paid but unused.

3.06 The Parties acknowledge that the financial commitments stated in this Agreement are independent of the necessary operating and maintenance expenses that are SAWS's responsibilities.

### **SAWS'S RESPONSIBILITY**

4.01 SAWS agrees to accept full responsibility for inspection and acceptance of work performed as the SAWS Work.

4.02 Following Substantial Completion of SAWS Work, SAWS shall be responsible for all costs associated with operating and maintaining SAWS Work. Substantial Completion is the date, certified by COUNTY, County's design professional and SAWS (including SAWS design professional) that the contractor has reached that stage of completion when SAWS and COUNTY accept use of SAWS Work for its intended purposes.

### **ENTIRE AGREEMENT**

5.01 This Agreement, along with the specifications for the SAWS Work, supersedes any and all other agreements, either oral or in writing, and no other agreement, statement, or promise relating to the subject matter of this Agreement that is not contained herein shall be valid or binding.

### **ATTORNEY'S FEES**

6.01 If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, to the extent allowed by law, the prevailing Party shall be entitled to reasonable attorney's fees in addition to any other relief to which the prevailing Party may be entitled.

### **TEXAS LAW TO APPLY**

7.01 This Agreement is performed in Bexar County, Texas and the validity of any of its terms or provisions, as well as the rights and duties of the Parties, shall be governed by the laws of the State of Texas.

### **ENFORCEABILITY**

8.01 If any one or more of the provisions contained in the Agreement is for any reason held to be invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability will not affect any other provision and this Agreement will be construed as if the invalid, illegal, or unenforceable provision had never been contained herein.

### **AMENDMENT**

9.01 No amendment, supplementation, modification, or alteration of the terms hereof will be binding unless it is in writing, dated subsequent to the date hereof and duly executed by the Parties.

### **THIRD PARTY BENEFICIARY**

10.01 SAWS shall be considered a third party beneficiary under COUNTY's contract for the Project; provided, however, that prior to final completion of the work under the contract for the Project, SAWS shall not enforce any remedies against the Contractor without the prior written consent of COUNTY, which consent may be withheld if COUNTY reasonably believes that

enforcement would have an adverse effect on final completion of the Project. Prior to final completion of the work under the contract for the Project, COUNTY shall cooperate in the prosecution of any action against the Contractor, to the extent consistent with the terms of the Project Contract Documents, which SAWS may reasonably determine to be necessary to undertake in connection with the SAWS Work done by the Contractor or its subcontractors.

### **INDEMNIFICATION**

11.01 COUNTY agrees to include SAWS in the list of parties being indemnified by the COUNTY contractors under contract documents, so that SAWS receives the benefit of all indemnities under the contract documents.

### **INSURANCE**

12.01 In all contracts entered into by COUNTY for SAWS Work, County shall include provisions reflecting:

- (a) With regard to insurance coverage during the construction phase of the Project, COUNTY shall require all consultants, contractors, subcontractors and suppliers to maintain insurance coverage limits that are sufficient to compensate COUNTY and SAWS for their respective interests in the Project with regard to any liability a third party may have due to the services, equipment or materials provided for construction of the Project. SAWS shall be named as an additional insured on all policies naming COUNTY as an additional insured. COUNTY shall provide SAWS's Designated Representative with copies of the completed Certificates of Insurance which Certificates shall be completed by an agent authorized to bind the named underwriters and their companies to the coverage limits and termination provisions shown thereon. SAWS reserves the right to review the insurance requirements during the effective period of this Agreement, and any extension or renewal hereof, and to modify insurance coverage and limits when deemed necessary and prudent by SAWS's Risk Manager based upon changes in statutory law or court decisions. If SAWS requests a coverage modification which results in an increased cost, SAWS shall be responsible for the increased cost and COUNTY shall have no obligation to request a coverage modification until SAWS submits payment to cover the increased cost. COUNTY will not allow any modifications to the insurance coverage through which SAWS may incur increased risks.
- (b) COUNTY shall require all contractors and service providers to maintain statutory worker's compensation insurance for all of their employees with a waiver of subrogation in favor of COUNTY and SAWS.
- (c) COUNTY will require the consultants, contractors, and any subcontractors to provide all statutorily-required payment and performance bonds at no additional cost to the Parties. On services for which performance bonds are not statutorily required, COUNTY shall determine whether to require performance bonds.



**CURRENT REVENUES**

13.01 In accordance with Section 791.011(d)(3) of the Texas Government Code, the party paying for the performance of governmental functions or services, if any, must make those payments from current revenues available to the paying party.

**EXECUTED IN DUPLICATE ORIGINALS, EACH OF WHICH WILL HAVE FULL FORCE AND EFFECT ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2016.**

**BEXAR COUNTY, TEXAS**

**SAN ANTONIO WATER SYSTEM**

By: \_\_\_\_\_  
**Nelson W. Wolff**  
County Judge

By: \_\_\_\_\_  
**Robert R. Puente**  
President/Chief Executive Officer

**ATTEST:**

By: \_\_\_\_\_  
**Gerard C. Rickhoff**  
County Clerk

**APPROVED AS TO LEGAL FORM:**

**Nicholas "Nico" LaHood**  
Criminal District Attorney  
Bexar County, Texas

By: \_\_\_\_\_  
**Jill Torbert**  
Assistant Criminal District Attorney  
-Civil Section

**APPROVED AS TO FINANCIAL FORM:**

By: \_\_\_\_\_

**Susan Yeatts**  
County Auditor

By: \_\_\_\_\_

**David Smith**  
County Manager

**APPROVED:**

By: \_\_\_\_\_

**Renee D. Green, PE**  
Director of Public Works/County Engineer

DRAFT

**Exhibit “A”**  
**Bid Amount and Funds Committed by SAWS**

<b>Interlocal Agreement for the Von Ormy Street Drainage</b>	
<b>Cost Category</b>	<b>Total</b>
Water Main Relocation <sup>1</sup>	\$ 133,757.00
Contingency (15% of Construction)	\$ 20,063.55
<b>Total SAWS Contribution =</b>	<b>\$ 153,820.55</b>

1. Approx. 1,598 LF of 8-inch PVC Water Pipe

DRAFT

TO: San Antonio Water System Board of Trustees

FROM: Kathleen M. Price, P.E., Interim-Director, Pipelines, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: APPROVING AN INTERLOCAL AGREEMENT AND AUTHORIZING EXPENDITURES TO THE CITY OF CASTLE HILLS IN CONNECTION WITH THE CITY OF CASTLE HILLS 2014 - 2015 STREET MAINTENANCE PROJECT

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution authorizes the President/Chief Executive Officer to execute an interlocal agreement with the City of Castle Hills (the “City”) and authorizes expenditures to the City not to exceed \$2,053,711.32 for the joint construction of the water and sewer facility replacements in connection with the City of Castle Hills 2014 - 2015 Street Maintenance Project.

- The City proposes to construct street and drainage improvements in the area illustrated on the attached maps. The City’s improvement work is estimated to cost \$763,204.94.
- Due to the street improvements of the City of Castle Hills 2014 - 2015 Street Maintenance project the undersized water mains, unknown construction date, require replacement to meet current San Antonio Water System (the “System”) standards.
- The existing sewer mains that were constructed between 1959 through 1977, require replacement to meet current System standards.
- The water replacement work will consist of approximately 3,655 feet of 8-inch main.
- The sewer replacement work will consist of approximately 6,111 feet of 8-inch main.
- The City approved the bid of EZ-Bel Construction, LLC for construction of this project on February 9, 2016 as the best value contractor. As part of the joint bidding, advanced approval for funding and for the execution of an Interlocal Agreement is required by the City prior to issuing a notice to proceed on construction.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The project fund will finance this expenditure included in the CY 2016 Capital Improvement Program. The water work is included in the Water Delivery Core Business, Governmental – Water Category, and Governmental Water Replacements budget line item. The amount is \$579,311.81 for water work. The job number is DSP-15-5201-000.

The sewer work is included in the Wastewater Core Business, Governmental – Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is \$1,474,399.51 for sewer work. The job number is 15-5502-000.



Kathleen M. Price, P.E.  
Interim-Director  
Pipelines



Genoveva G. Gomez, P.E.  
Vice President  
Engineering and Construction

APPROVED:



Robert R. Puente  
President/Chief Executive Officer

Attachments:

1. Project Area Map
2. Project Site Map

# SAN ANTONIO WATER SYSTEM PROJECT AREA MAP ATTACHMENT I



# CITY OF CASTLE HILLS

## 2014 - 2015 STREET MAINTENANCE

## LEGEND



## PROJECT SITE

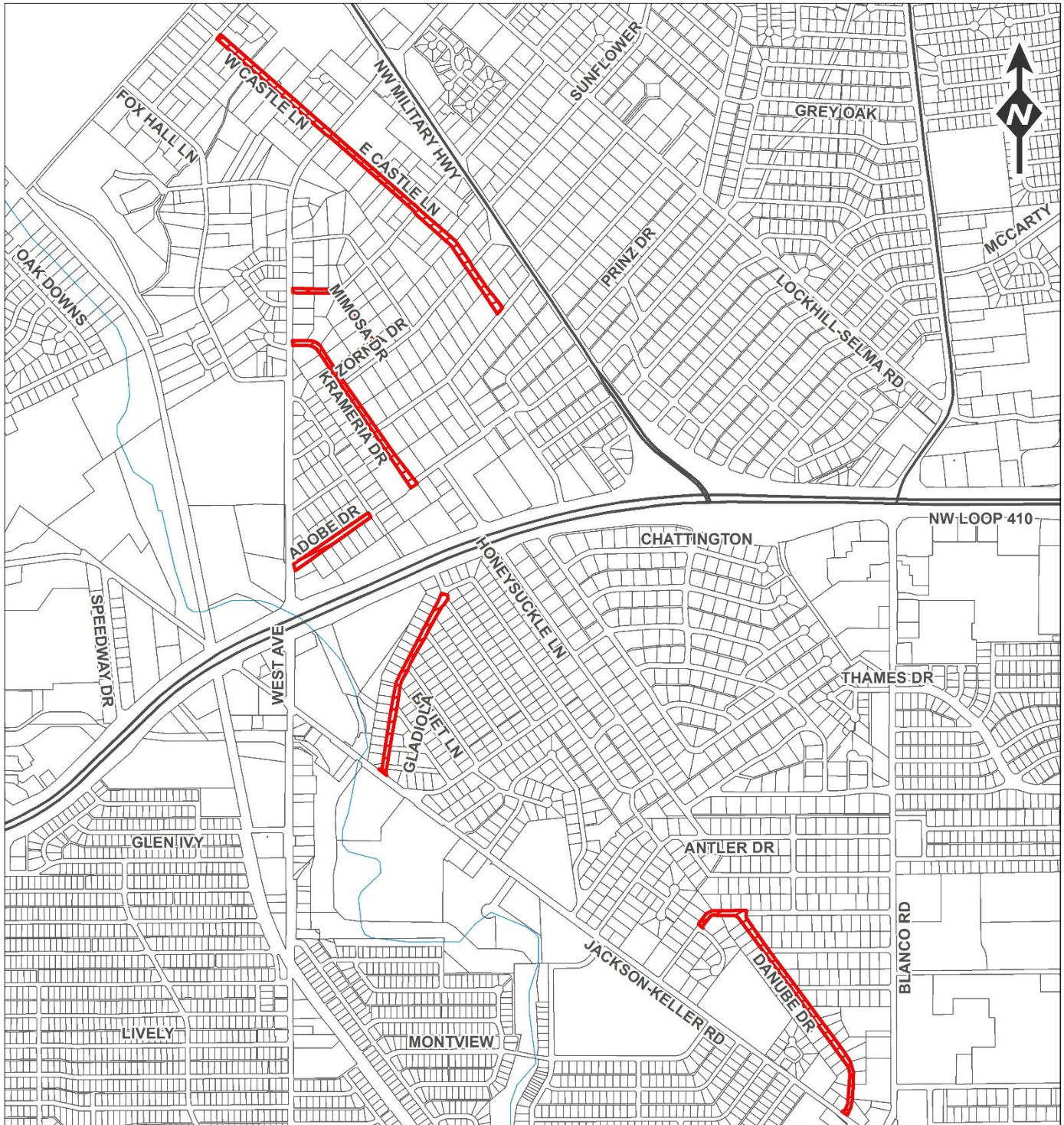


EDWARDS AQUIFER RECHARGE ZONE





# SAN ANTONIO WATER SYSTEM PROJECT SITE MAP ATTACHMENT II



## CITY OF CASTLE HILLS 2014 - 2015 STREET MAINTENANCE

### LEGEND

 PROJECT LIMITS



**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING AN INTERLOCAL AGREEMENT WITH THE CITY OF CASTLE HILLS AND AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE INTERLOCAL AGREEMENT FOR THE REPLACEMENT OF WATER AND SEWER FACILITIES BY THE CITY OF CASTLE HILLS IN CONNECTION WITH THE CITY OF CASTLE HILLS 2014 - 2015 STREET MAINTENANCE PROJECT; AUTHORIZING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED \$2,053,711.32 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, the City of Castle Hills (the "City") proposes to construct the City of Castle Hills 2014 - 2015 Street Maintenance Project; and

**WHEREAS**, the City of Castle Hills 2014 - 2015 Street Maintenance Project will require the replacement of certain water and sewer facilities of the San Antonio Water System (the "System"); and

**WHEREAS**, the project work will consist of water replacement work of approximately 3,655 feet of 8-inch water main, and sewer replacement work of approximately 6,111 feet of 8-inch sewer main (the "project work"); and

**WHEREAS**, the City has requested that the System execute an Interlocal Agreement and reimburse the City for the System's share of the project work costs; and

**WHEREAS**, System funds in an amount not to exceed \$2,053,711.32 are required for the project work; and

**WHEREAS**, the amount of \$2,053,711.32 is available from the System's Project Fund for the project work; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to approve an Interlocal Agreement with the City for the replacement of water and sewer facilities by the City of Castle Hills in connection with the City of Castle Hills 2014 - 2015 Street Maintenance Project and to authorize the President/Chief Executive Officer or his duly appointed designee to execute the Interlocal Agreement, and (ii) to authorize the expenditure of funds in an amount not to exceed \$2,053,711.32 to pay for the System's share of the project work; now, therefore:



**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That an Interlocal Agreement with the City of Castle Hills substantially in the form of the agreement attached hereto is hereby approved and the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the Interlocal Agreement with the City for the replacement of water and sewer facilities by the City of Castle Hills 2014 - 2015 Street Maintenance Project.
2. That the expenditure of funds in an amount not to exceed \$2,053,711.32 for the project work is hereby approved.
3. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place, and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.
4. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid, or ineffective.
5. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016.

---

Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

STATE OF TEXAS           §  
  §  
COUNTY OF BEXAR       §

## INTERLOCAL AGREEMENT

This Interlocal Agreement is made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between the **CITY OF CASTLE HILLS**, a political subdivision of the State of Texas (“CITY”), and **SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES**, a political subdivision of the State of Texas (“SAWS”) (also, individually, a “Party” or, collectively, the “Parties), pursuant to the Interlocal Cooperation Act, Chapter 791 of the Government Code.

### PURPOSE

1.01 The purpose of this Agreement is to facilitate CITY’s improvement of the City of Castle Hills 2014 - 2015 Street Maintenance (the “Project”) by including certain necessary SAWS installations and adjustments in CITY’s Specifications for the Project, thus assuring the coordination of CITY’s road improvement with SAWS’s adjustments and installations.

### SERVICES

2.01 CITY agrees to include in the Bexar City Public Works Specifications for the Project the plans and specifications for DSP Water Job No. 15-5201 and SAWS Sewer Job No. 15-5502 which SAWS prepared and delivered to CITY and incorporated by reference herein, and to contract for the performance of DSP Water Job No. 15-5201 and SAWS Sewer Job No. 15-5502 (the “SAWS Work”).

2.02 Immediately after tabulating all of the bids received for the Project, CITY will notify SAWS in writing of the name of the contractor selected by CITY for the Project (the “Contractor”) and bid amount (Original Bid) for the SAWS Work.

2.03 CITY agrees to use its best efforts to enforce all of its rights and remedies against the Contractor for the SAWS Work.

2.04 CITY agrees to allow SAWS access to the Project site to (i) inspect and witness testing of the SAWS Work and to determine if the SAWS Work is in conformity with the plans, specifications and special provisions applicable thereto and is in good working order, and (ii) verify all quantities used in connection with the SAWS Work.

### FEE

3.01 Within three (3) weeks of the written receipt of the Original Bid for the SAWS Work, SAWS shall conditionally deliver to CITY good and sufficient funds (the “Funds”) for the bid amount plus two percent (2%) contingency and shall have provided two signed copies of this Interlocal Agreement to the CITY. CITY will return one fully executed original to SAWS. Any and all control and/or beneficial use of the funds by the CITY pursuant to the delivery of the Funds by SAWS, will be contingent on SAWS receiving a fully executed original of this Interlocal Agreement from the CITY.

3.02 For materials and construction used in the SAWS Work, SAWS agrees to pay to CITY the amount of Two Million, Fifty-Three Thousand, Seven Hundred Eleven Dollars and Thirty-Two Cents (\$2,053,711.32), which includes the Original Bid amount and a two percent (2%) contingency, receipt of which is hereby acknowledged.

3.03 If the cost of performing the SAWS Work exceeds the Original Bid, the following provisions shall apply:

(a) Costs exceed Original Bid but do not exceed the Original Bid plus two percent (2%) contingency. Once CITY receives notice from the Contractor that additional funds will be needed for SAWS Work, CITY will notify SAWS in writing of the change order. Unless, SAWS objects within 5 business days of receipt of the written notification of the change order, CITY will proceed with SAWS Work and utilize the contingency amount for payment to the Contractor.

(b) Change Orders. If change orders are requested by SAWS or required for SAWS Work under this Agreement, SAWS will make a change order request and SAWS's staff or SAWS's Consultant shall prepare the change order. If CITY requires a change order that affects the SAWS Work, the change order will be submitted to SAWS staff for approval. SAWS staff agrees to use good faith efforts to respond to change orders within five business days after SAWS staff's receipt of request, or such additional period of time as may be reasonably necessary under the circumstances based on the complexity of the change order. In no event will SAWS's deliberative process be allowed to jeopardize CITY's timely completion of CITY's Project, as determined by CITY. SAWS staff is under no obligation to approve any change orders, and in no event shall SAWS be responsible for costs or expenses under change orders that are not approved by SAWS staff. If a change order results in total costs exceeding the amount stated in §3.02, CITY will send copies of invoices covering the additional amounts authorized by a change order approved by SAWS staff, and SAWS shall pay CITY the additional amounts in the approved change order within 15 days, unless further time is required for Board action to appropriate funds.

3.04 If the cost of performing the SAWS Work is less than the amount stated in §3.02 CITY agrees to refund the overpayment to SAWS within 15 days of determination of same.

### **SAWS'S RESPONSIBILITY**

4.01 SAWS agrees to accept full responsibility for inspection and acceptance of work performed as the SAWS Work.

### **ENTIRE AGREEMENT**

5.01 This Agreement, along with the specifications for the SAWS Work, supersedes any and all other agreements, either oral or in writing, and no other agreement, statement, or promise relating to the subject matter of this Agreement that is not contained herein shall be valid or binding.

### **ATTORNEY'S FEES**

6.01 If any action at law or in equity is brought to enforce or interpret the provisions of this Agreement, to the extent allowed by law, the prevailing Party shall be entitled to reasonable attorney's fees in addition to any other relief to which the prevailing Party may be entitled.

### **TEXAS LAW TO APPLY**

7.01 This Agreement is performable in Bexar County, Texas and the validity of any of its terms or provisions, as well as the rights and duties of the Parties, shall be governed by the laws of the State of Texas.

### **SEVERABILITY**

8.01 If any one or more of the provisions contained in the Agreement is for any reason held to be invalid, illegal, or unenforceable in any respect, that invalidity, illegality, or unenforceability will not affect any other provision and this Agreement will be construed as if the invalid, illegal, or unenforceable provision had never been contained herein.

