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

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

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

5. Ceremonial and Recognition Items.

6. Public Comment.
CONSENT AGENDA ITEMS

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. 15-15083, 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 $596,575.00.

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 Mars Industries, LLC in an amount not to exceed $249,000.00 in connection with the Henderson 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 $61,188.35 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 one 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 LC-17, Phase III 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)

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)
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)

ITEMS FOR INDIVIDUAL CONSIDERATION

MISCELLANEOUS ITEMS


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

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

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)

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)

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)

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
   B. Briefing and deliberation regarding the M/WBE Disparity Study
   C. Briefing and deliberation regarding the Pass-Through Fees for the Edwards Aquifer Authority and Texas Commission on Environment Quality

41. President/Chief Executive Officer’s Report.

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

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.
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, 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.

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

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

MEETING OF THE
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES
October 27, 2015, 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
Louis E. Rowe, Vice Chairman
Pat Merritt, Secretary
Pat Jasso, Assistant Secretary
Ernesto Arrellano, Jr., Trustee
David P. McGee, Trustee

Board Members Absent:
None

1. MEETING CALLED TO ORDER.

The meeting of the San Antonio Water System Board of Trustees was held on October 27, 2015, and called to order at 9:20 a.m. by Chairman Berto Guerra.

2. Announcements.
   A. The San Antonio Water System 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 Section 551.071 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 September 1, 2015.

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

None

Chairman Guerra moved to Item 36, Briefing Session.

36. BRIEFING SESSION.

A. Briefing and deliberation regarding the Vista Ridge Project

Carlos Cosin thanked the Board for the opportunity to make some comments regarding the statements of Abengoa and the financial situation to restructure debt. He stated this was not affecting the San Antonio project. The committed equity of the project was assured and warranted by Abengoa. He stated that San Antonio was a flagship for the employees, and was one of the most important projects for all the PPCs and water companies in the U.S. He gave his personal commitment and the full commitment of Abengoa to the project.

Chairman Guerra thanked Mr. Cosin for coming in person to alleviate any fears that might be out there as far as the strength of the project. He discussed the financial position of Abengoa at the time of the negotiations, and that it would be strengthened by the fact that SAWS had a very good credit rating.

Gene Dawson reported that they remained on schedule. The right-of-way process continued to be very successful, and they were not seeing major obstacles to that part of the project. They were drilling the two pilot wells as reported two weeks ago. The process was started on the design of the production facilities, and dealings with the electrical companies. They continued to remain on schedule and on budget, and looked forward to a successful project with a financial close before summer of next year.

Chairman Guerra inquired about the model used in the George Rice study. He stated he was very sensitive to ensuring that local Burleson County and Milam County residents were not negatively impacted. Mr. Dawson responded that when SAWS put out the RFP and Abengoa responded to the RFP, a 26-page geohydrology report was included on the operation of the Carrizo and Simsboro aquifers. Since July 2011, there had been a very detailed report produced by R. W. Harding that was part of the process. That report showed drawdown in both aquifers. In a sand aquifer, the transitivity of the aquifer was slower, which created a drawdown. But if the pumps were turned off, the water returned back to the same elevation. According to the Texas Water Development Board (TWDB) in addition to all other pumping predicted for this area of the aquifer, the project would only deplete the aquifer by 2 percent with no recharge over 50 years. The drawdown in the George Rice report was almost exactly the same information that was presented in 2011 by Abengoa's hydrogeologist in their responses submitted. The operation of the aquifer was not a prediction of the Abengoa Vista Ridge Consortium. This was based on the GMA 12 model. The GMA 12 was made up of five groundwater districts with their own hydrogeologist. All of those groups worked together to determine the desired future conditions of the aquifer in this area, and then submitted it to the TWDB. So, it was the opinions of the five groundwater districts, the GMA 12, and the TWDB that Abengoa was relying on for the success of this project.

Chairman Guerra asked if Mr. Dawson was confident there was plenty of water available for San Antonio. Mr. Dawson confirmed. The point of the George Rice report was the concern that the drawdown of this aquifer would impact local wells. He stated that they did not
believe that the 2,500 foot deep Simsboro drawdown would impact those shallow groundwater wells that were in the Simsboro Aquifer.

Chairman Guerra commented that the local groundwater district would control how much was taken out. Mr. Dawson stated the Board wanted a project that would take on the very risk of the aquifer, the very risk of the groundwater district and change their regulations, and the very risk that the physical aquifer wouldn't produce the water. Until a group was willing to take on that risk and the financial risk associated with it, the Board was not willing to negotiate with any of those needs. Abengoa Vista Ridge, which was the cornerstone of this project, took on that risk and that financial risk. So, the question of the aquifer and the question of the groundwater districts was the very cornerstone of the water purchase agreement with Abengoa Vista Ridge.

Chairman Guerra asked for Mr. Dawson’s assessment of Abengoa's financial situation, and what was SAWS's risk should Abengoa Spain have more financial concern. Mr. Dawson discussed the purpose and preparation of the contract. The Water Transmission and Purchase Agreement (WTPA) that was signed on November 4, 2014, contemplated all aspects of Abengoa in this project. The WTPA contemplated every potential default along the way from a financial standpoint. During the development phase, Abengoa was committed to spending $40 million, and they would spend about $50 million before financial close. At that time, the bonds would be sold and the permanent financing would be put in place. Abengoa's equity in the project was approximately $80 million, and they would have spent $50 million of that $80 million by financial close. The WTPA was written so that the bonds were sold on project finance and SAWS ability to buy the water and pay the debt.

Chairman Guerra thanked Mr. Cosin and Mr. Dawson for their presentation. He moved back to the Consent Agenda, Items 5 – 25.

**CONSENT AGENDA ITEMS**

**Items 5 – 25**

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

5. 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 Smith Pump Co. to provide: purchase of a replacement motor for Wurzbach Pump Station, Well Pump No. 3, Bid No. 15-15095, for a total of $99,500.00.

   2. Approving a one-time purchase from Act Pipe & Supply to provide: purchase of Bell-Joint and Fusible PVC Pipe, Series C900 & C905 Pipe, Bid No. 15-15104, for a total of $831,830.00.

   3. Approving a one-time purchase from Komline-Sanderson Engineering Corp. to provide: purchase of twelve tri-plex plunger pumps for the Dos Rios Wastewater Recycling Center, Bid No. 15-15090, for a total of $657,380.00.
4. Approving a sole source, one-time purchase from Wagner Automation, Inc. to provide: purchase of 6V-Mag Operators for existing gates, Bid No. 15-15121, for a total of $171,207.00.

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. Authorization an extension of an existing contract of Sunbelt Mill Supply to provide: annual contract for saw blades diamond segmented, Bid No. 13-6062, Item 1, for a total of $63,836.20.

2. Acceptance of the best value bid of J.R.’s Plumbing to provide: plumbing contractors for the Plumber to People and Conservation Make-Over Programs, Bid No. 15-1165, for a total of $263,800.00.

3. Acceptance of the bid of Pencco, Inc. to provide: annual contract for aqueous solution of ferrous sulfate, FeSO4, Bid No. 15-1071, for a total of $2,026,785.45.

4. Acceptance of the bid of Austin White Lime Co. to provide: annual contract for purchase and delivery of hydrated lime, Bid No. 15-9009, for a total of $267,006.05.

5. Acceptance of the bid of Transportation Resource Associates, Inc. to provide: purchase of safety management system, Bid No. 15-15080, for a total of $103,411.00.

6. Acceptance of the bid of Fortiline Waterworks to provide: annual contract for manhole rings, covers and ring risers, Bid No. 15-0153, Item 1, for a total of $135,450.00.

7. Acceptance of the bid of Port City Pipe, Inc. to provide: annual contract for manhole rings, covers and ring risers, Bid No. 15-0153, Items 8, 9 & 10, for a total of $58,763.75.

8. Acceptance of the bid of HD Supply Waterworks, Ltd. to provide: annual contract for manhole rings, covers and ring risers, Bid No. 15-0153, Items 2 - 7, for a total of $107,508.50.

CAPITAL IMPROVEMENT CONTRACTS
PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY
Water and Sewer Line Improvements

6. A Resolution approving Recapitulation Change Order No. 3 in the decreased amount of $333,498.80 to be credited to the construction contract with T Construction, LLC in connection with the 2013 Small Diameter Rehabilitation Program Project 3; authorizing the return of funds in the amount of $333,498.80 and the construction contingency balance of $84,999.00 for a total amount of $418,497.80. Total decreased amount: $418,497.80. (GENOVEVA GOMEZ – JOE CARRENO)
7. A Resolution amending Resolutions Nos. 14-157, 14-258, 13-239 and 14-349 by approving the revised scope of work in connection with the various Water and Sewer Work Order Construction Contracts with Pronto Sand Blasting & Coating & Oil Field Services Inc.; ratifying the actions of the Interim-Vice President of Engineering and Construction in approving Change Order Nos. 2, 3, 4 and 6 in connection with said contracts. (GENOVEVA GOMEZ – JOE CARRENO)

8. A Resolution approving Contract Amendment No. 2 in an amount not to exceed $489,523.00 to the professional services contract with Chiang, Patel & Yerby, Inc. in connection with the C5 Culebra to Castroville to Laredo and C28 Zarzamora Creek N. San Gabriel to NW 23rd Street Sewer Project. Total expenditures: $489,523.00. (GENOVEVA GOMEZ – JOE CARRENO)

Production, Transmission and Treatment Improvements

9. A Resolution ratifying the actions of the Interim-Vice President of Engineering and Construction in awarding a construction contract to Pepper-Lawson Waterworks, LLC in an amount not to exceed $734,000.00 in connection with Falcon Center and Woodland Hills Lift Stations Improvements Project and approving construction contingency expenses in the amount not to exceed $36,200.00 for the project work. Total expenditures: $770,200.00. (GENOVEVA GOMEZ – ASHOK KAJI)

10. Resolution awarding a construction contract to Pepper-Lawson Waterworks, LLC in an amount not to exceed $145,000.00 in connection with the Iron Horse Lift Station Odor Control Measures Project and approving construction contingency expenses in the amount not to exceed $7,500.00 for the project work. Total expenditures: $152,500.00. (GENOVEVA GOMEZ – ASHOK KAJI)

11. A Resolution awarding a professional services contract to Alderson & Associates, Inc. in an amount not to exceed $250,000.00 in connection with the 2015 Mechanical, Electrical, Plumbing Engineering Design Services Contract. Total expenditures: $250,000.00. (GENOVEVA GOMEZ – ASHOK KAJI)

12. A Resolution awarding a professional services contract to Weston Solutions, Inc. in an amount not to exceed $509,438.00 in connection with the Lift Stations Rehabilitation Design – Phase 4 Project. Total expenditures: $509,438.00. (GENOVEVA GOMEZ – ASHOK KAJI)

REPLACEMENT AND ADJUSTMENT PROJECTS

Governmental Relocations and Replacements

13. A Resolution approving the expenditure of funds in the amount of $845,751.00 for the adjustment and replacement of water and sewer facilities by the City of San Antonio in connection with the Menger Creek Drainage Project and approving construction contingency expenses in the amount not to exceed $84,575.10 for the project work. Total expenditures: $930,326.10. (GENOVEVA GOMEZ – FRANCES PLOCEK)

14. A Resolution, concerning the San Antonio Water System and the District Special Project, approving the expenditure of funds in the amount of $1,224,677.00 for the replacement of water and sewer facilities by the City of San Antonio in connection with the Cupples Road: Merida Street to Castroville Road Project and approving (SAWS-DSP)
construction contingency expenses in the amount not to exceed $24,493.54 for the project work. Total expenditures: $1,249,170.54.

(GENOVEVA GOMEZ – FRANCES PLOCEK)

**EASEMENT AND REAL PROPERTY**

15. A Resolution declaring a public necessity for public use, the acquisition of certain privately owned real property in the City of San Antonio being permanent sewer easements and temporary construction easements, the project consisting of the elimination of two lift stations and the construction of approximately 10,200 linear feet of new sanitary sewer main beginning at Salado Creek running parallel to Wetmore Road and terminating at Thousand Oaks Drive, in the northeast quadrant of Bexar County, Texas, which easements shall be acquired by negotiation and/or condemnation, if necessary, for the public use of the expansion and operation of the System through the construction of Lift Stations 11 and 111 Elimination Project; requesting that the City Council of the City of San Antonio adopt an ordinance reaffirming and declaring that the project is for a public use and a public necessity exists for the acquisition of the easements and authorizing the System to take all appropriate action to acquire the easements by negotiation and/or condemnation. New City Blocks: 13753 & 15683.

(NANCY BELINSKY – BRUCE HABY)

16. A Resolution approving a lease amendment between the System and SL SA Industrial, LP for amending and extending the term of the lease for thirty-six months at the Pan Am Expressway Center for approximately 10,500 sf of warehouse storage space located at 3337 N. Pan Am Expressway, San Antonio, Texas in a total rent and operating expense amount not to exceed the sum of $194,044.00 for the thirty-six month lease amendment term. Total expenditures: $194,044.00.

(NANCY BELINSKY – BRUCE HABY)

**WATER RESOURCES ITEMS**

17. A Resolution awarding a construction contract to Alsay Incorporated in an amount not to exceed $163,270.00 in connection with the First Amendment to San Antonio Water System/City of Nixon Mitigation and Settlement Agreement for the Well Mitigation for the City of Nixon and approving construction contingency expenses in an amount not to exceed $16,327.00 for the project work. Total expenditures: $179,597.00.

(DONOVAN BURTON – DARREN THOMPSON)

18. A Resolution approving the termination of the existing emergency interconnect agreement with the City of Leon Valley and approving a new agreement for an emergency interconnect with the City of Leon Valley.

(DONOVAN BURTON – DARREN THOMPSON)

**MISCELLANEOUS ITEMS**

19. A Resolution awarding a construction contract to Austin Constructors, LLC in an amount not to exceed $788,775.00 in connection with the 2015 Sanitary Sewer Laterals Renewal and Repair Construction Contract Package 3. Total expenditures: $788,775.00. (STEVE CLOUSE – JEFF HABY)

20. A Resolution awarding a construction contract to Austin Constructors, LLC in an amount not to exceed $759,525.00 in connection with the 2015 Sanitary Sewer Laterals

MINUTES 6 10-27-15


22. A Resolution authorization to enter into an Interlocal Agreement between San Antonio Water System and Public Employee Benefits Alliance to provide access to cost-effective benefits for the System’s Employee Benefits Program. (SHARON DE LA GARZA)

23. A Resolution authorizing the purchase of insurance policies with Standard Insurance Company for basic life, accidental death and dismemberment, voluntary life insurance, and long term disability for the System’s Employee Benefits Program in an amount not to exceed $735,917.00 in FY 2016 for such coverages. Total expenditures: $735,917.00. (SHARON DE LA GARZA)

24. A Resolution approving additional funds to various temporary employment agencies in an amount not to exceed $100,000.00 for the period of October 27, 2015 through December 31, 2015 to provide employment services. Total expenditures: $100,000.00. (SHARON DE LA GARZA)

25. A Resolution approving a one-time purchase from Macaulay Controls Company to provide pilot program for wireless fire hydrant pressure monitors to monitor water pressure and pressure variation in the water distribution system, Bid No. 15-15033, for a total of $55,700.00. Total expenditures: $55,700.00. (MIKE BRINKMANN – ALISSA LOCKETT)

Chairman Guerra asked if there were any items in the Consent Agenda that should be pulled for individual discussion or consideration.

Mr. McGee made a motion to approve the Consent Agenda Items, Nos. 5 – 25. Mr. Arrellano seconded the motion.

Consent Agenda Items, Nos. 5 – 25, were unanimously approved. Verbal voting.

Mr. Puente introduced Genoveva Gomez, who would serve as the Vice President of Engineering and Construction. Ms. Gomez was from Brownsville and a Texas A&M and University of Texas graduate. He announced some additional staff changes that included Donovan Burton who would serve as the Vice President of Water Resources and Governmental Relations, Andrea Beymer who would serve as Interim-Director in Engineering, and Cristina Hernandez who would be working with him on all the technical issues. Also, Jeff Haby would serve as Vice President of Production and Treatment.

Steve Clouse announced the retirement of Val Ruiz after 35 years at SAWS. He was in charge of the Fleet, Facilities and Maintenance groups. With Val's departure, portions of the
group would be reassigned. Mike Brinkmann was in charge of the Distribution and Collections group, and he would be assigned the Fleet group. The Facilities and Maintenance groups would be assigned to Jeff Haby.

Chairman Guerra welcomed Ms. Gomez to SAWS and congratulated the others for their willingness to take on new responsibilities. He thanked Mr. Ruiz for his hard work and congratulated him on his retirement.

Chairman Guerra introduced Item 26, the Public Hearing for the 2016 Annual Budget for the San Antonio Water System and the District Special Project.

26. **PUBLIC HEARING: 2016 ANNUAL BUDGET**

A. Public Hearing Briefing (DOUG EVANSON – MARY BAILEY)

B. Public Hearing on the Following Items:

1. Necessity for adjustments to the structure of the Residential, General, Wholesale, and Irrigation Water Delivery and Water Supply Fee Rates


3. Annual Budget for the San Antonio Water System’s District Special Project for the Fiscal Year ending December 31, 2016


Mary Bailey reviewed the rate study recommendations that were part of an 18-month process with the assistance of the Rate Advisory Committee (RAC). The RAC was a citizen’s panel appointed by the Board, and consisted of 17 members representing all the different customer classes. Black & Veatch, a national rate consultant, assisted with the process and insured industry standards were followed in determining changes in how services were charged. The key objectives of the rate study were to ensure changes would be revenue neutral, the allocation of cost was done appropriately, the rate structure continued conservation efforts, and the creation of a Lifeline block. A Lifeline block would allow a life-sustaining amount of water to be provided to customers at a very low price in order for those least economic citizens to be able to afford water and sewer services. It also served as an ability to reward people that were very conservation minded.

She reviewed the recommendations and pointed out that all of the recommendations were unanimously approved by the RAC. The rate structure for residential customers would go from a four block water structure to an eight block structure. This structure included the Lifeline block, which would provide a very low cost for life-sustaining amounts of water. It also would start sending price signals much sooner than the current rate structure. There were not a lot of changes for the General Glass. General Class included commercial, industrial, multifamily as well as municipal customers. As long as the customer did not use more than their last year's average, they would pay the base rate. The rate was going down slightly, but the tiered rate was bumped up to send the price signal when usage exceeded the prior year's usage. The Irrigation Class was where the customers have separate irrigation meters or a portion of the domestic meter was assumed to be irrigation. An additional block...
was proposed for the current three block structure. Block 3 was expanded significantly, and the Block 4 rate would be reserved for basically the top 20 percent of all Irrigation Class users. Previously, 70 percent of all Irrigation Class users were priced at the highest rate. She stated that the seasonal rates were eliminated and a standard rate was established for all of the water rate structure recommendations.

On the wastewater side, the recommendation was to graduate the fixed charge based on the size of the water meter. On the residential side, the volumetric was split into two blocks to support the Lifeline block for customers using less than 3,000 gallons.

On the wholesale side, there were wholesale water agreements as well as sewer agreements. Customers with a wholesale water agreement would move into a take-or-pay contract. As long as usage was at that take-or-pay amount, the water would be very reasonable. If it exceeded that amount, there was an additional tier that basically would price the water at a market rate. The ICL/OCL designation would be eliminated and all wholesale customers were OCL at this point in time. For wastewater, there were about 12 different wholesale customers that maintained the collection system in their area and sent their sewage to SAWS treatment plant. It was also recommended to eliminate the ICL/OCL designation, and to shift to fixed pricing.

Many different community groups meetings were held beginning in July. Staff met with over 40 homeowners associations, 24 civic groups, including all of the Chambers, and the two SAWS citizen advisory panels. City Council was briefed both in individual one-on-one meetings as well as the B Session.

She reviewed the proposed SAWS 2016 Budget. The SAWS Creation Ordinance required that sufficient gross revenues be generated to pay all operations and maintenance (O&M) costs, to fund all of Debt Service and Reserve Fund requirements, to transfer 2.7 percent of gross revenues to the City, and then to transfer anything leftover to the R & R Fund. Effectively, the R & R Fund provided capital funding for the Capital Improvements Program (CIP) and contributed to the debt coverage, which helped maintain a very strong credit rating. She discussed the sources and uses for 2016. Lower operating revenues were projected for 2016 than were budgeted in 2015. This was in recognition of the fact that customers were using less water and sewer services.

The additional revenue requirement represented the revenue that would be generated from the rate request for 2016. O&M was increasing about $3.1 million from the 2015 budget, and virtually all of that could be attributed to the operation of the desalination plant. There was a little bit of O&M needed to monitor the Vista Ridge Project, particularly with the construction of the pipeline. Estimated debt service would be $192.7 million in 2016. The operating budget before capitalization was about $307 million, and about $40 million of costs were capitalized in the CIP Program. Personnel costs accounted for about 45 percent of the budget, and were very difficult to reduce unless there were significant reductions in staff. Other portions, such as purchased water cost, utilities, and EPA fees, were fixed costs as well. These were either government mandates or were contractual requirements with regard to purchasing water.

The CIP Program for 2016 was almost $236 million. By far, the biggest piece of that was the EPA Consent Decree. SAWS expected to spend about $92 million related to those EPA commitments for improving the sewer system infrastructure. Vista Ridge Integration
included improvements in the system to assimilate all the water and get it out to the customers. The $28 million needed for the integration would primarily fund the design as well as some easement acquisitions, and would not be spent until financial close was reached. Phase II of the Service Center Project would be implemented and accounted for approximately $21.7 million. Governmental projects at about $47 million supported the City's Bond Program, other changes with Bexar County infrastructure and TxDOT projects. Chilled Water was almost $5 million to do some infrastructure improvements, including over $1 million to address the appearance of the Chilled Water Plant located next to the brand new Convention Center. Other projects primarily consisted of water infrastructure, main replacement, and some treatment plant improvements.

She reviewed the requested rate adjustment for 2016, which was on average 7.5 percent for the average residential user. The RAC recommended that recycled water rates would be adjusted based on the weighted average of potable water, which was 9.6 percent. The rate drivers for the 7.5 percent included the CIP Program, the desalination project, Vista Ridge monitoring costs, revenue stabilization, and improved debt coverage. A significantly increase was recommended for the Affordability Program to offset the overall impact of the requested adjustments. Even with the 2016 request, SAWS bills would still be lower than the other major cities in Texas.

She reviewed the proposed DSP 2016 Budget, which would not include any rate adjustments. The operating revenues would go up slightly and the operating costs were actually going down slightly in 2016. Staff expected to refund all of the DSP debt in 2016. At that point, the DSP would dissolve and all of the assets, liabilities, revenues, and expenses would transfer to SAWS. A budget amendment would be brought back to combine both the SAWS and the DSP budgets into one. The DSP CIP Program was fairly small at about $11.5 million. A good portion of that was related to the Governmental Program for improvements in the distribution and production facilities.

She presented the rate adjustments for the period from 2016 through 2020. The request for 2016 was 7.5 percent, and a maximum adjustment of 7.9 percent would be requested for 2017. These were meant to fully fund the operation of the desal plant, provide the capital funding for improvements needed to integrate the Vista Ridge water, continue to meet the EPA Consent Decree requirement, and continue to move along that path of improved debt coverage. She reviewed the adjustments to the Water Supply Fee for 2018 through 2020. This would demonstrate that SAWS could pay for the Vista Ridge water in order for Abengoa to successfully issue bonds. By getting Council's approval on these pre-approved future rate adjustments, SAWS would be able to show that it could pay for that water when it was delivered. She reviewed the projected five year rates for the average residential bill.

She discussed the timeline for the Vista Ridge project and the importance of financial close to the viability of the project. The future year rate adjustments needed to be pre-approved in order to demonstrate delivery of that water. While Vista Ridge was a significant investment, there were other rate drivers over the next five years. Vista Ridge would have an impact of just over $10 in the bill over the five-year period.

Along with the rate adjustments, some adjustments were also recommended to certain fees. Fireline Charges had not been adjusted in maybe 10 or 15 years. Sewer Service Charges had not been adjusted since 2003. Both of these services needed to be brought up to the cost to provide those services. This was the same for special services fees that included Industrial
Waste fees and lab testing. For Fats, Oil & Grease fees, those were actually above the cost of service and would be brought down. Two new fees would be implemented, the Irrigation Compliance and the Encroachment/Easement Release fee. The Irrigation Compliance fee would be imposed when an irrigation system had not been inspected and was out of compliance. An Encroachment or Easement Release fee would be assessed to recover the costs related to issuing permits.

She discussed the community outreach for the rate adjustment. Community meetings consisted of public meetings, homeowner association meetings, civic meetings and the SAWS citizen advisory meetings. Individual briefings with Council Members and a B Session were held. She discussed the Public Utilities Office’s conclusions and recommendations to City Council. They concluded that the actual rate adjustment for 2017 should be less than what was projected. They would be responsible for reviewing each final rate adjustment before implementation going forward until 2020. They recommended approval of the rate structure proposal, approval of the 7.5 percent 2016 rate adjustment, and approval of the rate plan for 2017 through 2020. They recommended continued outreach and additional assistance to the affordability customers. They recommended continued focus on customer service business processes, and to make sure technology enhancement were evaluated, particularly related to billing issues. And then, finally to focus on water loss.

Chairman Guerra commented on the cumulative impact of the Vista Ridge Project, and the importance to get City Council approval of the rate action in order to move to financial close. He inquired about the fixed cost of $2,200.00 per acre-foot. Ms. Bailey replied a maximum price of a little over $2,300.00 per acre-foot was factored, but it was not anticipated to be that high. Since City Council was going to pre-approve the rates, it was important to make sure that it was not necessary to go back to Council and ask for more.