### **AMENDMENT**

9.01 No amendment, supplementation, modification, or alteration of the terms hereof will be binding unless it is in writing, dated subsequent to the date hereof and duly executed by the Parties.

### **THIRD PARTY BENEFICIARY**

10.01 SAWS shall be considered a third party beneficiary under CITY's contract for the Project; provided, however, that prior to final completion of the work under the contract for the Project, SAWS shall not enforce any remedy against the Contractor without the prior written consent of CITY, which consent may be withheld if CITY reasonably believes that enforcement would have an adverse effect on final completion of the Project. Prior to final completion of the work under the contract for the Project, CITY shall cooperate in the prosecution of any action against the Contractor, to the extent consistent with the terms of the Project Contract Documents, which SAWS may reasonably determine to be necessary to undertake in connection with the SAWS Work done by the Contractor or its subcontractors.

### **INDEMNIFICATION**

11.01 CITY agrees to include SAWS in the list of parties being indemnified by the CITY contractors under contract documents, so that SAWS receives the benefit of all indemnities under the contract documents.

### **INSURANCE**

12.01 In all contracts entered into by CITY for SAWS Work, City shall include provisions reflecting:

- (a) With regard to insurance coverage during the construction phase of the Project, CITY shall require all consultants, contractors, subcontractors and suppliers to maintain

insurance coverage limits that are sufficient to compensate CITY and SAWS for their respective interests in the Project with regard to any liability a third party may have due to the services, equipment, or materials provided for construction of the Project. SAWS shall be named as an additional insured on all policies naming CITY as an additional insured. CITY shall provide SAWS's Designated Representative with copies of the completed Certificates of Insurance which Certificates shall be completed by an agent authorized to bind the named underwriters and their companies to the coverage limits and termination provisions shown thereon. SAWS reserves the right to review the insurance requirements during the effective period of this Agreement, and any extension or renewal hereof, and to modify insurance coverage and limits when deemed necessary and prudent by SAWS's Risk Manager based upon changes in statutory law or court decisions. CITY will not allow any modifications to the insurance coverage through which SAWS may incur increased risks.

- (b) CITY shall require all contractors and service providers to maintain statutory worker's compensation insurance for all of their employees with a waiver of subrogation in favor of CITY and SAWS.
- (c) CITY will require the consultants, contractors, and any subcontractors to provide all statutorily-required payment and performance bonds at no additional cost to the Parties. On services for which performance bonds are not statutorily required, CITY shall determine whether to require performance bonds.

**EXECUTED IN DUPLICATE ORIGINALS, EACH OF WHICH WILL HAVE FULL FORCE AND EFFECT ON THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2016.**

SAN ANTONIO WATER SYSTEM

By: \_\_\_\_\_

Robert R. Puente  
President and CEO

Date: \_\_\_\_\_

CITY OF CASTLE HILLS

By: \_\_\_\_\_

Diane Pfeil  
City Manager

Date: \_\_\_\_\_

ACKNOWLEDGEMENTS ON NEXT PAGE

## **ACKNOWLEDGEMENTS**

STATE OF TEXAS                   §  
   §  
COUNTY OF BEXAR           §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2016 by Robert R. Puente, President and CEO of the San Antonio Water System, a Texas municipal corporation, on behalf of said corporation.

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF TEXAS                   §  
   §  
COUNTY OF BEXAR           §

This instrument was acknowledged before me on the \_\_\_\_\_ day of \_\_\_\_\_, 2016 by Diane Pfeil, City Manager of the City of Castle Hills, a Type A- General Law Municipality corporation and political subdivision of the State of Texas, on behalf of said corporation.

\_\_\_\_\_  
NOTARY PUBLIC

TO: San Antonio Water System Board of Trustees

FROM: Julie Valadez, AIA, PMP, Project Manager, Plants and Major Projects, and  
Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: AWARD OF CONSTRUCTION CONTRACT FOR CHILLED WATER PLANT  
IMPROVEMENTS PROJECT

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution awards a construction contract in the amount of \$866,279.00 to RCO Construction, LLC, a local, MBE-Hispanic firm, in connection with the Chilled Water Plant Improvements Project (the “project”).

- The CY 2016 Capital Improvement Program includes the construction funding for Chilled Water Plant Improvements. This site is located at 900 E. Commerce Street in downtown San Antonio. The area of improvements includes a historic courtyard on the San Antonio Water System’s (the “System”) property, which was built in coordination with the 1968 HemisFair World’s Fair, and is in a prominent and visible location to pedestrians and tourists to the City of San Antonio.
- The site requires rehabilitation due to aging and deterioration of the existing courtyard, pavers, landscaping, and the historic fountains. The fountains were decommissioned several years ago in recognition of drought restrictions. The project includes restoring the fountains to working condition and connecting to recycle water on the site, as well as adding landscaping, irrigation, site lighting, and improvements to the pavers and concrete.
- The Project was determined a necessity to the System due to recent improvements of adjacent downtown properties, specifically the new Convention Center and Visitor’s Bureau expansion, scheduled to open this Spring of 2016.
- RCO Construction, LLC, a local MBE-Hispanic firm, has submitted the lowest responsible bid of \$866,279.00.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The construction expense of \$866,279.00 for the total expenditure of \$866,279.00 will be funded by the System's Project Fund from the CY 2016 Chilled Water Core Business, Chilled Water Plant Improvements Project. The job number for this project is 15-7502.

**SUPPLEMENTARY COMMENTS:**

CFZ Landscape Architect prepared the plans and specifications for this project under their professional services contract. A bid opening was held on Friday, February 12, 2016, at 10:30 AM. Three firms responded to the request for bids. The following bids were submitted:

<b>BIDDER</b>	<b>BID AMOUNT</b>	<b>LOCAL/SMWB</b>
<i>Engineer's Estimate</i>	<i>\$532,000.00</i>	
<b>RCO Construction, LLC*</b>	<b>\$866,279.00</b>	<b>Local/MBE-Hispanic</b>
Veritas Management Company, LLC dba Black Castle General Contractor	\$968,600.00	Local/SBE
MGC Contractors, Inc.	\$1,160,000.00	Local/Non-SMWB

\*Low Responsible Bidder

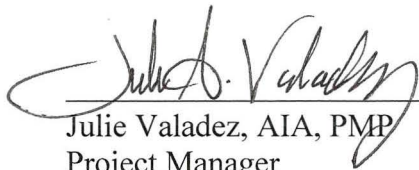
RCO Construction, LLC, and all of the SMWB subcontractors are local firms. The SMWB breakdown is as follows:

<b>Chilled Water Plant Improvements Project</b>	
<b>RCO CONSTRUCTION, LLC</b>	
<b>SMWB ANALYSIS – BOARD AWARD</b>	
SBE	0.00%
MBE – African American	0.00%
MBE – Asian	0.00%
MBE – Hispanic	68.14%
MBE – Other	0.00%
WBE – Minority	0.00%
WBE – Non-Minority	0.00%
<b>SMWB Total</b>	<b>68.14%</b>



Award of Construction Contract  
Chilled Water Plant Improvements Project

Page 3



Julie Valadez, AIA, PMP  
Project Manager  
Plants and Major Projects



Genoveva G. Gomez, P.E.  
Vice President  
Engineering and Construction

APPROVED:



Robert R. Puente  
President/Chief Executive Officer

**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE BID OF RCO CONSTRUCTION, LLC, IN THE AMOUNT OF \$866,279.00 FOR THE CONSTRUCTION OF THE CHILLED WATER PLANT IMPROVEMENTS PROJECT; AWARDING A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$866,279.00 TO RCO CONSTRUCTION, LLC, FOR THE PROJECT WORK; APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF \$866,279.00 FOR THE PROJECT WORK; APPROVING TOTAL EXPENDITURES AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED \$866,279.00 FROM THE SYSTEM'S PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSTRUCTION CONTRACT WITH RCO CONSTRUCTION, LLC, AND TO PAY RCO CONSTRUCTION, LLC, AN AMOUNT NOT TO EXCEED \$866,279.00 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS** the CY 2016 Capital Improvement Program includes the construction funding for the Chilled Water Plant Improvements Project (the "project"); and

**WHEREAS**, the site requires rehabilitation due to aging and deterioration of the site and fountains and the site is in a highly visible and prominent area of downtown San Antonio that has seen improvements and developments over the last several years; and

**WHEREAS**, the project was determined a necessity due to recent improvements of adjacent downtown properties, specifically the new Convention Center and Visitor's Bureau expansion scheduled to open this Spring of 2016; and

**WHEREAS**, the San Antonio Water System (the "System") has solicited bids for the construction of the project; and

**WHEREAS**, RCO Construction, LLC, a local MBE-Hispanic firm, has submitted a bid in an amount of \$866,279.00 to provide the work; and

**WHEREAS**, the total amount of \$866,279.00 is available from the System's Project Fund for the project work; and

**WHEREAS**, the San Antonio Water System's Board of Trustees desires (i) to accept the bid of RCO Construction, LLC for a construction contract in the amount of \$866,279.00 in connection with the Chilled Water Plant Improvements Project, (ii) to award a construction contract in the amount of \$866,279.00 to RCO Construction, LLC, in connection with the Chilled Water Plant Improvements Project, (iii) to approve the expenditure of System funds in an amount of \$866,279.00 from the project work, (iv) to approve a total expenditure and make available an amount not to exceed \$866,279.00 from the System's Project Fund for the project work, and (v) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with RCO Construction, LLC, and to pay RCO Construction, LLC, an amount not to exceed \$866,279.00 for the project work; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the bid in the amount of \$866,279.00 for the project work in connection with the Chilled Water Plant Improvements Project is hereby accepted.
2. That a contract in the amount of \$866,279.00 for the project work is hereby awarded to RCO Construction, LLC.
3. That the expenditure of System funds in the amount of \$866,279.00 for the project work is hereby authorized and approved.
4. That a total sum not to exceed \$866,279.00 for the project work is hereby made available and is to be expended from the System's project fund.
5. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a standard contract for general construction with RCO Construction, LLC, for the project work and to pay the amount of \$866,279.00 to RCO Construction, LLC, for the project work in connection with the Chilled Water Plant Improvements Project.
6. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place, and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.
7. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.

8. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016.

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Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

DRAFT

TO: San Antonio Water System Board of Trustees

FROM: Bruce A. Haby, Manager, Corporate Real Estate, and Nancy Belinsky, Vice President and General Counsel

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: ACCEPTING AN OFFER AND APPROVING A PURCHASE AGREEMENT WITH J. ALLEN CARNES FOR THE SALE OF 319.455 ACRES (FRANKLIN FARM) LOCATED ON THE EAST AND SOUTH SIDES OF COUNTY ROAD 400, NORTHWEST OF U.S. HIGHWAY 83, IN UVALDE COUNTY, TEXAS

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution accepts the offer of J. Allen Carnes of \$950,000.00 for the sale of 319.455 acres (Franklin Farm), located on the east and south sides of County Road 400, northwest of U.S. Highway 83, in Uvalde County, Texas (the "Property") and approves a Purchase Agreement (the "Agreement") with J. Allen Carnes for the sale of this Property for the purchase price of \$950,000.00.

- San Antonio Water System's (SAWS) Board of Trustees (the "Board") declared the Property surplus by Board Resolution No. 05-027, which was approved on January 18, 2005.
- On June 9, 2005, by Ordinance No. 100996, the City Council of San Antonio declared the Property surplus, and authorized SAWS to sell the Property.
- On February 10, 2014, by Resolution 14-034, the Board authorized SAWS to sell the Property according to the requirements of Texas Local Government Code Section 253.014 which authorizes SAWS to contract with a real estate broker to market real property owned by the municipality and to sell the property pursuant to the highest offer. On January 15, 2015, by Ordinance No. 2015-01-15-0017, the City Council of San Antonio authorized SAWS to sell the Property pursuant to Texas Local Government Code Section 253.014.
- SAWS' real estate broker, Cano and Company, listed the Property in the MLS beginning October 30, 2015, and negotiated directly with buyers for the sale of the Property. SAWS listed the Property at a sale price of \$945,000.00, which was based on an appraisal dated October 15, 2015 by Eckmann Groll, Inc.

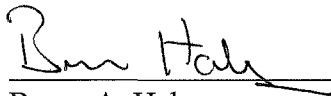
- The following offers were received on the Franklin Farm:

\$950,000.00	J. Allen Carnes	12/14/2015
\$946,500.00	David A. Pafford	11/30/2015
\$942,392.25	Joseph B. Parker, Jr.	11/22/2015
\$875,000.00	Harry O. Watkins	11/25/2015
\$850,500.00	Ashley Unruh	12/02/2015
- The highest offer for the purchase of the Property was in the amount of \$950,000.00 from J. Allen Carnes.
- The basic terms of J. Allen Carnes' offer are as follows:
  - Contract Date – January 11, 2016
  - Survey cost – none to SAWS
  - Title Policy – to be paid by Buyer
  - Feasibility period – 10 days
  - Independent consideration – \$100.00
  - Earnest money – \$10,000.00
  - Closing Date – March 11, 2016 (subject to Board approval)
- SAWS' Brokerage Agreement No. S-14-019-DB with Cano and Company, approved by the SAWS Board by Resolution No. 15-009, on January 6, 2015, authorizes SAWS to pay a commission of six percent (6%) of the sales price at the closing if closing occurs.
- This resolution authorizes SAWS to pay, pursuant to the Agreement, closing costs not to exceed \$5,000.00.

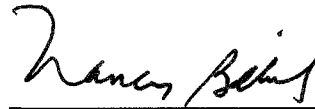
Staff recommends that the Board approve this Resolution.

**FINANCIAL IMPACT:**

SAWS will receive \$950,000.00 in cash upon the sale of this property, less any related closing costs. Total closing costs plus real estate commissions are not expected to exceed \$62,000.00. Funds received will be deposited to the Renewal and Replacement Fund.



Bruce A. Haby  
Manager, Corporate Real Estate



Nancy Belinsky  
Vice President and General Counsel

APPROVED:



Robert R. Puente  
President/Chief Executive Officer

## **RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM (THE "SYSTEM") BOARD OF TRUSTEES ACCEPTING AN OFFER IN THE AMOUNT OF \$950,000.00 FOR THE SALE OF APPROXIMATELY 319.455 ACRES "FRANKLIN FARM" (THE "PROPERTY") LOCATED ON THE EAST AND SOUTH SIDES OF COUNTY ROAD 400, NORTHWEST OF U.S. HIGHWAY 83 IN UVALDE COUNTY, TEXAS AND APPROVING A PURCHASE AGREEMENT WITH J. ALLEN CARNES; AFFIRMING A SIX PERCENT (6%) COMMISSION TO BE PAID TO CANO AND COMPANY AT CLOSING AND AUTHORIZING PAYMENT OF CLOSING COSTS UP TO \$5,000.00 AT CLOSING; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, the System met the requirements of City Ordinance No. 75686 and declared the Property surplus by Resolution No. 05-027, approved on January 18, 2005; and

**WHEREAS**, the City Ordinance No. 100996 approved on June 9, 2005, declared the Property surplus; and

**WHEREAS**, authorization to use Section 253.014 of the Texas Local Government Code, being the listing of a property on a multiple listing service rather than a sealed bid process, was approved by the System's Board of Trustees (the "Board") on February 10, 2014, Resolution 14-034; and

**WHEREAS**, the City Ordinance No. 2015-01-15-0017, approved on January 15, 2015, authorized the System to sell the property according to the Texas Local Government Code Section 253.014; and

**WHEREAS**, pursuant to Local Government Code Chapter 253.014, Cano and Company has marketed the Property, and the highest offer in the amount of \$950,000.00 for the Property was received by the System from J. Allen Carnes; and

**WHEREAS**, the System's Brokerage Agreement No. S-14-019-DB (the "Brokerage Agreement") with Cano and Company, approved by the Board via Resolution No. 15-009, dated January 6, 2015, authorizes the System to pay a commission of six percent (6%) of the sales price to Cano and Company for its real estate services under the contract; and



**WHEREAS**, pursuant to the Purchase Agreement attached hereto as Attachment II, the System seeks to authorize the payment of up to \$5,000.00 in closing costs to Alamo Title Insurance Company; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires to (i) accept the offer from J. Allen Carnes in the amount of \$950,000.00 for the Property and approve a Purchase Agreement with J. Allen Carnes for the sale of the Property, (ii) affirm the payment of a commission of six percent (6%) of the sales price to Cano and Company to be paid at closing pursuant to the Brokerage Agreement, if and only if closing occurs, (iii) authorize payment of up to \$5,000.00 for closing costs payable to Alamo Title Insurance Company, and (iv) authorize the President/Chief Executive Officer or his duly appointed designee to execute all documents necessary to complete the sale of the Property, including contract amendments/extensions that do not decrease the purchase price, and perform all the duties and obligations of the seller in said Purchase Agreement; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the offer from J. Allen Carnes in the amount of \$950,000.00 for the 319.455 acre Property is hereby accepted and a Purchase Agreement with J. Allen Carnes for the sale of said Property is hereby approved as attached hereto as Attachment II and incorporated herein for all purposes.
2. That a commission of six percent (6%) of the sales price is hereby affirmed to be paid to Cano and Company at closing pursuant to the Brokerage Agreement.
3. That payment of up to \$5,000.00 for closing costs, payable to Alamo Title Insurance Company, is hereby authorized.
4. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute all documents, including contract amendments/extensions that do not decrease the purchase price, necessary to complete the sale of the Property and perform all duties of the Seller under said Purchase Agreement.
5. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.
6. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.

7. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 1st day of March, 2016.

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Berto Guerra, Jr., Chairman

ATTEST:

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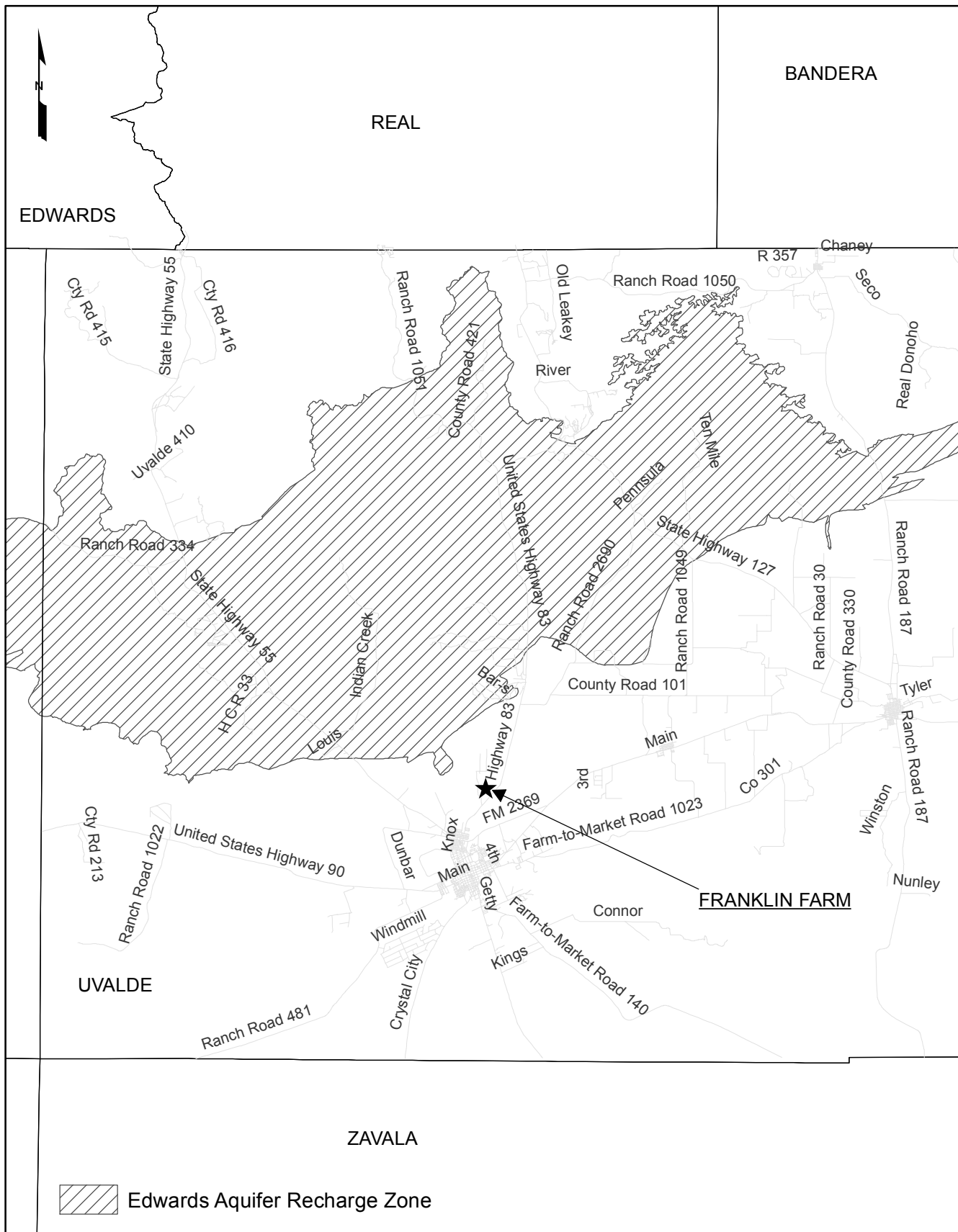
Ernesto Arrellano, Jr., Secretary

Attachments:

- I Area Map
- II Purchase Agreement

DRAFT

SAN ANTONIO WATER SYSTEM  
AREA MAP  
ATTACHMENT I



SURPLUS PROPERTY

## ATTACHMENT II

### PURCHASE AGREEMENT

#### Franklin Farm

This Purchase Agreement (the "Agreement") is made by and between City of San Antonio, acting by and through its San Antonio Water System, herein after called "Seller", and J. Allen Carnes, hereinafter called "Buyer", and constitutes a contract for the purchase and sale of the described property, as follows:

1. Property. Subject to the terms and conditions of this Agreement, Seller agrees to convey to Buyer a tract of land located in Uvalde County, Texas being approximately 319.455 acres and described more particularly in Exhibit A attached hereto (the "Property"), together with all improvements thereon and all rights and appurtenances thereto, including Seller's right, title and interest in that 30 foot road easement described in the instrument recorded in Volume 383, Page 161 of the Official Public Records of Uvalde County, Texas as further described in Exhibit A-1 attached hereto.
  - a. Water Rights that Run with the Property. The Property will be conveyed with the right to withdraw **160.00** acre-feet of Edwards Aquifer base irrigation groundwater per annum under and pursuant to the terms of EAA Regular Permit P101-952 (the "Permit") (such base irrigation groundwater being the "Base Irrigation Groundwater"). Seller makes no representations or warranties as to the amount of water used or available for use during the calendar year in which Closing occurs. Buyer shall be solely responsible for determining by meter reading or otherwise the amount of Edwards Aquifer base irrigation groundwater available pursuant to the terms of the Permit on the date of Closing, and shall be solely responsible for all fees, fines and penalties, if any, which may arise related to allowable production of groundwater under the Permit for the year in which Closing occurs. The provisions of this paragraph shall survive Closing.
  - b. Seller Reservation of Water Rights. Seller has previously transferred 405.737 acre feet per annum of unrestricted irrigation groundwater rights under the Permit and/or EAA Permits P101-953 and P101-669 to points of withdrawal located outside the Property (the "Reserved Water Rights"). The Reserved Water Rights include 177.237 acre-feet of unrestricted irrigation water rights that were converted from base withdrawal rights on the Property. For an avoidance of doubt, in connection with the Reserved Water Rights, Seller, in the Deed Without Warranty to be executed by Seller at the Closing (hereinafter defined), shall reserve unto itself, its successors and assigns, the Reserved Water Rights and all groundwater and groundwater estate related in any way to the Reserved Water Rights. Seller further reserves unto itself and its successors and assigns the following personal property rights and incorporeal hereditaments associated with such Reserved Water Rights reservation: (a) applications, licenses, allotments and permits; (b) rights associated with the ownership of the wells located on the Property from June 1, 1972 through May 31, 1993, and the beneficial use of Edwards Aquifer water withdrawn from such wells from June 1, 1972, through May 31, 1993; and (c) rights derived from the filing of a Declaration of Historical Use of underground water withdrawn from the well located on the Property from June 1, 1972, through May 31, 1993. Notwithstanding the above, the Reserved Water Rights do not include the Base Irrigation Groundwater that must run with the land as described in Section 1(a) above and do not impose any obligation or duty on Seller to operate, maintain, repair, construct, reconstruct, plug or cap the wells located on the Property from and after Closing.
  - c. Pivot System. The Property includes two (2) Valley 7000 pivot systems located on the Property (collectively, the "Pivots").

2. Consideration. The consideration for the conveyance shall be as follows:
- a. Purchase Price. The total purchase price ("Purchase Price") for the Property shall be NINE HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS (\$950,000.00).
  - b. Earnest Money. Buyer shall deposit TEN THOUSAND AND NO/100 DOLLARS (\$10,000.00) with Alamo Title Company, Attn: Chris Varley, Senior Vice President, 18618 Tuscany Stone, Suite 240, San Antonio, TX 78258, San Antonio, Texas 78257 ("Title Company"), as earnest money ("Earnest Money"). The Earnest Money shall be credited toward the Purchase Price at closing if the conveyance of the Property is closed or otherwise held and disbursed in accordance with the terms and provisions hereof. Title Company shall, immediately following receipt, deposit the Earnest Money in an interest bearing account and maintain such account until the Earnest Money is disbursed in accordance herewith.
  - c. Independent Consideration. On or before this Date of this Agreement (hereinafter defined), Buyer shall pay to Seller by certified or cashier's check the sum ONE HUNDRED AND NO/100 DOLLARS (\$100.00) (the "Independent Consideration") as independent consideration for this Agreement and for Buyer's inspection and termination rights under Section 8. The Independent Consideration shall be non-refundable except in the event of a Seller default under this Agreement or if the SAWS Board of Trustees fails to approve this Agreement as provided in Section 10 below. The Independent Consideration shall be credited toward the Purchase Price at closing if the conveyance of the Property is closed.
3. Date of this Agreement. The Date of this Agreement shall be the date when a fully executed copy of this Agreement together with Buyer's deposit of the Earnest Money is delivered to the Title Company, as evidenced by the date inserted by Title Company beneath its signature of receipt.
4. Title Commitment. By virtue of receipt of this Agreement, Title Company is hereby instructed to issue to Buyer a commitment for an Owner's Policy Of Title Insurance for the Property ("Title Policy") in the amount of the Purchase Price.
5. Survey. Seller has provided to Buyer and Title Company a copy of Seller's existing survey of the Property. Seller shall not be required to provide any new surveys of the Property, and any survey(s) Buyer desires to obtain shall be at Buyer's sole expense.
6. Exceptions, Reservations, Platting. The Property will be conveyed without warranty of title and subject to (i) all visible and apparent easements (ii) all matters of record relating to the Property as shown in the Real Property Records of Uvalde County, Texas and (iii) all applicable zoning, platting and other governmental ordinances, laws, rules and regulations.
7. Property Information Documents. Any documents provided by Seller concerning the Property shall be referred to as "Property Information Documents." If the Property Information Documents include a Phase I environmental assessment, SAWS does not warrant whether it will qualify Buyer as an "innocent Buyer" under CERCLA, 42 USC 9601 et seq. and the Texas Solid Waste Disposal Act, Texas Health and Safety Code Chapter 361 et seq., and Seller recommends that the Buyer conduct its own environmental assessment of the Property. Further, Seller does not represent or warrant that the Property Information Documents constitute all of the documents in Seller's possession related to the Property. NOTWITHSTANDING ANYTHING IN THIS PARAGRAPH TO THE CONTRARY, BUYER ACKNOWLEDGES AND UNDERSTANDS THAT SOME OR ALL OF THE PROPERTY INFORMATION DOCUMENTS HAVE BEEN PREPARED BY PARTIES OTHER THAN SELLER. SELLER MAKES NO REPRESENTATION OR

WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AS TO THE QUALITY, COMPLETENESS, CONTENT OR ACCURACY OF THE DELIVERED MATERIALS.

8. Inspections. For a period ending ten (10) days after the Effective Date (the "Feasibility Period") the Buyer may conduct, at the Buyer's sole cost, any inspections and environmental assessments on the Property that the Buyer may elect, subject to the indemnity and other provisions of this Section 8 of this Agreement. If an Environmental Professional (as defined in 40 CFR Part 312.10(b)) desires to communicate with Seller, the communication must be in writing and delivered to Seller at the address stated in Section 14, below. The Buyer may not conduct a Phase II environmental site assessment on the Property, or other invasive tests, including boring and drilling, upon the Property, without Seller's prior written consent.

If Buyer decides in its sole discretion not to proceed with the purchase of the Property and the easements described herein, Buyer shall give Seller written notice of termination on or before the expiration of the Feasibility Period, in which event this Agreement shall terminate and be of no further force and effect, except for the obligations in this Section 8 that survive termination, Buyer shall receive back the Earnest Money, and Seller shall retain the Independent Consideration.

**BUYER SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SAN ANTONIO ("COSA"), THE SAN ANTONIO WATER SYSTEM AND THEIR OFFICERS, EMPLOYEES, AGENTS, OFFICIALS AND FIDUCIARIES (COLLECTIVELY THE "INDEMNIFIED PARTIES") FROM ANY AND ALL DAMAGES, CLAIMS AND LOSSES OF ANY NATURE, INCLUDING THOSE ASSOCIATED WITH PROPERTY DAMAGE, PERSONAL INJURY, BODILY INJURY, OR DEATH, ATTORNEY'S FEES AND COURT COSTS, ARISING FROM THE PARTY'S OR THE PARTY'S AGENTS OR CONTRACTORS PRESENCE ON OR USE OR INSPECTION OF THE PROPERTY (INCLUDING ANY ENVIRONMENTAL ASSESSMENTS PERFORMED ON THE PROPERTY), OR THE CONDITION OF THE PROPERTY. IT IS THE EXPRESS INTENT OF THE PARTIES HERETO THAT THIS INDEMNITY SHALL APPLY TO AND PROTECT THE INDEMNIFIED PARTIES FROM DAMAGES CAUSED BY THE INDEMNIFIED PARTIES' SOLE AND/OR CONCURRENT NEGLIGENCE AND/OR STRICT LIABILITY. THE PROVISIONS OF THIS PARAGRAPH SHALL OVERRIDE AND CONTROL ANY CONTRARY PROVISIONS IN THE TEXAS TORT CLAIMS ACT (TEXAS CIVIL PRACTICE AND REMEDIES CODE CHAPTER 101). THIS SECTION 8 SHALL SURVIVE CLOSING OR TERMINATION OF THIS AGREEMENT.**

9. AS-IS. THE PROPERTY WILL BE CONVEYED IN ITS PRESENT "AS IS" CONDITION. IF THE PURCHASE AGREEMENT CLOSES, BUYER ACCEPTS THE PROPERTY IN ITS PRESENT CONDITION. AS A MATERIAL PART OF THE CONSIDERATION FOR THE SALE OF THE PROPERTY, BUYER ACKNOWLEDGES THAT IT IS NOT RELYING UPON THE ACCURACY OR COMPLETENESS OF ANY REPRESENTATION, BROCHURE, RENDERING, PROMISE, STATEMENT OR OTHER ASSERTION OR INFORMATION (INCLUDING THE PROPERTY INFORMATION DOCUMENTS) WITH RESPECT TO THE PROPERTY MADE OR FURNISHED BY OR ON BEHALF OF, OR OTHERWISE ATTRIBUTED TO, SELLER OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR REPRESENTATIVES, ANY AND ALL SUCH RELIANCE BEING HEREBY EXPRESSLY AND UNEQUIVOCALLY DISCLAIMED, BUT IS RELYING SOLELY AND EXCLUSIVELY UPON ITS OWN EXPERIENCE AND ITS INDEPENDENT JUDGMENT, EVALUATION AND EXAMINATION OF THE PROPERTY. BUYER FURTHER UNEQUIVOCALLY DISCLAIMS (I) THE EXISTENCE OF ANY DUTY TO DISCLOSE ON THE PART OF SELLER OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR

REPRESENTATIVES AND (II) ANY RELIANCE BY BUYER ON THE SILENCE OR ANY ALLEGED NONDISCLOSURE OF SELLER OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR REPRESENTATIVES, AND HEREBY RELEASES SELLER AND ITS AGENTS, EMPLOYEES OR REPRESENTATIVES FROM ANY CLAIM, DEMAND OR CAUSE OF ACTION BASED IN WHOLE OR IN PART UPON ANY RELIANCE UPON ANY ALLEGED SILENCE, REPRESENTATION OR NON-DISCLOSURE BY SELLER OR ANY OF ITS AGENTS, EMPLOYEES OR REPRESENTATIVES. BUYER TAKES THE PROPERTY UNDER THE EXPRESS UNDERSTANDING THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES. BUYER EXPRESSLY WARRANTS AND REPRESENTS THAT NO PROMISE OR AGREEMENT WHICH IS NOT HEREIN EXPRESSED HAS BEEN MADE TO IT AND HEREBY DISCLAIMS ANY RELIANCE UPON ANY SUCH ALLEGED PROMISE OR AGREEMENT. THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. BUYER HAS AGREED TO DISCLAIM RELIANCE ON SELLER AND TO ACCEPT THE PROPERTY "AS-IS" WITH FULL AWARENESS THAT THE PROPERTY'S PRIOR USES OR OTHER MATTERS COULD AFFECT ITS CONDITION, VALUE, SUITABILITY OR FITNESS; AND BUYER CONFIRMS THAT BUYER IS HEREBY ASSUMING ALL RISK ASSOCIATED THEREWITH. BUYER UNDERSTANDS THAT THE DISCLAIMERS OF RELIANCE AND OTHER PROVISIONS CONTAINED HEREIN COULD LIMIT ANY LEGAL RECOURSE OR REMEDY BUYER OTHERWISE MIGHT HAVE. BUYER ACKNOWLEDGES THAT IT HAS SOUGHT AND HAS RELIED UPON THE ADVICE OF ITS OWN LEGAL COUNSEL CONCERNING THIS PROVISION. THE PROVISIONS OF THIS PARAGRAPH SHALL SURVIVE CLOSING AND SHALL NOT MERGE, AND ARE ALSO INCLUDED IN THE DEED WITHOUT WARRANTY.

10. Conditions to Closing.

- a. Board of Trustees Approval. This Agreement is subject to the approval of the Board of Trustees of the San Antonio Water System on or before the Closing Date (hereinafter defined). In the event that this Agreement is not approved by the Board of Trustees of the San Antonio Water System on or before the Closing Date, notwithstanding any provision herein to the contrary, this Agreement shall automatically terminate and the Earnest Money and Independent Consideration shall be returned to Buyer, and neither party shall have any further rights or duties hereunder other than those rights or duties that expressly survive termination of this Agreement.

11. Closing. Subject to the provisions of Section 10, the conveyance of the Property to Buyer shall be closed ("Closing") at the office of the Title Company on ~~February 12, 2016~~ (the "Closing Date"), or such earlier date as the parties may agree to, provided all conditions to closing have been satisfied.

March 11, 2016

12. Closing Documents. The following documents shall be delivered at Closing:

- a. Deed. Seller and Buyer shall execute and acknowledge a deed without warranty conveying title to the Property to Buyer, substantially in the form of Exhibit B attached hereto (the "Deed");
- b. EAA Transfer Application. Seller and Buyer shall execute and acknowledge, as necessary, an Application to Transfer and Amend Regular Permit and/or Notice of Transfer of Ownership forms to transfer the Base Irrigation Groundwater to Buyer (the "Transfer Documents").

- c. Bill of Sale. Seller and Buyer shall execute a No-Warranty Bill of Sale to transfer Seller's right, title and interest to the Property to the Buyer, substantially in the form of Exhibit C attached hereto (the "Bill of Sale").
  - d. Tax Certificates. Seller shall deliver, at Seller's expense, tax certificates showing there are no delinquent taxes levied or assessed against the Property as of Closing.
  - e. Settlement Statements. Buyer and Seller shall execute customary settlement statements reflecting the Purchase Price, closing costs, prorations, credits and Commissions under this Agreement.
13. Closing Costs and Prorations. Closing costs and prorations shall be allocated as follows:
- a. Taxes. Seller is a tax-exempt entity. Buyer agrees that it shall be solely responsible for all ad valorem real property taxes assessed against the Property for periods from and after the Closing Date. If this sale or Buyer's use of the Property after Closing results in the assessment of additional taxes, penalties or interest, including without limitation "rollback taxes" (the "Assessments") for periods prior to Closing, the Assessments will be the obligation of the Buyer. Buyer, to the extent permitted by law, shall indemnify, defend and hold Seller harmless from and against any loss, cost, cause of action or claim related to the Assessments and all ad valorem real property taxes assessed against the Property for periods from and after the Closing Date. All provisions and obligations of this section shall survive Closing.
  - b. Title Insurance Premiums. Buyer shall be responsible at its sole cost for the Title Policy premium and any deletions or endorsements Buyer elects to obtain.
  - c. Fees. Any escrow fee charged by Title Company shall be divided equally between Seller and Buyer. Buyer shall pay the recording and/or filing fees for the Deed and Transfer Documents. Each party will pay its own attorney's fees.
14. Notices. Any notice to be given hereunder shall be given by placing the notice or designation in the United States mail, certified or registered, properly stamped and addressed to the address shown below or such other address as the respective party may direct in writing to the other, or by personal delivery to such address by a party, by email, or by a delivery service which documents delivery, and such notice or designation shall be deemed to be received upon such placing in the mails or such delivery:

Seller:	San Antonio Water System Attn: Manager, Corporate Real Estate 2800 US 281 North San Antonio, Texas 78212 bruce.haby@saws.org
With a copy to:	San Antonio Water System Attn: Mark E. Brewton, Corporate Counsel 2800 US 281 North San Antonio, Texas 78212 mark.brewton@saws.org
Buyer:	J. Allen Carnes P.O. Box 1172



15. Default. In the event that Seller should fail to perform its obligations herein, except due to Buyer's default or the failure of Buyer to satisfy any of the conditions to Seller's obligations set forth herein, Buyer may, as its sole and exclusive remedy, terminate this Agreement, in which event, provided Buyer is not in default, the Earnest Money and Independent Consideration shall be forthwith returned to Buyer whereupon neither party shall have any obligations hereunder other than those obligations in this Agreement that expressly survive termination. In no event shall any damages, rights or remedies be collectible, enforceable or available to Buyer other than as provided in this paragraph. In no event shall any trustee, officer, employee, agent or broker of Seller shall be liable, in any manner whatsoever, for any act, omission or obligation of Seller or its agents.

In the event Buyer should fail to close upon the purchase of the Property as required under this Agreement, Seller shall be entitled to terminate this Agreement and receive the Earnest Money whereupon neither party shall have any obligations hereunder other than those obligations in this Agreement that expressly survive termination, such sum being agreed upon as liquidated damages for the failure of Buyer to close as required by the terms and provisions of this Agreement and because of the difficulty, inconvenience and uncertainty of ascertaining actual damages. These provisions shall not be deemed to limit Seller's remedies for indemnification or other Buyer obligations under this Agreement, and Seller retains all remedies at law or in equity in the event Buyer should fail to comply with the terms of this Agreement. In the event that Seller is entitled to receive the Earnest Money under this Section 15, and Buyer fails to cooperate with the release of the Earnest Money to Seller, Seller shall be entitled to recovery from Buyer of Seller's attorneys' fees in any suit to receive the Earnest Money.