Mr. Rowe asked if there was anything that showed what the forecasting was for Dallas, Fort Worth, Houston, and Austin over the next four or five years. Ms. Bailey replied that Fort Worth’s increase in January was reflected on slide 20, and Houston’s charge had an automatic cost of living. She stated that Houston would be asking for even more when they enter into an agreement with the EPA. In terms of the other cities, their forecasts were not known. She reviewed a chart that showed the rate growth of the major cities in Texas since 2005.

Ms. Merritt inquired about the range of the household income for the poverty level. Ms. Bailey stated the federal government set the poverty level, and the City of San Antonio qualified customers for the Affordability Program. If a customer was at 50 percent of poverty, they would get that maximum discount. For a family of four in San Antonio, the poverty scale was about $24,000.00 so 50 percent of poverty would be at about $12,000.00. The discount would keep the average residential bill at four percent of the income level.

Ms. Merritt asked about the amount of time between financial close and water delivery for the Vista Ridge project. Ms. Bailey responded this would allow time to build the 142-mile pipeline and to make some improvements to the system. The construction of the pipeline would not start until they reached financial close and were able to issue bonds in order to provide funding for the construction.

Ms. Merritt asked why only three homeowner associations were selected for outreach. Ms. Bailey replied that SAWS held quadrant meetings at Hardberger Park, Port San Antonio, and one at SAWS building. These three homeowner association had invited us to come speak to
Mr. McGee asked if there was any data that compared San Antonio's operating costs as a percentage of budget to other cities. Ms. Bailey confirmed and stated SAWS had participated in surveys where a lot of information about operating costs was provided and compared to other cities. SAWS actually compared very favorably to most other cities, not just in Texas but around the United States.

Mr. McGee inquired about the balance of excess liquidity and the debt service coverage in regards to the rating agencies. Ms. Bailey replied that in 2017 and 2018, the rate projections would have been higher but for the fact that some liquidity was put in the plan to help fund some of the capital. For example, the goal for the metric days cash on hand was about 300 days. The metric was more than that right now, but would be more in the 300 range in the next few years.

Ms. Jasso asked if there had been an increase in access to the customers for the Affordability Discount Programs. Ms. Bailey confirmed and stated that close to 3,000 customers had been added to the Affordability Program.

Mr. Arrellano asked for a comparison of take-or-pay versus the concept for the Vista Ridge project. Ms. Bailey replied that as long as Vista Ridge could deliver 50,000 acre-feet, then SAWS would have to pay for all of that water, but if they were not able to deliver, then SAWS would only pay for what they were able to deliver. That was really not what has been done with other water projects in the past.

Ruben Barrera commented on the two types of contracts, the take-or-pay and the take-and-pay. The Vista Ridge contract was a take-and-pay contract. Under the take-and-pay contract, you would pay for the product only when the product was delivered to you. Under a take-or-pay contract, you would pay for the product whether you took the product or not. Chairman Guerra thanked Mr. Barrera for the clarification.

27. Public Comment

Alan Montemayor commented on the public meetings held, and some of the doubts and risks he had with the Vista Ridge Project that included the number of leases associated with the project. He expressed his concern for endangered species that may be uncovered as the pipeline was built and the protection of the Edwards Aquifer recharge zone.

Terry Burns stated he represented the Alamo Sierra Club. He commented briefly on Item 21, and stated he supported the engagement of U.S. Geological Survey to study aquifer contamination over the Edwards. He discussed the water management plan, budget proposals, rate structure changes, and rate increases. He expressed his concern that the increase would burden lower income families and the cost of service methodology used by the RAC.

Ellen Berkey commented on George Rice’s report regarding pumping large quantities of water from various aquifers that make up the Carrizo-Wilcox. She discussed the proposed rate restructuring and rate increases by 2020.

David Klar commented on the Vista Ridge project, the financial burden the project would
place on existing and future generations, and the continued sprawl over the recharge and contributing zones. He stated that SAWS needed to opt out of the project and continue to grow in a sustainable, smart-growth way, which focused on in-fill developments and areas off of the recharge zone, promote a livable downtown, continue water supply projects such as desalination and aquifer storage and recovery, and promote conservation.

Chairman Guerra closed the Public Hearing for the 2016 Annual Budget for the San Antonio Water System and the District Special Project.

ITEMS FOR INDIVIDUAL CONSIDERATION

FINANCIAL ITEMS

28. A Resolution recommending and requesting that the San Antonio City Council approve the rate restructuring approved by the Rate Advisory Committee. (DOUG EVANSON – MARY BAILEY)

Ms. Bailey recommended approval of Item 28 requesting the San Antonio City Council approve the rate structure recommendations made by the Rate Advisory Committee related to the Residential Water and Sewer, General Class Water and Sewer, Irrigation Class Rate, and Wholesale Water and Sewer Rate.

Mr. Arrellano made a motion to approve Item 28. Mr. Rowe seconded the motion.

After no further discussion, Item 28 was unanimously approved. Verbal voting.

29. A Resolution approving 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. (DOUG EVANSON – MARY BAILEY)

Ms. Bailey recommended the approval of Item 29 to approve the San Antonio Water System Annual Budget for the fiscal year ending December 31, 2016, and to authorize that the budget be submitted to the City Council for review and consultation.

Mr. McGee made a motion to approve Item 29. Mr. Rowe seconded the motion.

After no further discussion, Item 29 was unanimously approved. Verbal voting.

30. A Resolution approving the annual budget for the District Special Project of 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. (DOUG EVANSON – MARY BAILEY)

Ms. Bailey recommended the approval of Item 30 to approve the District Special Project Annual Budget for the fiscal year ending December 31, 2016, and to authorize that the budget be submitted to the City Council for review and consultation.

Ms. Merritt made a motion to approve Item 30. Mr. Arrellano seconded the motion.

After no further discussion, Item 30 was unanimously approved. Verbal voting.
31. A Resolution recommending and requesting that the San Antonio City Council approve the rate adjustments for 2016, 2017, 2018, 2019 and 2020; approve the establishment of new water rate class for former District Special Project customers after dissolution of the District Special Project; approve adjustments to several Special Services Fees.

(DOUG EVANSON – MARY BAILEY)

Ms. Bailey recommended the approval of Item 31 to approve the adjustments to SAWs rates and fees for 2016, to approve the maximum SAWs rate adjustments for 2017 through 2020, and to approve the establishment of a new SAWs rate class for former DSP customers upon the dissolution of the DSP.

Mr. Arrellano made a motion to approve Item 31. Ms. Merritt seconded the motion.

After no further discussion, Item 31 was unanimously approved. Verbal voting.

CAPITAL IMPROVEMENT CONTRACTS
PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY
Water and Sewer Line Improvements

32. A Resolution awarding a construction contract to SAK Construction, LLC in an amount not to exceed $4,987,778.00 in connection with the Ralph St. 54-Inch Rehab Project and approving construction contingency expenses in an amount not to exceed $125,000.00 for the project work. Total expenditures: $5,112,778.00.

(GENOVELVA GOMEZ – JOE CARRENO)

Kat Price presented Items 32 and 33, the award of two sewer construction contracts. The first item was the Ralph St. 54-Inch Rehab Project and the second item was the 2015 Pipe Bursting Sanitary Sewer Construction Package III. These projects were part of the EPA Consent Decree Early Action Program to be completed by July 2018. The contracts would replace some of the most deteriorated pipes in the system, and would incorporate longer lasting technology through cured-in-place pipe (CIPP) and pipe bursting methods. Some of the benefits was to provide a cost savings over conventional open cut construction method, and would allow the use of existing easements. It would also minimize the impact to the community during construction.

She reviewed the project maps and existing conditions for the Ralph St. 54-inch Rehab Project that was located in south central part of San Antonio and close to IH-35 and Highway 90. A portion of the concrete pipe would be rehabbed through CIPP. She discussed the curing process for the CIPP method and passed around samples of the material for inspection.

Chairman Guerra asked whether the pipe would be replaced or rehabilitated. Ms. Price replied the pipe would remain in place and would be rehabilitated through CIPP to restore the pipe’s structural integrity.

Mr. McGee inquired about the costs difference between replacement and CIPP. Ms. Price replied that the costs for open cut was a little over $1 million per mile. For CIPP on small diameter pipe, it was much less expensive, and for large diameter, it was closer to open cut.
However, it was much less invasive. There was not as much construction debris at the site, and it was faster.

Chairman Guerra asked about how well the rehab held up and for how long. Ms. Price responded that it was like a new pipe so about sixty years. Mr. Rowe asked if the material had the same life expectancy as the material it was replacing. Ms. Price confirmed.

Ms. Price reviewed the bid results for Item 32. There were two bidders, SAK Construction and IPR South Central. This was very specialized work because it was such a large diameter pipe. The lowest bidder was SAK Construction with a bid of $4.9 million. The design engineer was GGI, and the bid amount represented a 7.72 increase from the engineer's estimated construction cost. The total SMWB participation was 10.72. Their references were reviewed, and staff was comfortable moving forward with SAK Construction.

Chairman Guerra asked if the company used local people as subcontractors. Ms. Robles responded that two of the subcontractors were local and two were not local. As far as local dollars spend, it was just a little over $1 million and that each subcontractor took or about 20 percent.

Ms. Price reviewed Item 33, the 2015 Pipe Bursting Sanitary Sewer Construction Package III. This contract included smaller projects at various locations that were grouped as one single construction package and issued as work orders for each site. The pipes to be replaced range from 8-inch to 24-inch, and this type of construction was pipe burst. She reviewed a map of the various locations of the projects. There were a total of 24 projects that were designed in-house by SAWS engineers and by consultants. She discussed the pipe burst method to be used for the contract.

Mr. McGee commented on the use of horizontal drilling, essentially fracking the sewage pipelines to replace them. He stated this was an amazing example of SAWS using technology to lower costs and to improve our system.

Mr. Rowe inquired about the cost for the pipe burst method. Ms. Price responded that this method was a little bit less than CIPP. Lately, higher bids were received because there was a lot of competition, but there. Houston and Corpus Christi were doing a lot of work. The costs was anywhere around $800,000.00 to $900,000.00 per mile.

Ms. Price reviewed the bid results for Item 33. There were three bidders, and T Construction was the lowest bidder. SAWS had done work with T Construction in the past, and their bid was $5.1 million. The design engineer was SAWS staff, and the bid amount represented a 7.3 percent increase from the engineer's estimated construction cost. The total SMWB participation was 96 percent. SAWS engineering would inspect the work.

Staff recommended the award of a construction contract for Item 32, the Ralph St. 54-inch Rehab Project, to SAK Construction for $4.9 million, and approval of contingency funds in the amount of $125,000.00.

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

After no further discussion, Item 32 was unanimously approved. Verbal voting.
33. A Resolution awarding a construction contract to T Construction, LLC in an amount not to exceed $5,142,628.50 in connection with the 2015 Pipe Bursting Sanitary Sewer Construction Package III. Total expenditures: $5,142,628.50.

(GENOVEVA GOMEZ – JOE CARRENO)

Ms. Price recommended the award of a construction contract for Item 33, the 2015 Pipe Bursting Sanitary Sewer Construction Package III, to T Construction in the amount of $5.1 million.

Mr. Rowe made a motion to approve Item 33. Mr. Arrellano seconded the motion.

After no further discussion, Item 33 was unanimously approved. Verbal voting.

34. Resolution awarding a construction contract to Spiess Construction Co. in an amount not to exceed $7,390,601.87 in connection with the Cibolo Creek Sewer Shed Flow Diversion Project and approving construction contingency expenses in an amount not to exceed $147,800.00 for the project work; authorizing additional expenditures in an amount not to exceed $69,735.00 to Kimley-Horn and Associates, Inc., for construction phase services in connection with the project work; Total expenditures: $7,608,136.87.

(GENOVEVA GOMEZ – ASHOK KAJI)

Ismael Rosales presented Item 34, the award of a construction contract for the Cibolo Creek Sewer Shed Flow Diversion Project. He gave background information regarding the Cibolo Creek Municipal Authority (CCMA) and their relationship with SAWS. CCMA provided SAWS with wastewater service to the northeast part of San Antonio because it was more cost effective to pay CCMA than to construct SAWS facilities. The CCMA rates were increasing so it was more economical to divert flows to the SAWS collection system. The sewer service agreement with CCMA would be terminated once the new SAWS facilities were constructed.

He reviewed the projected O&M and debt service costs associated with the continued treatment by CCMA and compared the projected costs to convert to SAWS diversion and treatment. A cost benefit analysis was done that with the capital investment and 14 percent of overhead, the theoretical payback was 13 years.

He reviewed maps of the project location in the northeast part of San Antonio, and discussed the project components. The project consisted of two lift stations, security island, SCADA control, electrical, and also 16,900 linear of gravity and force main. Kimley-Horn and Associates was the design consultant for this project. The Competitive Sealed Proposal method was utilized to select the contractor using the criteria of background, experience, past performance, project approach and team experience, price, and SMWB participation. Four proposals were received. Spiess Construction Company was the best value score with a 90.83 score and low price of $7,390,601.87. Their price was 10.6 percent lower than the engineer's estimate, and construction would take 390 days. SAWS engineering would inspect the work, and Kimley-Horn would provide assistance in the programming for instrumentation and controls, submittal reviews, construction coordination, and start-up testing. Kimley-Horn proposed to provide these services for $69,735.00.

Staff recommended the award of a construction contract to Spiess Construction Company in the amount of $7,390,601.87, the approval of construction contingency funds of
Mr. Arrellano made a motion to approve Item 34. Mr. Rowe seconded the motion.

Mr. Rowe inquired about how the rise in treatment costs for CCMA was determined. Ms. Bailey responded that CCMA had provided their expected their rates over the next few years, and thereafter a two-and-a-half percent increase was assumed. CCMA was doing an expansion in their treatment plant that contributed to the significant rate increases.

Ms. Jasso asked if SAWS had used this company before. Mr. Rosales confirmed and stated they received good references from internal staff as well.

Mr. Arrellano inquired about the different between the Competitive Sealed Proposal method and the low responsible bid method. Ms. Price replied that the previous two projects were selected based on low bid, not qualifications. Typically, those types of contracts were not specialized and would normally go low bid. Ashok Kaji commented that essentially for complex projects the Competitive Sealed Proposal method was used because qualifications were more important. A pipeline project was typically a low bid contract.

Chairman Guerra commented that on simpler projects that did not require as much, low bid was used. Mr. Kaji confirmed.

Mr. Arrellano commented that he would like to see SAWS move toward the Competitive Sealed Proposal method whether it was large or small. He stated the matrix would show how a company was selected. Philip Campos replied that staff could provide this detail for the Competitive Sealed Proposal method. For the Invitation For Bids, which were generically called low bids, the bidders' qualifications and experience in similar type projects was not verified and a matrix was not put together. Mr. Arrellano stated he would like to see a matrix on all projects.

Mr. McGee asked if an incentive was provided in these contracts to be on time and below budget. Mr. Campos responded that there was not an incentive on the back end. There were liquidated damages if they surpassed the completion date on the contract. Mr. Kaji stated there was a schedule incentive in the Brackish Desalination project if the contractor completed earlier. The total incentive for the Brackish Program was $1 million between the contractor and the program manager. So, this had been done on very big programs.

Chairman Guerra commented on the use of contingency funds. He asked for a report on how contingency funds have been used on past projects. Ms. Bailey confirmed.

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

35. A Resolution awarding a construction contract to Qro Mex Construction, Inc. in an amount not to exceed $5,503,156.25 in connection with the Port San Antonio and Lackland Air Force Base Water Main Improvements Project and approving construction contingency expenses in an amount not to exceed $275,000.00 for the project work. Total expenditures: $5,778,156.25.

(GENOVEVA GOMEZ – ASHOK KAJI)
Jim Pedraza presented Item 35, the award of a construction contract for the Port San Antonio and Lackland Air Force Base Water Main Improvements Project. He reviewed an aerial map of the project location and discussed the project background. When Kelley Air Force Base was closed in 2002, SAWS received the operating and maintenance for the water and sewer infrastructure, which was basically an inadequate and unreliable system. There was also a lack of redundancy in the system, and it was subject to cutbacks for EAA pumping. The existing water distribution system did not comply with current City fire codes and was in need of upgrades and/or replacement. Portions of this infrastructure were over 80 years old.

The project consisted of approximately 15,000 linear feet of 6-inch to 16-inch water mains on both Port San Antonio and Lackland. The connections to the distribution system surrounding Port San Antonio and Lackland would be improved, and a pressure reducing valve and SCADA automation would be added. SAWS engineering would do the project inspections. The project included improvements for Security Hill, which provided service to the Air Force Base Command Cyber Security and Intelligence Services. The objective of Joint Base San Antonio was to provide security and an abundance of water future for these bases. Upon completion, the old substandard water tanks would be eliminated on both the Port San Antonio and Lackland sites.

He reviewed the tabulation of bids. Eight bids were received. Qro Mex Construction, Inc. provided a bid of $5,503,156.25. The engineer's estimate was $6,800,000.00, and the design engineer was LNV, Inc. Staff recommended an award of a construction contract to Qro Mex Construction, Inc. in the amount of $5,503,156.25 and the approval of $275,000.00 for construction contingencies.

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

Mr. Rowe inquired about the life expectancy for the infrastructure that was not included as part of the project. Mr. Kaji replied that Port San Antonio had an internal master plan to relocate infrastructure and build new structures. This project included the pipelines that were essential for the fire pump for Port San Antonio and Lackland. Mr. Rowe stated he was trying to see what kind of risk would be coming forward of additional costs for the fire lines on these two bases. Mr. Kaji responded that this would be it.

Ms. Merritt inquired about the deadline for the project and whether there were any penalties if the deadline was not reached. Mr. Kaji stated there was not an official deadline.

Mr. McGee asked if the project was part of the overall Joint Base San Antonio projects discussed at the last board meeting. Mr. Pedraza confirmed.

After no further discussion, Item 35 was unanimously approved. Verbal voting. Mayor Taylor had left the meeting and was absent from the vote.

37. Inquiries of the Board of Trustees for future briefings and/or follow-up action.

Mr. Arrellano requested follow-up to include the matrix on future presentations for construction contracts.

Mr. Puente commented that staff would have more information regarding contingency fees...
in response to the Chairman’s request.

Mr. McGee asked that staff do more peer group analysis from an operating standpoint in the future.

38. **Adjournment.** THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF OCTOBER 27, 2015, IS HEREBY ADJOINED.

The San Antonio Water System Board of Trustees Meeting of October 27, 2015, adjourned at 11:40 a.m.

_________________________________
Berto Guerra, Jr., Chairman

**ATTEST:**

_______________________________
Patricia E. Merritt, Secretary
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

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

<table>
<thead>
<tr>
<th>Description</th>
<th>This Board Meeting</th>
<th>Year-to-Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>A. Award of New One Time Purchases of Materials, Equipment or Services</td>
<td>Number of Contracts (SMWB)</td>
<td>Estimated Amount (SMWB)</td>
</tr>
<tr>
<td>(December 2014)</td>
<td>1</td>
<td>122,744.42</td>
</tr>
<tr>
<td>B. Award of New and Renewal of Annual Goods &amp; Services Requirements Contracts and Maintenance Agreements (December 2014)</td>
<td>12</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>13</td>
<td>6</td>
</tr>
<tr>
<td>SMWB Purchasing Contracts (percentage)</td>
<td>46.15%</td>
<td>50.43%</td>
</tr>
</tbody>
</table>

Approved:  
Robert R. Puente  
President/Chief Executive Officer

Reviewed:  
Marisol V. 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 5th day of January, 2016

______________________________
Berto Guerra, Jr., Chairman

**ATTEST:**

______________________________
Patricia E. Merritt, 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.

<table>
<thead>
<tr>
<th>VENDOR</th>
<th>DESCRIPTION</th>
<th>ITEM NO(s.)</th>
<th>ESTIMATED TOTAL PURCHASES</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>JC Communications</td>
<td>Fiber Optic Cable Installation Between Medio Creek to West Side Operation Center Bid No. 15-15125</td>
<td>All</td>
<td>$122,744.42</td>
<td>This is a new contract. This contract will be utilized to provide for the turnkey installation of approximately 6,000 LF of fiber optic cable between Medio Creek to the West Side Operation Center (WSOC) to connect the WSOC to the existing tower providing for improved network connectivity.</td>
</tr>
</tbody>
</table>

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

Board Date: January 5, 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.

<table>
<thead>
<tr>
<th>VENDOR</th>
<th>DESCRIPTION</th>
<th>ITEM NO(s.)</th>
<th>TOTAL PURCHASES</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Avante Solutions, Inc. (SBE)</td>
<td>Best Value Bid for the Purchase of Service Desk Software and Software Maintenance Bid No. 15-15083</td>
<td>All</td>
<td>$144,300.00</td>
<td>This is a new contract. This contract will be utilized for the purchase of Service Desk software to provide workflow management for several areas of the Information Services Department with a primary focus on Help Desk and Client Services operations. This contract will be effective Date of Award (January 5, 2016) through January 4, 2018. 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.</td>
</tr>
<tr>
<td>2. DXI Industries, Inc.</td>
<td>Annual Contract for Liquid Chlorine Bid No. 15-0338</td>
<td>All</td>
<td>$1,291,960.00</td>
<td>This is a new contract. This contract will be utilized to furnish and deliver liquid chlorine (99.5% pure by volume) for use in the treatment of potable water and wastewater for the System. This contract will be effective Date of Award (January 5, 2016) through December 31, 2016. If determined that an extension is favorable to 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.</td>
</tr>
<tr>
<td>3. HD Supply Waterworks, Ltd.</td>
<td>Annual Contract for Fire Hydrant Repair Parts Bid No. 15-0012</td>
<td>Groups 1,2,4,5,6 &amp; 7</td>
<td>$107,930.02</td>
<td>This is a new contract. This contract will be utilized for the purchase of various manufacturer fire hydrant repair parts on an as needed basis. This contract will be effective Date of Award (January 5, 2016) through December 31, 2016. If determined that an extension is favorable to 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.</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>ITEM</th>
<th>NO(s).</th>
<th>DESCRIPTION</th>
<th>VENDOR</th>
<th>TOTAL PURCHASES</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.</td>
<td>3 &amp; 8</td>
<td>Annual Contract for Fire Hydrant Repair Parts</td>
<td>Fortiline Waterworks (SBE)</td>
<td>$55,678.98</td>
</tr>
<tr>
<td>5.</td>
<td>All</td>
<td>Annual Contract for Truck Body and Trailer Parts and Service</td>
<td>Southwest Wheel</td>
<td>$79,318.68</td>
</tr>
<tr>
<td>6.</td>
<td>All</td>
<td>Annual Contract for Janitorial Supplies Disinfectants and Cleaners</td>
<td>Gulf Coast Paper Co. (SBE)</td>
<td>$137,156.25</td>
</tr>
</tbody>
</table>

**Remarks**

This is a renewal of an existing contract. This contract will be utilized by SAWS for the purchase of trailer parts and service. Base bid, first and second extension total $79,318.68. Southwest Wheel has performed well during the contract period and System has determined pricing to be favorable. This contract will be effective Date of Award (January 5, 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 one (1) additional one-year options to extend as provided for, and approved in future year's budgets.

**DIRECTOR Comments:**

This contract is for the purchase of truck body and trailer parts and services. The contract allows for 12 different manufacturer pricing catalogs to cover the various accessory or hardware type items needed for System equipment. Previously there was one other vendor that competed for this contract, however, has since gone out of business. The annual usage on this contract averages about $27,000. Recommend approval.

This is a new contract. This contract will be utilized for the purchase of janitorial supplies, cleaners and disinfectants to be used in providing janitorial services to SAWS facilities. This contract will be effective Date of Award (January 5, 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.

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</thead>
<tbody>
<tr>
<td>All</td>
<td>Biennial Contract for Traffic Control Devices Rental Bid No. 15-0214</td>
<td>$1,087,160.00</td>
<td>This is a new contract. This contract will be utilized for the Rental of Traffic Control Devices, Street and Road Closure. This contract will be effective Date of Award (January 5, 2016) through December 31, 2017. 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.</td>
</tr>
<tr>
<td>All</td>
<td>Paris Enterprise License Upgrade and Annual Maintenance Bid No. 15-15113</td>
<td>$66,000.00</td>
<td>This is a sole source. This is a new contract and an upgrade to an existing software. XLPrint has been the sole source maintenance provider for the SAWS software that manages the bill design, the spooling of the data to the printers as well as the Bill-PDF generation. XLPrint is the sole manufacturer as well as the only supporter of the software mentioned, which makes the EDO as well as the Paris software only serviceable by XLPrint. This contract will be effective Date of Award (January 5, 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 five (5) additional one year options to extend as provided for, and approved in future year's budgets.</td>
</tr>
</tbody>
</table>

DIRECTOR Comments:

System currently uses XL Print Paris Software for bill printing. This item is for the Paris Enterprise Document Server version which will include one (1) Production license, one (1) Test license, and one (1) Disaster Recovery license and it also includes up to three (3) Paris Enterprise Designer licenses. This purchase of the Paris Enterprise Document Server version and Annual Maintenance will eliminate the need for licenses for each person, as well as, provide for the additional Test and Disaster Recovery licenses as needed. Recommend approval.