16. Real Estate Commission. If and only if the sale from Seller to Buyer closes pursuant to this Agreement, SAWS will pay at Closing a 6% brokerage fee (the "Commission") to Cano & Company ("Seller's Broker") pursuant to a separate written agreement. Buyer represents and warrants that no broker represents Buyer and Buyer hereby agrees to defend, indemnify and hold harmless Seller for any claims for a brokerage fee or commission resulting from this transaction. The Buyer's obligation to indemnify under this Section 16 shall survive Closing.
17. Entire Agreement. This Agreement contains all agreements between the parties regarding the Property, and no agreement not contained herein shall be recognized by the parties.
18. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective heirs, legal representatives, successors and permitted assigns.
19. Assignability. Buyer shall have no right to assign this Agreement or any of its rights hereunder to any person or entity without the prior written consent of Seller, which consent may be given or withheld in Seller's sole and absolute discretion.
20. Time of Essence. Time is of the essence of this Agreement.
21. Legal Holidays. Notwithstanding anything herein to the contrary, if the final date of any period, any date of performance or any deadline date which is set forth in this Agreement falls on a Saturday, Sunday or federal legal holiday, then such date shall be extended to the next following date which is not a Saturday, Sunday or federal legal holiday.
22. Counterparts. This Agreement may be executed in one (1) or more counterparts, each of which when taken together shall constitute but one and the same Agreement.

23. Sale under Local Government Code Section 253.014. Seller and Buyer acknowledge and agree that the transaction contemplated in this Agreement is being conducted under Texas Local Government Code Section 253.014.
24. Disclosures.
- a. Notice Regarding Title. **THE TEXAS REAL ESTATE LICENSE ACT REQUIRES A REAL ESTATE AGENT TO ADVISE A BUYER THAT BUYER SHOULD HAVE AN ATTORNEY EXAMINE AN ABSTRACT OF TITLE TO THE PROPERTY BEING PURCHASED; OR A TITLE INSURANCE POLICY SHOULD BE OBTAINED. NOTICE TO THAT EFFECT IS HEREBY GIVEN TO BIDDER.**
  - b. Notice Regarding Possible Liability for Additional Taxes (Texas Property Code-Section 5.010). If for the current ad valorem tax year the taxable value of the Property that is the subject of this Agreement is determined by a special appraisal method that allows for appraisal of the Property at less than its market value, the person to whom the Property is transferred may not be allowed to qualify the Property for that special appraisal in a subsequent tax year and the Property may then be appraised at its full market value. In addition, the transfer of the Property or a subsequent change in the use of the Property may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the Property. The taxable value of the Property and the applicable method of appraisal for the current tax year is public information and may be obtained from the tax appraisal district established for the county in which the Property is located.
  - c. Annexation Disclosures. If the Property that is the subject of this Agreement is located outside the limits of a municipality, the Property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the Property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the Property for further information.
  - d. Utility District. Buyer agrees that if the Property is situated in any utility district, Buyer will sign and acknowledge at or prior to the Closing, a statutory notice as required under Section 50.301 of the Texas Water Code.
  - e. Notice of Water and Sewer Service. The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. There may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to the Property. You are advised to contact the applicable utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to the Property.

(SIGNATURE PAGE FOLLOWS)

IF Any Minerals Convey with property SANS  
IS NOT Reserving Any JTC

EXECUTED by Seller on 1/11/16, 2015.

**Seller:**

CITY OF SAN ANTONIO, ACTING BY AND  
THROUGH THE SAN ANTONIO WATER SYSTEM

BY: Nancy Belinsky  
Nancy Belinsky  
Vice President and General Counsel

EXECUTED by Buyer on 1-5, 2015 JTC

**Buyer:**

J Allen Carnes  
Printed Name: J. Allen Carnes

Exhibits:

- Exhibit A: Property description
- Exhibit A-1: Road easement description
- Exhibit B: Form of Deed without Warranty
- Exhibit C: Form of No Warranty Bill of Sale

RECEIPT OF CONTRACT & EARNEST MONEY

Alamo Title Company ("Title Company") acknowledges receipt of \$10,000.00 as Earnest Money under the foregoing Purchase Agreement. Title Company will promptly deposit the Earnest Money in an interest bearing account and hold the Earnest Money in escrow in accordance with the terms of the Purchase Agreement. The undersigned will promptly notify the parties if these instructions are for any reason not carried out.

Alamo Title Company

By:

[Signature] for Chris Wiley

Date:

1/11/16

GF#:

4041007045

# Exhibit A

EXHIBIT "P"

THE STATE OF TEXAS  
COUNTY OF UVALDE

PREPARED FOR: San Antonio Water Systems

## FIELD NOTES TO DESCRIBE

A survey of 319.455 acres of land situated about 4.5 miles N 07° E of Uvalde in Uvalde County, Texas, being 41.818 acres out of Survey No. 97, Abstract No. 288, I. & G.N.R.R. Co., original Grantee, and 277.637 acres out of Survey No. 98, Abstract No. 289, I. & G.N.R.R. Co., original Grantee, being that same property called 319.506 acres in a deed to FW Ranchlands L.P. from Jack Pink Franklin, dated August 7, 1997, as recorded in Volume 383 on Page 161 of the Official Public Records of Uvalde County, Texas, and being more particularly described by metes and bounds as follows:

**BEGINNING:** At a ¼" iron pin found by a 3" diameter 3-way pipe corner post for the called common corner of said Survey No. 98, Survey No. 99, Abstract No. 290, I. & G.N. RR. Co, original Grantee, Survey No. 1011, Abstract No. 200, Miller Francis, original Grantee, and Survey No. 82, Abstract No. 357, J. A. Navarro, original Grantee, the Southeast corner of that certain 10.00 acre tract of land described in a deed to Bobby Russell McDaniel, et ux, from Ronald Gene Felts, et ux, dated April 11, 1986, as recorded in Volume 269 on Page 90 of the Deed Records of Uvalde County, Texas, the Southwest corner of that certain 234.355 acre tract of land described in a deed to Charlotte Hargrove Crider from H. F. Hargrove, et ux, dated October 13, 1971, as recorded in Volume 183 on Page 389 of the aforementioned Deed Records, the Northwest corner of that certain 197.956 acre tract of land described as First Tract in a deed to Pete Neutze from Neal Hargrove, et ux, dated February 19, 1976, as recorded in Volume 203 on Page 776 of the said Deed Records, and the Northeast corner of this survey;

**THENCE:** S 00-21-49 W at 21.44 feet pass 0.98 feet East of a 5/8" iron pin set by a 6" diameter cedar 3-way corner post, at 1286.57 feet pass 2.77 feet West of a railroad tie corner post for an angle point in fence, at 2166.86 feet pass 7.25 feet West of a 5/8" iron pin found by an 8" diameter cedar corner post for the Southwest corner of said 197.956 acre tract of land and the Northwest corner of that certain 100.006 acre tract of land described as Second Tract in the aforementioned deed to Pete Neutze, for an angle point in fence, South 2726.33 feet pass 10.44 West of a 12" diameter mesquite tree for an angle point in fence, at 3235.09 feet pass 76.59 feet East of a 6" diameter cedar post for an angle point in fence, at 3554.85 feet pass 100.59 feet East of a 6" diameter cedar post for an angle point in fence, at 3584.11 feet pass 40.33 feet East of a 24" diameter live oak tree for an angle point in fence, at 3624.34 feet pass 14.60 feet East of an 8" diameter cedar post for an angle point in fence, continuing a total distance of 4741.81 feet to a ¼" iron pin found for the Northeast corner of that certain 63.84 acre tract of land described as Tract I in a deed to Harry O. Watkins from FDIC Receiver, dated April 30, 1993, as recorded in Volume 325 on Page 44 of the said Official Public Records, and the upper Southeast corner of this survey;

**THENCE:** Along the North line of said 63.84 acre tract of land, N 89-43-52 W at 7.09 feet pass a 5/8" iron pin set by corner post, continuing along fence a total distance of 484.87 feet to a ¼" iron pin found by corner post for the upper Northwest corner of said 63.84 acre tract of land and an interior corner of this survey;

**THENCE:** Along fence and the West and Northwest line of said 63.84 acre tract of land, S 05-53-31 W 1002.38 feet to a 4" diameter pipe post for an angle point, S 49-02-45 W 861.23 feet to a 4" diameter pipe post for an angle point, and S 72-14-06 W 666.37 feet to a 4" diameter pipe corner post on the Northeast line of County Road 400 for the West corner of said 63.84 acre tract of land and the South corner of this survey;

SAWS (319.455 Acres) - Page 2

THENCE: Along fence and the Northeast and East line of said County Road 400, the following courses:

N 43-46-30 W 1033.46 feet to a 4" diameter pipe post for an angle point;

N 05-25-54 W 1137.73 feet to an 8" diameter cedar post for an angle point;

N 04-43-00 W 370.49 feet to a 4" diameter pipe post for an angle point;

S 87-07-10 W 53.52 feet to an 8" diameter cedar corner post for an angle point;

N 16-39-56 E 753.74 feet to an 8" diameter cedar post for an angle point;

N 02-01-27 E 589.39 feet to an 8" diameter cedar post for an angle point; and

N 10-05-51 W 174.01 feet to a 5/8" iron pin set in a cedar post for the Southeast corner of that certain 14.71 acre tract of land described in a deed to George R. Holmes, et ux from Beaumont Watkins, et ux, dated February 16, 1996, as recorded in Volume 362 on Page 141 of the said Official Public Records, and an angle point of this survey;

THENCE: Leaving fence and along the East line of said 14.71 acre tract of land, N 00-05-23 W 76.56 feet to a 5/8" iron pin set in fence for an angle point of said 14.71 acre tract of land and an angle point of this survey;

THENCE: Along fence and the East line of said 14.71 acre tract of land, N 20-40-59 E 801.51 feet to a 6" diameter cedar post for an angle point and N 10-58-16 E 508.50 feet to a 1/4" iron pin found by fence post for the Northeast corner of said 14.71 acre tract of land, the Southeast corner of that certain 5.00 acre tract of land described in a deed to Lewis D. Moore, et ux from Mahmood Ghods-Esfahani, et ux, dated April 17, 1999, as recorded in Volume 415 on Page 293 of the said Official Public Records, and an angle point of this survey;

THENCE: Along fence and the East line of said 5.00 acre tract of land, N 10-58-57 E 236.11 feet to a 1/4" iron pin found by fence post for an angle point in the East line of said 5.00 acre tract of land, the Southeast corner of that certain 36.29 acre tract of land described in a deed to Beaumont W. Watkins from Harry O. Watkins, dated July 8, 1993, as recorded in Volume 326 on Page 639 of the said Official Public Records, and an angle point of this survey;

THENCE: Along fence and the Southeast line of said 36.29 acre tract of land, N 64-09-09 E 243.11 feet to a 1/4" iron pin found by fence post for an angle point, N 42-48-00 E 126.28 feet to a 6" diameter treated post for an angle point, N 22-34-48 E 355.06 feet to a 6" diameter treated post for an angle point and N 20-25-41 E 711.83 feet to a 1/4" iron pin found by corner post on the recognized North line of said Survey No. 98, the recognized South line of said Survey No. 99, the South line of said County Road 400, for the Northeast corner of said 36.29 acre tract of land and the Northwest corner of this survey;

THENCE: Leaving fence, along the recognized common line of said Survey Nos. 99 and 98, and through said County Road 400, N 89-00-56 E at 788.25 feet pass 11.91 feet North of a 1/4" iron pin found in fence 1 foot West of the centerline of an overhead electric line, continuing along the South line of the aforementioned Bobby Russell McDaniel 10.00 acre tract of land, a total distance of 1489.11 feet to the POINT OF BEGINNING.

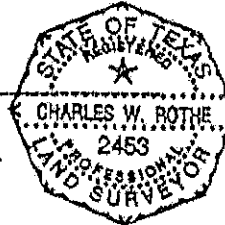
SAWS (319.455 Acres) - Page 3

The bearings are relative to the bearing along the East line of this survey between two found  $\frac{1}{4}$ " iron pins having a bearing and distance of S 00-21-49 W 4741.81 feet.

I certify that the foregoing field note description was prepared from an actual survey made under my supervision on the 12 day of April 2000. and that same is true and correct. Witness my hand and seal this the 12 day of April 2000.



Charles W. Rothe  
Registered Professional Surveyor No. 2453  
1705 Avenue K, P. O. Box 426  
Hondo, Texas 78861  
Ph. (830) 426-3005  
FAX (830) 426-8160



**Exhibit A-1**

EXHIBIT "p-1"

TOGETHER WITH the following described road access easement:

**ROAD ACCESS EASEMENT:**

Being a 30 foot road access easement lying entirely within and across an 811.508 acres tract surveyed this date, adjoining tracts of 856.741 acres and 319.506 acres surveyed this date to the NW right-of-way of U.S. Highway 83 in Uvalde County, and more particularly described by metes and bounds as follows (the bearing shown are true bearings from North meridian observed at a 1/2-inch iron pipe at Anglin and Getty Streets in the City of Uvalde lying West 2391.28 feet and South 12681.08 feet from this Point of Beginning):

Beginning at a point in the southmost line of said 856.741 acres from which the fencepost by existing concrete tank bears N 76° 11' 01" W 51.22 feet, and the 3/4-inch steel stake at its southmost corner bears S 76° 11' 01" E 3.95 feet and S 86° 15' 45" E 86.63 feet;

THENCE parallel to and 15.00 feet from the center of existing road as follows:

S 4° 02' 27" E 82.71 feet to a point;

And S 9° 08' 11" E 138.05 feet to a point;

THENCE N 80° 51' 49" E 82.49 feet to a point in the W line of said 319.506 acres, from which the aforementioned 3/4-inch steel stake at the southmost corner of 856.741 acres bears N 6° 25' 39" W 200.00 feet;

THENCE WITH W line of 319.506 acres S 6° 25' 39" E 30.06 feet to a point;

THENCE S 80° 51' 09" W 80.65 feet to a point;

THENCE again parallel to and 15.00 feet from the centerline of existing gravel road as follows:

S 9° 08' 11" E 851.56 feet to an anglepoint;

S 27° 59' 59" E 114.84 feet to an anglepoint;

S 43° 22' 54" E 893.91 feet to an anglepoint;

S 19° 29' 05" E 180.98 feet to an anglepoint;

S 4° 34' 29" E 727.89 feet to an anglepoint;

S 11° 01' 20" E 487.92 feet to an anglepoint;

S 4° 55' 32" E 225.88 feet to an anglepoint;

And S 23° 21' 44" E 125.64 feet to the SE corner of this described easement in the NW right-of-way of U.S. Highway 83, from which the corner in E line of Survey No. 97 bears with R.O.W. N 41° 09' 04" E 2523.48 feet;

THENCE with said NW R.O.W. of U.S. Hwy 83, parallel to and 50.00 feet from its centerline, S 41° 09' 04" W 33.23 feet to the SW corner of this easement;

THENCE across said 811.508 acres, parallel to and 15.00 feet from the centerline of said gravel road, as follows:

N 23° 21' 44" W 143.81 feet to an anglepoint;

N 4° 55' 32" W 229.15 feet to an anglepoint;

N 11° 01' 20" W 448.02 feet to an anglepoint;

N 4° 34' 29" W 725.66 feet to an anglepoint;

N 19° 29' 05" W 170.71 feet to an anglepoint;

N 43° 22' 54" W 891.61 feet to an anglepoint;

N 27° 59' 59" W 123.88 feet to an anglepoint;

N 9° 08' 11" W 1025.93 feet to an anglepoint;

And N 4° 02' 27" W 93.72 feet to the NW corner of this described easement in the southmost line of said 856.741 acres;

THENCE with said southmost line of 856.741 acres S 76° 11' 01" E 31.52 feet to the Point of Beginning and occupying 2.7250 acres.



**EXHIBIT B**

**Form of Deed**

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

STATE OF TEXAS                   §  
  §  
COUNTY OF UVALDE           §  
  §

**DEED WITHOUT WARRANTY**

**Effective Date:**

**Grantor:**           City of San Antonio, acting by and through its San Antonio Water System

**Grantor's Mailing Address:**   P.O. Box 2449, San Antonio, Texas 78298-2449

**Grantee:**

**Grantee's Mailing Address:**

**Consideration:** Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged.

**Property (including any improvements thereon):** A tract of land located in Uvalde County, Texas being approximately 319.455 acres and described more particularly in Exhibit A together with the right to withdraw 160.00 acre-feet of Edwards Aquifer base irrigation groundwater per annum under and pursuant to the terms of Edwards Aquifer Authority ("EAA") Regular Permit P101-952 (the "Permit").

**Reservations from Conveyance:** All unrestricted Edwards Aquifer water rights currently or previously associated with the Property. No unrestricted Edwards Aquifer water rights are being transferred or conveyed with the Property, including, but not limited to, 405.737 acre feet per annum of unrestricted irrigation groundwater rights under the Permit and/or EAA Permits P101-953 and P101-669, which water rights have been transferred to points of withdrawal outside the Property (all of the foregoing being the "Reserved Water Rights"). The Reserved Water Rights include 177.237 acre-feet of unrestricted irrigation water rights that were converted from base withdrawal rights on the Property. More specifically, Grantor expressly reserves on behalf of the San Antonio Water System, and for the use, benefit and control of the San Antonio Water System and its successors and assigns, the Reserved Water Rights and all groundwater and groundwater estate relating to the Reserved Water Rights. Grantor further reserves unto on behalf of the San Antonio Water System, and for the use, benefit and control of the San Antonio Water System and its successors and assigns the following personal property rights and incorporeal hereditaments associated with such Reserved Water Rights reservation: (a) applications, licenses, allotments and permits; (b) rights associated with the ownership of the wells located on the Property from June 1, 1972 through May 31, 1993, and the beneficial use of Edwards Aquifer water withdrawn from such wells from June 1, 1972,

through May 31, 1993; and (c) rights derived from the filing of a Declaration of Historical Use of underground water withdrawn from the well located on the Property from June 1, 1972, through May 31, 1993. Notwithstanding the above, the Reserved Water Rights do not include the base irrigation groundwater that must run with the land as described hereinabove, and do not impose any obligation or duty on Grantor to operate, maintain, repair, construct, reconstruct, plug or cap the wells located on the Property from and after the Effective Date of this deed.

**Exceptions to Conveyance:** All visible and apparent easements, all leases, all applicable zoning, platting and other governmental ordinances, laws, rules and regulations, and all matters of record relating to the Property as shown in the Real Property Records of Uvalde County, Texas.

Grantor, for the Consideration, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging (including Grantor's right, title and interest in that 30 foot road easement described in the instrument recorded in Volume 383, Page 161 of the Official Public Records of Uvalde County, Texas as further described in Exhibit A-1 attached hereto), subject to the Reservations from Conveyance and Exceptions to Conveyance, to have and to hold it to Grantee and Grantee's successors and assigns forever, but without warranty of title or any other warranty of any kind or nature, and without limitation on such disclaimer of warranties, including but not limited to any warranties under Section 5.023 of the Texas Property Code.