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<table>
<thead>
<tr>
<th>B. VENDOR</th>
<th>DESCRIPTION</th>
<th>ITEM NO(s.)</th>
<th>TOTAL PURCHASES</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>9. Alterman Technologies</td>
<td>Request for Proposal for the Purchase and Installation of a Security Management System with Three Years of Warranty and Maintenance</td>
<td>All</td>
<td>$249,709.00</td>
<td>This is a new contract. This contract will be utilized for the purchase and installation of a Security Video Management System with three years of warranty and maintenance. This contract will be effective January 6, 2016 and the initial contract period shall include three years of warranty, Maintenance and Support to begin upon installation and acceptance of Video Management System. 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 purchase Maintenance and Support as provided for and approved in future year's budgets.</td>
</tr>
<tr>
<td>10. Marshall Distributing, Co., Inc.</td>
<td>Annual Contract for Fuel Services for Off-Road Equipment</td>
<td>All</td>
<td>$104,020.00</td>
<td>This is a new contract. This contract will be utilized for vendor to provide refueling service to off-road equipment for routine fill ups, as well as, during emergency by-pass operations within Bexar and surrounding counties with SAWS facilities. This service is necessary to provide fueling service for remote stationed equipment, and small tanks supporting generators specifically utilized by SAWS. This contract will be effective Date of Award (January 5, 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.</td>
</tr>
<tr>
<td>11. Lancer Sales USA, Inc.</td>
<td>Annual Contract for One Laboratory Glassware Washer - Cabinet Sized and Three Under The Counter Laboratory Glassware Washers</td>
<td>All</td>
<td>$95,451.00</td>
<td>This is a new contract. This contract will be utilized to provide one cabinet style Laboratory Glassware Washer, three under Cabinet Laboratory Glassware Washers, and associated accessories in support of lab operations at Dos Rios. This contract will be effective Date of Award (January 5, 2016) through January 4, 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 year's budgets.</td>
</tr>
</tbody>
</table>

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Board Date: January 5, 2016
<table>
<thead>
<tr>
<th>VENDOR</th>
<th>DESCRIPTION</th>
<th>ITEM NO(s.)</th>
<th>TOTAL PURCHASES</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>12. Jarco Transport, LLC (MBE)</td>
<td>Annual Contract for the Supply of Backfill &amp; Landscaping Materials Topsoil Only Bid No. 15-14070</td>
<td>All</td>
<td>$596,575.00</td>
<td>This is a new contract. This contract will be utilized to provide for the supply of topsoil only for pipe bedding and backfill on in-house repairs performed by Distribution &amp; Collection Operations. The topsoil shall be composed of 3 parts of soil mixed with 1 part compost (75%:25% blend by volume). This contract will be effective Date of Award (January 5, 2015) through January 4, 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 year’s budgets.</td>
</tr>
</tbody>
</table>

$4,015,258.93

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

Board Date: January 5, 2016
DESCRIPTION AND A PPROX IMATE QUANTITY

ITEM NO

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ACI
Acicab ling
ACM Hub
Acuu-Tech
Artcomtx
B Com Constructors , LLC
Bcom Constructors, Inc .
Capital Electric
Cd i-tech
Coll ier Serv ices, LLC

BID INVITATIONS MA ILED TO AND/OR PICKED UP BY:

*LOW BIDDER

De livery Days

Terms

TOTAL

Manu facturer

Lump S um
WSOC Fiber Opt ic Cab le Installat ion

3:00 p .m. , November 13, 2015

Fiber Optic Cable Installation Between Media Creek to West Side
Operation Center

P. 0 . BOX 2449
SAN ANTONIO , TEXAS 78298-2449
TABULATION OF BIDS

SAN ANTONIO WATER SYSTEM

DATE

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BEST VALUE BID
FOR
THE PURCHASE OF SERVICE DESK SOFTWARE AND SOFTWARE MAINTENANCE

SAWS Bid # 15-15083

SUPPLEMENTARY COMMENTS:

Staff recommends that the contract be awarded to Avante Solutions Inc., a 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.

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Pricing</td>
<td>40</td>
</tr>
<tr>
<td>b. Software Requirements</td>
<td>30</td>
</tr>
<tr>
<td>c. Small, Minority and Woman Business Program Compliance</td>
<td>15</td>
</tr>
<tr>
<td>d. References/Similar Prior Experience</td>
<td>10</td>
</tr>
<tr>
<td>e. Financial/Operational Stability</td>
<td>5</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>100</td>
</tr>
</tbody>
</table>

SAWS received bids from the following companies:

1 of 3

Revision 6/12/12
<table>
<thead>
<tr>
<th>No</th>
<th>Bidders Name</th>
<th>Bid Amount</th>
<th>Best Value Score</th>
<th>Local/SMWB</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Avante Solutions Inc.</strong></td>
<td>$144,300.00</td>
<td></td>
<td>Non-Local/SBE</td>
</tr>
<tr>
<td></td>
<td>Extension 1</td>
<td>$15,000.00</td>
<td>388.25</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Extension 2</td>
<td>$15,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Extension 3</td>
<td>$15,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>MNCL Inc.</td>
<td>$196,500.00</td>
<td>287.90</td>
<td>Non-Local/Non SMWB</td>
</tr>
<tr>
<td>3</td>
<td>Enrique Barrera Enterprises LLC.</td>
<td>$104,065.00</td>
<td>333</td>
<td>Non-Local/MBE Hispanic</td>
</tr>
<tr>
<td>4</td>
<td>Loop 1 Systems</td>
<td>132,200.00</td>
<td>282.45</td>
<td>Non-Local/SBE</td>
</tr>
</tbody>
</table>

* *Bidder offering the best value.*
Additionally, the overall SMWB analysis is shown in the following table:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>BEST VALUE BID</strong></td>
<td><strong>FOR THE PURCHASE OF SERVICE DESK</strong></td>
</tr>
<tr>
<td></td>
<td><strong>SOFTWARE AND SOFTWARE MAINTENANCE</strong></td>
</tr>
<tr>
<td><strong>AVANTE SOLUTIONS INC.</strong></td>
<td></td>
</tr>
</tbody>
</table>

### SMWB ANALYSIS – BOARD AWARD

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
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</thead>
<tbody>
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<td>SBE</td>
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<tr>
<td>MBE - African American</td>
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</tr>
<tr>
<td>MBE - Asian</td>
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<tr>
<td>MBE - Hispanic</td>
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<tr>
<td>MBE - Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE - Minority</td>
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<tr>
<td>WBE - Non-Minority</td>
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<tr>
<td>SMWB Total</td>
<td>100.00%</td>
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</tbody>
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### PERIOD OF AWARD

Contract period begins January 5, 2016 and terminates on January 4, 2018. 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 Avante Solutions Inc. will provide services at the best value to SAWS.
SAN ANTONIO WATER SYSTEM  
P. O. BOX 2449  
SAN ANTONIO, TEXAS 78298-2449  
TABULATION OF BIDS  

Biennial Contract for Liquid Chlorine for SAWS  
(January 1, 2016 through December 31, 2016)  

3:00 p.m., November 20, 2015  

<table>
<thead>
<tr>
<th>Item No.</th>
<th>Description and Approximate Quantity</th>
<th>Price</th>
<th>Bid Invitations Were Mailed to and/or Picked Up by:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
<td>Qty 2000 150 LB Cylinder (actual net weight of the liquid contents in containers of 150 lb. each) (Lawson no. 33541)</td>
<td>Cylinder: 177,960.00</td>
<td>NO BID</td>
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<tr>
<td></td>
<td>Qty 2000 2000 LB Container (actual net weight of the liquid contents in containers of 2,000 lbs. each) (Lawson no. 93489)</td>
<td>Container: 1,114,000.00</td>
<td>675.00</td>
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<td>Item 2</td>
<td>TOTAL AWARD ORIGINAL</td>
<td>TOTAL: 1,291,960.00</td>
<td>1,350,000.00</td>
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**EXTENSION 1**  
1,291,960.00  

**EXTENSION 2**  
1,291,960.00  

**EXTENSION 3**  
1,291,960.00  

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<th>Terms</th>
<th>Delivery Days</th>
<th>Net 30 days</th>
<th>Net 30 days</th>
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<td></td>
<td>3-5 days</td>
<td>3-5 days</td>
</tr>
</tbody>
</table>

*LOW BIDDER

BID INVITATIONS WERE MAILED TO AND/OR PICKED UP BY:

Air Products  
Altivia  
3 D Weld  
DXI  
Matheus Gas  
Mission Gas  
Natwel  
Praxair  
Precision Oxygen  
TECHYS DBA Product Sol
# SAN ANTONIO WATER SYSTEM
## P. O. BOX 2449
## SAN ANTONIO, TEXAS 78298-2449

### TABULATION OF BIDS

**PROPOSAL**
Annual Contract for
**FOR**
Fire Hydrant Repair Parts

**TIME & DATE**
(Date of Award through September 30, 2013)
3:00 p.m., October 26, 2015

**ITEM NO.**
DESCRIPTION AND APPROXIMATE QUANTITY

<table>
<thead>
<tr>
<th>GROUP 1 - American Darling Fire Hydrant Parts</th>
<th>UNIT PRICE</th>
<th>TOTAL PRICE</th>
<th>FORLINE WATERWORKS, SAN ANTONIO, TX 78219</th>
<th>FORLINE WATERWORKS, 301 N. Dakota Ave, San Antonio, TX 78219</th>
<th>CORA WATER PRODUCTS, 20208 FM 1960 Road, North Richland Hills, TX 76180</th>
<th>MOSTECKER SUPPLY, LLC, 4527 Easton Ave, Helotes, TX 78023</th>
<th>FIERGUE WATERWORKS, 4227 Fredericksburg Rd, San Antonio, TX 78209</th>
</tr>
</thead>
<tbody>
<tr>
<td>10 ea.</td>
<td>UNIT PRICE</td>
<td>TOTAL PRICE</td>
<td>NO BID</td>
<td>NO BID</td>
<td>NO BID</td>
<td>INCOMPLETE</td>
<td>INCOMPLETE</td>
</tr>
<tr>
<td>1. Coupling, breakable rod, material gray iron, used for 5 1/4&quot;</td>
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<td>32.81</td>
<td>NO BID</td>
<td>NO BID</td>
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<tr>
<td>Brand B62B, Part #54-62-29-30, SAWS #11084</td>
<td>31.18</td>
<td>31.18</td>
<td>248.00</td>
<td>343.30</td>
<td>248.00</td>
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<td>248.00</td>
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<tr>
<td>5 ea.</td>
<td>UNIT PRICE</td>
<td>TOTAL PRICE</td>
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<td>NO BID</td>
<td>NO BID</td>
<td>INCOMPLETE</td>
<td>INCOMPLETE</td>
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<tr>
<td>2. Coupling, cotter pins, size 8&quot; x 15&quot;, Range A 8.50-9.37, material stainless steel used for 5 1/4&quot; &amp; 6&quot;, 2 each set Brand B62B, Part #54-62-29-31, SAWS #11008</td>
<td>12.21</td>
<td>12.21</td>
<td>NO BID</td>
<td>NO BID</td>
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<td>3. Flange, breakable, material cast iron, used for 5 1/4&quot;, brand B-84-B, Part #84-29-15, SAWS #12368</td>
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<td>16.40</td>
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<td>68.55</td>
<td>63.80</td>
<td>68.55</td>
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<td>NO BID</td>
<td>NO BID</td>
<td>INCOMPLETE</td>
<td>INCOMPLETE</td>
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<tr>
<td>Gasket, barrel, material composition rubber, used for 5 1/4&quot;, Model B62B, Part #54-62-38-1, SAWS #12670</td>
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<td>INCOMPLETE</td>
<td>INCOMPLETE</td>
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<tr>
<td>4. Kit, breakaway 1985 and old, used for 5-1/4&quot; includes 8 bolts, Model B62B, SAWS #13302</td>
<td>96.09</td>
<td>96.09</td>
<td>108.00</td>
<td>100.52</td>
<td>108.00</td>
<td>100.52</td>
<td>108.00</td>
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<tr>
<td>6. Kit, extension, size 12&quot;, used for 5 1/4&quot;, Model B62B, SAWS #13325</td>
<td>205.93</td>
<td>205.93</td>
<td>231.46</td>
<td>215.43</td>
<td>231.46</td>
<td>215.43</td>
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<tr>
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<td>NO BID</td>
<td>NO BID</td>
<td>INCOMPLETE</td>
<td>INCOMPLETE</td>
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<td>7. Kit, extension, size 12&quot;, used for 5 1/4&quot;, Model B84B-250, SAWS #13317</td>
<td>178.91</td>
<td>178.91</td>
<td>201.10</td>
<td>187.17</td>
<td>201.10</td>
<td>187.17</td>
<td>201.10</td>
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<tr>
<td>10. Kit, extension, size 6&quot;, used for 5 1/4&quot;, Model B84B-250, SAWS #13328</td>
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<td>153.65</td>
<td>172.70</td>
<td>160.74</td>
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<td>172.70</td>
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<tr>
<td>9. Kit, fire hydrant, traffic, used for 5 1/4&quot;, includes 8 bolts, Model B84B-250, SAWS #13339</td>
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<td>87.10</td>
<td>97.90</td>
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<td>97.90</td>
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<td>NO BID</td>
<td>NO BID</td>
<td>INCOMPLETE</td>
<td>INCOMPLETE</td>
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<tr>
<td>10. Kit, traffic repair quick fix, used for 5 1/4&quot;, includes flange, Model B62B, Part #85204-KIT, SAWS #13586</td>
<td>327.32</td>
<td>327.32</td>
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<td>342.41</td>
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<td>NO BID</td>
<td>NO BID</td>
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<td>INCOMPLETE</td>
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<tr>
<td>11. Overbud kit, fire hydrant, used for fire hydrant repair, Model B-84-B, MFG Part #03KIT 1 051, SAWS #13332</td>
<td>155.45</td>
<td>155.45</td>
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<td>175.22</td>
<td>162.63</td>
<td>175.22</td>
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<tr>
<td>12. Overbud kit, fire hydrant, size 5 1/4&quot;, Model B-62-B N.S., Mfg Part #03KIT 1 050, SAWS #13331</td>
<td>1,356.50</td>
<td>1,356.50</td>
<td>1,540.40</td>
<td>1,667.40</td>
<td>1,540.40</td>
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<tr>
<td>13. Overbud kit, fire hydrant, size 5 1/4&quot;, Model B-62-B O.S., Mfg Part #03KIT 1 050, SAWS #13330</td>
<td>1,660.00</td>
<td>1,660.00</td>
<td>1,865.75</td>
<td>1,735.75</td>
<td>1,865.75</td>
<td>1,735.75</td>
<td>1,865.75</td>
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<tr>
<td>14. Overbud kit, free hydrant, size 5 1/4&quot;, Model B-84-B, Mfg. Part #03KIT 1 051, SAWS #13333</td>
<td>996.00</td>
<td>996.00</td>
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<td>1,042.05</td>
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<td>1,119.45</td>
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<tr>
<td>16. O-Ring nozzle, used for 5 1/4&quot;, Model B48B, Part #84-20-4, SAWS #14149</td>
<td>2.98</td>
<td>2.98</td>
<td>4.22</td>
<td>3.11</td>
<td>4.22</td>
<td>3.11</td>
<td>4.22</td>
</tr>
<tr>
<td>17. Seat, hydrant seat, material bronze, used for 5 1/4&quot;, Model B-84-B, Part #84-35-02, SAWS #15780</td>
<td>454.65</td>
<td>454.65</td>
<td>476.18</td>
<td>475.61</td>
<td>476.18</td>
<td>475.61</td>
<td>476.18</td>
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<tr>
<td>18. Seat, hydrant, material bronze, used for 5 1/4&quot;, Model B62B, Part #62-35-OR, SAWS #15875</td>
<td>6,901.80</td>
<td>6,901.80</td>
<td>7,228.65</td>
<td>7,219.95</td>
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<td>TOTAL</td>
<td>ORDER/Price</td>
<td>UNIT PRICE</td>
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<tr>
<td>19.</td>
<td>Seat, hydrant, material bronze B763 Alloy844, used for 6&quot;, Model B84B, Part #60-84-35-02, SAWS #15874</td>
<td>USD 105</td>
<td>1,560.15</td>
<td>N/A</td>
<td>USD 105</td>
<td>492.15</td>
<td>N/A</td>
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<td>20.</td>
<td>Valve, hydrant, material rubber, used for 5 1/4&quot;, Model B62B, Part #54-62-41, SAWS #17188</td>
<td>USD 54.44</td>
<td>460.20</td>
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<td>USD 54.44</td>
<td>484.30</td>
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<td>21.</td>
<td>Valve, hydrant, material rubber, used for 6&quot;, Model B84B, Part #60-84-41, SAWS #17189</td>
<td>USD 54.44</td>
<td>72.99</td>
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<td>USD 54.44</td>
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<td>22.</td>
<td>Valve, main, used for 5 1/4&quot;, Model B56637, SAWS #17196</td>
<td>USD 105</td>
<td>85.15</td>
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<td>USD 105</td>
<td>48.43</td>
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<tr>
<td>23.</td>
<td>Washer, thrust, material nylatron, used for 5 1/4&quot;, Model B62B, Part #54-62-4-4, SAWS #17431</td>
<td>USD 105</td>
<td>7.30</td>
<td>N/A</td>
<td>USD 105</td>
<td>8.60</td>
<td>N/A</td>
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</table>

**TOTAL GROUP 1**

GROUP 2 - Claw Fire Hydrant Parts

10 ea.

1. Coupling, safety stem, material steel tubing used for 5 1/4", brand Medallion, Part #M-20/M-30-10-26, SAWS #11190 | USD 35.12 | 35.12 | N/A | USD 35.12 | 120.40 | N/A | USD 35.12 | 351.20 | N/A | INCOMPLETE |

5 set

2. Flange, safety, material ductile iron, used for 5 1/4", Brand Medallion, Part #M-46-1-1-60-0808, SAWS #12397 | USD 42.15 | 42.15 | N/A | USD 42.15 | 187.45 | N/A | USD 42.15 | 210.75 | N/A | INCOMPLETE |

50 ea.

3. Kit, breakaway, size 5 1/4", used for breakflange repair, Model F2500, Part #R1620545, SAWS #13303 | USD 114.00 | 114.00 | N/A | USD 114.00 | 5,580.00 | N/A | USD 114.00 | 5,700.00 | N/A | INCOMPLETE |

50 ea.

4. Kit, extension, size 12", used for 5 1/4", Model Medallion, Part #R1620665, SAWS #13324 | USD 222.74 | 222.74 | N/A | USD 222.74 | 11,087.00 | N/A | USD 222.74 | 111,670.00 | N/A | INCOMPLETE |

6. Kit, safety flange, used for 5 1/4", Model Medallion, Part #R162065, SAWS #13366 | USD 105 | 98.61 | N/A | USD 98.61 | 89.43 | N/A | USD 98.61 | 737.15 | N/A | INCOMPLETE |

7. Nut, operating, material bronze, used for 5 1/4", Model Medallion, Part #M-3, SAWS #14287 | USD 71.80 | 71.80 | N/A | USD 71.80 | 542.80 | N/A | USD 71.80 | 4,901.60 | N/A | INCOMPLETE |

100 ea.

8. Overhaul kit, fire hydrant, size 5 1/4", Model Medallion, Part #60-84-01, SAWS #13334 | USD 9.25 | 9.25 | N/A | USD 9.25 | 92.50 | N/A | USD 9.25 | 924.50 | N/A | INCOMPLETE |

5 ea.

9. Pin, safety coupling, material stainless steel, used for 5 1/4", Model Medallion, Part #M-11/T0400891, SAWS #14678 | USD 8.35 | 8.35 | N/A | USD 8.35 | 41.75 | N/A | USD 8.35 | 41.75 | N/A | INCOMPLETE |

5 ea.

10. O-Ring, operating nut, used for 5 1/4", Model Medallion, Part #R16-1-7-240-0815, SAWS #14473 | USD 105 | 2.80 | N/A | USD 2.80 | 14.00 | N/A | USD 2.80 | 14.00 | N/A | INCOMPLETE |

11. O-Ring, safety flange, material NBR, used for 5 1/4", Model Medallion, Part #M-47, SAWS #14477 | USD 105 | 2.80 | N/A | USD 2.80 | 14.00 | N/A | USD 2.80 | 14.00 | N/A | INCOMPLETE |

**TOTAL**

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<td>Item</td>
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<td>Kit, Breakaway, used for 5-1/4”, Model 129, SAWS #13300</td>
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<td>5,751.07</td>
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**GROUP 6 - Kennedy Fire Hydrant Parts**

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**GROUP 5 - U.S. PIPE FIRE HYDRANT PARTS**

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**GROUP 4 - M&H Fire Hydrant Parts**

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**GROUP 3 - OVERHAUL, KIT, SIZE 5 EA.**

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**GROUP 2 - PART #1030-64, SAWS #15395**

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**GROUP 1 - PART #1030-63, SAWS #15399**

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**TOTAL GROUP 5**

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**SAN ANTONIO WATER SYSTEM**

**P. O. BOX 2449**

**SAN ANTONIO, TEXAS 78298-2449**

**TABULATION OF BIDS**

**PROPOSAL:**

Annual Contract for

Fire Hydrant Repair Parts

**DATE & TIME:**

(Date of Award through September 30, 2013)

3:00 p.m., October 26, 2015

**ITEM NO.**

Description and approximate quantity

<table>
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<tr>
<td>10.</td>
<td>15 ea.</td>
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<tr>
<td>Valve, Upper Plate, Material Bronze, used for 5-1/4&quot;, Model Centurion, Part #A-36184055, SAWS #17312</td>
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**TOTAL**

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

### PROPOSAL:
Annual Contract for
Fire Hydrant Repair Parts

### FOR:
Fire Hydrant Repair Parts

### TIME & DATE:
(Date of Award through September 30, 2013)
3:00 p.m., October 28, 2016

### ITEM NO. DESCRIPTION AND APPROXIMATE QUANTITY

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<th>UNIT PRICE</th>
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<tr>
<td>5. 1 ea.</td>
<td>Nut, operating stem, material bronze, used for 5 1/4&quot;, Model K81A, Part #K8102, SAWS #14292</td>
<td>140.29</td>
<td>207.10</td>
<td>140.29</td>
<td>207.10</td>
<td>165.95</td>
<td>252.20</td>
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<td>6. 30 ea.</td>
<td>Overhaul kit, size 5 1/4&quot;, Model guardian K81A, Part #K85KIT 1.050, SAWS #13338</td>
<td>108.06</td>
<td>324.18</td>
<td>108.06</td>
<td>324.18</td>
<td>118.54</td>
<td>355.60</td>
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<td>330.90</td>
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<td>7. 10 ea.</td>
<td>Ring, seat, material bronze, used for 5 1/4&quot;, Model K81A, Part #K8128, SAWS #15392</td>
<td>197.20</td>
<td>1,972.40</td>
<td>197.20</td>
<td>1,972.40</td>
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<td>201.49</td>
<td>2,014.90</td>
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<td>8. 10 ea.</td>
<td>Valve, main, material neoprene, used for 5 1/4&quot;, Model K81, Part #K8131, SAWS #17198</td>
<td>63.00</td>
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<td>9. 10 ea.</td>
<td>Valve, drain, material bronze, used for 5 1/4&quot;, Model K81A, Part #K8136, SAWS #17308</td>
<td>161.65</td>
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<td>10. 15 ea.</td>
<td>Valve, drain, material bronze, used for 5 1/4&quot;, Model K81A, Part #K8136/3316142, SAWS #17307</td>
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<td>2,424.75</td>
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### TOTAL GROUP 6

**GROUP 7 - Waterous Fire Hydrant Parts**

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<th>TOTAL PRICE</th>
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<th>TOTAL PRICE</th>
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<tr>
<td>1. 10 ea.</td>
<td>Kit, traffic repair, used for 5 1/4&quot;, Model Pacer, Part #K528/AFTER June 1980, SAWS #13382</td>
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<td>2. 1 ea.</td>
<td>Pipe, lower standpipe, Brand Pacer, SAWS #14813</td>
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### TOTAL GROUP 7

**GROUP 8 - Water Master Hydrant Parts**

Watermaster Main Valve Repair Kit (Item 3) to include the following: weather seal or-ring #94656 (1 ea), thrust washers #946517 (2 ea), reservoir or-rings #946565 (2 ea.), quad rings #946440 (1 ea), inserts valve seat #946521 (2 ea), valve seat or-rings #946568 (2 ea.), seating valve rubber #946526 (1 ea.).

<table>
<thead>
<tr>
<th>ITEM NO.</th>
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<th>UNIT PRICE</th>
<th>TOTAL PRICE</th>
<th>UNIT PRICE</th>
<th>TOTAL PRICE</th>
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<th>TOTAL PRICE</th>
<th>UNIT PRICE</th>
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<td>1. 10 ea.</td>
<td>Kit, Extension, Size 6&quot;, Model: EJ 58HR250/CD250, EJ# 946430, SAWS #46149</td>
<td>209.48</td>
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<td>212.80</td>
<td>2,128.00</td>
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<td>2. 15 ea.</td>
<td>Kit, Extension, Size 12&quot;, Model: EJ 58BR250/CD250, EJ# 946452, SAWS #46150</td>
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<td>3. 15 ea.</td>
<td>Kit, Main Valve, include rubber interior parts, Model: EJ 58BR250/CD250, EJ#946450, SAWS #46151</td>
<td>115.22</td>
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<td>124.25</td>
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<td>5. 10 ea.</td>
<td>Nut, Operating Stem, Material Brass, Model EJ BR7-B #646519, SAWS #46153</td>
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<td>6. 30 ea.</td>
<td>Seat, Valve Material, Brass, Model EJ 58R3 VL Seat/AD EJ #946495, SAWS #46154</td>
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## SAN ANTONIO WATER SYSTEM

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

### TABULATION OF BIDS

**PROPOSAL**

Annual Contract for  
Fire Hydrant Repair Parts

**TOOL**

(Date of Award through September 30, 2013)

**DATE**

3:00 p.m., October 26, 2015

**ITEM NO**

DESCRIPTION AND APPROXIMATE QUANTITY

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<td>7</td>
<td>10 ea Insert Rubber Seat, Model EJ BR21R RUB INS EJ #946521, SAWS #46155</td>
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<td>30.90</td>
<td>3.00</td>
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<td>8</td>
<td>10 ea Washer Valve, Main, Model EJ 5BR10-C DI NUT EJ #946558, SAWS #46156</td>
<td>24.27</td>
<td>242.70</td>
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**TOTAL GROUP 8**

TOTAL PRICE: 13,625.55

**TOTAL AWARD**

TOTAL PRICE: 107,930.02

**EXTENSION 1**

TOTAL PRICE: 107,930.02

**EXTENSION 2**

TOTAL PRICE: 107,930.02

**EXTENSION 3**

TOTAL PRICE: 107,930.02

**Terms**

Net 30 days

**Delivery Days**

Net 30 days

*LOW BIDDER

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

Act Pipe & Supply  
Cox Water Products  
Ferguson Waterworks  
Fortline Waterworks  
HD Supply  
Hydroflo  
Moore Supply  
Morrison Supply  
Quality Hydrant

**Saws Website**

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

| ITEM 1 | DEXTER PRODUCTS SUCH AS AXELS, SUSPENSIONS AND BRAKE PARTS
|        | Estimated SAWS will purchase $1,000.00 of Dexter product per year
| 1.     | Percent of discount offered 0%
| 2.     | Product identification (Mfg.) Dexter
| 3.     | Type price schedule (dealer, jobber, etc.) OEM Dealer/Ret.
| 4.     | Price schedule number Dexter Price Sheet 040111
| 5.     | Date of price schedule 4/1/2011
| 6.     | Price schedule column on which discount is based (i.e., distributor, net, wholesale) SAWS Net

| ITEM 2 | BULLDOG PRODUCTS SUCH AS JACKS AND LANDING GEAR
|        | Estimated SAWS will purchase $1,000.00 of Bulldog product per year
| 1.     | Percent of discount offered 0%
| 2.     | Product identification (Mfg.) Bulldog (Cequent)
| 3.     | Type price schedule (dealer, jobber, etc.) SAWS Net Price Sheet
| 4.     | Price schedule number Cequent Nov. 2013
| 5.     | Date of price schedule 11/2013
| 6.     | Price schedule column on which discount is based (i.e., distributor, net, wholesale) SAWS Net

| ITEM 3 | HOLLAND PRODUCTS SUCH AS HOOKS, DRAWBARS AND LANDING GEAR
|        | Estimated SAWS will purchase $1,000.00 of Holland product per year
| 1.     | Percent of discount offered 0.38 625.00
| 2.     | Product identification (Mfg.) SAF Holland
| 3.     | Type price schedule (dealer, jobber, etc.) Aftermarket/List
| 4.     | Price schedule number 2014 SAF Holland
| 5.     | Date of price schedule 1/2014
| 6.     | Price schedule column on which discount is based (i.e., distributor, net, wholesale) List Price

| ITEM 4 | REESE PRODUCTS SUCH AS HITCHES AND TOWING PRODUCTS
|        | Estimated SAWS will purchase $1,000.00 of Reese product per year
| 1.     | Percent of discount offered 0%
| 2.     | Product identification (Mfg.) Reese (Cequent)
| 3.     | Type price schedule (dealer, jobber, etc.) SAWS Net

### Notes:
- **Trailer Parts and Service**
- **Annual Contract for Truck Body**
- **January 27, 2014 through December 31, 2014**

**SAN ANTONIO, TEXAS 78298-2449**
<table>
<thead>
<tr>
<th>ITEM</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>PRICE SCHEDULE NUMBER</th>
<th>DATE OF PRICE SCHEDULE</th>
<th>PRICE SCHEDULE COLUMN ON WHICH DISCOUNT IS BASED</th>
<th>PERCENT OF DISCOUNT OFFERED</th>
<th>PRODUCT IDENTIFICATION (MFG.)</th>
<th>TYPE PRICE SCHEDULE (dealer, jobber, etc.)</th>
<th>PRICE SCHEDULE</th>
<th>DATE OF PRICE SCHEDULE</th>
<th>PRICE SCHEDULE COLUMN ON WHICH DISCOUNT IS BASED</th>
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<td>Price schedule number</td>
<td>Cequent Nov. 2013</td>
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<td>PUTNAM PRODUCTS SUCH AS TRAILER BALLS AND BALL MOUNTS</td>
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<td>Estimated SAWs will purchase $1,000.00 of Putman product per year</td>
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<td>DICO PRODUCTS SUCH AS COUPLERS</td>
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<td>1.</td>
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SAN ANTONIO WATER SYSTEM
P. O. BOX 2449
SAN ANTONIO, TEXAS 78298-2449

TABULATION OF BIDS

Annual Contract for Truck Body Trailer Parts and Service
(January 27, 2014 through December 31, 2014)
3:00 p.m., January 24, 2014

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

TABULATION OF BIDS

Annual Contract for Truck Body Trailer Parts and Service
(January 27, 2014 through December 31, 2014)
3:00 p.m., January 24, 2014
### SAN ANTONIO WATER SYSTEM

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

**TABULATION OF BIDS**

**PROPOSAL**  
Annual Contract for Truck Body

**FOR**  
Trailer Parts and Service

**TIME & DATE**  
(January 27, 2014 through December 31, 2014)  
3:00 p.m., January 24, 2014

<table>
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<tr>
<th>ITEM</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>PERCENT OF DISCOUNT OFFERED</th>
<th>&amp;</th>
<th></th>
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<th></th>
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</table>
| **ITEM 8** | COLE HERSEE PRODUCTS SUCH AS CONNECTORS AND SWITCHES  
Estimated SAWS will purchase $1,000.00 of Cole Hersee product per year | 0% | | | | |
| 1. | | | | | | |
| 2. | Product identification (Mfg.) | Cole Hersee | | | | |
| 3. | Type price schedule (dealer, jobber, etc.) | Jobber/Dealer | | | | |
| 4. | Price schedule number | 2014 SAWS | | | | |
| 5. | Date of price schedule | 1/1/2014 | | | |
| 6. | Price schedule column on which discount is based (i.e., distributor, net, wholesale) | 2014 SAWS | | | | |
| **ITEM 9** | POLLACK PRODUCTS SUCH AS PLUGS AND CONNECTORS  
Estimated SAWS will purchase $1,000.00 of Pollack product per year | 0% | | | | |
| 1. | | | | | | |
| 2. | Product identification (Mfg.) | Pollak | | | | |
| 3. | Type price schedule (dealer, jobber, etc.) | Jobber | | | | |
| 4. | Price schedule number | Pollak Jobber  
W 07-13 | | | | |
| 5. | Date of price schedule | July 2013 | | | | |
| 6. | Price schedule column on which discount is based (i.e., distributor, net, wholesale) | SAWS Net | | | | |
| **ITEM 10** | PHILLIPS PRODUCTS SUCH AS AIR AND ELECTRICAL PRODUCTS  
Estimated SAWS will purchase $1,000.00 of Phillips product per year | 0% | | | | |
| 1. | | | | | | |
| 2. | Product identification (Mfg.) | Phillips | | | | |
| 3. | Type price schedule (dealer, jobber, etc.) | Distributor | | | | |
| 4. | Price schedule number | Phillips Dist. 121713 | | | | |
| 5. | Date of price schedule | 12/17/2013 | | | | |
| 6. | Price schedule column on which discount is based (i.e., distributor, net, wholesale) | SAWS Net | | | | |
| **ITEM 11** | HAYES LEMMERZ PRODUCTS SUCH AS BRAKE CONTROLS  
Estimated SAWS will purchase $1,000.00 of Hayes Lemmerz product per year | 0% | | | | |
| 1. | | | | | | |
| 2. | Product identification (Mfg.) | Hayes Brake | | | | |
| 3. | Type price schedule (dealer, jobber, etc.) | Net Price | | | | |

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*Note: The table above includes the necessary information for each item, including product identification, type of price schedule, date of price schedule, and the discount offered.*
## TABLE OF BIDS

<table>
<thead>
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<th>ITEM</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>HAVIS</th>
<th>DATE</th>
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<td>2</td>
<td>Date of price schedule</td>
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<td>3</td>
<td>Price schedule column on which discount is based (e.g., distributor, net, wholesale)</td>
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<td>4</td>
<td>ITEM 12 TEKOSHA PRODUCTS SUCH AS BRAKE CONTROLS &amp; BRAKEAWAY STICHES</td>
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<td>5</td>
<td>Estimated SAWS will purchase $1,000.00 of Tekonsha products per year</td>
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<td>6</td>
<td>Percent of discount offered</td>
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<td>7</td>
<td>Product identification (Mfg.)</td>
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<td>8</td>
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<td>9</td>
<td>Date of price schedule</td>
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<tr>
<td>10</td>
<td>Price schedule column on which discount is based (e.g., distributor, net, wholesale)</td>
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</table>

### ITEM 12

#### TEKOSHA PRODUCTS SUCH AS BRAKE CONTROLS & BRAKEAWAY STICHES

- **Estimated SAWS will purchase $1,000.00 of Tekonsha products per year**
- **9% discount offered**

<table>
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<tr>
<th>ITEM</th>
<th>DESCRIPTION</th>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
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<tr>
<td>1</td>
<td>Hayes Brake</td>
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<tr>
<td>2</td>
<td>Controler</td>
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<tr>
<td>3</td>
<td>Net</td>
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<th>ITEM 13</th>
<th>INDIVIDUAL ITEMS</th>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
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<td>1</td>
<td>Connector Trailer Female, Phillips, #15-720, SAWS #33446</td>
<td>50 ea.</td>
<td>7.55</td>
<td>377.50</td>
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<td>Connector Trailer Male, Phillips, #15-730, SAWS #33447</td>
<td>70 ea.</td>
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<td>448.70</td>
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<td>Connector Trailer Male, Pollak, #12-706, SAWS #33034</td>
<td>40 ea.</td>
<td>2.49</td>
<td>99.60</td>
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<td>4</td>
<td>Connector Trailer Male, Pollak, #12-707, SAWS #33035</td>
<td>30 ea.</td>
<td>3.25</td>
<td>97.50</td>
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<td>5</td>
<td>Connector Trailer Female, Cole Hersee, #1235, SAWS #10687</td>
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<td>8.33</td>
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<td>Connector Trailer Male, Cole Hersee, #1236, SAWS #10710</td>
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<td>Connector Trailer Male, Grote, #82-1021</td>
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<td>137.00</td>
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<td>40 ea.</td>
<td>3.56</td>
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## SAN ANTONIO WATER SYSTEM
P. O. BOX 2449
SAN ANTONIO, TEXAS 78298-2449

### TABULATION OF BIDS

**PROPOSAL**

Annual Contract for Truck Body Trailer Parts and Service

(January 27, 2014 through December 31, 2014)

**DATE:**

3:00 p.m., January 24, 2014

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<td>35 ea. Switch Monetary, Cole Hersee, #55021, SAWS #16461</td>
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**ITEM 14**

**LABOR AND SERVICE**

Estimated SAWS will use 25 labor hours for in Shop Service per year

**A. Labor Rate for in Shop Service**

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<th>UNIT PRICE</th>
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**B. Up-Charge for outside labor, cost plus**

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**Weekend**

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**ITEM 15**

**SHOP SUPPLIES**

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**ITEM 16**

**BULK MATERIALS**

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**GRAND TOTAL**

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**EXTENSION 1**

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**EXTENSION 3**

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<th>TOTAL</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>32,387.05</td>
<td></td>
</tr>
</tbody>
</table>
SAN ANTONIO WATER SYSTEM
P. O. BOX 2449
SAN ANTONIO, TEXAS 78298-2449
TABULATION OF BIDS

PROPOSAL
FOR
Trailer Parts and Service
(January 27, 2014 through December 31, 2014)
3:00 p.m., January 24, 2014

ITEM NO. | DESCRIPTION AND APPROXIMATE QUANTITY |
--- | --- |
| | |
| Terms | Net 30 days |
| Delivery Days | 3 days |

*Low Bidder

BID INVITATIONS WERE MAILED TO AND/OR PICKED UP BY:

Fleet Pride
Ranch Hand Truck Accessories
Southwest Wheel

SAWS Website
<table>
<thead>
<tr>
<th>GROUP 1</th>
<th>DISINFECTANTS AND CLEANERS</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NEUTRAL ALL-PURPOSE FLOOR CLEANER</strong></td>
<td>Price per case</td>
<td>20.29</td>
</tr>
<tr>
<td>(17446)</td>
<td>Total</td>
<td>1,501.46</td>
</tr>
<tr>
<td><strong>Description:</strong> Non-Dullling and rinse free, citrus</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Brand:</strong> Stride</td>
<td><strong>Price:</strong> Blue All Purpose</td>
<td><strong>Manufacturer:</strong> Johnson</td>
</tr>
<tr>
<td><strong>Size:</strong> 1 gal containers (4 per case)</td>
<td><strong>Manufacturer:</strong> Mic</td>
<td><strong>Size:</strong> 1 gallon</td>
</tr>
<tr>
<td><strong>Product Code:</strong> JW-3904</td>
<td><strong>Brand:</strong> Husky</td>
<td><strong>Size:</strong> 5 gallon pail</td>
</tr>
<tr>
<td><strong>Qty per case:</strong> 4</td>
<td><strong>Same</strong></td>
<td><strong>QTY per Box:</strong> 1</td>
</tr>
<tr>
<td><strong>Estimated Qty:</strong> 71 cases</td>
<td></td>
<td><strong>Size:</strong> 2/5 GL (5 GL)</td>
</tr>
<tr>
<td><strong>COMPLETE FLOOR FINISH (17443)</strong></td>
<td>Price/Envirotainer</td>
<td>65.85</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td>2,765.70</td>
</tr>
<tr>
<td><strong>METAL INTERLOCK</strong></td>
<td><strong>Brand:</strong> 1Shine</td>
<td><strong>Manufacturer:</strong> Johnson</td>
</tr>
<tr>
<td><strong>Size:</strong> 5 gallon Envirotainer</td>
<td><strong>Product Code:</strong> 1Shine 5</td>
<td><strong>Estimated Qty:</strong> 48 Envirotainers</td>
</tr>
<tr>
<td><strong>Product Code:</strong> 4651</td>
<td><strong>Manufacturer:</strong> Sp titan</td>
<td><strong>QTY per Box:</strong> 1</td>
</tr>
<tr>
<td><strong>Qty per box:</strong> 1</td>
<td><strong>Same</strong></td>
<td><strong>Size:</strong> 5 gallon pail</td>
</tr>
<tr>
<td><strong>Estimated Qty:</strong> 48 Envirotainers</td>
<td></td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td><strong>FOAMING DISINFECTANT CLEANER (10479)</strong></td>
<td>Price per case</td>
<td>29.18</td>
</tr>
<tr>
<td><strong>MISTY FOAM (12 CASES)</strong></td>
<td>Total</td>
<td>5,223.22</td>
</tr>
<tr>
<td><strong>Product Code:</strong> APA250</td>
<td><strong>Brand:</strong> TNT</td>
<td><strong>Manufacturer:</strong> AMREP</td>
</tr>
<tr>
<td><strong>Estimated Qty:</strong> 19 cases</td>
<td><strong>Same</strong></td>
<td><strong>Estimated Qty:</strong> 195 cases</td>
</tr>
<tr>
<td><strong>CLEANER CARPET (10294)</strong></td>
<td>Price per case</td>
<td>24.21</td>
</tr>
<tr>
<td><strong>Size:</strong> 1 gallon</td>
<td>Total</td>
<td>459.99</td>
</tr>
<tr>
<td><strong>Case 4 gallons</strong></td>
<td><strong>Brand:</strong> Extracto</td>
<td><strong>Estimated Qty:</strong> 12 cases</td>
</tr>
<tr>
<td><strong>Brand:</strong> Plus 5</td>
<td><strong>Product Code:</strong> 0070-250</td>
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</tr>
<tr>
<td><strong>Product Code No:</strong> SP 3005 4</td>
<td><strong>Manufacturer:</strong> Mic</td>
<td><strong>QTY per Case:</strong> 12</td>
</tr>
<tr>
<td><strong>Manufacturer:</strong> Spartan Chemical</td>
<td><strong>Size:</strong> 1 gallon</td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td><strong>Estimated Qty:</strong> 19 cases</td>
<td><strong>Same</strong></td>
<td><strong>Total</strong></td>
</tr>
<tr>
<td><strong>DEODORANT CARPET (33552)</strong></td>
<td>Price per case</td>
<td>39.14</td>
</tr>
<tr>
<td><strong>Size:</strong> 1 gallon</td>
<td>Total</td>
<td>4,383.68</td>
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<tr>
<td><strong>Case 4 gallons</strong></td>
<td><strong>Brand:</strong> Bon Air Deodorant</td>
<td><strong>Estimated Qty:</strong> 12 cases</td>
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<tr>
<td><strong>Brand:</strong> Airfiff Tropical</td>
<td><strong>Product Code:</strong> 605</td>
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<tr>
<td><strong>Product Code No:</strong> SP3067</td>
<td><strong>Manufacturer:</strong> Misc</td>
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<tr>
<td><strong>Manufacturer:</strong> Spartan Chemical</td>
<td><strong>Size:</strong> 1 gallon</td>
<td></td>
</tr>
<tr>
<td><strong>Estimated Qty:</strong> 19 cases</td>
<td><strong>Same</strong></td>
<td></td>
</tr>
<tr>
<td><strong>LIQUID BOWL CLEANER (10471)</strong></td>
<td>Price per case</td>
<td>16.71</td>
</tr>
<tr>
<td><strong>Description:</strong> Non-Acid Disinfectant</td>
<td>Total</td>
<td>1,587.45</td>
</tr>
<tr>
<td><strong>Brand:</strong> NBC Bathroom Cleaner</td>
<td><strong>Brand:</strong> Complete Bathroom</td>
<td><strong>Estimated Qty:</strong> 95 cases</td>
</tr>
<tr>
<td><strong>Manufacturer:</strong> Spartan SP7116</td>
<td><strong>Part No.:</strong> 319</td>
<td></td>
</tr>
<tr>
<td><strong>Size:</strong> 1 quart (12 cases)</td>
<td><strong>Manufacturer:</strong> Mic</td>
<td></td>
</tr>
<tr>
<td><strong>Est Qty:</strong> 95 cases</td>
<td><strong>Size:</strong> 1 quart</td>
<td></td>
</tr>
<tr>
<td><strong>LIQUID BOWL CLEANER (10470)</strong></td>
<td>Price per case</td>
<td>16.81</td>
</tr>
<tr>
<td><strong>Description:</strong> Acid Disinfectant</td>
<td>Total</td>
<td>890.93</td>
</tr>
<tr>
<td><strong>Brand:</strong> M95 Mild Acid Cleaner</td>
<td><strong>Brand:</strong> M95 Acid Cleaner</td>
<td><strong>Estimated Qty:</strong> 12 cases</td>
</tr>
<tr>
<td><strong>Manufacturer:</strong> Spartan SP7115</td>
<td><strong>Part No.:</strong> 715</td>
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</tr>
<tr>
<td><strong>Size:</strong> 1 Quart (12 cases)</td>
<td><strong>Manufacturer:</strong> Spartan</td>
<td></td>
</tr>
<tr>
<td><strong>Est Qty:</strong> 53 cases</td>
<td><strong>Size:</strong> 1 quart</td>
<td></td>
</tr>
<tr>
<td><strong>SOAP HAND, solid (10779)</strong></td>
<td>Price per case</td>
<td>49.86</td>
</tr>
<tr>
<td><strong>Size:</strong> 2 1/2 oz</td>
<td>Total</td>
<td>768.46</td>
</tr>
<tr>
<td><strong>Brand:</strong> Dial</td>
<td><strong>Brand:</strong> Dial</td>
<td><strong>Normal Qty:</strong> 297.20</td>
</tr>
<tr>
<td><strong>Part No. Dia 00197</strong></td>
<td><strong>Manufacturer:</strong> Dial</td>
<td><strong>Normal Qty:</strong> 298.32</td>
</tr>
<tr>
<td><strong>Qty per case:</strong> 250 per case</td>
<td><strong>Size:</strong> 2 1/2 oz</td>
<td><strong>Normal Qty:</strong> 338.88</td>
</tr>
<tr>
<td><strong>Est Qty:</strong> 11 cases</td>
<td><strong>Manufacturer:</strong> Dial</td>
<td><strong>Normal Qty:</strong> 200</td>
</tr>
<tr>
<td><strong>SOAP HAND, PINK &amp; KLEAN (10485)</strong></td>
<td>Price per case</td>
<td>25.20</td>
</tr>
<tr>
<td><strong>Size:</strong> 800 ML</td>
<td>Total</td>
<td>273.70</td>
</tr>
<tr>
<td><strong>Brand:</strong> Gojo</td>
<td><strong>Brand:</strong> Gojo</td>
<td><strong>Estimated Qty:</strong> 12 cases</td>
</tr>
<tr>
<td><strong>Part No. 912812</strong></td>
<td><strong>Product Code:</strong> 912812</td>
<td></td>
</tr>
<tr>
<td><strong>Qty per case:</strong> 12 per case</td>
<td><strong>Manufacturer:</strong> Gojo</td>
<td></td>
</tr>
<tr>
<td><strong>Est Qty:</strong> 53 cases</td>
<td><strong>Manufacturer:</strong> Gojo</td>
<td></td>
</tr>
<tr>
<td><strong>CLEANER, HAND WITH PUMICE (10484)</strong></td>
<td>Price per case</td>
<td>34.65</td>
</tr>
<tr>
<td><strong>Size:</strong> 14 oz (12 bottles per case)</td>
<td>Total</td>
<td>1,836.45</td>
</tr>
<tr>
<td><strong>Scent:</strong> Orange</td>
<td><strong>Brand:</strong> Gojo</td>
<td><strong>Estimated Qty:</strong> 12 cases</td>
</tr>
<tr>
<td><strong>Brand:</strong> Gojo</td>
<td><strong>Product Code:</strong> 0957-12</td>
<td></td>
</tr>
<tr>
<td><strong>Part No. 0957-12</strong></td>
<td><strong>Manufacturer:</strong> Gojo</td>
<td></td>
</tr>
<tr>
<td><strong>Estimated Qty:</strong> 53 cases</td>
<td><strong>Manufacturer:</strong> Gojo</td>
<td></td>
</tr>
</tbody>
</table>

**BID NOT TABULATED ITEMS NOT APPROVED**

**BID NOT TABULATED INCOMPLETE BID**
<table>
<thead>
<tr>
<th>Description</th>
<th>Price per case</th>
<th>Total</th>
<th>Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Waterless Hand Cleaning (33355)</td>
<td>54.75</td>
<td>39.25</td>
<td>43.08</td>
</tr>
<tr>
<td>Size: 12 oz with pump</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand: Purell</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part No. J96912</td>
<td>3,802.50</td>
<td>2,747.50</td>
<td>3,015.60</td>
</tr>
<tr>
<td>Estimated Qty: 70 cases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Waterless Hand Cleaning Foam (33749)</td>
<td>59.91</td>
<td>63.25</td>
<td>62.28</td>
</tr>
<tr>
<td>Size: 1200 ML</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand Purell</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part No. J5392-02</td>
<td>4,193.70</td>
<td>4,427.50</td>
<td>4,359.60</td>
</tr>
<tr>
<td>Qty per case: Two</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated Qty: 70 cases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Soap, detergent granular laundry (16034)</td>
<td>76.35</td>
<td>90.80</td>
<td>78.94</td>
</tr>
<tr>
<td>Size: 20 oz (15 per case)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand: Tide</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part No. PGC 27782</td>
<td>7,482.30</td>
<td>8,898.40</td>
<td>7,736.12</td>
</tr>
<tr>
<td>Product Code</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manufacturer: Procter &amp; Gamble</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qty per case 15 ea.</td>
<td>15</td>
<td>15</td>
<td></td>
</tr>
<tr>
<td>Estimated Qty: 98 cases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cleaner, stainless steel (10495)</td>
<td>62.49</td>
<td>41.00</td>
<td>41.34</td>
</tr>
<tr>
<td>Size: 15 oz spray (12 per case)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Misty AP A141</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Qty per case 12 per case</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated Qty: 7 cases</td>
<td>12</td>
<td>12</td>
<td></td>
</tr>
<tr>
<td>Bleach, Liquid (9687)</td>
<td>10.59</td>
<td>10.20</td>
<td>10.97</td>
</tr>
<tr>
<td>Size: 9 oz (6 per case)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Estimated Qty: 273 cases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spray Trigger (16136)</td>
<td>0.48</td>
<td>0.60</td>
<td>0.62</td>
</tr>
<tr>
<td>Size: 9 inch</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part No. T0 11050</td>
<td>168.00</td>
<td>210.00</td>
<td>217.00</td>
</tr>
<tr>
<td>Estimated Qty: 350 each</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Spray Bottle (19289)</td>
<td>0.49</td>
<td>0.60</td>
<td>0.52</td>
</tr>
<tr>
<td>Size: 24 oz</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Part No. T0 120119</td>
<td>44.10</td>
<td>54.00</td>
<td>46.80</td>
</tr>
<tr>
<td>Estimated Qty: 90 each</td>
<td>4</td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>Industrial Dusting Cloths (33741)</td>
<td>44.18</td>
<td>60.00</td>
<td>58.44</td>
</tr>
<tr>
<td>Size: 17x24 inches (yellow)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 packs per case (50 per pk)</td>
<td>485.98</td>
<td>660.00</td>
<td>642.84</td>
</tr>
<tr>
<td>Brand: Brawny</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Code</td>
<td>294.16</td>
<td>308.94</td>
<td></td>
</tr>
<tr>
<td>Manufacturer: Georgia-Pacific</td>
<td>6</td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>Estimated Qty: 11 cases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Heavy Duty Towed Wipes (16858)</td>
<td>21.74</td>
<td>29.85</td>
<td>24.33</td>
</tr>
<tr>
<td>Size: 12 x 13 inch</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4 packs per case (50 per pk)</td>
<td>521.76</td>
<td>716.40</td>
<td>583.92</td>
</tr>
<tr>
<td>Brand: Wypall K80 Wipes</td>
<td>1,410.26</td>
<td>1,410.26</td>
<td>1,410.26</td>
</tr>
<tr>
<td>Manufacturer: Wypall K80</td>
<td>12.5 x 13</td>
<td>12.5 x 13</td>
<td></td>
</tr>
<tr>
<td>Estimated Qty: 24 cases</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Wipe Disinfectant Sheets (33306)</td>
<td>20.00</td>
<td>20.00</td>
<td>20.00</td>
</tr>
<tr>
<td>Qty: 75 carton</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Brand: Clorox Fresh Scent 15949</td>
<td>50,588.51</td>
<td>40,719.00</td>
<td>51,616.18</td>
</tr>
<tr>
<td>Estimated Qty: 1,939 cases</td>
<td>6175.00</td>
<td>6175.00</td>
<td></td>
</tr>
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**TOTALS:**