By accepting this deed, Grantee acknowledges that the **PROPERTY IS BEING CONVEYED IN ITS PRESENT "AS IS" CONDITION AND GRANTEE ACCEPTS THE PROPERTY IN ITS PRESENT CONDITION. GRANTEE ACKNOWLEDGES THAT IT IS NOT RELYING UPON THE ACCURACY OR COMPLETENESS OF ANY REPRESENTATION, BROCHURE, RENDERING, PROMISE, STATEMENT OR OTHER ASSERTION OR INFORMATION WITH RESPECT TO THE PROPERTY MADE OR FURNISHED BY OR ON BEHALF OF, OR OTHERWISE ATTRIBUTED TO, GRANTOR OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR REPRESENTATIVES, ANY AND ALL SUCH RELIANCE BEING HEREBY EXPRESSLY AND UNEQUIVOCALLY DISCLAIMED, BUT IS RELYING SOLELY AND EXCLUSIVELY UPON ITS OWN EXPERIENCE AND ITS INDEPENDENT JUDGMENT, EVALUATION AND EXAMINATION OF THE PROPERTY. GRANTEE FURTHER UNEQUIVOCALLY DISCLAIMS (I) THE EXISTENCE OF ANY DUTY TO DISCLOSE ON THE PART OF GRANTOR OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR REPRESENTATIVES AND (II) ANY RELIANCE BY GRANTEE ON THE SILENCE OR ANY ALLEGED NONDISCLOSURE OF GRANTOR OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR REPRESENTATIVES. GRANTEE TAKES THE PROPERTY UNDER THE EXPRESS UNDERSTANDING THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES. GRANTEE EXPRESSLY WARRANTS AND REPRESENTS THAT NO PROMISE OR AGREEMENT WHICH IS NOT HEREIN EXPRESSED HAS BEEN MADE TO IT AND HEREBY DISCLAIMS ANY RELIANCE UPON ANY SUCH ALLEGED PROMISE OR AGREEMENT. GRANTEE HAS AGREED TO DISCLAIM RELIANCE ON GRANTOR AND TO ACCEPT THE PROPERTY "AS-IS" WITH FULL AWARENESS THAT THE PROPERTY'S PRIOR USES OR OTHER MATTERS COULD AFFECT ITS CONDITION, VALUE, SUITABILITY OR FITNESS; AND GRANTEE CONFIRMS THAT GRANTEE IS HEREBY ASSUMING ALL RISK ASSOCIATED THEREWITH. GRANTEE UNDERSTANDS THAT THE DISCLAIMERS OF RELIANCE AND OTHER PROVISIONS CONTAINED HEREIN COULD LIMIT ANY LEGAL RECOURSE OR REMEDY GRANTEE OTHERWISE MIGHT HAVE. GRANTEE ACKNOWLEDGES THAT IT HAS SOUGHT AND HAS RELIED UPON THE ADVICE OF ITS OWN LEGAL COUNSEL CONCERNING THIS PROVISION.**

When the context requires, singular nouns and pronouns include the plural.

This conveyance is being made subject to ad valorem taxes for the year in which this conveyance has occurred and all subsequent years, which are assumed by Grantee. Any "rollback" taxes assessed against the Property are hereby assumed by Grantee.

**GRANTOR:**

CITY OF SAN ANTONIO, ACTING BY AND  
THROUGH ITS SAN ANTONIO WATER  
SYSTEM:

By: \_\_\_\_\_  
Printed Name: Nancy Belinsky  
Title: Vice President and General Counsel

STATE OF TEXAS           §  
                                  §  
COUNTY OF BEXAR       §

\_\_\_\_\_ This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_  
\_\_\_\_\_ by Nancy Belinsky, Vice President and General Counsel of the San Antonio Water System.

[Seal]

\_\_\_\_\_  
Notary Public, State of Texas

**ACCEPTED BY GRANTEE:**

\_\_\_\_\_

STATE OF TEXAS           §  
                                  §  
COUNTY OF \_\_\_\_\_ §

\_\_\_\_\_ This instrument was acknowledged before me on this \_\_\_\_\_ day of \_\_\_\_\_  
by \_\_\_\_\_.

[Seal]

\_\_\_\_\_  
Notary Public, State of Texas

**EXHIBIT C**

**FORM OF NO WARRANTY BILL OF SALE**

Effective Date:

Seller: City of San Antonio, acting by and through its San Antonio Water System

Seller's Mailing Address: P.O. Box 2449, San Antonio, Texas 78298-2449

Purchaser:

Purchaser's Mailing Address:

Real Property (including improvements): An approximately 319.455 acre tract described more particularly in Exhibit A attached hereto.

Transferred Property: Two (2) Valley 7000 pivot systems located on the Real Property.

Consideration: \$10.00 and other valuable consideration, the receipt of which is hereby acknowledged.

Seller is conveying the Real Property to Purchaser by deed without warranty. As part of this transaction, Seller desires to transfer its right, title and interest to the Transferred Property to Purchaser.

For the Consideration, Seller transfers to Purchaser, without warranty of any kind, its right, title and interest to the Transferred Property.

SELLER HAS MADE NO AFFIRMATION OF FACT OR PROMISE RELATING TO THE TRANSFERRED PROPERTY THAT HAS BECOME ANY BASIS OF THIS BARGAIN, AND FURTHER, SELLER HAS MADE NO AFFIRMATION OF FACT OR PROMISE RELATING TO THE TRANSFERRED PROPERTY THAT WOULD CONFORM TO ANY SUCH AFFIRMATION OR PROMISE. SELLER DISCLAIMS ANY WARRANTY OF TITLE TO THE TRANSFERRED PROPERTY OR WARRANTY OF FITNESS FOR ANY PARTICULAR PURPOSE WHATEVER WITH RESPECT TO THE TRANSFERRED PROPERTY. THE TRANSFERRED PROPERTY IS SOLD ON AN "AS IS" BASIS.

When the context requires, singular nouns and pronouns include the plural.

*Signatures on following page*

C-1

Motor + Pump on well #1

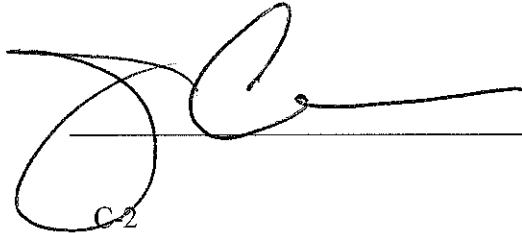
 1-5-2016

**SELLER:**

CITY OF SAN ANTONIO, ACTING BY AND  
THROUGH ITS SAN ANTONIO WATER SYSTEM:

BY: \_\_\_\_\_  
Nancy Belinsky, Vice President and General  
Counsel

**ACCEPTED BY PURCHASER:**



A handwritten signature in black ink is written over a horizontal line. The signature is stylized, with a large loop on the left and a long horizontal stroke extending to the right. Below the signature, the text "C-2" is printed.

C-2

J ALLEN CARNES  
FARM ACCOUNT  
P.O. BOX 1172  
UVALDE, TX 78802

FIRST STATE BANK OF UVALDE  
UVALDE, TX 78801  
88-240/1149

6326

1/5/2016

PAY TO THE  
ORDER OF Alamo Title

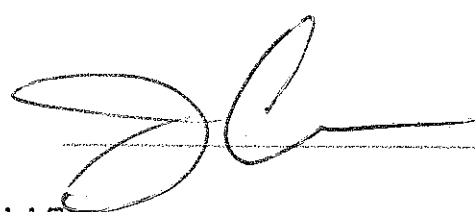
\$10,000.00

Ten Thousand and 00/100 \*\*\*\*\* DOLLARS

Alamo Title

MEMO

⑈006326⑈ ⑆114902405⑆ ⑈9009119⑈



Details on Back. Intuit® CheckLock™ Secure Check

J ALLEN CARNES  
FARM ACCOUNT  
P.O. BOX 1172  
UVALDE, TX 78802

FIRST STATE BANK OF UVALDE  
UVALDE, TX 78801  
88-240/1149

6327

1/5/2016

PAY TO THE  
ORDER OF SAWS

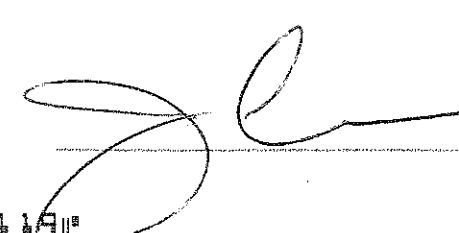
\$100.00

One Hundred and 00/100 \*\*\*\*\* DOLLARS

SAWS

MEMO

⑈006327⑈ ⑆114902405⑆ ⑈9009119⑈



Details on Back. Intuit® CheckLock™ Secure Check

TO: San Antonio Water System Board of Trustees

FROM: Darren Thompson, Director, Water Resources, and Donovan Burton, Vice President, Water Resources and Governmental Affairs

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: AWARD OF CONSTRUCTION CONTRACT FOR THE SATURN WELL DRILLING PROJECT FOR GONZALES COUNTY WATER SUPPLY CORPORATION ASSOCIATED WITH THE REGIONAL CARRIZO PROGRAM

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution awards a construction contract in the amount of \$809,250.00 to Weisinger Incorporated, a non-local small business enterprise (SBE), in connection with the Gonzales County Saturn Well Drilling Project (the “Project”).

- The San Antonio Water System (the “System”) has developed the Regional Carrizo Water Supply Project in Gonzales County to add 11,688 acre-feet of Carrizo Aquifer groundwater to the System’s water supply inventory.
- In June 2006, the System filed applications with the Gonzales County Underground Water Conservation District (GCUWCD) for a permit to produce and transport groundwater for the project. The Gonzales County Water Supply Corporation (GCWSC) was one of seven parties that formally opposed issuance of a permit to the System.
- On April 6, 2010, the System’s Board of Trustees approved Resolution No. 10-159 that authorized a Settlement Agreement between the System and GCWSC.
- The Settlement Agreement provided that GCWSC would withdraw its opposition and provide support for the System’s permit applications in exchange for performance of certain obligations by the System, including the construction of a new Carrizo Aquifer groundwater production well for GCWSC within 10 years of the System’s permit approval at the direction of GCWSC.
- The Settlement Agreement provides that the System will construct the well (Saturn Well) using GCWSC production well specifications at a time and location specified by GCWSC. GCWSC has now notified the System that construction should begin.

- A Request for Proposals to drill and equip the Saturn Well was advertised January 15, 2015. Bids were opened on February 3, 2016, and Weisinger Incorporated submitted the lowest responsive bid for \$809,250.00. Attachment 1 illustrates the location of the Saturn Well.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The construction cost for the Project will be paid from the System Fund budgeted in the 2016 budget (Company: 1000, Accounting Unit: 5007000, Account: 511312, Total 2016 amount \$809,250.00).

**SUPPLEMENTARY COMMENTS:**

Plants and Major Projects staff prepared their opinion of probable cost for this project and their estimated construction cost was \$1,300,000.00. A bid opening was held on February 3, 2016, at 10:00 AM. Six firms responded to the request for bids. The following bids were submitted:

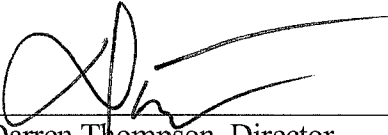
<b>BIDDER</b>	<b>BID AMOUNT</b>	<b>LOCAL/SMWB</b>
<b>Weisinger Incorporated*</b>	<b>\$809,250.00</b>	<b>Non-Local/SBE</b>
E.E. Water Company, LLC, dba McKinley Drilling Co.	\$1,196,135.00	Local/Non-SMWB
Layne Christensen Company	\$1,196,353.00	Non-Local/Non-SMWB
Bull's Eye Services, LLC	\$1,211,429.75	Local/Non-SMWB
Alsay Incorporated	\$1,217,350.00	Local/SBE
<i>Engineer's Estimate</i>	<i>\$1,300,000.00</i>	
Hydro Resources Mid Continent, Inc.	\$1,676,400.00	Non-Local/Non-SMWB

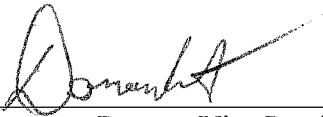
\*Low Responsible Bidder



Weisinger Incorporated's SMWB percentage for the construction of the Saturn Well is 100%:

Gonzales County Saturn Well Drilling Project	
WEISINGER INCORPORATED	
SMWB ANALYSIS – BOARD AWARD	
SBE	71.17%
MBE - African American	0.00%
MBE - Asian	0.00%
MBE - Hispanic	0.00%
MBE - Other	0.00%
WBE - Minority	0.00%
WBE - Non-Minority	28.83%
<b>SMWB Total</b>	<b>100.00%</b>

  
\_\_\_\_\_  
Darren Thompson, Director  
Water Resources

  
\_\_\_\_\_  
Donovan Burton, Vice President  
Water Resources and Governmental Relations

APPROVED:

  
\_\_\_\_\_  
Robert R. Puente  
President/Chief Executive Officer

Attachment:

1. Project Area Map

ATTACHMENT 1  
PROJECT AREA MAP



**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE PROPOSAL OF WEISINGER INCORPORATED IN THE AMOUNT OF \$809,250.00 IN CONNECTION WITH THE SATURN WELL DRILLING PROJECT; AWARDING A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$809,250.00 TO WEISINGER INCORPORATED FOR THE PROJECT WORK; AUTHORIZING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF \$809,250.00 FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONTRACT WITH WEISINGER INCORPORATED, AND TO PAY WEISINGER INCORPORATED THE AMOUNT OF \$809,250.00 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, the San Antonio Water System (the "System") has developed the Regional Carrizo Water Supply Project in Gonzales County to add 11,688 acre-feet of Carrizo Aquifer groundwater to the System's water supply inventory; and

**WHEREAS**, in June 2006, the System filed applications with the Gonzales County Underground Water Conservation District (GCUWCD) for a permit to produce and transport groundwater for the project; and

**WHEREAS**, the GCUWCD was one of seven parties that formally opposed issuance of a permit to the System; and

**WHEREAS**, on April 6, 2010, the System's Board of Trustees by Resolution No. 10-159 approved a settlement agreement with GCWSC; and

**WHEREAS**, the settlement agreement required that GCWSC would withdraw its opposition and provide support for the System's permit applications in exchange for certain obligations by the System, including construction of a new Carrizo Aquifer groundwater production well for GCWSC using GCWSC production well specifications at a time and location specified by GCWSC within 10 years of the date of permit approval; and

**WHEREAS**, GCWSC has now notified the System that construction should begin;  
and

**WHEREAS**, a Request for Proposals to construct the Saturn Well was advertised and Weisinger Incorporated submitted the lowest responsive bid; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires to (i) accept the proposal of Weisinger Incorporated in the amount of \$809,250.00 for the project work in connection with the Saturn Well Drilling Project in Gonzales County, (ii) to award a construction contract to Weisinger Incorporated for the project work, (iii) to authorize System Funds in the amount of \$809,250.00 for the project work, and (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Weisinger Incorporated for the project work, and to pay the amount of \$809,250.00 to Weisinger Incorporated for the project work; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the proposal of Weisinger Incorporated in the amount of \$809,250.00 for the project work in connection with the Saturn Well Drilling Project in Gonzales County is hereby accepted.
2. That the construction contract for the project work in the amount of \$809,250.00 with Weisinger Incorporated is hereby approved.
3. That the expenditure of System Funds in the amount of \$809,250.00 for the project work is hereby authorized and approved.
4. That a total sum not to exceed \$809,250.00 for the project work is hereby made available and is to be expended from the System Fund.
5. That the System's President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the contract for general construction with Weisinger Incorporated, and to pay the amount of \$809,250.00 to Weisinger Incorporated for the project work.
6. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such a meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government code.
7. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative, or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.

8. That this resolution shall become effective immediately upon its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016.

---

Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

DRAFT

TO: San Antonio Water System Board of Trustees

FROM: Jeffrey J. Haby, P.E., Vice President, Production and Treatment, and Steven Clouse, Senior Vice President/Chief Operating Officer

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: AWARD OF 2016 ANNUAL SANITARY SEWER MAIN POINT REPAIR, MANHOLE ADJUSTMENTS AND LATERALS CONTRACT – PACKAGE 1

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution awards a construction contract for a period of 400 calendar days in the amount of \$974,010.00 to D. Guerra Construction, LLC, a local, MBE-Hispanic enterprise, in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 1.

- The San Antonio Water System (SAWS) is required under the Consent Decree to inspect small diameter gravity mains that are clay pipe installed prior to 1983, all small diameter concrete mains, and all large diameter mains over a period not to exceed four years using closed circuit television or pole cameras. SAWS is also required to visually inspect all other mains and clean all mains over a 10-year period.
- Inherent with such a program, there are occasions when pipe defects obstruct the passage of the cleaning nozzle and/or the television inspection camera, requiring point repairs to the pipe. Additionally, numerous manholes require adjustment in order to access the mains for cleaning and inspection. Repair or renewal of sewer service laterals is required when service to the customer is adversely impacted.
- This contract will supplement the Distribution and Collection Operations Group with outsourced construction services to perform the necessary point repairs, manhole adjustments and lateral work.
- The contract will allow for work orders to be issued. The work orders will be issued and managed by SAWS Collection Operations and Sewer System Improvements staff, and will be charged against the contract as they are executed.
- The standard construction bidding process was used for this contract.
- D. Guerra Construction, LLC has submitted the low bid of \$974,010.00.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

Funds for these contract services to be provided during FY 2016 were included in the FY 2016 Annual Operating Budget and will be financed with revenues from the System Fund. The System Fund will finance the amount of \$974,010.00 for contract services (Company: 1000; Accounting Unit: 5044500; Account: 511220). The SAWS job number for the renewal of any sewer laterals is 16-1402 (CIP) and 16-1403 for manholes (CIP). The SAWS job number for all other work is 16-0105 (O&M).

Funds for these contract services to be provided during FY 2017 will be paid from System funds budgeted in the 2017 Budget, pursuant to and contingent upon Board approval of the 2017 budget with a line item for such expenditures (Company: 1000; Accounting Unit: 5044500; Account: 511220).

**SUPPLEMENTARY COMMENTS:**

SAWS engineering staff prepared the specifications for this project. The engineer's estimated construction cost is \$1,000,000.00.

The bid opening was held on February 2, 2016 at 10:00 a.m. The following bids were submitted:

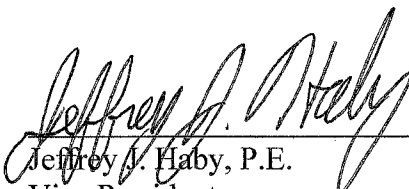
<b>BIDDERS</b>	<b>BID AMOUNT</b>	<b>LOCAL/SMWB</b>
<b>D. Guerra Construction, LLC *</b>	<b>\$974,010.00</b>	<b>Local, MBE-Hispanic</b>
Austin Constructors, LLC	\$986,820.00	Non-Local/MBE-Hispanic
<i>Engineer's Estimate</i>	<i>\$1,000,000.00</i>	
Facilities Rehabilitation, Inc.	\$1,006,300.00	Non-Local/MBE-Hispanic
National Power Rodding Corp.	\$1,045,195.00	Non-Local/SBE
Nerie Construction, LLC	\$1,117,600.00	Non-Local/Non-SMWB
Pronto Sandblasting & Coating & Oil-Field Services Co., Inc.	\$1,927,250.00	Local/MBE-Hispanic

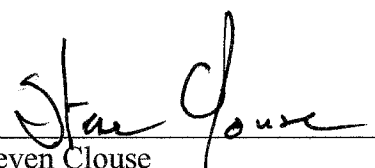
\*Low Responsible Bid

<b>2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract - Package 1</b>	
<b>D. Guerra Construction, LLC</b>	
<b>SMWB ANALYSIS – BOARD AWARD</b>	
SBE	0.00%
MBE - African American	0.00%
MBE - Asian	0.00%
MBE - Hispanic	94.87%
MBE - Other	0.00%
WBE - Minority	0.00%
WBE - Non-Minority	0.00%
<b>SMWB Total</b>	<b>94.87%</b>

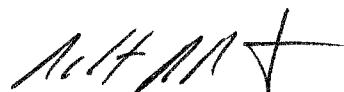
The bid amount represents a 2.6% decrease from the estimated construction cost.

The construction contract will remain in full force for a period of 400 calendar days from the Notice to Proceed date or until funds are exhausted from the contract.