- **A. Price:** 15,152.17
- **B. Total:** 16,514.32
- **C. Discount:** 9,381.15
- **D. Total Category:** 7,133.17
- **E. Total Supplier:** 7,133.17
- **F. Total:** 7,133.17
- **G. Total Category:** 7,133.17
- **H. Total Supplier:** 7,133.17
- **I. Total:** 7,133.17
- **J. Total Category:** 7,133.17
- **K. Total Supplier:** 7,133.17
- **L. Total:** 7,133.17
- **M. Total Category:** 7,133.17
- **N. Total Supplier:** 7,133.17
- **O. Total:** 7,133.17
- **P. Total Category:** 7,133.17
- **Q. Total Supplier:** 7,133.17
- **R. Total:** 7,133.17
- **S. Total Category:** 7,133.17
- **T. Total Supplier:** 7,133.17
- **U. Total:** 7,133.17
- **V. Total Category:** 7,133.17
- **W. Total Supplier:** 7,133.17
- **X. Total:** 7,133.17
- **Y. Total Category:** 7,133.17
- **Z. Total Supplier:** 7,133.17
- **TOTAL:** 7,133.17

**TOTAL:** 7,133.17

**SAP EVENT:**

- **Code:** 200
- **Quantity:** 1,939 cases
- **Price per case:** 6175.00
- **Total:** 6175.00
- **Supplier:** Pop Up Canister
- **Product Code:** 0.675

**BID NOT TABULATED ITEMS NOT APPROVED**
<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Price per each</th>
<th>Total</th>
<th>Quantity per case</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Soap Dispenser: Autofoam (31516)</td>
<td>16.01</td>
<td>570.00</td>
<td>1</td>
</tr>
<tr>
<td>2.</td>
<td>Soap AUTOFOAM REFILLS (31517)</td>
<td>66.40</td>
<td>84.25</td>
<td>1</td>
</tr>
<tr>
<td>3.</td>
<td>WATERLESS HAND CLEANING (10488)</td>
<td>40.66</td>
<td>30.68</td>
<td>24</td>
</tr>
<tr>
<td>4.</td>
<td>SOAP, DISH DETERGENT (16035)</td>
<td>31.01</td>
<td>31.50</td>
<td>10</td>
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**GROUP 2 TOTAL PRICE**

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Total</th>
<th>Quantity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>285 cases</td>
</tr>
</tbody>
</table>

**TOTAL PRICE GROUP 1 & 2**

<table>
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<tr>
<th>Item</th>
<th>Description</th>
<th>Total</th>
<th>Quantity</th>
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</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>137,156.25</td>
<td>145,501.34</td>
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</table>

**EXTENSION 1**

<table>
<thead>
<tr>
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<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>137,156.25</td>
</tr>
</tbody>
</table>

**EXTENSION 2**

<table>
<thead>
<tr>
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<th>Description</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>135,156.25</td>
</tr>
</tbody>
</table>

**EXTENSION 3**

<table>
<thead>
<tr>
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<th>Description</th>
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</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>135,156.25</td>
</tr>
</tbody>
</table>

**Terms**

Net 30 days, Net 30 days, Net 30 days

** Delivery Days**

*LOW BID*

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

<table>
<thead>
<tr>
<th>Company</th>
<th>Address</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acme Soap</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>Betco</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>Cintas</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>Cleaning Ideas</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>D/V Supply</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>Diversified Chemical &amp; Supply Inc.</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>Evco Partners LP dba Burgooon Co.</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>Gulf Coast Paper Co.</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>Kimberly Clark</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>Master Paper Co.</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>Mission Restaurant Supplies</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>Safeway Supply Inc.</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>United Services Associates</td>
<td>San Antonio, TX 78299</td>
</tr>
<tr>
<td>Z and V International LLC</td>
<td>San Antonio, TX 78299</td>
</tr>
</tbody>
</table>
## SAN ANTONIO WATER SYSTEM

**P. O. BOX 2449**

SAN ANTONIO, TEXAS 78298-2449

**TABULATION OF BIDS**

**PROPOSAL**

Biennial Contract for

**FOR**

Traffic Control Devices Rental

**TIME & DATE**

(January 1, 2016 through December 31, 2018)

3:00 p.m., November 5, 2015

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>100 Estimated Billable Days&lt;br&gt;Barricades - Type I-2', SAWS #27552</td>
<td>UNIT</td>
<td>0.05</td>
<td>5.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1.00</td>
<td>100.00</td>
</tr>
<tr>
<td>2</td>
<td>100 Estimated Billable Days&lt;br&gt;Barricades - Type I-8', SAWS #46189</td>
<td>UNIT</td>
<td>0.10</td>
<td>10.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>1.00</td>
<td>100.00</td>
</tr>
<tr>
<td>3</td>
<td>100 Estimated Billable Days&lt;br&gt;Barricades - Type III-4', SAWS #46190</td>
<td>UNIT</td>
<td>0.15</td>
<td>15.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>18.00</td>
<td>1,800.00</td>
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<tr>
<td>4</td>
<td>61,000 Estimated Billable Days&lt;br&gt;Barricades - Type III-8', SAWS #46191</td>
<td>UNIT</td>
<td>0.15</td>
<td>9,150.00</td>
</tr>
<tr>
<td></td>
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<td></td>
<td>0.40</td>
<td>24,400.00</td>
</tr>
<tr>
<td>5</td>
<td>100,000 Estimated Billable Days&lt;br&gt;Signs Support - Plastic H/10', SAWS #46192</td>
<td>UNIT</td>
<td>0.05</td>
<td>5,000.00</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>0.50</td>
<td>50,000.00</td>
</tr>
<tr>
<td>6</td>
<td>80,000 Estimated Billable Days&lt;br&gt;Windmaster/Zephyr, SAWS #46193</td>
<td>UNIT</td>
<td>0.30</td>
<td>24,000.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.02</td>
<td>1,600.00</td>
</tr>
<tr>
<td>7</td>
<td>9,000 Estimated Billable Days&lt;br&gt;Vertical Panels, SAWS #27563</td>
<td>UNIT</td>
<td>0.15</td>
<td>1,350.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.05</td>
<td>450.00</td>
</tr>
<tr>
<td>8</td>
<td>50,000 Estimated Billable Days&lt;br&gt;Drums, SAWS #46194</td>
<td>UNIT</td>
<td>0.10</td>
<td>5,000.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.35</td>
<td>17,500.00</td>
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<tr>
<td>9</td>
<td>1,000 Estimated Billable Days&lt;br&gt;Cones Traffic, SAWS #46195</td>
<td>UNIT</td>
<td>0.10</td>
<td>100.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.95</td>
<td>950.00</td>
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<tr>
<td>10</td>
<td>150,000 Estimated Billable Days&lt;br&gt;Signs (All Sizes), SAWS #46196</td>
<td>UNIT</td>
<td>0.20</td>
<td>30,000.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.30</td>
<td>45,000.00</td>
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<tr>
<td>11</td>
<td>80,000 Estimated Billable Days&lt;br&gt;Roll-up Signs (All Sizes), SAWS #46197</td>
<td>UNIT</td>
<td>0.25</td>
<td>20,000.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0.02</td>
<td>1,600.00</td>
</tr>
<tr>
<td>12</td>
<td>325 Estimated Billable Days&lt;br&gt;Arrow boards</td>
<td>UNIT</td>
<td>25.00</td>
<td>8,125.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>65.00</td>
<td>21,125.00</td>
</tr>
<tr>
<td>13</td>
<td>50 Estimated Billable Days&lt;br&gt;Attenuators, SAWS 43107</td>
<td>UNIT</td>
<td>250.00</td>
<td>12,500.00</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>400.00</td>
<td>20,000.00</td>
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<tr>
<td>14</td>
<td>175 Estimated Billable Days&lt;br&gt;Message Boards, SAWS #42232</td>
<td>UNIT</td>
<td>90.00</td>
<td>15,750.00</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>95.00</td>
<td>16,625.00</td>
</tr>
</tbody>
</table>
**SAN ANTONIO WATER SYSTEM**  
P. O. BOX 2449  
SAN ANTONIO, TEXAS 78298-2449  
**TABULATION OF BIDS**

**PROPOSAL** Biennial Contract for  
**FOR** Traffic Control Devices Rental  
**TIME & DATE** (January 1, 2016 through December 31, 2018)  
3:00 p.m., November 5, 2015

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>15.</td>
<td>100 Estimated Billable Days</td>
<td>0.75</td>
<td>75.00</td>
<td>1.00</td>
<td>10.00</td>
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<tr>
<td></td>
<td>Trafix Water Barriers, SAWS #27549</td>
<td>75.00</td>
<td>412,500.00</td>
<td>73.00</td>
<td>401,500.00</td>
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<tr>
<td>16.</td>
<td>5,500 Estimated Billable Days</td>
<td>0.75</td>
<td>75.00</td>
<td>1.00</td>
<td>10.00</td>
</tr>
<tr>
<td></td>
<td>Lane and Street Closures, SAWS #27564</td>
<td>75.00</td>
<td>412,500.00</td>
<td>73.00</td>
<td>401,500.00</td>
</tr>
</tbody>
</table>

**TOTAL FOR ITEMS 1-16**  
TOTAL 543,580.00  
603,750.00

**TOTAL FOR ITEMS 1-16 (2 YEARS)**  
TOTAL 1,087,160.00

**EXTENSION 1**  
543,580.00

**EXTENSION 2**  
543,580.00

**EXTENSION 3**  
543,580.00

**EXTENSION 4**  
543,580.00

**Terms**  
Net  
30 days

*LOW BIDDER*

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

- American Signal Equipment  
- Flasher Equipment  
- Highway Technologies  
- Pathmark Traffic Products  
- Short Line Corp.

- Demandstar  
- SAWS Website
Bid No 15-15113
PARIS ENTERPRISE LICENSE UPGRADE AND ANNUAL MAINTENANCE
SOLE SOURCE

In 2013 SAWS engaged XL Print to provide the licenses of our EDO Module as well as the Paris software. XL Print has been the sole source maintenance provider for the SAWS software that manages the bill design, the spooling of the data to the printers as well as the Bill-PDF generation. XL Print is the sole manufacturer as well as the only supporter of the software mentioned, which makes the EDO as well as the Paris software only serviceable by XL Print. The Infor – CS system interface to send data to generate the bills is also specifically written to integrate with the PARIS software, which XL Print distributes.

Continued annual maintenance support is required beyond the upcoming 2016 expiration date for current support. As a result, it is requested that the licensing upgrade for the 2016 renewal be exercised in order to provide for this continued support. Additionally includes five (5) additional one year options to extend as provided for and approved in future year’s budgets.

<table>
<thead>
<tr>
<th>Item</th>
<th>License</th>
<th>Maintenance</th>
<th>AMOUNT TO BE TAKEN TO THE BOARD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original POP</td>
<td>$55,000.00</td>
<td>$11,000.00</td>
<td>$66,000.00</td>
</tr>
<tr>
<td>Ext. 1: Maintenance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ext. 2: Maintenance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ext. 3: Maintenance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ext. 4: Maintenance</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ext. 5: Maintenance</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

** Annual Maintenance may be subject to annual adjustment.
REQUEST FOR PROPOSAL
FOR
THE PURCHASE AND INSTALLATION OF A SECURITY VIDEO MANAGEMENT SYSTEM WITH THREE YEARS OF WARRANTY AND MAINTENANCE

SAWS Bid # 15-15091

SUPPLEMENTARY COMMENTS:
Staff recommends that the contract be awarded to Alterman Technologies, a Local/Non-SMWB 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.

<table>
<thead>
<tr>
<th>Evaluation Criteria</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>a. Local Users, Integrators and References of Current Users of VMS</td>
<td>20</td>
</tr>
<tr>
<td>b. Scope of Work and Project Approach</td>
<td>20</td>
</tr>
<tr>
<td>c. Compensation Proposal</td>
<td>35</td>
</tr>
<tr>
<td>d. Ability of VMS to integrate with multiple Security Systems</td>
<td>10</td>
</tr>
<tr>
<td>e. Small, Minority and Woman Business Program Compliance</td>
<td>15</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100</td>
</tr>
</tbody>
</table>

SAWS received proposals from the following companies:

<table>
<thead>
<tr>
<th>No</th>
<th>Bidders Name</th>
<th>Bid Amount (Base bid includes 3 YR Warranty &amp; Maint)</th>
<th>RFP Score</th>
<th>Local/ SMWB</th>
</tr>
</thead>
</table>
| 1  | *Alterman Technologies | $249,709.00  
Ext 1 Yr 4: $6,048.00  
Ext 2 Yr 5: $6,048.00  
Ext 3 Yr 6: $6,048.00  
Total: $267,853.00 | 451.00 points | Local/ Non-SMWB |
| 2  | Voice Products Inc. | $350,706  
Ext 1 Yr 4: $27,557  
Ext 2 Yr 5: $29,325  
Ext 3 Yr 6: $33,724.00  
Total: $441,312.00 | 359.21 points | Non-Local/ SBE |
<table>
<thead>
<tr>
<th></th>
<th>Company Name</th>
<th>Amount</th>
<th>Points</th>
<th>Category</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>911 Security Cameras, Inc.</td>
<td>$300,414.00</td>
<td>346.69</td>
<td>Non-Local/ Non-SMWB</td>
</tr>
<tr>
<td>4</td>
<td>NAVCO</td>
<td>$751,507.07</td>
<td>311.37</td>
<td>Local/ Non-SMWB</td>
</tr>
<tr>
<td>5</td>
<td>LENSEC, LLC</td>
<td>$325,251.60</td>
<td>304.12</td>
<td>Non-Local/ SBE</td>
</tr>
<tr>
<td>6</td>
<td>Netsync Network Solutions</td>
<td>$501,787.12</td>
<td>302.41</td>
<td>Local/ WBE-Hispanic</td>
</tr>
<tr>
<td>7</td>
<td>3 Sixty Integrated</td>
<td>$770,894.67</td>
<td>274.71</td>
<td>Local/ MBE-AABE</td>
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<tr>
<td>8</td>
<td>Diebold Inc.</td>
<td>$622,479.17</td>
<td>262.63</td>
<td>Non-Local/ Non-SMWB</td>
</tr>
<tr>
<td>9</td>
<td>Schneider Electric Buildings Americas, Inc.</td>
<td>$428,000.00</td>
<td>245.77</td>
<td>Local / Non-SMWB</td>
</tr>
<tr>
<td>10</td>
<td>VION Corporation</td>
<td>$1,861,011.57</td>
<td>244.25</td>
<td>Non-Local/ SBE</td>
</tr>
<tr>
<td>11</td>
<td>Netronix Integration</td>
<td>$1,051,506.17</td>
<td>168.60</td>
<td>Non-Local/ Non-SMWB</td>
</tr>
<tr>
<td>12</td>
<td>Brycomm, LLC</td>
<td>$1,219,596.37</td>
<td>159.90</td>
<td>Local/ Non-SMWB</td>
</tr>
</tbody>
</table>
*Proposer offering the best value.

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

<table>
<thead>
<tr>
<th>Request for Proposal SAWS Bid No. 15-15091</th>
</tr>
</thead>
<tbody>
<tr>
<td>For the Purchase and Installation of a Security Video Management System with Three Years of Warranty and Maintenance</td>
</tr>
</tbody>
</table>

ALTERMAN TECHNOLOGIES

<table>
<thead>
<tr>
<th>SMWB ANALYSIS – BOARD AWARD</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SBE</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE – African American</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - Asian</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - Hispanic</td>
<td>10.00%</td>
</tr>
<tr>
<td>MBE - Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE - Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Non-Minority</td>
<td>10.00%</td>
</tr>
<tr>
<td>SMWB Total</td>
<td>20.00%</td>
</tr>
</tbody>
</table>

PERIOD OF AWARD

Contract period shall begin on January 6, 2016 and the initial contract period shall include three years of warranty and Maintenance and Support to begin upon installation and acceptance of Video Management System. The contract shall include three (3) additional one-year options to purchase Maintenance and Support beyond initial three (3) year period, renewable and paid for annually.

In determining the best value, staff considered relevant criteria specifically listed in the request for bid. Staff has determined that Alterman Technologies will provide services at the best value to SAWS.
## SAN ANTONIO WATER SYSTEM

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

TABULATION OF BIDS

**PROPOSAL**: Annual Contract for Fuel Services for Off-Road Equipment  
**FOR**:  
**TIME & DATE**: (January 1, 2016 through December 31, 2016)  
3:00 p.m., November 23, 2015

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ITEM 1 TOTAL</strong></td>
<td></td>
<td>40,042.50</td>
<td>75,042.50</td>
</tr>
<tr>
<td><strong>ITEM 2 TOTAL</strong></td>
<td></td>
<td>23,977.50</td>
<td>35,077.50</td>
</tr>
<tr>
<td><strong>ITEM 3 TOTAL</strong></td>
<td></td>
<td>22,000.00</td>
<td>27,500.00</td>
</tr>
</tbody>
</table>

---

**NO BID**  
Equipment not set up at this time for these types of deliveries.

---

**Item 1**  
Ultra Low Sulfur Off Road Diesel  
25,000 gals.  
"OPIS" Daily Average (per gallon)  

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount or Upcharge (per gallon)</td>
<td>0.05</td>
<td>+1.45</td>
</tr>
<tr>
<td>Bid Price (per gallon)</td>
<td>1.6017</td>
<td>3.0017</td>
</tr>
<tr>
<td>Extended Price</td>
<td>40,042.50</td>
<td>75,042.50</td>
</tr>
</tbody>
</table>

**Current Bid Price**  
Valero Motiva Citgo, Flinthills Various Unbranded Rack

<table>
<thead>
<tr>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valero Motiva Citgo, Flinthills</td>
<td>Various Unbranded Rack</td>
</tr>
</tbody>
</table>

---

**Item 2**  
Ultra Low Sulfur Highway Diesel  
15,000 gals.  
OPIS Daily Average (Per gallon)  

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount or Upcharge (per gallon)</td>
<td>0.05</td>
<td>+0.7900</td>
</tr>
<tr>
<td>Bid Price (per gallon)</td>
<td>1.5985</td>
<td>2.3385</td>
</tr>
<tr>
<td>Extended Price</td>
<td>23,977.50</td>
<td>35,077.50</td>
</tr>
</tbody>
</table>

**Current Bid Price**  
Valero Motiva Citgo, Flinthills Various Unbranded Rack

<table>
<thead>
<tr>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Valero Motiva Citgo, Flinthills</td>
<td>Various Unbranded Rack</td>
</tr>
</tbody>
</table>

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**Item 3**  
Delivery  
220 ea  
Standard Delivery (24 hr)  

<table>
<thead>
<tr>
<th>DESCRIPTION</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Standard Delivery (24 hr)</td>
<td>100.00</td>
<td>125.00</td>
</tr>
<tr>
<td>TOTAL</td>
<td>22,000.00</td>
<td>27,500.00</td>
</tr>
</tbody>
</table>
**SAN ANTONIO WATER SYSTEM**  
P. O. BOX 2449  
SAN ANTONIO, TEXAS 78298-2449  
**TABULATION OF BIDS**

**PROPOSAL:** Annual Contract for Fuel Services for Off-Road Equipment  
**FOR:**  
**TIME & DATE:** (January 1, 2016 through December 31, 2016)  
3:00 p.m., November 23, 2015

<table>
<thead>
<tr>
<th>ITEM No.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>b.</td>
<td>50 ea. Scheduled Project Delivery</td>
<td>125.00</td>
<td>6,250.00</td>
</tr>
<tr>
<td>c.</td>
<td>50 ea. Expedited Delivery (4 Hrs.)</td>
<td>175.00</td>
<td>8,750.00</td>
</tr>
<tr>
<td>d.</td>
<td>10 ea. Emergency Delivery (2 Hrs.)</td>
<td>300.00</td>
<td>3,000.00</td>
</tr>
</tbody>
</table>

**ITEM 3 TOTAL:**  
**GRAND TOTAL:**  
**TOTAL:** 104,020.00  
**153,120.00**

**Item 4** On-Site Self Contained Portable Fuel Tanks  
500 gallon Estimated Quantity 2  
*Vendor shall provide credit for unused fuel

<table>
<thead>
<tr>
<th>ITEM No.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>500.00</td>
<td>1,000.00</td>
</tr>
</tbody>
</table>

**Item 5** Pickup  
Estimated Quantity 2 pickups

<table>
<thead>
<tr>
<th>ITEM No.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>275.00</td>
<td>550.00</td>
</tr>
</tbody>
</table>

**EXTENSION 1**  
**104,020.00**

**EXTENSION 2**  
**104,020.00**

**EXTENSION 3**  
**104,020.00**

**Terms**  
Net 30 days  
Net 30 days

**Delivery Days**
SAN ANTONIO WATER SYSTEM
P. O. BOX 2449
SAN ANTONIO, TEXAS  78298-2449

TABULATION OF BIDS

PROPOSAL:  Annual Contract for Fuel Services for Off-Road Equipment
FOR:  
TIME & DATE:  (January 1, 2016 through December 31, 2016)  3:00 p.m., November 23, 2015

*LOW BIDDER

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

Anytime Fuel Pros
Bear Oil Co.
Champion Fuel Solutions
Marshall Distributing Co., Inc.
Martin Eagle Oil Co., Inc.
Mid Tex Oil
Premier Fueling LLC
Ricochet Fuel Distributors
Royce Groff Oil Co.
Sun Coast Resources, Inc.
Sunwell Corp dba Redfuel

Demandstar
SAWS Website
## SAN ANTONIO WATER SYSTEM

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

### TABULATION OF BIDS

**PROPOSAL**  
One Laboratory Glassware Washer - Cabinet Sized and Three Under the Counter  
Laboratory Glassware Washers

**FOR**  
Laboratory Glassware Washers

**DATE:** 3:00 p.m., November 13, 2015

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>1 ea. Cabinet-Style Washer Manufacturer</td>
<td>$45,589.00</td>
<td>$48,672.90</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>$48,672.90</td>
<td>$64,335.33</td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>$48,323.00</td>
<td>$48,323.00</td>
</tr>
<tr>
<td>2.</td>
<td>1 LOT Transfer Cart</td>
<td>$3,708.00</td>
<td>$2,520.00</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>$3,708.00</td>
<td>$2,800.00</td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>$2,800.00</td>
<td>$2,800.00</td>
</tr>
<tr>
<td>3.</td>
<td>3 ea. Under Cabinet-Style Washer Manufacturer</td>
<td>$9,067.00</td>
<td>$11,567.20</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>$11,567.20</td>
<td>$13,608.47</td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>$12,365.00</td>
<td>$12,365.00</td>
</tr>
<tr>
<td>4.</td>
<td>1 Lump Sum Accessories-Note: Price accessories for Items 1 and 3 at this line item. At the bottom of the Price Schedule. List each item out individual that compromises the total cost of this item. (Ex: Racks, spindles, baskets)</td>
<td>$10,258.00</td>
<td>$18,710.50</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>$10,258.00</td>
<td>$18,710.50</td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>$19,546.00</td>
<td>$19,546.00</td>
</tr>
<tr>
<td>5.</td>
<td>1 Lot Training</td>
<td>No Charge</td>
<td>No Charge</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>No Charge</td>
<td>Included</td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>Included</td>
<td>Included</td>
</tr>
<tr>
<td>6.</td>
<td>1 Lot Installation &amp; Removal/Disposal of Existing Washer</td>
<td>$4,995.00</td>
<td>$4,325.00</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>$4,995.00</td>
<td>$4,805.56</td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>$11,812.00</td>
<td>$11,812.00</td>
</tr>
<tr>
<td>7.</td>
<td>1 Lot Service and Maintenance</td>
<td>$3,700.00</td>
<td>Included</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>$3,700.00</td>
<td>Included</td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>$6,150.00</td>
<td>Included</td>
</tr>
<tr>
<td></td>
<td><strong>BASE YEAR (05 JUN 16 - 04 JAN 17)</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>$95,451.00</td>
<td>$108,930.00</td>
</tr>
<tr>
<td></td>
<td><strong>124,954.53</strong></td>
<td>$125,589.00</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>1 Lot Service and Maintenance</td>
<td>$9,495.00</td>
<td>$10,360.00</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>$9,495.00</td>
<td>$11,966.00</td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>$12,125.00</td>
<td>$12,125.00</td>
</tr>
<tr>
<td>9.</td>
<td>1 Lot Service and Maintenance</td>
<td>$9,685.00</td>
<td>$10,360.00</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>$9,685.00</td>
<td>$11,966.00</td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>$12,914.00</td>
<td>$12,914.00</td>
</tr>
<tr>
<td>10.</td>
<td>1 Lot Service and Maintenance</td>
<td>$9,875.00</td>
<td>$10,360.00</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>$9,875.00</td>
<td>$11,966.00</td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>$13,720.00</td>
<td>$13,720.00</td>
</tr>
<tr>
<td>11.</td>
<td>1 Lot Service and Maintenance</td>
<td>$10,475.00</td>
<td>$10,360.00</td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td>$10,475.00</td>
<td>$11,966.00</td>
</tr>
<tr>
<td></td>
<td><strong>SUB TOTAL</strong></td>
<td>$14,528.00</td>
<td>$14,528.00</td>
</tr>
</tbody>
</table>

**SUB TOTAL EXTENSIONS**

| TOTAL | $39,530.00 | $41,440.00 |
|       | $47,884.00 | $53,287.00 |

**TOTAL**

| TOTAL | $134,981.00 | $150,370.00 |
|       | $172,818.53 | $178,876.00 |
### SAN ANTONIO WATER SYSTEM
P. O. BOX 2449
SAN ANTONIO, TEXAS 78298-2449

**TABULATION OF BIDS**

**PROPOSAL FOR** Laboratory Glassware Washers - Cabinet Sized and Three Under the Counter

**TIME & DATE:** 3:00 p.m., November 13, 2015

<table>
<thead>
<tr>
<th>ITEM NO</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>Terms</th>
<th>Delivery Days</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>Net 30 days</td>
<td>Net 30 days</td>
</tr>
</tbody>
</table>

*Low Bidder*

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

- Ameriwater
- Coleparmer
- Cozzoli
- Geneva Scientific
- Johnson Scientific
- Labconco
- Labexpo
- Laboratory Equipment
- Labrepcoco
- Labtrader
- Labx
- Lancer Sales USA, Inc.
- Life Science USA
- Miele Professional
- Newegg
- Scimetrics
- Shlomo
- Spectrum Chemical
- SteelCo
- Steris
- Time Star
- Tuttnauer
- VWR International, LLC

**Address:**
- Lancer Sales USA, Inc.
  - 1150 Emma Oaks Trail, Suite 140
  - Lake Mary, FL 32746
- Miele, Inc.
  - 9 Independence Way
  - Princeton, NJ 08540
- VWR International, LLC
  - 5280 Gateway Drive, Suite 3021
  - Irving, TX 75063
- STERIS Corporation
  - 5960 Haxley Rd.
  - Mentor, OH 44060

**SAN ANTONIO WATER SYSTEM**

**P.O. BOX 2449**

**SAN ANTONIO, TEXAS 78298-2449**
<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND QUANTITY</th>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lawson No. 22334 Topsoil 22,000 cubic yard</td>
<td>UNIT</td>
<td>22.50</td>
<td>495,000.00</td>
</tr>
<tr>
<td>2</td>
<td>Lawson No. 22335 Topsoil 4,500 cubic yard</td>
<td>UNIT</td>
<td>22.50</td>
<td>101,250.00</td>
</tr>
<tr>
<td>3</td>
<td>Lawson No. 22334 Topsoil 10 each Expedited Delivery Charge</td>
<td>UNIT</td>
<td>32.50</td>
<td>325.00</td>
</tr>
<tr>
<td></td>
<td>Lawson No. 22335 Topsoil 10 each Expedited Delivery Charge</td>
<td>UNIT</td>
<td>32.50</td>
<td>325.00</td>
</tr>
<tr>
<td></td>
<td>Lawson No. 22334 Topsoil 25,000 cubic yard</td>
<td>UNIT</td>
<td>23.50</td>
<td>587,500.00</td>
</tr>
<tr>
<td></td>
<td>Lawson No. 22335 Topsoil 4,500 cubic yard</td>
<td>UNIT</td>
<td>23.50</td>
<td>105,750.00</td>
</tr>
<tr>
<td></td>
<td>Lawson No. 22334 Topsoil 10 each Expedited Delivery Charge</td>
<td>UNIT</td>
<td>33.50</td>
<td>335.00</td>
</tr>
<tr>
<td></td>
<td>Lawson No. 22335 Topsoil 10 each Expedited Delivery Charge</td>
<td>UNIT</td>
<td>33.50</td>
<td>335.00</td>
</tr>
<tr>
<td></td>
<td>Lawson No. 22334 Topsoil 28,000 cubic yard</td>
<td>UNIT</td>
<td>24.50</td>
<td>686,000.00</td>
</tr>
<tr>
<td></td>
<td>Lawson No. 22335 Topsoil 4,500 cubic yard</td>
<td>UNIT</td>
<td>24.50</td>
<td>110,250.00</td>
</tr>
<tr>
<td></td>
<td>Lawson No. 22334 Topsoil 10 each Expedited Delivery Charge</td>
<td>UNIT</td>
<td>34.50</td>
<td>345.00</td>
</tr>
<tr>
<td></td>
<td>Lawson No. 22335 Topsoil 10 each Expedited Delivery Charge</td>
<td>UNIT</td>
<td>34.50</td>
<td>345.00</td>
</tr>
</tbody>
</table>

**GRAND TOTAL**

<table>
<thead>
<tr>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>596,575.00</td>
<td>662,750.00</td>
</tr>
</tbody>
</table>

**EXTENSION 1: 05 JAN 17 TO 04 JAN 18**

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND QUANTITY</th>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lawson No. 22334 Topsoil 25,000 cubic yard</td>
<td>UNIT</td>
<td>23.50</td>
<td>585,750.00</td>
</tr>
<tr>
<td>2</td>
<td>Lawson No. 22335 Topsoil 4,500 cubic yard</td>
<td>UNIT</td>
<td>23.50</td>
<td>105,750.00</td>
</tr>
<tr>
<td>3</td>
<td>Lawson No. 22334 Topsoil 10 each Expedited Delivery Charge</td>
<td>UNIT</td>
<td>33.50</td>
<td>335.00</td>
</tr>
</tbody>
</table>

**EXTENSION 1 TOTAL**

<table>
<thead>
<tr>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>693,585.00</td>
<td>774,637.50</td>
</tr>
</tbody>
</table>

**EXTENSION 2: 05 JAN 18 TO 04 JAN 19**

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND QUANTITY</th>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Lawson No. 22334 Topsoil 28,000 cubic yard</td>
<td>UNIT</td>
<td>24.50</td>
<td>686,000.00</td>
</tr>
<tr>
<td>2</td>
<td>Lawson No. 22335 Topsoil 4,500 cubic yard</td>
<td>UNIT</td>
<td>24.50</td>
<td>110,250.00</td>
</tr>
<tr>
<td>3</td>
<td>Lawson No. 22334 Topsoil 10 each Expedited Delivery Charge</td>
<td>UNIT</td>
<td>34.50</td>
<td>345.00</td>
</tr>
</tbody>
</table>

**EXTENSION 2 TOTAL**

<table>
<thead>
<tr>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>796,595.00</td>
<td>895,975.60</td>
</tr>
</tbody>
</table>
# SAN ANTONIO WATER SYSTEM

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

**TABULATION OF BIDS**

**ANNUAL CONTRACT for the Supply of Backfill & Landscaping Materials**

**FOR:** Topsoil Only

**TIME & DATE:** (January 5, 2016 through January 4, 2016)

3:00 p.m., December 10, 2015

**ITEM No.: DESCRIPTION AND APPROXIMATE QUANTITY**

<table>
<thead>
<tr>
<th>EXTENSION 3: 05 JAN 19 TO 04 JAN 20</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Topsoil - Only (January 5, 2016 through January 4, 2016)</td>
<td>25.50</td>
<td>790,500.00</td>
</tr>
<tr>
<td>2. Topsoil - Delivery to Jobsite</td>
<td>25.50</td>
<td>114,750.00</td>
</tr>
<tr>
<td>3. Expedited Delivery Charge (For Emergency Orders Only)</td>
<td>35.50</td>
<td>355.00</td>
</tr>
</tbody>
</table>

| EXTENSION 3 TOTAL | * | 905,605.00 |

<table>
<thead>
<tr>
<th>EXTENSION 4: 05 JAN 20 TO 04 JAN 21</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Topsoil - Only</td>
<td>26.50</td>
<td>901,000.00</td>
</tr>
<tr>
<td>2. Topsoil - Delivery to Jobsite</td>
<td>26.50</td>
<td>119,250.00</td>
</tr>
<tr>
<td>3. Expedited Delivery Charge (For Emergency Orders Only)</td>
<td>36.50</td>
<td>365.00</td>
</tr>
</tbody>
</table>

| EXTENSION 4 TOTAL | * | 1,020,615.00 |

| GRAND TOTAL (BASE YEAR AND EXTENSION 1, 2, 3 AND 4) | * | 4,012,975.00 |

**Terms:**

<table>
<thead>
<tr>
<th>Delivery</th>
<th>Net</th>
<th>Net</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 days</td>
<td>30 days</td>
<td></td>
</tr>
</tbody>
</table>

24 hours

*Lowest Bidder*

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

- New Earth
- Madden Material Trucking
- SAWS Website
- DemandStar
- Martin Marietta Materials
- Mc&M Marble
- Morris Company
- Oppies Topsoil Sand & Gravel
- Oscar Gutierrez Trucking
- Texas Sand & Gravel
- TexasStone Quarries
- Timms Trucking & Excavating
TO: San Antonio Water System Board of Trustees

FROM: José L. Carreño, P.E., Director, Collection and Distribution Engineering, 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. 3 IN CONNECTION WITH THE EARZ SMALL DIAMETER REHAB PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution approves 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. It further returns the balance of construction contingency funds in the amount of $112,737.60 for a total amount of $316,510.06 to the Project Fund and closes the contract. This project is located in Council District 9.

- This project involves work that is required by the Section V. B. Early Action Program of the Consent Decree between the San Antonio Water 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.

- The EARZ Small Diameter Rehab Project rehabilitated approximately 7,291 feet of 8-inch and 15-inch diameter mains and related appurtenances.

- The EARZ Small Diameter Rehab Project with National Power Rodding Corp., a non-local, non-SMWB Contractor, in the amount of $1,331,848.80 was authorized by Resolution No. 13-335 on November 18, 2013. Funds in the amount of $133,185.00 were authorized for construction contingency.

- Change Order No. 1 was in the amount of $1,417.50, and did not require Board Approval.

- Change Order No. 2 was in the amount of $19,029.90, and did not require Board Approval.

- Change Order No. 3 recapitulates the construction contract quantities in the decreased amount of $203,772.46. It further returns the remaining construction contingency funds in the amount of $112,737.60 for a total amount of $316,510.06 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:

<table>
<thead>
<tr>
<th>Contract:</th>
<th>Amount Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Contract Amount (Resolution No. 13-335)</td>
<td>$1,331,848.80</td>
</tr>
<tr>
<td>Change Order Nos. 1 and 2</td>
<td>$20,447.40</td>
</tr>
<tr>
<td>Proposed Recapitulation Change Order No. 3</td>
<td>$(203,772.46)</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>$1,148,523.74</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Contingency:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Contingency Amount (Resolution No. 13-335)</td>
<td>$133,185.00</td>
</tr>
<tr>
<td>Change Order Nos. 1 and 2</td>
<td>$20,447.40</td>
</tr>
<tr>
<td>Remaining Contingency Balance</td>
<td>$112,737.60</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Balance Returned:</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Recapitulation Change Order No. 3</td>
<td>$203,772.46</td>
</tr>
<tr>
<td>Remaining Contingency Balance</td>
<td>$112,737.60</td>
</tr>
<tr>
<td>Total Remaining Balance Returned</td>
<td>$316,510.06</td>
</tr>
</tbody>
</table>

Construction funds in the amount of $203,772.46 are being returned to the Project Fund. Construction contingency funds in the amount of $112,737.60 are also being returned to the Project Fund for a total of $316,510.06. The sewer job number is 13-4805.

SUPPLEMENTARY COMMENTS:

Previous change orders and Recapitulation Change Order No. 3 reflects a 13.76 percent decrease to the original contract amount.

Jose L. Carreno, P.E.
Director
Collection and Distribution Engineering

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
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING RECAPITULATION CHANGE ORDER NO. 3 IN THE DECREASED AMOUNT OF $203,772.46 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 REMAINING CONSTRUCTION CONTINGENCY FUNDS IN THE AMOUNT OF $112,737.60 FOR A TOTAL AMOUNT OF $316,510.06 TO THE SYSTEM’S PROJECT FUND; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE RECAPITULATION CHANGE ORDER NO. 3 AND CLOSE THE CONTRACT WITH NATIONAL POWER RODDING CORP.; 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 EARZ Small Diameter Rehab Project; and

WHEREAS, funds in the amount of $1,331,848.80 for the construction contract award with National Power Rodding Corp., and $133,185.00 for construction contingency expenses were authorized for the project by Resolution No. 13-335, adopted November 18, 2013; and

WHEREAS, the EARZ Small Diameter Rehab Project rehabilitated approximately 7,291 feet of 8-inch and 15-inch diameter mains and related appurtenances; and

WHEREAS, the construction of this project is complete; and

WHEREAS, Change Order No. 3 recapitulates the construction contract quantities in the decreased amount of $203,772.46, and it further returns the remaining construction contingency funds in the amount of $112,737.60 for a total amount of $316,510.06; and

WHEREAS, funds in the amount of $316,510.06 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. 3 in the decreased amount of $203,772.46 in connection
with the EARZ Small Diameter Rehab Project, (ii) to return the amount of $203,772.46 and the construction contingency balance of $112,737.60 for a total amount of $316,510.06 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. 3 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. 3 in the decreased amount of $203,772.46 in connection with the EARZ Small Diameter Rehab Project is hereby approved.

2. That the amount of $203,772.46 and the construction contingency balance of $112,737.60 for a total amount of $316,510.06 are 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. 3 to the construction contract between the System and National Power Rodding Corp., in connection with the EARZ Small Diameter Rehab 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 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 5th day of January, 2016.

Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Patricia E. Merritt, Secretary
TO:        San Antonio Water System Board of Trustees
FROM:    José L. Carreño, P.E., Director, Collection and Distribution Engineering, 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. 2  IN
         CONNECTION WITH THE SOUTH FLORES ST. 48-INCH AND 60-INCH
         OUTFALL REHAB PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution approves 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. It further returns the balance
of construction contingency funds in the amount of $120,000.00 for a total amount of $427,791.66
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 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.

- The South Flores St. 48-8inch and 60-inch Outfall Rehab Project with IPR South Central,
  LLC, a local, non-SMWB contractor, in the amount $2,391,858.61 was authorized by
  Resolution 14-208 on August 3, 2014.  Funds in the amount of $120,000.00 were
  authorized for construction contingency.

- The South Flores St. 48-inch and 60-inch Outfall Rehab Project rehabilitated
  approximately 0.5 miles of sewer main by Cured-in-Place Pipe method.

- Change Order No. 1 increased the contract days and did not require Board approval.  The
  total amount was $0.00.

- Change Order No. 2 recapitulates the construction contract quantities in the decreased
  amount of $307,791.66.  It further returns the remaining construction contingency funds in
  the amount of $120,000.00 for a total amount of $427,791.66 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:

<table>
<thead>
<tr>
<th>Contract:</th>
<th>Amount Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Contract Amount (Resolution No. 14-208)</td>
<td>$2,391,858.61</td>
</tr>
<tr>
<td>Change Order No. 1</td>
<td>$0.00</td>
</tr>
<tr>
<td>Proposed Recapitulation Change Order No. 2</td>
<td>($307,791.66)</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>$2,084,066.95</td>
</tr>
<tr>
<td><strong>Contingency:</strong></td>
<td></td>
</tr>
<tr>
<td>Original Contingency Amount (Resolution No. 14-208)</td>
<td>$120,000.00</td>
</tr>
<tr>
<td>Change Order No. 1</td>
<td>$0.00</td>
</tr>
<tr>
<td>Remaining Contingency Balance</td>
<td>$120,000.00</td>
</tr>
<tr>
<td><strong>Balance Returned:</strong></td>
<td></td>
</tr>
<tr>
<td>Proposed Recapitulation Change Order No. 2</td>
<td>$307,791.66</td>
</tr>
<tr>
<td>Remaining Contingency Balance</td>
<td>$120,000.00</td>
</tr>
<tr>
<td>Total Remaining Balance Returned</td>
<td><strong>$427,791.66</strong></td>
</tr>
</tbody>
</table>

Construction funds in the amount of $307,791.66 are being returned to the Project Fund. Construction contingency funds in the amount of $120,000.00 are also being returned to the Project Fund for a total of $427,791.66. The job number is 13-4808.
SUPPLEMENTARY COMMENTS:

Previous change orders and Recapitulation Change Order No. 2 reflect a 12.86 percent decrease to the original contract amount.

Jose L. Carreño, P.E.
Director
Collection and Distribution Engineering

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
South Flores St. 48-inch and 60-inch Outfall Rehab Project
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING RECAPITULATION CHANGE ORDER NO. 2 IN THE DECREASED AMOUNT OF $307,791.66 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 REMAINING CONSTRUCTION CONTINGENCY FUNDS IN THE AMOUNT OF $120,000.00 FOR A TOTAL AMOUNT OF $427,791.66 TO THE SYSTEM’S PROJECT FUND; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE RECAPITULATION CHANGE ORDER NO. 2 AND CLOSE THE CONTRACT WITH IPR SOUTH CENTRAL, LLC; 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 South Flores St. 48-inch and 60-inch Outfall Rehab Project as part of its Capital Improvement Program; and

WHEREAS, funds in the amount of $2,391,858.61 for the construction contract with IPR South Central, LLC, and $120,000.00 for construction contingency expenses were authorized for the project by Resolution 14-208, adopted August 3, 2014; and

WHEREAS, the South Flores St. 48-inch and 60-inch Outfall Rehab Project rehabilitated approximately 0.5 miles of sewer main by Cured-in-Place Pipe method; and

WHEREAS, the construction of this project is complete; and

WHEREAS, Change Order No. 2 recapitulates the construction contract quantities in the decreased amount of $307,791.66, and it further returns the remaining construction contingency funds in the amount of $120,000.00 for a total amount of $427,791.66; and

WHEREAS, funds in the amount of $427,791.66 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. 2 in the decreased amount of $307,791.66 in connection with the South Flores St. 48-inch and 60-inch Outfall Rehab Project, (ii) to return the amount of
$307,791.66 and the construction contingency balance of $120,000.00 for a total returned amount of $427,791.66 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. 2 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. 2 in the decreased amount of $307,791.66 in connection with the South Flores St. 48-inch and 60-inch Outfall Rehab Project is hereby approved.

2. That the amount of $307,791.66 and the construction contingency balance of $120,000.00 for the total amount of $427,791.66 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. 2 to the construction contract between the System and IPR South Central, LLC, in connection with the South Flores St. 48-inch and 60-inch Outfall Rehab 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 5th day of January, 2016.

__________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Patricia E. Merritt, Secretary
AGENDA ITEM NO. 10

TO: San Antonio Water System Board of Trustees

FROM: José L. Carreño, P.E., Director, Collection and Distribution Engineering, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

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

SUBJECT: APPROVAL OF CHANGE ORDER NO. 1 IN CONNECTION WITH THE SAN ANTONIO RIVER OUTFALL PROJECT 2A

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution approves Deduction Change Order No. 1 in the amount of $1,668,720.37 to a revised contract amount of $105,183.46 in connection with the San Antonio River Outfall - Project 2A (the “project”). This project is located in Council District 3.

- 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.

- The project includes the rehabilitation of approximately one-mile of 48-inch sewer pipe along Arkansas Oak, Buescher Lane, and Richey Otis. The work is to be accomplished using Cured-In-Place Pipe methods.

- On December 2, 2014, the System’s Board of Trustees, through Resolution 14-350, authorized a construction contract with Kenny Construction Company, a non-local, non-SMWB contractor, in the amount of $1,773,903.83 in connection with the project, and further authorized $88,695.00 for construction contingency expenses.

- The contract provided 150 days for completion of the work beginning February 9, 2015 and ending July 9, 2015.

- As part of the construction process, a schedule was provided by the contractor and approved by the System that would allow the work to be complete within the 150 day schedule.

- During the submittal process, it was determined that there were discrepancies between the actual flow through the sewer pipe and the flow numbers provided the contractor during the bid process. This discrepancy would impact the bypass pumping requirements for the contractor. In order to address the issue of correcting the design specifications and to avoid delay claims from the contractor, the System made the decision to issue a Notice of Termination for Convenience of Owner on June 23, 2015.
• After negotiations between the System and Kenny Construction Company, it was determined the contractor was entitled to actual cost incurred as a result of the termination. Compensation was negotiated in the amount not to exceed $105,183.46.

• Deduction Change Order No. 1 in the amount of $1,668,720.37 resulted in a revised contract amount of $105,183.46.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this expenditure included in the CY 2014 Capital Improvement Program. The sewer work is included in the Wastewater Core Business - Main Replacements – Sewer Category and the San Antonio River Outfall Pipeline Rehabilitation Phase 2 budget line item. The job number is 14-4508.

The authorizations for this project are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Amount Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Contract:</strong></td>
<td></td>
</tr>
<tr>
<td>Original Contract Amount (Resolution No. 14-350)</td>
<td>$ 1,773,903.83</td>
</tr>
<tr>
<td>Proposed Change Order No. 1</td>
<td>(1,668,720.37)</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>$ 105,183.46</td>
</tr>
<tr>
<td><strong>Contingency:</strong></td>
<td></td>
</tr>
<tr>
<td>Original Contingency Amount (Resolution No. 14-350)</td>
<td>88,695.00</td>
</tr>
<tr>
<td>Remaining Contingency Balance</td>
<td>$ 88,695.00</td>
</tr>
</tbody>
</table>

Change Order No. 1 represents a 94.07 percent decrease to the original contract amount resulting in a revised authorization amount of $105,183.46.
SUPPLEMENTARY COMMENTS:

This project will be re-bid in early 2016.

José L. Carreño, P.E.
Director
Collection and Distribution Engineering

APPROVED:

Robert R. Puente
President/Chief Executive Officer

Attachments:
1. Project Area Map
2. Project Site Map
San Antonio River Outfall
Project 2A
San Antonio River Outfall
Project 2A
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE DEDUCTION CHANGE ORDER NO. 1 IN THE DECREASED AMOUNT OF $1,668,720.37 TO A REVISED CONTRACT AMOUNT OF $105,183.46; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE DECUTION CHANGE ORDER NO. 1 AND TO PAY TO KENNY CONSTRUCTION COMPANY, AN AMOUNT NOT TO EXCEED $105,183.46 FOR THE PROJECT WORK ASSOCIATED WITH THE SAN ANTONIO RIVER OUTFALL PROJECT 2A; 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 undertaking to construct wastewater facilities for the San Antonio River Outfall Project 2A (the “project”) as part of its Capital Improvement Program; and

WHEREAS, the project includes the rehabilitation of approximately one-mile of 48-inch sewer pipe along Arkansas Oak, Buescher Lane, and Richey Otis. This work is to be accomplished using Cured-In-Place Pipe methods; and

WHEREAS, the San Antonio Water System Board of Trustees, by Resolution No. 14-350, adopted December 2, 2014, awarded a construction contract to Kenny Construction Company, a non-local, non-SMWB contractor, and approved the expenditure of $1,773,903.83 for the construction contract and $88,995.00 for related construction contingency expenses; and

WHEREAS, the contract provided 150 days for completion of the work beginning February 9, 2015 and ending July 9, 2015; and

WHEREAS, as part of the construction process, a schedule was provided by the contractor and approved by the System that would allow the work to be complete within the 150 day schedule; and

WHEREAS, during the submittal process, it was determined that there were discrepancies between the actual flow through the sewer pipe and the flow numbers provided the contractor during the bid process. This discrepancy would impact the bypass pumping requirements for the contractor. In order to address the issue of correcting the design specifications and to avoid delay claims from the contractor, the System made the decision to issue a Notice of Termination for Convenience of Owner on June 23, 2015; and
WHEREAS, after negotiations between the System and Kenny Construction Company, it was determined the contractor was entitled to actual cost incurred as a result of the termination. Compensation was negotiated in the amount not to exceed $105,183.46; and

WHEREAS, the deduction Change Order No. 1 in the amount of $1,668,720.37 is necessary to revise the contract amount to $105,183.46; and

WHEREAS, the System funds in the amount of $105,183.46 are required for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve Deduction Change Order No. 1 in the amount of $1,668,720.37 to a revised contract amount of $105,183.46, and (ii) to authorize the President/Chief Executive Officer or his duly appointed designee execute Deduction Change Order No. 1 and to pay an amount not to exceed $105,183.46 for the project work associated with San Antonio River Outfall – Project 2A; now, therefore:

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

1. That Deduction Change Order No. 1 in the amount of $1,668,720.37 to a revised contract amount of $105,183.46 in connection with the San Antonio River Outfall - Project 2A is hereby approved.

2. That the expenditure of an amount not to exceed $105,183.46 payable to Kenny Construction Company is hereby approved.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute Deduction Change Order No. 1 and to pay to Kenny Construction Company, an amount not to exceed $105,183.46 for the project work associated with the San Antonio River Outfall – Project 2A.

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 5\textsuperscript{th} day of January, 2016.

\begin{flushright}
Berto Guerra, Jr., Chairman
\end{flushright}

\begin{flushleft}
ATTEST:
\end{flushleft}

\begin{flushleft}
Patricia E. Merritt, Secretary
\end{flushleft}
AGENDA ITEM NO.____

TO: San Antonio Water System Board of Trustees

FROM: José L. Carreño, P.E., Director, Collection and Distribution Engineering, 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 UV CIPP SANITARY SEWER PACKAGE VII

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract in the amount of $2,699,410.00 to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., a local, MBE-Hispanic firm, in connection with the 2015 UV CIPP Sanitary Sewer Package VII. These projects are citywide and may be 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 include the rehabilitation of sanitary sewer mains that have been identified by the Operations Department as in very poor condition. These sewer mains will be replaced using UV Cured-In-Place Pipe (CIPP) rehab method and administered on a work order basis once the projects have been designed.