  
\_\_\_\_\_  
Jeffrey J. Haby, P.E.  
Vice President  
Production & Treatment

  
\_\_\_\_\_  
Steven Clouse  
Sr. Vice President/Chief Operating Officer

APPROVED:

  
\_\_\_\_\_  
Robert R. Puente  
President/Chief Executive Officer



**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE BID OF D. GUERRA CONSTRUCTION, LLC FOR A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$974,010.00 IN CONNECTION WITH THE 2016 ANNUAL SANITARY SEWER MAIN POINT REPAIR, MANHOLE ADJUSTMENTS AND LATERALS CONTRACT – PACKAGE 1; AWARDING A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$974,010.00 TO D. GUERRA CONSTRUCTION, LLC IN CONNECTION WITH THE 2016 ANNUAL SANITARY SEWER MAIN POINT REPAIR, MANHOLE ADJUSTMENTS AND LATERALS CONTRACT – PACKAGE 1; APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF \$974,010.00 FOR THE PROJECT WORK, AND THAT THE SUBSEQUENT YEAR'S EXPENDITURES ARE PURSUANT TO AND CONTINGENT UPON BOARD APPROVAL OF THE SUBSEQUENT YEAR'S BUDGET WITH A LINE ITEM FOR SUCH EXPENDITURES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSTRUCTION CONTRACT WITH D. GUERRA CONSTRUCTION, LLC, AND TO PAY D. GUERRA CONSTRUCTION, LLC THE AMOUNT OF \$974,010.00 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, the San Antonio Water System (the "System") is required under the Consent Decree to inspect small diameter gravity mains that are clay pipe installed prior to 1983, all small diameter concrete mains, and all large diameter mains over a period not to exceed four years using closed circuit television or pole cameras; and

**WHEREAS**, the System requires construction services to perform the necessary point repairs, manhole adjustments and laterals work (the "project work") related to the wastewater collection system maintenance program; and

**WHEREAS**, this contract will supplement the Distribution and Collection Operations Group with outsourced construction services to perform the necessary point repairs, manhole adjustments and laterals work; and

**WHEREAS**, the System solicited bids for the project work; and

**WHEREAS**, D. Guerra Construction, LLC, a local, Hispanic Minority business enterprise, submitted a bid in the amount of \$974,010.00 for the project work, and this bid has been determined to be the lowest responsible bid; and

**WHEREAS**, the total amount of \$974,010.00 is available from the System Fund for the project work; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to accept the bid of D. Guerra Construction, LLC for a construction contract in the amount of \$974,010.00 in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 1, (ii) to award a construction contract in the amount of \$974,010.00 to D. Guerra Construction, LLC in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 1, (iii) to approve the expenditure of funds in the amount of \$974,010.00 for the project work, and that the subsequent year's expenditures are pursuant to and contingent upon Board approval of the subsequent year's budget with a line item for such expenditures, and (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with D. Guerra Construction, LLC, and to pay D. Guerra Construction, LLC the amount of \$974,010.00 for the project work; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the bid of D. Guerra Construction, LLC in the amount of \$974,010.00 for the project work in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 1 is hereby accepted.
2. That the construction contract is hereby awarded to D. Guerra Construction, LLC in the amount of \$974,010.00 for the project work in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 1.
3. That the expenditure of System funds in the amount of \$974,010.00 for the project work is hereby approved.
4. That a total amount of \$974,010.00 consisting of project work costs is hereby made available from the System Fund, and that the subsequent year's expenditures are pursuant to and contingent upon Board approval of the subsequent year's budget with a line item for such expenditures.
5. That the System's President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with D. Guerra Construction, LLC for the project work, and to pay an amount of \$974,010.00 to D. Guerra Construction, LLC for the project work in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 1.

6. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.

7. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.

8. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016

\_\_\_\_\_  
Luis Guerra, Jr., Chairman

ATTEST:

\_\_\_\_\_  
Ernesto Arrellano, Jr., Secretary

TO: San Antonio Water System Board of Trustees

FROM: Jeffrey J. Haby, P.E., Vice President, Production and Treatment, and Steven Clouse, Senior Vice President/Chief Operating Officer

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: AWARD OF 2016 ANNUAL SANITARY SEWER MAIN POINT REPAIR, MANHOLE ADJUSTMENTS AND LATERALS CONTRACT – PACKAGE 2

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution awards a construction contract for a period of 400 calendar days in the amount of \$969,820.00 to Austin Constructors, LLC, a non-local, MBE-Hispanic firm, in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 2.

- The San Antonio Water System (SAWS) is required under the Consent Decree to inspect small diameter gravity mains that are clay pipe installed prior to 1983, all small diameter concrete mains, and all large diameter mains over a period not to exceed four years using closed circuit television or pole cameras. SAWS is also required to visually inspect all other mains and clean all mains over a 10-year period.
- Inherent with such a program, there are occasions when pipe defects obstruct the passage of the cleaning nozzle and/or the television inspection camera, requiring point repairs to the pipe. Additionally, numerous manholes require adjustment in order to access the mains for cleaning and inspection. Repair or renewal of sewer service laterals is required when service to the customer is adversely impacted.
- This contract will supplement the Distribution and Collection Operations Group with outsourced construction services to perform the necessary point repairs, manhole adjustments and lateral work.
- The contract will allow for work orders to be issued. The work orders will be issued and managed by SAWS Collection Operations and Sewer System Improvements staff, and will be charged against the contract as they are executed.
- The standard construction bidding process was used for this contract.
- Austin Constructors, LLC has submitted the low bid of \$969,820.00.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

Funds for these contract services to be provided during FY 2016 were included in the FY 2016 Annual Operating Budget and will be financed with revenues from the System Fund. The System Fund will finance the amount of \$969,820.00 for contract services (Company: 1000; Accounting Unit: 5044500; Account: 511220). The SAWS job number for the renewal of any sewer laterals is 16-1402 (CIP) and 16-1403 for manholes (CIP). The SAWS job number for all other work is 16-0106 (O&M).

Funds for these contract services to be provided during FY 2017 will be paid from System funds budgeted in the 2017 Budget, pursuant to and contingent upon Board approval of the 2017 budget with a line item for such expenditures (Company: 1000; Accounting Unit: 5044500; Account: 511220).

**SUPPLEMENTARY COMMENTS:**

SAWS engineering staff prepared the specifications for this project. The engineer's estimated construction cost is \$1,000,000.00.

The bid opening was held on February 2, 2016 at 3:00 p.m. The following bids were submitted:

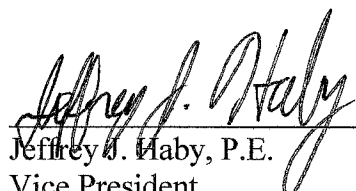
<b>BIDDERS</b>	<b>BID AMOUNT</b>	<b>LOCAL/SMWB</b>
<b>Austin Constructors, LLC *</b>	<b>\$969,820.00</b>	<b>Non-local, MBE-Hispanic</b>
D. Guerra Construction, LLC	\$989,760.00	Local/MBE-Hispanic
<i>Engineer's Estimate</i>	<i>\$1,000,000.00</i>	
National Power Rodding Corporation	\$1,016,415.00	Non-Local/SBE
Facilities Rehabilitation, Inc.	\$1,046,300.00	Non-Local/MBE-Hispanic
Nerie Construction, LLC	\$1,091,475.00	Non-Local/Non-SMWB
Pronto Sandblasting & Coating & Oil-Field Services Co., Inc.	\$1,927,250.00	Local/MBE-Hispanic

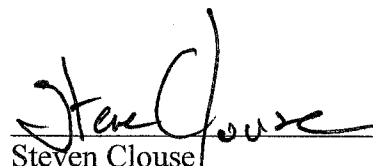
\*Low Responsible Bid

<b>2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract - Package 2</b>	
<b>Austin Constructors, LLC</b>	
<b>SMWB ANALYSIS – BOARD AWARD</b>	
SBE	1.55%
MBE - African American	0.00%
MBE - Asian	0.00%
MBE - Hispanic	91.13%
MBE - Other	0.00%
WBE - Minority	1.65%
WBE - Non-Minority	5.67%
<b>SMWB Total</b>	<b>100.00%</b>


The bid amount represents a 3% decrease from the estimated construction cost.

The construction contract will remain in full force for a period of 400 calendar days from the Notice to Proceed date or until funds are exhausted from the contract.

  
\_\_\_\_\_  
Jeffrey J. Haby, P.E.  
Vice President  
Production & Treatment

  
\_\_\_\_\_  
Steven Clouse  
Sr. Vice President/Chief Operating Officer

APPROVED:

  
\_\_\_\_\_  
Robert R. Puente  
President/Chief Executive Officer

**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE BID OF AUSTIN CONSTRUCTORS, LLC FOR A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$969,820.00 IN CONNECTION WITH THE 2016 ANNUAL SANITARY SEWER MAIN POINT REPAIR, MANHOLE ADJUSTMENTS AND LATERALS CONTRACT – PACKAGE 2; AWARDING A CONSTRUCTION CONTRACT IN THE AMOUNT OF \$969,820.00 TO AUSTIN CONSTRUCTORS, LLC IN CONNECTION WITH THE 2016 ANNUAL SANITARY SEWER MAIN POINT REPAIR, MANHOLE ADJUSTMENTS AND LATERALS CONTRACT – PACKAGE 2; APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF \$969,820.00 FOR THE PROJECT WORK, AND THAT THE SUBSEQUENT YEAR'S EXPENDITURES ARE PURSUANT TO AND CONTINGENT UPON BOARD APPROVAL OF THE SUBSEQUENT YEAR'S BUDGET WITH A LINE ITEM FOR SUCH EXPENDITURES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSTRUCTION CONTRACT WITH AUSTIN CONSTRUCTORS, LLC, AND TO PAY AUSTIN CONSTRUCTORS, LLC THE AMOUNT OF \$969,820.00 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, the San Antonio Water System (the "System") is required under the Consent Decree to inspect small diameter gravity mains that are clay pipe installed prior to 1983, all small diameter concrete mains, and all large diameter mains over a period not to exceed four years using closed circuit television or pole cameras; and

**WHEREAS**, the System requires construction services to perform the necessary point repairs, manhole adjustments and laterals work (the "project work") related to the wastewater collection system maintenance program; and

**WHEREAS**, this contract will supplement the Distribution and Collection Operations Group with outsourced construction services to perform the necessary point repairs, manhole adjustments and laterals work; and

**WHEREAS**, the System solicited bids for the project work; and

**WHEREAS**, Austin Constructors, LLC, a non-local, MBE-Hispanic firm, submitted a bid in the amount of \$969,820.00 for the project work, and this bid has been determined to be the lowest responsible bid; and

**WHEREAS**, the total amount of \$969,820.00 is available from the System Fund for the project work; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to accept the bid of Austin Constructors, LLC for a construction contract in the amount of \$969,820.00 in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 2, (ii) to award a construction contract in the amount of \$969,820.00 to Austin Constructors, LLC in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 2, (iii) to approve the expenditure of funds in the amount of \$969,820.00 for the project work, and that the subsequent year's expenditures are pursuant to and contingent upon Board approval of the subsequent year's budget with a line item for such expenditures, and (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with Austin Constructors, LLC, and to pay Austin Constructors, LLC the amount of \$969,820.00 for the project work; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the bid of Austin Constructors, LLC in the amount of \$969,820.00 for the project work in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 2 is hereby accepted.
2. That the construction contract is hereby awarded to Austin Constructors, LLC in the amount of \$969,820.00 for the project work in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 2.
3. That the expenditure of System funds in the amount of \$969,820.00 for the project work is hereby approved.
4. That a total amount of \$969,820.00 consisting of project work costs is hereby made available from the System Fund, and that the subsequent year's expenditures are pursuant to and contingent upon Board approval of the subsequent year's budget with a line item for such expenditures.
5. That the System's President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with Austin Constructors, LLC for the project work, and to pay an amount of \$969,820.00 to Austin Constructors, LLC for the project work in connection with the 2016 Annual Sanitary Sewer Main Point Repair, Manhole Adjustments and Laterals Contract – Package 2.



6. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.

7. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.

8. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016

\_\_\_\_\_  
Ben Guerra, Jr., Chairman

ATTEST:

\_\_\_\_\_  
Ernesto Arrellano, Jr., Secretary

TO: San Antonio Water System Board of Trustees

FROM: Donovan Burton, Vice President, Water Resources and Governmental Relations

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: AWARDING A PROFESSIONAL SERVICES CONTRACT FOR FEDERAL LEGISLATIVE CONSULTANT SERVICES

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution authorizes the professional services contract for federal legislative consultant services with the firm of ATS Communications, Inc. (ATS) for one year. The total cost of the contract is \$60,000.00.

San Antonio Water System (SAWS) seeks a contract for legislative consultant services at the federal level to assist with the formulation and implementation of a federal legislative initiatives plan, assist with the development of legislation, maintaining relationships with key Members of Congress and Congressional staff, monitor Congressional and regulatory activity on a daily basis and assist SAWS to obtain federal funding for its programs.

Lead consultant for ATS is Mr. Alexander T. Silbey. Mr. Silbey served as a Congressional staff member for 9 years in the United States House of Representatives, including service for then-Majority Whip James Clyburn (D-SC). (Biography)

Mr. Silbey has assisted SAWS with federal efforts since May 4, 2011 when he worked as a subcontractor for Welch Resources, Inc. (former Congressman Mike Parker)

In 2015, SAWS extended Mr. Silbey's service through February 29, 2016 through a separate contract and extension with ATS to provide federal legislative consultant services.

SAWS and ATS have created a comprehensive federal initiative that covers SAWS core business, and seeks federal authorizations and funding to assist SAWS in achieving long-term strategic goals including maintaining a fair and balanced federal regulatory regime.

ATS, acting as SAWS representative in Washington, DC, will assist SAWS in positioning itself to take advantage of opportunities for federal assistance and to interact on various policy matters important to the System.

Other duties performed by ATS will include communication of SAWS legislative agenda to Members of Congress, Executive Branch, regulatory agencies, other cities, interest groups, associations, and drafting and coordination of legislation.

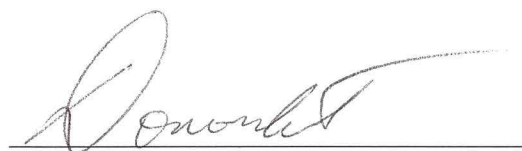
The proposed contract with ATS will expire March 1, 2017, and can be terminated by SAWS with thirty (30) day notice.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The services will be paid from the System Fund budgeted in the 2016 budget, and the expenditures of funds in 2017 be pursuant to and contingent upon Board approval of the 2017 budget with a line item for such expenditures (Company: 1000, Accounting Unit Number: 5002600, General Ledger Number: 511312).

The total cost of this contract is \$60,000.00



Donovan Burton, Vice President  
Water Resources and Governmental Relations

APPROVED:



Robert R. Puente  
President/Chief Executive Officer

Attachment: Biography



## ATS COMMUNICATIONS, INC.

**Alexander T. Silbey**  
President and Chief Executive

**Alexander T. Silbey** is the President of ATS Communications. He specializes in working on the appropriations process, but has experience and relationships on a very broad range of committees and issues including agriculture, energy, environment, financial services, transportation, and the entire suite of national security committees (Armed Services, Intelligence, Veterans, and Foreign Affairs). The focus of his practice since 2009 has been primarily defense where he maintains strong contacts and expertise.

Alex grew up on Capitol Hill, where his father had worked as a senior Senate staffer. He began working as an intern at age 14 for a Congressman from North Carolina and has been a staffer or lobbyist ever since. He has worked almost every job in a personal office as well as a stint in House Leadership.

His most recent job in Congress was as the Senior Policy Advisor for Majority Whip James E. Clyburn (D-SC). He played an important role in the passage of more than a dozen pieces of major legislation. His most significant legislative accomplishments included participation in passage of the new G.I. Bill for the 21st Century and the 2008 Farm Bill. Alex's duties involved time on the House Floor dealing directly with Members of Congress and other leadership staff. He also worked extensively on annual appropriations, Intelligence and Defense Authorization legislation during the Fiscal Year 2006, 2007 and 2008 cycles. Alex's diverse experience has included directly working with Members of Congress and foreign ambassadors as well as with attorneys representing detainees located at Guantanamo Bay and families of victims of terrorism.

At the end of 2008, Alex left his job in House leadership to start his consulting practice. His clients have included Silicon Valley software companies, Fortune 100 multinationals, small businesses, trade associations and even other lobbying firms. His services include lobbying, dealing with the press when appropriate, crisis management within Congress and other work with agencies and entities around the city. He specializes in the Congressional Appropriations process along with related policy expertise. Alex has an insider's expertise of the workings of the House of Representatives, its committees, leadership and rules and procedures.

Alex was selected in 2011, but declined to participate, in Washingtonian Magazine's Top 40 Lobbyists under 40 per the request of several clients.

Alex holds a B.S. in accounting from Syracuse University. He lives on Capitol Hill with his wife, son, daughter and dog.

**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AUTHORIZING A PROFESSIONAL SERVICES CONTRACT FOR A PERIOD FROM MARCH 1, 2016 UNTIL MARCH 1, 2017 WITH ATS COMMUNICATIONS, INC. IN AN AMOUNT NOT TO EXCEED \$60,000.00 TO PROVIDE FEDERAL LEGISLATIVE CONSULTING SERVICES; AUTHORIZING AN AMOUNT NOT TO EXCEED \$60,000.00 TO BE MADE AVAILABLE FROM THE SYSTEM FUND FOR FEDERAL LEGISLATIVE CONSULTING SERVICES, AND THAT THE EXPENDITURE OF FUNDS IN 2017 BE PURSUANT TO AND CONTINGENT UPON BOARD APPROVAL OF THE 2017 BUDGET WITH A LINE ITEM FOR SUCH EXPENDITURES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A ONE-YEAR CONTRACT WITH ATS COMMUNICATIONS, INC. AND TO PAY ATS COMMUNICATIONS, INC. A TOTAL AMOUNT NOT TO EXCEED \$60,000.00 FOR THE FEDERAL LEGISLATIVE CONSULTING SERVICES; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE, AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, the San Antonio Water System (the “System”) desires to engage federal legislative consultant services with ATS Communications, Inc. (ATS) for the period of March 1, 2016 to March 1, 2017 to continue the efforts of the System’s federal legislative and executive initiatives program; and

**WHEREAS**, the scope of the federal legislative program shall be to coordinate efforts to advance the System’s federal legislative agenda as directed by the President/Chief Executive Officer; and

**WHEREAS**, ATS has developed a unique institutional knowledge of the System and worked closely with System staff to assess needs and tailor federal initiatives for the System; and

**WHEREAS**, the System and ATS (the “Parties”) desire to enter into a contract to provide federal legislative services to initiate and implement the federal legislative program described herein; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to enter into a contract with ATS Communications, Inc. for professional legislative consultant services for

a one-year period from March 1, 2016 until March 1, 2017 in an amount not to exceed \$60,000.00, (ii) to authorize expenditures of the amount of \$60,000.00 from the System Fund payable to the firm of ATS Communications, Inc. in connection with the federal legislative consultant services, and that the expenditure of funds in 2017 be pursuant to and contingent upon the appropriations made in the 2017 annual budget approved by the Board with a line item for such expenditures, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute the professional services contract with ATS Communications, Inc. and to pay ATS Communications, Inc. an amount not to exceed \$60,000.00 for federal legislative consultant services; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the contract with the firm of ATS Communications, Inc. for professional legislative consultant services is hereby authorized for a period of one year from March 1, 2016 until March 1, 2017, in an amount not to exceed \$60,000.00.
2. That the expenditures of \$60,000.00 to the firm of ATS Communications, Inc. for federal legislative consultant services is hereby made available and is to be expended from the System Fund, and that the expenditure of funds in 2017 be pursuant to and contingent upon the appropriations made in the 2017 annual budget approved by the Board with a line item for such expenditures.
3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to offer the professional services contract for a one-year period to the firm of ATS Communications, Inc. and to pay ATS Communications, Inc. an amount not to exceed \$60,000.00 for federal legislative consultant services.
4. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that a public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Code Annotated, as amended, Title 5, Chapter 551, Government Code.
5. If any part, section, paragraph, sentence, phrase, or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid, or ineffective.
6. That this Resolution shall take effect immediately from and after its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016.

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Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

DRAFT

**TO:** San Antonio Water System Board of Trustees

**FROM:** Mary Bailey, Vice President, Business Planning/Controller, and Douglas Evanson, Senior Vice President/Chief Financial Officer

**THROUGH:** Robert R. Puente, President/Chief Executive Officer

**SUBJECT:** AMENDMENT OF THE ANNUAL BUDGET OF THE DISTRICT SPECIAL PROJECT OF THE SAN ANTONIO WATER SYSTEM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2015

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

In accordance with the San Antonio Water System District Special Project (DSP) founding City Ordinance No. 2011-10-20-0845 (DSP Ordinance), the Board shall prepare an annual budget to serve as a tool in controlling and administering the management and operation of DSP. The annual budget shall reflect an estimate of DSP Gross Revenues and an estimate of the disposition of those revenues in accordance with the flow of funds requirements set forth in that DSP Ordinance.