- The sewer work will include the rehabilitation of approximately 1.6 miles of 8-inch to 21-inch wastewater mains. Sewer mains are replaced by UV CIPP method as the end result is less disruptive than the open cut method.

- Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., a local, MBE-Hispanic firm, has submitted the low responsible bid of $2,699,410.00.

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 $2,699,410.00 for sewer related construction work under job number 14-45075-4801.
SUPPLEMENTARY COMMENTS:

The System’s Collection and Distribution staff prepared their opinion of probable cost for this project and their estimated construction cost was $2,788,982.60.

A bid opening was held on November 12, 2015, at 10:00 AM. Three firms responded to the request for bids. The following bids were submitted:

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>BID AMOUNT</th>
<th>LOCAL/SMWB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pronto Sandblasting &amp; Coating &amp; Oil-Field Services Co., Inc *</td>
<td>$2,699,410.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$2,788,982.60</td>
<td></td>
</tr>
<tr>
<td>Insituform Technologies, LLC.</td>
<td>$3,482,189.00</td>
<td>Non-Local/Non-SMWB</td>
</tr>
<tr>
<td>Fuquay, Inc.</td>
<td>$5,755,497.00</td>
<td>Local/WBE-Caucasian</td>
</tr>
</tbody>
</table>

*Low Responsible Bidder

The bid amount represents a 3.2 percent decrease from the estimated construction cost.

This contract has 730 days for construction completion or until funds are exhausted, whichever comes first.
## 2015 UV CIPP Sanitary Sewer Package VII
### PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC.

<table>
<thead>
<tr>
<th>SMWB Analysis - Board Award</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SBE</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - African American</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - Asian</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - Hispanic</td>
<td>100.00%</td>
</tr>
<tr>
<td>MBE - Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE - Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE - Non-Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>SMWB Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Jose V. Tarrefo, P.E.
Director
Collection and Distribution Engineering

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

Robert R. Puente
President/Chief Executive Officer

APPROVED:
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 $2,699,410.00 IN CONNECTION WITH THE 2015 UV CIPP SANITARY SEWER PACKAGE VII; AWARDING A CONTRACT TO PRONTO SANDBLASTING & COATING & OIL FIELD SERVICES CO., INC., IN THE AMOUNT OF $2,699,410.00 FOR THE PROJECT WORK; APPROVING EXPENDITURES AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $2,699,410.00 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 $2,699,410.00 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, this contract will include the rehabilitation of sanitary sewer mains that have been identified by the Operations Department as in very poor condition. These sewer mains will be replaced using UV Cured-In-Place Pipe (CIPP) rehab method and administered on a work order basis once the projects have been designed; and

WHEREAS, the sewer work will include the rehabilitation of approximately 1.6 miles of 8-inch to 21-inch wastewater mains. Sewer mains are replaced by UV CIPP method 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 firm, is now declared the lowest responsible bidder and has submitted the low responsible bid of $2,699,410.00 for the project work; and

WHEREAS, System funds in the amount of $2,699,410.00 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 $2,699,410.00 for the project work in connection with the 2015 UV CIPP Sanitary Sewer Package VII, (ii) to award a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., in the amount $2,699,410.00 for the project work, (iii) to approve a total expenditure and make available an amount not to exceed $2,699,410.00 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 $2,699,410.00 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 $2,699,410.00 for the project work in connection with the 2015 UV CIPP Sanitary Sewer Package VII is hereby accepted.

2. That a construction contract in the amount of $2,699,410.00 for the project work is hereby awarded to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc.

3. That a total sum not to exceed $2,699,410.00 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 $2,699,410.00 for the project work in connection with the 2015 UV CIPP Sanitary Sewer Package VII.

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 5th day of January, 2016.

________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________________________
Patricia E. Merritt, Secretary
TO: San Antonio Water System Board of Trustees

FROM: José L. Carreño, P.E., Director, Collection and Distribution Engineering, 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 OPEN CUT SEWER CONSTRUCTION PACKAGE VIII

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract in the amount of $2,298,637.00 to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., a local, MBE-Hispanic firm, in connection with the 2015 Open Cut Sewer Construction Package VIII. These projects are citywide and may be 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 make repairs or replace sewer mains that have been identified by the Operations Department as in very poor condition. These sewer mains will be replaced using open cut method and will be administered on a work order basis once the projects have been designed.

- The sewer work will include the replacement of approximately 2.2 miles of 8-inch to 24-inch wastewater mains. Sewer mains are to be replaced by open cut method due to the condition of the sewer pipe and the inability to be rehabilitated using Pipe Bursting or Cured-in-Place Pipe method.

- The Facilities Rehabilitation, Inc., the apparent low bidder, did not meet the requirements of past performance on three similar projects within the last five years as required in the System’s specifications, Instructions to Bidders, Section 24 and is therefore not the low responsible bidder. Therefore, as provided in the bid documents, it is recommended that the System exercise its right to award the contract to the next lowest bidder, Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., as the Low Responsible Bidder.
The attached resolution therefore finds that Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., a local, MBE-Hispanic firm has submitted the low responsible bid of $2,298,637.00.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2105 Capital Improvement Program. This project is included in the Wastewater Core Business budget line item. The amount is $2,298,637.00 for sewer related construction work under job number 14-45075-4801.

SUPPLEMENTARY COMMENTS:

The System’s Collection and Distribution staff prepared their opinion of probable cost for this project and their estimated construction cost was $2,306,000.00.

A bid opening was held on November 5, 2015, at 10:00 AM. Four firms responded to the request for bids. The following bids were submitted:

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>BID AMOUNT</th>
<th>LOCAL/SMWB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities Rehabilitation, Inc. **</td>
<td>$2,289,278.00</td>
<td>Non-Local/MBE-Hispanic</td>
</tr>
<tr>
<td>**Pronto Sandblasting &amp; Coating &amp; Oil-Field Services Co., Inc., *</td>
<td>**$2,298,637.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$2,306,000.00</td>
<td></td>
</tr>
<tr>
<td>RL Jones LP</td>
<td>$2,321,785.00</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Rohl Networks LP</td>
<td>$3,125,634.15</td>
<td>Non-Local/Non-SMWB</td>
</tr>
</tbody>
</table>

*Low Responsible Bidder  **Not a Responsible Bidder

The bid amount represents a 0.3 percent decrease from the estimated construction cost.

This contract has 365 days for construction completion or until funds are exhausted, whichever comes first.
### 2015 Open Cut Sewer Construction Package VIII

**PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC.**

**SMWB ANALYSIS – BOARD AWARD**

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>SBE</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - African American</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - Asian</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - Hispanic</td>
<td>100.00%</td>
</tr>
<tr>
<td>MBE - Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE - Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE - Non-Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>SMWB Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

---

José L. Carreño, P.E.  
Director  
Collection and Distribution Engineering

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 FINDING THE BID OF PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC., TO BE THE LOW RESPONSIBLE BID; ACCEPTING THE BID OF PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC., IN THE AMOUNT OF $2,298,637.00 IN CONNECTION WITH THE OPEN CUT SEWER CONSTRUCTION PACKAGE VIII; AWARDING A CONTRACT TO PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC., IN THE AMOUNT OF $2,298,637.00 FOR THE PROJECT WORK; APPROVING EXPENDITURES AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $2,298,637.00 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 $2,298,637.00 FOR THE PROJECT WORK AND RELATED CONSTRUCTION CONTINGENCIES; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, this contract will be used to make repairs or replace sewer mains that have been identified by the Operations Department as in very poor condition. These sewer mains will be replaced using open cut method and will be administered on a work order basis once the projects have been designed; and

WHEREAS, the sewer work will include the replacement of approximately 2.2 miles of 8-inch to 24-inch wastewater mains. Sewer mains are to be replaced by open cut method due to the condition of the sewer pipe and the inability to be rehabilitated using Pipe Bursting or Cured-in-Place Pipe 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 firm, is now declared the lowest responsible bidder and has submitted the low responsible bid of $2,298,637.00 for the project work; and

WHEREAS, System funds in the amount of $2,298,637.00 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 $2,298,637.00 for the project work in connection with the 2015 Open Cut Sewer Construction Package VIII, (ii) to award a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., in the amount $2,298,637.00 for the project work, (iii) to approve a total expenditure and make available an amount not to exceed $2,298,637.00 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 $2,298,637.00 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 $2,298,637.00 for the project work in connection with the 2015 Open Cut Construction Package VIII is hereby accepted.

2. That a construction contract in the amount of $2,298,637.00 for the project work is hereby awarded to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc.

3. That a total sum not to exceed $2,298,637.00 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 $2,298,637.00 for the project work in connection with the 2015 Open Cut Construction Package VIII.

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 5th day of January, 2016.

________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_______________________________
Patricia E. Merritt, Secretary
AGENDA ITEM NO. 13

TO: San Antonio Water System Board of Trustees

FROM: José L. Carreño, P.E., Director, Collection and Distribution Engineering, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

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

SUBJECT: APPROVAL OF CONTRACT AMENDMENT NO. 5 AND AUTHORIZATION OF ADDITIONAL FUNDS FOR PROFESSIONAL ENGINEERING SERVICES IN CONNECTION WITH THE WESTERN WATERSHED SEWER RELIEF LINE – MIDDLE SEGMENT PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution approves Contract Amendment No. 5 and amends Resolution No. 10-119 by authorizing $108,573.00 for additional professional engineering services. It authorizes the President/Chief Executive Officer or his duly appointed designee to provide additional payment in an amount not to exceed $108,573.00 to Brown and Caldwell, for professional engineering services in connection with the Western Watershed Sewer Relief Line – Middle Segment Project (the “project”). This project is located in Council District 4.

- This project involves work that is required by the 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 System’s Master Planning Division. The project will replace sewer main and associated siphons which are in poor condition and require additional capacity.

- The project consists of the replacement of approximately 9,000 linear feet of 54-inch sanitary sewer main and siphons from S.W. Military Drive to Quintana Road with a 90-inch sanitary sewer main.

- By Resolution No. 10-119, passed and approved on March 2, 2010, the System’s Board of Trustees approved a professional services agreement in the amount of $1,157,341.00 with Brown and Caldwell, in connection with the Western Watershed Sewer Relief Line – Middle Segment Project.

- Contract Amendment No. 5 provides for additional professional engineering services needed to address revisions to the alignment of the proposed sewer main at tie in location of the Lower Segment and the Middle Segment, along with necessary revisions to the
Approval of Contract Amendment No. 5 and Authorization of Additional Funds for Professional Engineering Services Western Watershed Relief Line – Middle Segment Project

- proposed siphon structure, quality control survey, and additional construction inspection services.

- The total amount necessary for Contract Amendment No. 5 will not exceed $108,573.00.

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. The work is included in the Wastewater Core Business, Collection R&R – Wastewater Category, Western Watershed Sewer Relief Line – Middle Segment budget line item. The amount is $108,573.00 for wastewater engineering work. The job number is 09-2514-000.

The revised authorizations for this project are as follows:

<table>
<thead>
<tr>
<th>Contract:</th>
<th>Amount Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Contract Amount (Resolution No. 10-119)</td>
<td>$1,157,341.00</td>
</tr>
<tr>
<td>Amendment No. 1</td>
<td>$3,300.00</td>
</tr>
<tr>
<td>Amendment No. 2 (Resolution No. 12-011)</td>
<td>$40,210.50</td>
</tr>
<tr>
<td>Amendment No. 3 (Resolution No. 13-118)</td>
<td>$73,630.30</td>
</tr>
<tr>
<td>Amendment No. 4</td>
<td>$9,500.00</td>
</tr>
<tr>
<td>Additional Funds Authorized by this Resolution</td>
<td>$108,573.00</td>
</tr>
<tr>
<td>Revised Authorization</td>
<td><strong>$1,392,554.80</strong></td>
</tr>
</tbody>
</table>

As a result of Contract Amendment No. 5, the new contract amount is $1,392,554.80. This represents a 20.3 percent increase to the original contract amount.

SUPPLEMENTARY COMMENTS:

- The contract was administratively amended with Contract Amendment No. 1 on May 18, 2011, for additional funds in the total amount of $3,300.00 for additional engineering services to conduct the Phase I Environmental Site Assessment on the Middle Segment Project.

- Resolution No. 12-011, adopted on January 10, 2012, authorized Contract Amendment No. 2 with additional funds in the amount of $40,210.50 for additional professional engineering services associated with a Phase II Environmental Site Assessment of the Exxon property. The proposed alignment passes through property owned by Exxon Mobil Corp. and will cross through a contaminated area. The Phase II Environmental Site Assessment was required to determine the nature and extent of the contamination. The additional work
provided for the preparation of a Phase II Environmental Site Assessment of the Exxon property.

- Resolution No. 13-118, adopted on May 14, 2013, authorized Contract Amendment No. 3 with additional funds in the amount of $73,630.30 for additional professional engineering services needed to add the required tasks pertaining to complying with the Texas Water Development Board Tier III Funding program and add the required work to the original professional services contract.

- The contract was administratively amended with Contract Amendment No. 4 on October 28, 2014, for additional funds in the amount of $9,500.00 for additional professional engineering services to split the project into two construction packages and then consolidate back into one construction package.

José L. Carreño, P.E.
Director
Collection and Distribution Engineering

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 II

WESTERN WATERSHED SEWER RELIEF LINE
P-3 and P-4 - MIDDLE SEGMENT

LEGEND

PROJECT LIMITS
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING CONTRACT AMENDMENT NO. 5 TO PROVIDE FOR ADDITIONAL ENGINEERING SERVICES TO THE EXISTING PROFESSIONAL SERVICES AGREEMENT WITH BROWN AND CALDWELL, IN AN AMOUNT NOT TO EXCEED $108,573.00 IN CONNECTION WITH THE WESTERN WATERSHED SEWER RELIEF LINE – MIDDLE SEGMENT PROJECT; AMENDING RESOLUTION NO. 10-119, AS PREVIOUSLY AMENDED BY RESOLUTION NOS. 12-011 AND 13-118, BY APPROVING ADDITIONAL EXPENDITURES IN AN AMOUNT NOT TO EXCEED $108,573.00 FOR A TOTAL AUTHORIZATION AMOUNT NOT TO EXCEED $1,392,554.80; APPROVING THAT AN AMOUNT NOT TO EXCEED $108,573.00 BE MADE AVAILABLE AND EXPENDED FROM THE SYSTEM’S PROJECT FUND FOR THE ADDITIONAL ENGINEERING SERVICES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE AN AMENDMENT TO THE EXISTING PROFESSIONAL SERVICES AGREEMENT WITH BROWN AND CALDWELL, AND TO PAY BROWN AND CALDWELL AN ADDITIONAL AMOUNT NOT TO EXCEED $108,573.00 FOR ADDITIONAL ENGINEERING 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 Western Watershed Sewer Relief Line – Middle Segment Project was identified in the Comprehensive Wastewater Master Plan developed by the San Antonio Water System’s (the “System”) Master Planning Division to replace mains in poor condition due to deterioration and require additional capacity; and

WHEREAS, the System’s Board of Trustees by Resolution No. 10-119, adopted March 2, 2010, originally approved the expenditure of $1,157,341.00 for professional engineering services in connection with the Western Watershed Sewer Relief Line – Middle Segment Project; and

WHEREAS, additional funding for Brown and Caldwell is needed to address the revisions to the alignment of the proposed sewer main at tie in location of the Lower Segment and the Middle Segment, along with necessary revisions to the proposed siphon structure, quality control survey, and additional construction inspection services; and
WHEREAS, an amendment to the existing professional services agreement with Brown and Caldwell and additional System Funds in an amount not to exceed $108,573.00 are required for Brown and Caldwell to provide additional professional engineering services; and

WHEREAS, the required amount not to exceed $108,573.00 is available from the System’s Project Fund for additional engineering services; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve Contract Amendment No. 5 by providing for additional engineering services to the existing professional services agreement with Brown and Caldwell in an amount not to exceed $108,573.00 in connection with the Western Watershed Sewer Relief Line – Middle Segment Project, (ii) to amend Resolution No. 10-119, as amended by Resolution Nos. 12-011 and 13-118, by approving the expenditure of System Funds in an amount not to exceed $108,573.00 for a total authorization not to exceed $1,392,554.80 to Brown and Caldwell, for the additional engineering services related to the project work, (iii) to make available the total amount not to exceed $108,573.00 from the System’s Project Fund, and (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to execute an amendment to the professional services agreement with Brown and Caldwell, and to pay an amount not to exceed $108,573.00 to Brown and Caldwell, for the additional engineering services; now, therefore:

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

1. That Contract Amendment No. 5 is hereby approved to provide for additional engineering services related to the existing professional services agreement with Brown and Caldwell in an amount not to exceed $108,573.00 in connection with the Western Watershed Sewer Relief Line – Middle Segment Project.

2. That Resolution No. 10-119, as amended by Resolution Nos. 12-011 and 13-118, is hereby amended for additional engineering services in an additional amount not to exceed $108,573.00 from the previous total amount of $1,283,981.80 to a revised total of $1,392,554.80.

3. That an amount not to exceed $108,573.00 is hereby made available and is to be expended from the System’s Project Fund for additional engineering services related to the project work.

4. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute an amendment to the existing professional services agreement with Brown and Caldwell and to pay Brown and Caldwell an amount not to exceed $108,573.00 for additional engineering services related to the project work.

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 5th day of January, 2016.

__________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________________________
Patricia E. Merritt, Secretary
TO: San Antonio Water System Board of Trustees

FROM: Ashok S. Kaji, P.E., Director, Production, Recycle, and Treatment Engineering, 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 HENDERSON PASS ODOR CONTROL STATION PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract in the amount of $249,000.00 to Mars Industries, LLC, a local MBE-Hispanic firm, in connection with the Henderson Pass Odor Control Station Project (the “project”), and further authorizes $12,450.00 or construction contingency expenses.

- In order to minimize odors within the collection system, the San Antonio Water System (SAWS) maintains a number of ferrous sulfate and hydrogen peroxide injection odor control stations throughout its service area.

- The project was identified due to the need to relocate the temporary odor control station at the McAllister Park of the City of San Antonio (the “City”). The original agreement with the City was that this site was to be temporary until SAWS secured a permanent site to meet its needs. The City expressed to SAWS that they do not want to continue to accommodate the temporary facilities.

- The project will eliminate the temporary odor control station at the McAllister Park and construct a new, permanent odor control station in accordance with applicable local, state and federal regulations. The new station will be located behind the Arbor Park Shopping Center on Highway 281 North and Henderson Pass.

- The project will include the construction of a new slab, installation of chemical tank and dosing pumps, eye wash station, extension of water service, Supervisory Control and Data Acquisition monitoring capabilities, and other equipment and appurtenances to ensure a fully operational station. The station will allow for the injection of chemical to the sewer main to minimize odors within the collection system in the immediate service area. The design of the project was done in-house by staff.

- Bids for the construction of this project have been solicited, and Mars Industries, LLC, has submitted a low responsible bid of $249,000.00. An additional $12,450.00 is needed for construction contingency expenses.
Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

Funding for the construction cost of this project is provided in the 2015 CIP, Wastewater Core Business, Collection Facilities category, McAllister Park Odor Control Station Relocation line item. The Project Fund will finance the total amount not to exceed $261,450.00. The SAWS job number for this project is 13-2511.

**SUPPLEMENTARY COMMENTS:**

Bids were opened on December 2, 2015, at 10:00 a.m. The following list tabulates the bids that were submitted.

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>BID AMOUNT</th>
<th>LOCAL/SMWB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mars Industries, LLC*</td>
<td>$249,000.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>*Low Responsible Bid</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineer’s Cost Estimate</td>
<td>$183,000.00</td>
<td></td>
</tr>
</tbody>
</table>

SMWB participation for the low responsive bidder is 89.16 percent, which includes the following:

<table>
<thead>
<tr>
<th>Henderson Pass Odor Control Station Project</th>
<th>MARS INDUSTRIES, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMWB ANALYSIS – BOARD AWARD</td>
<td></td>
</tr>
<tr>
<td>SMWB DESIGNATION</td>
<td>PERCENT OF CONTRACT</td>
</tr>
<tr>
<td>SBE</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – African American</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Asian</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE – Hispanic</td>
<td>89.16%</td>
</tr>
<tr>
<td>MBE – Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE – Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE – Non-Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>SMWB Total</strong></td>
<td><strong>89.16%</strong></td>
</tr>
</tbody>
</table>

The contract allows 120 calendar days for completion of the work.
Award of Construction Contract
Henderson Pass Odor Control Station Project

Ashok S. Kaji, P.E.
Director
Production, Recycle, and Treatment Engineering

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

HENDERSON PASS
ODOR CONTROL STATION PROJECT
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE BID OF MARS INDUSTRIES, LLC, IN THE AMOUNT OF $249,000.00 FOR THE CONSTRUCTION OF THE HENDERSON PASS ODOR CONTROL STATION PROJECT; AWARDING A CONSTRUCTION CONTRACT IN THE AMOUNT OF $249,000.00 TO MARS INDUSTRIES, LLC, FOR THE PROJECT WORK; AUTHORIZING CONSTRUCTION CONTINGENCY EXPENSES IN AN AMOUNT NOT TO EXCEED $12,450.00 IN CONNECTION WITH THE PROJECT WORK; AUTHORIZING TOTAL EXPENDITURES IN AN AMOUNT NOT TO EXCEED $261,450.00 FROM THE SYSTEM'S PROJECT FUND FOR THE PROJECT WORK AND CONSTRUCTION CONTINGENCY EXPENSES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONTRACT WITH MARS INDUSTRIES, LLC, AND TO PAY MARS INDUSTRIES, LLC, THE AMOUNT OF $249,000.00 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, in order to minimize odors within the collection system, the San Antonio Water System (the “System”) maintains a number of ferrous sulfate and hydrogen peroxide injection odor control stations throughout its service area; and

WHEREAS, the Henderson Pass Odor Control Station Project (the “project”) was identified due to the need to relocate the temporary odor control station at the McAllister Park of the City of San Antonio (the “City”). The original agreement with the City was that this site was to be temporary until the System secured a permanent site to meet its needs. The City expressed to the System that they do not want to continue to accommodate the temporary facilities; and

WHEREAS, the project will eliminate the temporary odor control station at the McAllister Park and construct a new, permanent odor control station in accordance with applicable local, state and federal regulations. The new station will be located behind the Arbor Park Shopping Center on Highway 281 North and Henderson Pass; and

WHEREAS, the project will include the construction of a new slab, installation of chemical tank and dosing pumps, eye wash station, extension of water service, Supervisory Control and Data Acquisition monitoring capabilities, and other equipment and appurtenances to
ensure a fully operational station. The station will allow for the injection of chemical to the sewer main to minimize odors within the collection system in the immediate service area. The design of the project was done in-house by staff; and

WHEREAS, bids for the construction of this project have been solicited, and Mars Industries, LLC, has submitted a low responsible bid of $249,000.00; and

WHEREAS, Mars Industries, LLC, is determined to be the lowest responsible bidder; and

WHEREAS, additional System funds not to exceed $12,450.00 is being requested for construction contingency expenses in connection with the project; and

WHEREAS, the total amount not to exceed $261,450.00 is available from the System's Project Fund for the project work and construction contingency expenses; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to accept the bid of Mars Industries, LLC, for a construction contract in the amount of $249,000.00 in connection with the Henderson Pass Odor Control Station Project, (ii) to award a construction contract in the amount of $249,000.00 to Mars Industries, LLC, in connection with the project work, (iii) to approve the expenditure of System funds in an amount not to exceed $12,450.00 from the System’s Project Fund for construction contingency expenses in connection with the project work, (iv) to make available a total amount of $261,450.00 from the System’s Project Fund for the project work and construction contingency expenses; and (v) to authorize the President/Chief Executive Officer, his duly appointed designee to execute a contract with Mars Industries, LLC, and to pay Mars Industries, LLC, the amount of $249,000.00 for the project work; now, therefore:

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

1. That the bid of Mars Industries, LLC, in the amount of $249,000.00 for the project work in connection with the Henderson Pass Odor Control Station Project is hereby accepted.

2. That a construction contract in the amount of $249,000.00 for the project work is hereby awarded to Mars Industries, LLC.

3. That the expenditure of System funds in the amount of $249,000.00 for the project work is hereby authorized and approved.

4. That the expenditure of System funds in an amount of $12,450.00 for construction contingency expenses in connection with the project work is hereby approved.

5. That a total amount not to exceed $261,450.00 for the project work and construction contingency expenses is hereby made available, and is to be expended from the System's Project Fund.
6. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a standard contract for general construction with Mars Industries, LLC, for the project work, and to pay the amount of $249,000.00 to Mars Industries, LLC, for the project work in connection with the Henderson Pass Odor Control Station 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 becomes effective immediately upon its passage.

PASSED AND APPROVED this 5th day of January, 2016.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Patricia E. Merritt, Secretary
TO: San Antonio Water System Board of Trustees

FROM: Ashok S. Kaji, P.E., Director, Production, Recycle, and Treatment Engineering, 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. 12 IN CONNECTION WITH THE DOS RIOS WATER RECYCLING CENTER (DRWRC) DIGESTER MIXING AND SYSTEM ENHANCEMENTS PHASE II PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution approves 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 (DRWRC) Digester Mixing and System Enhancements Phase II Project (the “project”). It further returns the balance of construction contingency funds in the amount of $540,511.22 for a total amount of $1,438,552.68 to the Project Fund, and closes the contract.