On December 2, 2014, the Board approved the DSP Annual Budget for the fiscal year ending December 31, 2015 as summarized in Attachment I. As part of the resolution approving the Annual Budget, staff is required to submit an amendment to the Annual Budget to the Board for approval in the event the actual amount Available for R&R – Unrestricted will be less than the \$6.4 million shown in Attachment I or Debt Service and Expenses will be greater than the \$15.8 million shown in Attachment I.

Staff estimates that the actual amount Available for R&R – Unrestricted for the year ended December 31, 2015 will be approximately \$1.8 million or approximately \$4.6 million less than the \$6.4 million originally estimated in the previously approved DSP Annual Budget. The reason for the budget shortfall is that 2015 operating revenues are projected to be \$4.6 million less than budget as the result of above average rainfall during year as well as the impact of drought restrictions during portions of the year.

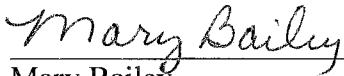
Attachment I presents both the previously approved DSP Annual Budget and the amended DSP Annual Budget for the year ending December 31, 2015.

Staff recommends Board approval of the 2015 DSP Amended Budget.

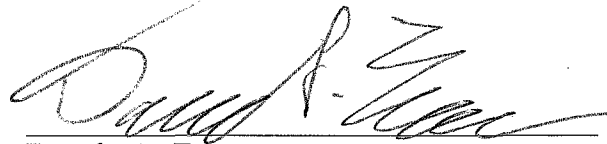
**FINANCIAL IMPACT:**

Funds transferred to the DSP's unrestricted R&R account during the year ending December 31, 2015 are projected to be \$4.6 million less than originally budgeted. As a result, less funds will be available to cash fund capital improvements in future years. However, DSP's debt coverage ratio for total bonded debt is expected to be no less than 1.95x at December 31, 2015 compared to the debt coverage ratio of 1.80x at December 31, 2014.





Mary Bailey  
Vice President, Business Planning/Controller



Douglas P. Evanson  
Senior Vice President/Chief Financial Officer

APPROVED:



Robert R. Puente  
President/Chief Executive Officer

ATTACHMENT I – 2015 Amended DSP Annual Budget

**ATTACHMENT I**  
San Antonio Water System District Special Project  
2015 Amended Annual Budget  
Estimated Sources and Uses of Funds  
(\$ in millions)

	Previously Approved Budget	Amended Budget
<b>Sources of Funds</b>		
Operating Revenues	\$69.5	\$64.9
Non-operating Revenues	0.1	0.1
Capital Recovery Fees	5.2	7.9
<b>Total</b>	<b>\$74.8</b>	<b>\$72.9</b>
<b>Uses of Funds</b>		
Operations and Maintenance	\$46.5	\$46.5
Debt Service & Expenses	15.8	15.8
Capital Outlay	0.9	0.9
Available for R&R – Restricted	5.2	7.9
Available for R&R – Unrestricted	6.4	1.8
<b>Total</b>	<b>\$74.8</b>	<b>\$72.9</b>

**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AMENDING THE ANNUAL BUDGET FOR THE SAN ANTONIO WATER SYSTEM DISTRICT SPECIAL PROJECT FOR THE FISCAL YEAR ENDING DECEMBER 31, 2015; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, on October 20, 2011, the City Council of the City of San Antonio, Texas (the “City Council”) adopted Ordinance No. 2011-10-20-0845 (the “Special Project Ordinance”) creating a “special project”, as authorized by Senate Bill 341 and pursuant to The San Antonio Water System (the “System”) senior lien bond ordinances, where the assumed Bexar Metropolitan Water District would be treated as a component unit of the System, to be known as the San Antonio Water System District Special Project (the “DSP”); and

**WHEREAS**, the preparation of the DSP Annual Budget is a management tool that is utilized in controlling and administering the management and operation of the DSP; and

**WHEREAS**, the DSP Annual Budget reflects an estimate of the DSP Gross Revenues and disposition of those revenues in accordance with the flow of funds as set forth in the Special Project Ordinance; and

**WHEREAS**, on December 2, 2014 the Board of Trustees approved the DSP Annual Budget for the year ending December 31, 2015 (2015 DSP Annual Budget) through Resolution No. 14-340; and

**WHEREAS**, the previously approved 2015 DSP Annual Budget, as summarized in Attachment I, estimated \$6.4 million in Unrestricted Renewal & Replacement funds during 2015; and

**WHEREAS**, above average rainfall and drought restrictions have resulted in lower than forecasted water sales to customers in 2015; and

**WHEREAS**, as a result of lower water sales to customers, the increase in Unrestricted Renewal & Replacement funds during 2015 is currently estimated to be only \$1.8 million; and

**WHEREAS**, in accordance with Resolution No. 14-340, the 2015 DSP Annual Budget must be amended as the projected increase in Unrestricted Renewal & Replacement funds is less than the amount provided for in the 2015 DSP Annual Budget; and

**WHEREAS**, the amended 2015 DSP Annual Budget reflecting these changes is summarized in Attachment I; and

**WHEREAS**, all other provisions of Resolution No. 14-340 regarding the 2015 DSP Annual Budget remain in effect; and

**WHEREAS**, the San Antonio Water System Board of Trustees desire to amend the DSP Annual Budget for the fiscal year ending December 31, 2015 as summarized in Attachment I; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the Annual Budget of the San Antonio Water System District Special Project for the fiscal year ending December 31, 2015 is hereby amended; such Budget amendment is summarized in Attachment I and is available for inspection at the office of the Board of Trustees Administrator.
2. That the Board directs System staff to submit an amendment of the Annual Budget to the Board for approval in the event the actual amount Available for R&R – Unrestricted will be less than the amount shown for the Amended Budget in Attachment I or Debt Service and Expenses will be greater than the amount shown for the Amended Budget in Attachment I.
3. It is officially found, determined and declared at the meeting at which this resolution was adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas codes annotated, as amended, Title 5, Chapter 551, Government Code.
4. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative, or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid, or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid, or ineffective.
5. That this Resolution shall take effect immediately from and upon passage hereof.

**PASSED AND APPROVED** this the 1<sup>st</sup> day of March, 2016.

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Berto Guerra, Jr., Chairman

**ATTEST:**

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Ernesto Arrellano, Jr., Secretary

**ATTACHMENT I**  
San Antonio Water System District Special Project  
2015 Amended Annual Budget  
Estimated Sources and Uses of Funds  
(*\$ in millions*)

	Previously Approved Budget	Amended Budget
<b>Sources of Funds</b>		
Operating Revenues	\$69.5	\$64.9
Non-operating Revenues	0.1	0.1
Capital Recovery Fees	5.2	7.9
<b>Total</b>	<b>\$74.8</b>	<b>\$72.9</b>
 <b>Uses of Funds</b>		
Operations and Maintenance	\$46.5	\$46.5
Debt Service & Expenses	15.8	15.8
Capital Outlay	0.9	0.9
Available for R&R – Restricted	5.2	7.9
Available for R&R – Unrestricted	6.4	1.8
<b>Total</b>	<b>\$74.8</b>	<b>\$72.9</b>

TO: San Antonio Water System Board of Trustees

FROM: Sam Mills, P.E., Director, Development, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: UTILITY SERVICE AGREEMENT FOR WATER AND/OR WASTEWATER SERVICES TO TRACTS REQUIRING THE SAN ANTONIO WATER SYSTEM FINANCIAL PARTICIPATION IN THE DEVELOPMENT OF INFRASTRUCTURE THROUGH OVERSIZING OR IMPACT FEE CREDITS AND/OR ARE LOCATED OUTSIDE THE SAN ANTONIO WATER SYSTEM WATER AND/OR WASTEWATER CERTIFICATE OF CONVENIENCE AND NECESSITY

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution approves Utility Service Agreements (USA) to provide water and/or wastewater services to the specified tracts of land requiring San Antonio Water System's (the "System") financial participation in the development of infrastructure through oversizing or impact fee credits, and/or are located outside the System's water and/or wastewater Certificate of Convenience and Necessity (CCN).

- This board item consists of one tract, which totals 4.99 acres; 12 water Equivalent Dwelling Units (EDUs); and 6 wastewater EDUs.
- Board approval is required since the tract requires the System's financial participation in the development of infrastructure through oversizing or impact fee credits and/or is located outside the System's water and/or wastewater CCN.
- The Iron Horse Town Homes is located within the City of San Antonio Extraterritorial Jurisdiction, inside the System's water CCN and outside the wastewater CCN. The USA provides 12 EDUs of water and 6 EDUs of wastewater services.
- The Developers are required to install all necessary on-site facilities in accordance with the Board's regulations and at the Developer's total cost.
- The Developers are responsible for the construction and engineering costs associated with all required water and/or wastewater mains to serve the tract (on-site and off-site).

Staff recommends that the Board approve this resolution.

No.	Tract Name	Developer	Acres	W EDUs	WW EDUs	CoSA / CoSA ETJ / Outside	EARZ/ CZ	Board Reason	W CCN	WW CCN
1	Iron Horse Town Homes	Mathom LTD.	4.99	12	6	CoSA ETJ	EARZ	CCN	In	Out
<b>Totals</b>			<b>4.99</b>	<b>12</b>	<b>6</b>					

Acronyms:

EARZ = Edwards Aquifer Recharge Zone  
CZ = Edwards Aquifer Contributing Zone  
CoSA = City of San Antonio limits

OVR = Oversizing  
WW = Wastewater  
ETJ = Extraterritorial Jurisdiction

CCN=Certificate of Convenience and Necessity  
BMWD = Bexar Metropolitan Water District  
IFC = Impact Fee Credits

**EXTENT AND CONDITIONS OF UTILITY SERVICE AGREEMENT:**

Upon approval by the System of this USA, the Developer Customers have 36 months to complete the required utility master plan and to start construction. If a Developer Customer fails to complete these requirements within the 36-month period, the USA will expire and a request for a new agreement must be submitted to the System. During the effective term of this USA, capacity in the System's water and wastewater systems will be set aside. The Developer Customers are not guaranteed capacity until all required off-site infrastructure is built by the Developer, accepted by the System, and all impact fees are paid.

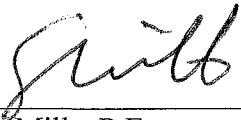
**FINANCIAL IMPACT:**

In compliance with the System's Board of Trustees water extension policy, Developer Customer applicants are responsible for financing all required local benefit facilities and for payment of all applicable impact fees. The Developers will contribute all impact fees in effect at the time of plat recordation or the latest date allowable by law for each subdivision unit. The fees to be collected by the System will be recorded in the Service Recovery Account and are estimated as follows, based on current charges and full build out of the tracts:

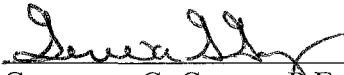
No.	Tract Name	Water Impact Fees	Wastewater Impact Fees	Total Impact Fees
1	Iron Horse Town Homes	\$58,332	\$19,836	\$78,168
<b>Totals</b>		<b>\$58,332</b>	<b>\$19,836</b>	<b>\$78,168</b>

The System is responsible for providing access to existing general benefit facilities and/or financing the construction of additional general benefit facilities.

The Developer is required to install all other necessary on-site facilities in accordance with the Board's regulations and at the Developer's total cost.

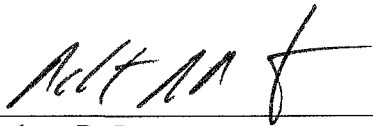


Sam Mills, P.E.  
Director  
Development



Genoveva G. Gomez, R.E.  
Vice President  
Engineering and Construction

APPROVED:



Robert R. Puente  
President/Chief Executive Officer

Attachment:

1. Table 1, Tract Information



**Table 1**  
**Tract Information**

No.	Tract Name	Developer	Principal	CoSA / CoSA ETJ / Outside	EARZ/ CZ	PZ	Acres	Water EDU	WW EDU	Watershed	Board Reason
1	Iron Horse Town Homes	Mathom LTD.	Todd Burek	CoSA ETJ	EARZ	11	4.99	12	6	Lower Culebra Creek	CCN
<b>Totals</b>							<b>4.99</b>	<b>12</b>	<b>6</b>		

Acronyms:

EARZ = Edwards Aquifer Recharge Zone  
 CZ = Edwards Aquifer Contributing Zone  
 CoSA = City of San Antonio limits

OVR = Oversizing  
 WW = Wastewater  
 ETJ – Extraterritorial Jurisdiction

IFC = Impact Fee Credits  
 BMWD = Bexar Metropolitan Water District  
 PZ = Pressure Zone

**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING A UTILITY SERVICE AGREEMENT TO PROVIDE WATER AND/OR WASTEWATER SERVICES TO THE SPECIFIED TRACTS OF LAND REQUIRING THE SAN ANTONIO WATER SYSTEM FINANCIAL PARTICIPATION IN THE DEVELOPMENT OF INFRASTRUCTURE THROUGH OVERSIZING OR IMPACT FEE CREDITS AND/OR ARE LOCATED OUTSIDE THE SAN ANTONIO WATER SYSTEM WATER AND/OR WASTEWATER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN), SUBJECT TO THE EXPIRATION OF SUCH AGREEMENTS IF NOT EXERCISED IN THIRTY-SIX MONTHS; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.**

**WHEREAS**, the Developer Customer, specified in the table below, have requested the San Antonio Water System (the “System”) to provide water and/or wastewater service(s), and have satisfied the requirements of the Board's Regulations for Developer Customers Applicant; and

No.	Tract Name	Developer	Acres	W EDUs	WW EDUs	CoSA / CoSA ETJ / Outside	EARZ/ CZ	Board Reason	W CCN	WW CCN
1	Iron Horse Town Homes	Mathom LLC	4.99	12	6	CoSA ETJ	EARZ	CCN	In	Out
Totals			4.99	12	6					

**WHEREAS**, the Developer Customer’s provisions to acquire water and/or wastewater services within the System’s jurisdiction is generally illustrated in the attached Project Site Maps; and

**WHEREAS**, the Developer Customer is obligated to pay the prescribed fees and to comply with other applicable requirements as set forth in the Regulations for Water and/or Wastewater Service; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to approve the Utility Service Agreements and to provide water and/or wastewater services to tracts of land requiring the System’s financial participation in the development of infrastructure through

oversizing or impact fee credits and/or are located outside the System's water and/or wastewater Certificate of Convenience and Necessity, and (ii) to provide that the Utility Service Agreements will be honored for a period of thirty-six months, and that if not exercised during this period, the Utility Service Agreements will expire; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the System hereby approves the Utility Service Agreements and agrees to provide water and/or wastewater services to tracts of land requiring the System's financial participation in the development of infrastructure through oversizing or impact fee credits and/or are located outside the System's water and/or wastewater Certificate of Convenience and Necessity as generally illustrated in the attached Project Site Maps hereto, on a Developer Customer basis as provided for in the Board's Regulations, applicable amendments to the Regulations, and any other applicable federal, state or local regulations.
2. That the Utility Service Agreements shall be honored for a period of thirty-six months, and if not exercised during this thirty-six-month period, the Utility Service Agreements will expire.
3. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.
4. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.
5. This resolution shall take effect immediately from and after its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016.

---

Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

## **ATTACHMENT I**

Attachment III:  
USA-13370  
Iron Horse Town Homes  
Proposed Water Infrastructure Map  
4.99 Acres



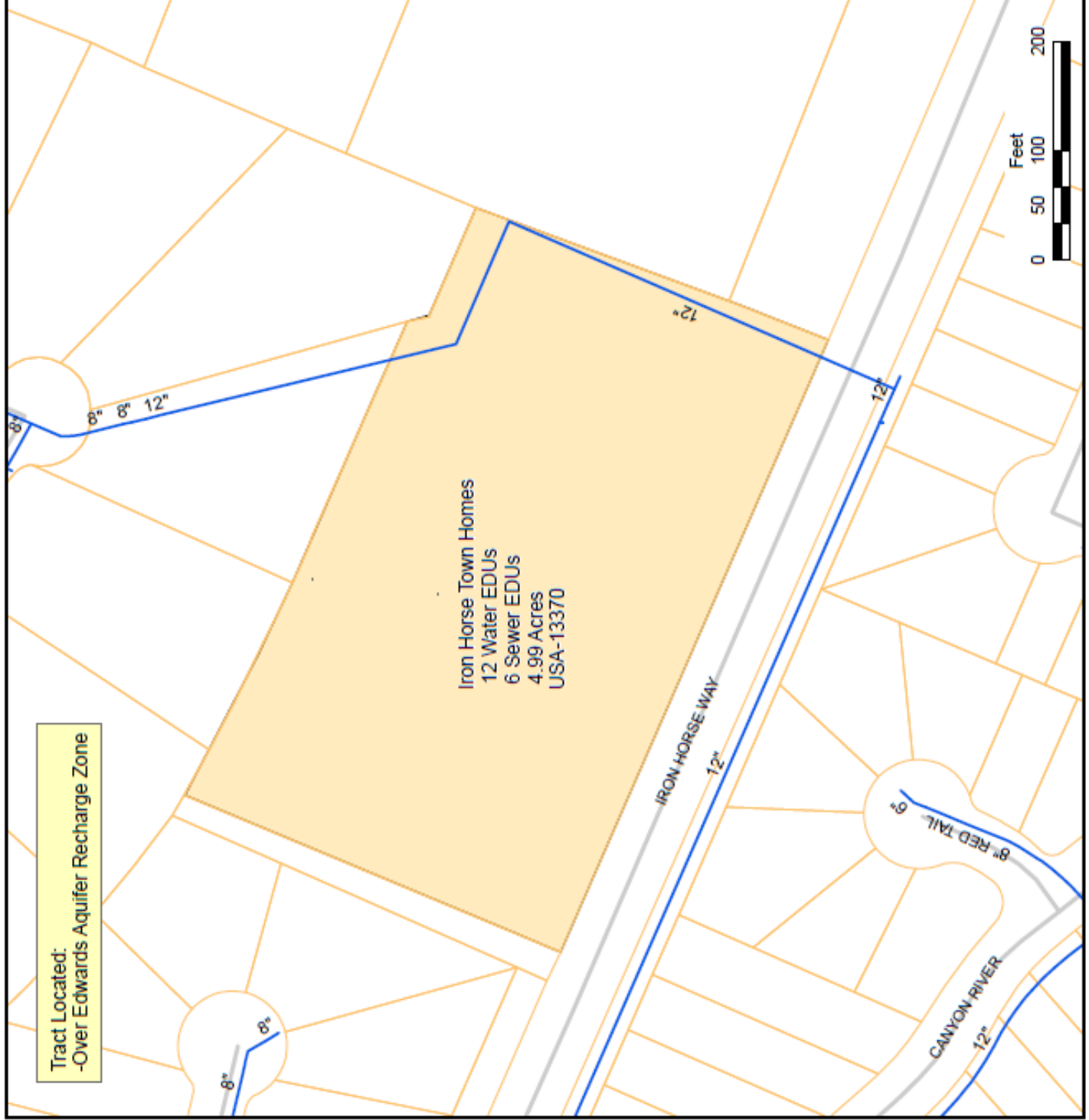
Legend

- PZ: 11 Existing Water Main
- PZ: 11 Proposed Water Main
- Parcels Update
- USA Tract

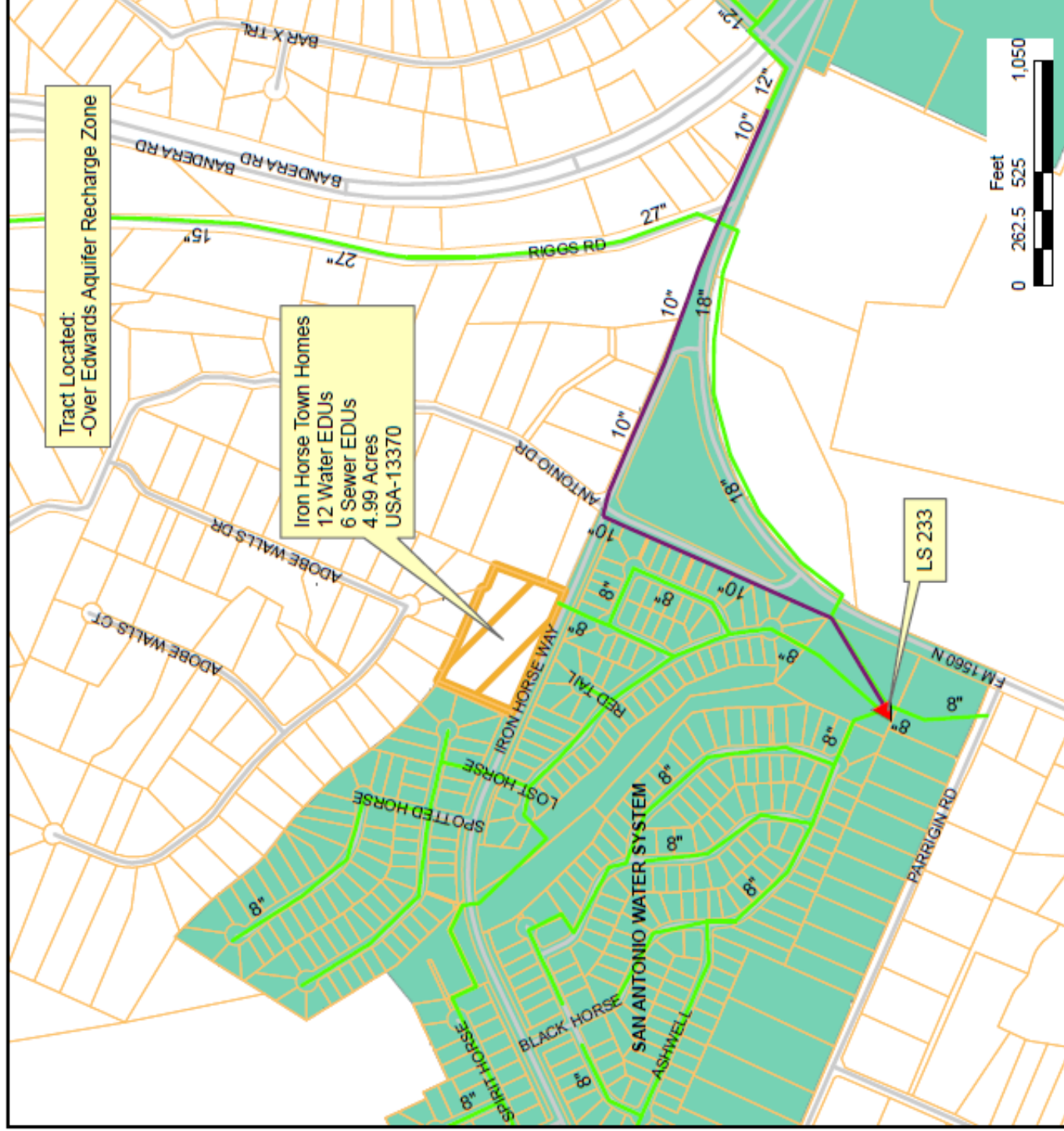
Project Location



**SAWS UTILITY MAP DISCLAIMER**  
This utility map is for reference only. The information may not represent water actually has been constructed. SAWS explicitly disclaims any representation of the accuracy or completeness of the information shown on this map. Any errors, omissions, or inaccuracies in the map regardless of how caused, final verification should be done as necessary. SAWS prohibits the reproduction or sale of this document. This SAWS Utility Map is the property of SAWS and may not be copied, reproduced, or published in any form or media, or transferred to another without the written permission of the San Antonio Water System (SAWS).



**Proposed Sewer Infrastructure Map**  
**4.99 Acres**



TO: San Antonio Water System Board of Trustees

FROM: Kathleen M. Price, P.E., Interim-Director, Pipelines, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: AWARD OF CONSTRUCTION CONTRACT FOR THE 2015 PIPE BURST  
SANITARY SEWER CONSTRUCTION PACKAGE X

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

The attached resolution awards a construction contract in the amount of \$4,707,697.00 to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., a local, MBE-Hispanic firm, in connection with the 2015 Pipe Burst Sanitary Sewer Construction Package X. These projects are citywide and are in various council districts.

The contract that is the subject of the attached resolution will authorize work that is required by Section V. B. Early Action Program of the Consent Decree between the San Antonio Water System (the "System"), the United States of America, and the State of Texas that was lodged in the United States District Court for the Western District of Texas on July 23, 2013.

- This contract will be used to rehabilitate sewer mains that have been identified by the Operations Department as in very poor condition. These sewer mains will be rehabilitated using the pipe bursting rehabilitation method and will be administered on a work order basis once the projects have been designed.
- The sewer work will include the rehabilitation of approximately 4.75 miles of 8-inch to 15-inch wastewater mains. Sewer mains are replaced by pipe bursting method as the end result is less disruptive than the open cut method.
- Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. has submitted the low responsible bid of \$4,707,697.00.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this expenditure included in the CY 2015 Capital Improvement Program. This project is included in the Wastewater Core Business budget line item. The amount is \$4,707,697.00 for sewer related construction work, under job number 15-4801.

**SUPPLEMENTARY COMMENTS:**

The System's Pipelines Department prepared their opinion of probable cost for this project and their estimated construction cost was \$4,884,445.00.

A bid opening was held on January 13, 2016, at 10:00 AM. Seven firms responded to the request for bids. The following bids were submitted:

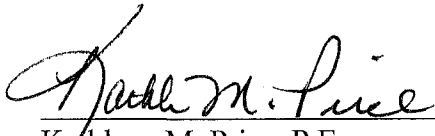
<b>BIDDER</b>	<b>BID AMOUNT</b>	<b>LOCAL/SMWB</b>
<b>Pronto Sandblasting &amp; Coating &amp; Oil-Field Services Co., Inc. *</b>	<b>\$4,707,697.00</b>	<b>Local/MBE-Hispanic</b>
PM Construction & Rehab LP	\$4,866,698.00	Local/Non-SMWB
<i>Engineer's Estimate</i>	<i>\$4,884,445.00</i>	
Rohl Networks LP	\$5,140,271.00	Non-Local/Non-SMWB
T. Construction, LLC	\$5,155,491.00	Non-Local/MBE-Hispanic
Horseshoe Construction	\$6,060,520.00	Non-Local/Non-SMWB
Vadnais Trenchless Services	\$6,202,521.00	Non-Local/Non-SMWB
National Power Rodding Corp.	\$6,647,709.70	Non-Local/SBE

\*Low Responsible Bidder

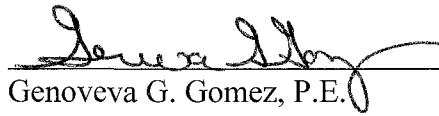
The bid amount represents a 3.6 percent decrease from the estimated construction cost.

2015 Pipe Burst Sanitary Sewer Construction Package X	
<b>PRONTO SANDBLASTING &amp; COATING &amp; OIL-FIELD SERVICES CO., INC.</b>	
<b>SMWB ANALYSIS – BOARD AWARD</b>	
SBE	0.00%
MBE - African American	0.00%
MBE - Asian	0.00%
MBE - Hispanic	100.00%
MBE - Other	0.00%
WBE - Minority	0.00%
WBE - Non-Minority	0.00%
<b>SMWB Total</b>	<b>100.00%</b>



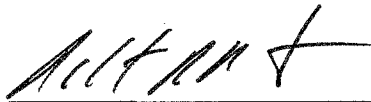


Kathleen M. Price, P.E.  
Interim-Director  
Pipelines



Genoveva G. Gomez, P.E.  
Vice President  
Engineering and Construction

APPROVED:



Robert R. Puente  
President/Chief Executive Officer

**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE BID OF PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC. IN THE AMOUNT OF \$4,707,697.00 IN CONNECTION WITH THE 2015 PIPE BURST SANITARY SEWER CONSTRUCTION PACKAGE X; AWARDING A CONTRACT TO PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC. IN THE AMOUNT OF \$4,707,697.00 FOR THE PROJECT WORK; APPROVING EXPENDITURES AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED \$4,707,697.00 FROM THE SYSTEM'S PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSTRUCTION CONTRACT WITH PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC. AND TO PAY PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC. AN AMOUNT NOT TO EXCEED \$4,707,697.00 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PASSED SUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, this contract will include the repair or replacement of sanitary sewer mains that have been identified by the Operations Department to be in poor condition using pipe bursting rehab method. The project will be administered on a work order basis; and

**WHEREAS**, the sewer work will include the rehabilitation of approximately 4.75 miles of 8-inch to 15-inch wastewater mains. Sewer mains are replaced by pipe bursting method when possible as the end result is less disruptive than the open cut method; and

**WHEREAS**, the San Antonio Water System (the "System") has solicited bids for the project work; and

**WHEREAS**, Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., a local MBE-Hispanic, is now declared the lowest responsible bidder and has submitted the low responsible bid of \$4,707,697.00 for the project work; and

**WHEREAS**, System funds in the amount of \$4,707,697.00 are required for the project work; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires (i) to accept the bid of Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. in the amount of \$4,707,697.00 for the project work in connection with the 2015 Pipe Burst Sanitary Sewer Construction Package X, (ii) to award a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. in the amount \$4,707,697.00 for the project work, (iii) to approve a total expenditure and make available an amount not to exceed \$4,707,697.00 from the System's Project Fund for the project work, and (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. and to pay Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. an amount not to exceed \$4,707,697.00 for the project work; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the bid of Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. in the amount of \$4,707,697.00 for the project work in connection with the 2015 Pipe Burst Sanitary Sewer Construction Package X is hereby accepted.
2. That a construction contract in the amount of \$4,707,697.00 for the project work is hereby awarded to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc.
3. That a total sum not to exceed \$4,707,697.00 for the project work is hereby made available and is to be expended from the System's Project Fund.
4. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a standard contract for general construction with Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. and to pay Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. the amount not to exceed \$4,707,697.00 for the project work in connection with the 2015 Pipe Burst Sanitary Sewer Construction Package X.
5. It is officially found, determined, and declared that the meeting at which this resolution is adopted was open to the public, and that the public notice of the time, place, and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5, Chapter 551, Government Code.
6. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, inoperative or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid or ineffective.

7. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 1<sup>st</sup> day of March, 2016.

---

Berto Guerra, Jr., Chairman

ATTEST:

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Ernesto Arrellano, Jr., Secretary

DRAFT

**TO:** San Antonio Water System Board of Trustees

**FROM:** Mary Bailey, Vice President, Business Planning/Controller, and Douglas Evanson, Senior Vice President/Chief Financial Officer

**THROUGH:** Robert R. Puente, President/Chief Executive Officer

**SUBJECT:** AMENDMENT OF THE ANNUAL BUDGET OF THE SAN ANTONIO WATER SYSTEM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2016

Board Action Date: March 1, 2016

**SUMMARY AND RECOMMENDATION:**

In May 2011, the Texas Legislature passed Senate Bill 341 (SB 341) calling for an election by Bexar Metropolitan Water District (BexarMet) ratepayers to vote on the dissolution of BexarMet and consolidation with the San Antonio Water System (SAWS). The election was held in November 2011, and the BexarMet ratepayers voted in favor of dissolution. The election results were certified in November 2011. Preclearance of the election results by the United States Department of Justice was received on January 2012.

SAWS, acting by and through the City of San Antonio, took action to accommodate the assumption of BexarMet in accordance with the requirements and specifications of SB 341. In October 2011, the City Council adopted Ordinance No. 2011-10-20-0845 (District Special Project Ordinance) creating a “special project”, as authorized by SB 341 and pursuant to SAWS senior lien bond ordinances. In accordance with the District Special Project Ordinance, on January 28, 2012 all assets, liabilities, rights, duties and obligations of BexarMet were transferred to an entity known as the San Antonio Water System District Special Project (DSP).

On January 14, 2016, pursuant to authority vested in the City by SB 341, the City approved the consolidation of SAWS and DSP effective upon the defeasance of all outstanding DSP debt. Effective February 25, 2016, all outstanding debt of DSP has been fully defeased through the issuance of SAWS junior lien bonds and commercial paper.

Upon the dissolution of DSP and consolidation into SAWS, two of the three elements of complete integration required by SB 341 have been accomplished. The third element of rate parity among SAWS and DSP customers is expected to occur January 1, 2017. At which time, full integration of the former BexarMet with SAWS will have been achieved in accordance with all requirements of SB 341.

On October 27, 2015, the Board of Trustees approved separate budgets for SAWS and the District Special Project (DSP) for the fiscal year ending December 31, 2016. The attached Resolution amends the SAWS Annual Budget for the Fiscal Year Ending December 31, 2016 to reflect the consolidation of DSP into SAWS. The amended 2016 budget reflects a combination of the previously approved 2016 SAWS and DSP budgets.

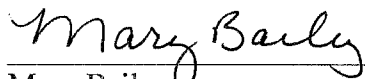
Attachment I presents both the previously approved 2016 SAWS and DSP budgets to illustrate their combination into the new amended 2016 SAWS budget.

Staff will submit further amendment to the Annual Budget to the Board for approval in the event the actual amount Available for R&R – Unrestricted will be less than the amount shown in Attachment I or Debt Service and Expenses or Draw on Equity will be greater than the amount shown in Attachment I.

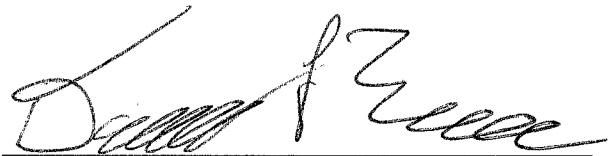
Staff recommends Board approval of the 2016 SAWS Amended Budget.

**FINANCIAL IMPACT:**

The 2016 SAWS Amended Budget does not increase the overall level of expenditures for 2016 above the combined sum of the original SAWS and DSP 2016 budgets separately approved by the Board in October 2015.



Mary Bailey  
Vice President, Business Planning/Controller



Douglas P. Evanson  
Senior Vice President/Chief Financial Officer

APPROVED:



Robert R. Puente  
President/Chief Executive Officer

Attachments:

ATTACHMENT I: 2016 SAWS Amended Annual Budget –Sources and Uses of Funds

**ATTACHMENT I**  
San Antonio Water System  
2016 Amended Annual Budget  
Estimated Sources and Uses of Funds  
(\$ in millions)

	Previously Approved 2016 SAWS Budget	Previously Approved 2016 DSP Budget	Amended 2016 SAWS Budget
<b>Sources of Funds</b>			
Operating Revenues	\$ 541.1	\$ 72.6	\$ 613.7
Non-operating Revenues	5.6	-	5.6
Draw on Equity	1.4	-	1.4
Capital Recovery Fees	46.4	10.6	57.0
<b>Total</b>	<b>\$ 594.5</b>	<b>\$ 83.2</b>	<b>\$ 677.7</b>
<b>Uses of Funds</b>			
Operations and Maintenance	\$ 268.9	\$ 44.8	\$ 313.7
Debt Service & Expenses	192.7	17.8	210.5
Transfer to COSA	13.9	-	13.9
Available for R&R - Restricted	49.1	10.6	59.7
Available for R&R - Unrestricted	69.9	10.0	79.9
<b>Total</b>	<b>\$ 594.5</b>	<b>\$ 83.2</b>	<b>\$ 677.7</b>

**RESOLUTION NO.**

**OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AMENDING THE ANNUAL BUDGET FOR THE SAN ANTONIO WATER SYSTEM FOR THE FISCAL YEAR ENDING DECEMBER 31, 2016; AUTHORIZING THE APPROVED ANNUAL BUDGET FOR THE FISCAL YEAR ENDING DECEMBER 31, 2016 BE SUBMITTED TO THE CITY COUNCIL FOR REVIEW AND CONSULTATION; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE**

**WHEREAS**, Ordinance No. 75686 adopted on April 30, 1992 by the City Council of the City of San Antonio, Texas (the “SAWS Creation Ordinance”), requires that the San Antonio Water System (the “System”) Board of Trustees (the “Board”) prepare an Annual Budget; and

**WHEREAS**, on October 20, 2011, the City Council of the City of San Antonio, Texas (the “City Council”) adopted Ordinance No. 2011-10-20-0845 (the “Special Project Ordinance”) creating a “special project”, as authorized by Senate Bill 341 (SB 341) where the assumed Bexar Metropolitan Water District would be known as the San Antonio Water System District Special Project (the “DSP”); and

**WHEREAS**, on January 1, 2016, pursuant to authority vested by SB 341, the City approved the consolidation of the System and DSP effective upon the defeasance of all outstanding DSP debt; and

**WHEREAS**, all outstanding debt of DSP has been fully defeased through the issuance of System junior lien bonds and commercial paper effective February 25, 2016; and

**WHEREAS**, on October 27, 2015 the Board approved the System’s Annual Budget for the year ending December 31, 2016 (the “2016 SAWS Annual Budget”) through Resolution No. 15-259; and

**WHEREAS**, on October 27, 2015 the Board of Trustees approved the DSP Annual Budget for the year ending December 31, 2016 through Resolution No. 15-260; and

**WHEREAS**, it is necessary to amend the 2016 SAWS Annual Budget to reflect the consolidation of DSP in the System; and

**WHEREAS**, the Amended 2016 SAWS Annual Budget reflecting these changes is summarized in Attachment I; and



**WHEREAS**, SAWS Creation Ordinance requires that the Annual Budget be submitted to the City Council for review and consultation; and

**WHEREAS**, the San Antonio Water System Board of Trustees desires to amend the 2016 SAWS Annual Budget for the fiscal year ending December 31, 2016 as summarized in Attachment I; now, therefore:

**BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:**

1. That the Annual Budget of the San Antonio Water System for the fiscal year ending December 31, 2016 is hereby amended; such Budget amendment is summarized in Attachment I and is available for inspection at the office of the Board of Trustees Administrator.
2. That the submittal of the Amended 2016 SAWS Annual Budget, as set forth in Attachment I, and a report detailing the estimated sources and uses of funds and the Capital Improvement Program for the Fiscal Year ending December 31, 2016 for the San Antonio Water System to the City Council for their review and consultation, pursuant to the City Ordinance No. 75686 is hereby authorized.
3. It is officially found, determined and declared that the meeting at which this resolution was adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas codes annotated as amended, Title 5, Chapter 551, Government Code.
4. If any part, section, paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal, innovative, or invalid, or if any exception to or limitation upon any general provision herein contained is held to be unconstitutional, illegal, invalid, or ineffective, the remainder of this resolution shall nevertheless stand effective and valid as if it had been enacted without the portion held to be unconstitutional, illegal, invalid, or ineffective.
5. That this Resolution shall take effect immediately from and upon passage hereof.

**PASSED AND APPROVED** this the 1<sup>st</sup> day of March, 2016.

---

Berto Guerra, Jr., Chairman

**ATTEST:**

---

Ernesto Arrellano, Jr., Secretary

**ATTACHMENT I**  
San Antonio Water System  
2016 Amended Annual Budget  
Estimated Sources and Uses of Funds  
(\$ in millions)

	Previously Approved 2016 SAWS Budget	Previously Approved 2016 DSP Budget	Amended 2016 SAWS Budget
<b>Sources of Funds</b>			
Operating Revenues	\$ 541.1	\$ 72.6	\$ 613.7
Non-operating Revenues	5.6	-	5.6
Draw on Equity	1.4	-	1.4
Capital Recovery Fees	46.4	10.6	57.0
<b>Total</b>	<b>\$ 594.5</b>	<b>\$ 83.2</b>	<b>\$ 677.7</b>
<b>Uses of Funds</b>			
Operations and Maintenance	\$ 268.9	\$ 44.8	\$ 313.7
Debt Service & Expenses	192.7	17.8	210.5
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Available for R&R - Unrestricted	69.9	10.0	79.9
<b>Total</b>	<b>\$ 594.5</b>	<b>\$ 83.2</b>	<b>\$ 677.7</b>