- On December 3, 2013, by Resolution No. 13-372, the San Antonio Water System (SAWS) Board of Trustees authorized funds in the amount of $12,615,591.93 to MGC Contractors Inc., a local, non-SMWB firm, for the construction contract, and $631,000.00 for construction contingency funds for the project.

- The project provided the necessary improvements for the following:
  - Cleaning of Digester Nos. 1, 2, 3 and Sludge Holding Tank No. 1
  - Installation of new pump mixing systems for the digesters; repairing of the digester domes cracks and liners to prevent biogas leaks and repairing of the digester bases to prevent sludge leaks
  - Replacement of all sludge valves associated with the digesters
  - Replacement of the gas system appurtenances
  - Installation of associated electrical, instrumentation and control elements, flow meters, pressure and temperature controls
  - Replacement of the existing flares with an automated and up-to-date flare system

- All work on this project has been completed, and this final Change Order is necessary to reflect actual quantities.
Approval of Recapitulation Change Order No. 12
Dos Rios WRC Digester Mixing and System Enhancements Phase II Project

- The most significant decreased line item was related to the unused portions of the digester cleaning, dome liner and concrete repair line items, pre-start-up and commissioning allowance and permit fees.

- Change Order No. 12 recapitulates the construction contract quantities in the decreased amount of $898,041.46, and returns construction contingency funds in the amount of $540,511.22 for a total of $1,438,552.68 to the Project Fund, and closes the contract.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

This is a one-time capital improvement expenditure that was included in the 2013 CIP Wastewater Core Business, Treatment R&R category, Dos Rios WRC Digester Mixing and System Enhancements - Phase II line item, and financing was funded through the Project Fund. The project is included as SAWS job number 11-6502.

A summary of the project funds are as follows:

<table>
<thead>
<tr>
<th></th>
<th>Amount Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contract</td>
<td></td>
</tr>
<tr>
<td>Original Contract Amount (Resolution No. 13-372)</td>
<td>$12,615,591.93</td>
</tr>
<tr>
<td>Change Order Nos. 1 through 11</td>
<td>90,488.78</td>
</tr>
<tr>
<td>Proposed Recapitulation Change Order No. 12</td>
<td>(898,041.46)</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>$11,808,039.35</td>
</tr>
<tr>
<td>Contingency</td>
<td></td>
</tr>
<tr>
<td>Original Contingency Amount (Resolution No. 13-372)</td>
<td>$631,000.00</td>
</tr>
<tr>
<td>Change Order Nos. 1 through 11</td>
<td>(90,488.78)</td>
</tr>
<tr>
<td>Remaining Contingency Balance</td>
<td>$540,511.22</td>
</tr>
<tr>
<td>Balanced Returned</td>
<td></td>
</tr>
<tr>
<td>Proposed Recapitulation Change Order No. 12</td>
<td>$898,041.46</td>
</tr>
<tr>
<td>Remaining Contingency Balance</td>
<td>540,511.22</td>
</tr>
<tr>
<td>Total Remaining Balance Returned</td>
<td>$1,438,552.68</td>
</tr>
</tbody>
</table>

SUPPLEMENTARY COMMENTS:

Change Order No. 1 was for relocating a digital flow meter panel to a more accessible area, and replacing three sludge valves that did not fit in the trench area near the Sludge Pump Station No. 1. The cost of Change Order No. 1 was $3,846.36.
Change Order No. 2 was for providing and welding on nine slip-on flanges for connection to the blind flanges in three digesters. The cost of Change Order No. 2 was $14,278.27.

Change Order No. 3 was for providing conduit, wire, breaker and other necessary materials to power the Drain Pump Station. The cost of Change Order No. 3 was $4,518.38.

Change Order No. 4 was for providing a temporary two-flare rental system to be used during the construction of the new flare system. The cost of Change Order No. 4 was $17,238.00.

Change Order No. 5 was for removing six 4-square foot sections of the dome liner in Digester No. 2 to verify the condition of the concrete behind the liner. The cost for Change Order No. 5 was funded by obligated funds under the Dome Liner and Concrete Repair line item. There was no increase in contract cost reflected by executing the change order.

Change Order No. 6 was for providing a flow meter to the temporary flare system as required by Texas Commission on Environmental Quality to be used during the construction of the new flare system. The cost for Change Order No. 6 was funded by excess unused obligated funds under the Dome Liner and Concrete Repair line item. There was no increase in contract cost reflected by executing the change order.

Change Order No. 7 was for adding a breaker, ductbank, conduit and wire and other necessary materials to tie in power to the existing sump pumps and lighting at West Side Boiler. The cost of Change Order No. 7 was $22,650.10.

Change Order No. 8 was for changing the momentary stop button to a maintained mushroom E-stop to stop the mixing pump motors in auto mode. The cost of Change Order No. 8 was $3,821.57.

Change Order No. 9 was for extending approximately four months the trailer that accommodated the construction monitoring system. The cost of Change Order No. 9 was $2,689.74.

Change Order No. 10 was for changing the control logic for Digester Nos. 4 and 10 so that they have the same logic as Digester Nos. 1, 2 and 3. The cost of Change Order No. 10 was $13,003.82.

Change Order No. 11 was for increasing the pavement thickness of the asphalt along the perimeter road of the digester area to minimize future damage due to high traffic. The cost of Change Order No. 11 was $8,442.54.

Change Order No. 12 reflects a 7.12 percent decrease in the original contract cost for the project. The total cost for all change orders is 0.72 percent of the original contract amount.
The most significant decreased line item was related to the unused portions of the digester cleaning.

Estimating a definite quantity of solids accumulating in the digesters during design is difficult as the digesters are in operation and impossible to access. As such, the quantity of accumulated solids to be removed from the digesters under this contract was based on the experience from the cleaning performed under the Phase I project. However, the actual quantity of solids removed by the contractor was less than the quantity estimated.

APPROVED:

Ashok S. Kaji, P.E.
Director
Production, Recycle, and Treatment Engineering

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

Robert R. Puente
President/Chief Executive Officer

Attachments:
1. Project Area Map
2. Project Site Map
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING RECAPITULATION CHANGE ORDER NO. 12 IN THE DECREASED AMOUNT OF $898,041.46 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; RETURNING THE AMOUNT OF $898,041.46 AND THE CONSTRUCTION CONTINGENCY BALANCE OF $540,511.22 FOR A TOTAL OF $1,438,552.68 TO THE SYSTEM'S PROJECT FUND; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE RECAPITULATION CHANGE ORDER NO. 12, AND CLOSE THE CONTRACT WITH MGC CONTRACTORS, INC.; 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 December 3, 2013, by Resolution No. 13-372, the San Antonio Water System (the “System”) Board of Trustees authorized funds in the amount of $12,615,591.93 to MGC Contractors, Inc., for the construction contract, and $631,000.00 for construction contingency funds in connection with the Dos Rios Water Recycling Center (DRWRC) Digester Mixing and System Enhancements Phase II Project (the “project”); and

WHEREAS, this project provided the necessary improvements for the following: cleaning of Digester Nos. 1, 2, 3 and Sludge Holding Tank No. 1; installation of new pump mixing systems for the digesters; repairing of the digester domes cracks and liners to prevent biogas leaks and repairing of the digesters bases to prevent sludge leaks; replacement of all sludge valves associated with the digesters; replacement of the gas system appurtenances; installation of associated electrical, instrumentation and control elements, flow meters, pressure and temperature controls; replacement of the existing flares with an automated and up-to-date flare system; and

WHEREAS, all work on this project has been completed, and this final change order is necessary to reflect actual quantities; and

WHEREAS, the most significant decreased line item was related to the unused portions of the digester cleaning, dome liner and concrete repair line items, pre-start-up and commissioning allowance and permit fees; and
WHEREAS, Change Order No. 12 recapitulates the construction contract quantities in the decreased amount of $898,041.46, and returns construction contingency funds in the amount of $540,511.22 for a total of $1,438,552.68 to the Project Fund, and closes the contract; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve Recapitulation Change Order No. 12 in the decreased amount of $898,041.46 to the construction contract with MGC Contractors, Inc., in connection with the Dos Rios Water Recycling Center (DRWRC) Digester Mixing and System Enhancements Phase II Project, (ii) to return the amount of $898,041.46 and the construction contingency balance of $540,511.22 for a total of $1,438,552.68 to the Project Fund, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute Recapitulation Change Order No. 12, and close the contract; now, therefore:

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

1. That Recapitulation Change Order No. 12 in the decreased amount of $898,041.46 to the construction contract with MGC Contractors, Inc., in connection with the project is hereby approved.

2. That the amount of $898,041.46 and the construction contingency balance of $540,511.22 for a total of $1,438,552.68 are hereby returned to the Project Fund.

3. That the System’s President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute Recapitulation Change Order No. 12, and to close the contract with MGC Contractors, Inc., in connection with the project.

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 5th day of January, 2016.

________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________________________
Patricia E. Merritt, Secretary
TO: San Antonio Water System Board of Trustees

FROM: Ashok S. Kaji, P.E., Director, Production, Recycle, and Treatment Engineering, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

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

SUBJECT: AWARD OF ENGINEERING CONTRACT FOR THE BASIN PUMP STATION IMPROVEMENTS PHASE II PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution awards an engineering contract in the amount not to exceed $766,963.00 to Tetra Tech, Inc., a non-SMWB firm with a local office, in connection with the Basin Pump Station Improvements Phase II Project (the “project”).

- The San Antonio Water System (SAWS) has established a multi-year program to rehabilitate and upgrade aging pump stations to comply with the Texas Commission on Environmental Quality requirements, the American Water Works Association, and the Occupational Safety & Health Administration standards, Fire Codes and the National Electric Code.

- The Basin Pump Station is located at 7110 Basin Road in north central San Antonio. This pump station is over 50 years old and is our 3rd largest water production pump station.

- In 2012, the Basin Pump Station was programmed for rehabilitation. Due to budgetary reasons, the project was designed in two phases. Basin Pump Station Phase I Improvements were completed in 2015. Phase I Improvements primarily comprised of rehabilitating electrical equipment including replacement of high service pump motor, replacement of switch gear, replacement of all existing low and medium voltage wiring, installation of new Supervisory Control and Data Acquisition System controls, and related electrical appurtenances.

- The scope of work for the project will include the replacement of aging yard piping; replacement of the existing chlorine disinfection system with a new sodium hypochlorite on-site generation system; replacement of existing electrical duct banks; modification of existing well heads; upgrading the pump station building; and civil site improvement.

- A Request for Qualifications was issued on June 19, 2015, for professional services for this project. Six interest statements were received by SAWS for the project. Tetra Tech, Inc., a non-SMWB firm with a local office, was selected through the Architect and Engineer Selection Process.
Basic services to be provided include civil, mechanical, structural, electrical, instrumentation and controls, structural, geotechnical, security; preparation of design plans and specifications; assistance during construction including review of shop drawings and periodic field inspections, and construction inspection services for instrumentation and control project work. Basic services will be provided for a lump sum amount of $722,346.00.

Supplemental services include special field inspections and start-up services, additional permitting, operation, maintenance manual update, and related services. Supplemental and related services will be provided for an amount not to exceed $44,617.00.

Tetra Tech, Inc., propose to provide professional services for a not to exceed amount of $766,963.00.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The design of this project is budgeted in the 2015 Capital Improvement Project, Water Delivery Core Business, Production, budget line item. SAWS job number for this project is 15-6004. The Project Fund will finance the total amount of $766,963.00.

**SUPPLEMENTARY COMMENTS:**

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

<table>
<thead>
<tr>
<th>NAME OF FIRM</th>
<th>LOCAL/SMWB</th>
</tr>
</thead>
<tbody>
<tr>
<td>CP&amp;Y, Inc.</td>
<td>Local/MBE-Asian</td>
</tr>
<tr>
<td>LNV, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Maestas &amp; Associates, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>River City Engineering, PLLC</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Tetra Tech, Inc.*</td>
<td>Local/Non-SMWB</td>
</tr>
<tr>
<td>Whitman, Requardt &amp; Associates, LLP</td>
<td>Local/Non-SMWB</td>
</tr>
</tbody>
</table>

* Selected Firm
Tetra Tech, Inc., proposed to use the following sub-consultants for services on this contract:

<table>
<thead>
<tr>
<th>NAME OF FIRM</th>
<th>PERCENT OF FEE</th>
<th>LOCAL/SMWB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arias and Associates</td>
<td>2%</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Coltrane, Fernandez, Zavala Group, LLC</td>
<td>2%</td>
<td>Local, WBE-Hispanic</td>
</tr>
<tr>
<td>Gerardo Noriega Architect, LLC</td>
<td>3%</td>
<td>Local, MBE-Hispanic</td>
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<tr>
<td>GLS Solutions, Inc.</td>
<td>1%</td>
<td>Local/Non-SMWB</td>
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<tr>
<td>Ground Penetrating Radar Systems, Inc.</td>
<td>1%</td>
<td>Local/Non-SMWB</td>
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<tr>
<td>Gupta &amp; Associates, Inc.</td>
<td>35%</td>
<td>Non-Local/MBE-Asian</td>
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<tr>
<td>Maverick Land Surveying Co.</td>
<td>3%</td>
<td>Local, SBE</td>
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<tr>
<td>RGM Engineering</td>
<td>3%</td>
<td>Local, MBE-Hispanic</td>
</tr>
<tr>
<td>Softdig Underground Services, Inc.</td>
<td>2%</td>
<td>Local, SBE</td>
</tr>
</tbody>
</table>

SMWB participation for selected firm is 50 percent of the total contract value:

<table>
<thead>
<tr>
<th>Basin Pump Station Improvements Phase II Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>TETRA TECH, INC.</td>
</tr>
<tr>
<td>SMWB ANALYSIS – BOARD AWARD</td>
</tr>
<tr>
<td>SBE</td>
</tr>
<tr>
<td>MBE – African American</td>
</tr>
<tr>
<td>MBE – Asian</td>
</tr>
<tr>
<td>MBE – Hispanic</td>
</tr>
<tr>
<td>MBE – Other</td>
</tr>
<tr>
<td>WBE – Minority</td>
</tr>
<tr>
<td>WBE – Non-Minority</td>
</tr>
<tr>
<td>SMWB Total</td>
</tr>
</tbody>
</table>
Award of Engineering Contract
Basin Pump Station Improvements Phase II Project

Ashok S. Kaji, P.E.
Director
Production, Recycle, and Treatment Engineering

APPROVED:

Robert R. Puente
President/Chief Executive Officer

Attachment:
1. Project Area Map
2. Project Site Map
SAN ANTONIO WATER SYSTEM
PROJECT AREA MAP
ATTACHMENT I

BASIN PUMP STATION IMPROVEMENTS
PHASE II

LEGEND

PROJECT SITE
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE PROPOSAL OF TETRA TECH, INC., IN AN AMOUNT NOT TO EXCEED $766,963.00 FOR THE DESIGN OF THE BASIN PUMP STATION IMPROVEMENTS PHASE II PROJECT; AWARDING A PROFESSIONAL SERVICES CONTRACT TO TETRA TECH, INC., IN AN AMOUNT NOT TO EXCEED $766,963.00 IN CONNECTION WITH THIS PROJECT; AUTHORIZING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED $766,963.00 FROM THE SYSTEM’S PROJECT FUND FOR 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 TETRA TECH, INC., AND TO PAY TETRA TECH, INC., AN AMOUNT NOT TO EXCEED $766,963.00 FOR 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 San Antonio Water System (the “System”) has established a multi-year program to rehabilitate and upgrade aging pump stations to comply with the Texas Commission on Environmental Quality requirements, the American Water Works Association, and the Occupational Safety & Health Administration standards, Fire Codes and the National Electric Code; and

WHEREAS, the Basin Pump Station is located at 7110 Basin Road in north central San Antonio. This pump station is over 50 years old and is our 3rd largest water production pump station; and

WHEREAS, in 2012, the Basin Pump Station was programmed for rehabilitation. Due to budgetary reasons, the project was designed in two phases. Basin Pump Station Improvements Phase I Project was completed in 2015. Phase I Improvements primarily comprised of rehabilitating electrical equipment including replacement of high service pump motors, replacement of switch gear, replacement of all existing low and medium voltage wiring, installation of new Supervisory Control and Data Acquisition System controls, and related electrical appurtenances; and

WHEREAS, the scope of work will include the replacement of aging yard piping; replacement of the existing chlorine disinfection system with a new sodium hypochlorite on-site
generation system; replacement of existing electrical duct banks; modification of existing well heads; upgrading the pump station building; and civil site improvement; and

WHEREAS, the System requires professional services (the “project engineering work”) for the design of the Basin Pump Station Improvements Phase II 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 Tetra Tech, Inc., to provide the necessary project engineering work for the project; and

WHEREAS, Tetra Tech, Inc., has submitted a proposal in an amount not to exceed $766,963.00 to provide the required project engineering work in connection with the project; and

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

WHEREAS, System funds in an amount not to exceed $766,963.00 are required for the project engineering work; and

WHEREAS, the required amount not to exceed $766,963.00 is available from the System's Project Fund; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to accept the proposal of Tetra Tech, Inc., for the project engineering work in connection with the Basin Pump Station Improvements Phase II Project, (ii) to award a professional services contract to Tetra Tech, Inc., in an amount not to exceed $766,963.00 for the project engineering work, (iii) to authorize the expenditure of System funds in an amount not to exceed $766,963.00 for project engineering work, (iv) to make available for the project engineering work a total amount not to exceed $766,963.00 from the System’s Project Fund, and (v) to authorize the President/Chief Executive Officer to execute a standard professional services contract with Tetra Tech, Inc., for the project engineering work and further to pay an amount not to exceed $766,963.00 to Tetra Tech, Inc., for 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 Tetra Tech, Inc., for the project engineering work in connection with the Basin Pump Station Improvements Phase II Project is hereby accepted.

2. That a professional services contract in an amount not to exceed $766,963.00 is hereby awarded to Tetra Tech, Inc., for the project engineering work in connection with the project.
3. That the expenditure of System funds in an amount not to exceed $766,963.00 for the project engineering work is hereby approved.

4. That an amount not to exceed $766,963.00 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 standard professional services contract for architect/engineering services with Tetra Tech, Inc., and to pay an amount not to exceed $766,963.00 to Tetra Tech, 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 5th day of January, 2016.

Berto Guerra, Jr., Chairman

ATTEST:

Patricia E. Merritt, Secretary
AGENDA ITEM NO. _______

TO: San Antonio Water System Board of Trustees

FROM: Frances Plocek, P.E., Director, Governmental Engineering, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

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

SUBJECT: AUTHORIZATION TO REIMBURSE THE CITY OF SAN ANTONIO IN CONNECTION WITH THE ALAMO AT GUENTHER PH. II - WATER & SEWER SIPHON PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the President/Chief Executive Officer to reimburse the City of San Antonio (the “City”) in the amount of $158,508.00 for the street concrete pavement of South Alamo Street in connection with the Alamo at Guenther Ph. II – Water & Sewer Siphon Project. This project is located in Council District 1.

- The completed Alamo at Guenther Ph. II – Water & Sewer Siphon Project consisted of the replacement of approximately 209 feet of 36-inch sewer main and 415 feet of 12-inch and 16-inch water main along Alamo Street between Guenther and Probandt. The sewer siphon work consisted of the replacement of approximately 1,164 feet of 16-inch and 24-inch sewer siphons, 420 feet of 54-inch and 60-inch steel casings by jack and bore and the installation of approximately 396 feet of 12-inch air bypass line.

- Due to the conflicts between the San Antonio Water System’s (the “System”) work and the City’s proposed drainage improvements, the City re-graded the street and replaced with concrete pavement as illustrated on the attached maps.

- The City applied concrete pavement on South Alamo Street from Probandt Street to the San Antonio River Bridge in connection with the Alamo at Guenther Ph. II – Water & Sewer Siphon Project. The limits of the concrete pavement included a street length of 512-linear feet, a street width of 32-linear feet and a depth of 8-inches. The pavement construction cost was $158,508.00.

- Negotiations between the System and the City have resulted in an agreement to reimburse the City a lump sum amount not to exceed $158,508.00.

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. The water work is included in the Water Delivery Core Business, Governmental – Water Category, and Governmental Water Replacements budget line item. The amount is $79,254.00 for pavement restoration in relation to water work. The job number is 12-5046-000.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $79,254.00 for pavement restoration in relation to sewer work. The job number is 12-5546-000.

SUPPLEMENTARY COMMENTS:

The City received eight bids for this project. The low bidder is FD Concrete, L.L.C., a local, minority contractor. City Council approved the construction contract on November 16, 2013, and construction began on April 2014.

Frances Plocek, P.E.  
Director  
Governmental Engineering  

Robert R. Puente  
President/Chief Executive Officer  

APPROVED:

Genoveva G. Gomez, P.E.  
Vice President  
Engineering and Construction
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $158,508.00 FOR THE ADJUSTMENT OF WATER AND SEWER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE ALAMO AT GUENTHER PH. II – WATER & SEWER SIPHON PROJECT; APPROVING AN AMOUNT NOT TO EXCEED $158,508.00 BE MADE AVAILABLE AND EXPENDED FROM THE SYSTEM’S PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO PAY THE CITY OF SAN ANTONIO AN AMOUNT NOT TO EXCEED $158,508.00 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 Alamo at Guenther Ph. II – Water & Sewer Siphon Project required street concrete pavement due to the work of the San Antonio Water System (the “System”); and

WHEREAS, the Alamo at Guenther Ph. II – Water & Sewer Siphon Project work consisted of street concrete pavement on South Alamo Street from Probandt Street to the San Antonio River Bridge (the “project work”); and

WHEREAS, the pavement construction cost was $158,508.00; and

WHEREAS, System funds in the amount of $158,508.00 are required for the project work; and

WHEREAS, the total amount of $158,508.00 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 approve the expenditure of funds in the amount of $158,508.00 for the street concrete pavement by the City in connection with the Alamo at Guenther Ph. II – Water & Sewer Siphon Project, (ii) to approve and make available an amount not to exceed $158,508.00 from the System’s Project Fund to reimburse the City for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay a total amount not to exceed $158,508.00 to the City for the project work; now, therefore:
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:

1. That the expenditure of funds in the amount of $158,508.00 for the street concrete pavement by the City in connection with the Alamo at Guenther Ph. II – Water & Sewer Siphon Project is hereby approved.

2. That a total sum not to exceed $158,508.00 to reimburse the City for the project work costs is hereby made available and is to be expended from the System’s Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to pay the City an amount not to exceed $158,508.00 for the adjustment of water and sewer facilities by the City in connection with the Alamo at Guenther Ph. II – Water & Sewer Siphon Project.

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 be found 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 5th day of January, 2016.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Patricia E. Merritt, Secretary
AGENDA ITEM NO. 18

TO: San Antonio Water System Board of Trustees

FROM: Frances Plocek, P.E., Director, Governmental Engineering, 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. 12 IN CONNECTION WITH THE ALAMO AT GUENTHER PH. II - WATER & SEWER SIPHON PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution approves Recapitulation Change Order No. 12 in the decreased amount of $110,071.00 to the construction contract with Pesado Construction Company, Inc. in connection with the Alamo at Guenther Ph. II - Water & Sewer Siphon Project. It further returns the balance of construction contingency funds in the amount of $105,240.37 for a total of $215,311.37 to the Project Fund. This project is located in Council District 1.

- The Alamo at Guenther Ph. II - Water & Sewer Siphon Project with Pesado Construction Company, Inc. in the amount of $2,996,307.00 was authorized by Resolution No. 13-200 on July 22, 2013. Funds in the amount of $149,815.35 were authorized for construction contingency expenses.

- The Alamo at Guenther Ph. II - Water & Sewer Siphon Project allowed water and sewer replacement work to be completed in connection with the City of San Antonio’s Infrastructure Maintenance Program.

- Change Order Nos. 1 through 4 and 6 through 11 were in amounts that did not require Board approval. The combined total amount was $30,795.09.

- The Board approved Change Order No. 5 in the amount of $613,041.30 by Resolution No. 14-100 on April 1, 2014. Change Order No. 5 provided for additional quantities for the completion of the Project.

- Following the completion of work assigned to Pesado Construction Company, Inc. and upon reaching the contract expiration date of April 9, 2014, funds in the amount of $110,071.00 were not used.

- Change Order No. 12 recapitulates the construction contract quantities in the decreased amount of $110,071.00.

Staff recommends that the Board approve this resolution.
FINANCIAL IMPACT:

The revised authorization for this project is as follows:

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<thead>
<tr>
<th>Contract:</th>
<th>Amount Authorized</th>
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<tbody>
<tr>
<td>Original Contract Amount (Resolution No.13-200)</td>
<td>$2,996,307.00</td>
</tr>
<tr>
<td>Change Order Nos. 1 through 11</td>
<td>$643,836.39</td>
</tr>
<tr>
<td>Proposed Recapitulation Change Order No. 12</td>
<td>$(110,071.00)</td>
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<tr>
<td>Revised Contract Amount</td>
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<table>
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<tr>
<th>Contingency:</th>
<th>Amount Authorized</th>
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</thead>
<tbody>
<tr>
<td>Original Contingency Amount (Resolution No. 13-200)</td>
<td>$149,815.35</td>
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<tr>
<td>Additional Contingency Amount (Resolution No. 14-100)</td>
<td>$599,261.41</td>
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<td>Change Order Nos. 1 through 11</td>
<td>$(643,836.39)</td>
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<tr>
<td>Remaining Contingency Balance</td>
<td>$105,240.37</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Balance Returned:</th>
<th>Amount Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proposed Recapitulation Change Order No. 12</td>
<td>$110,071.00</td>
</tr>
<tr>
<td>Remaining Contingency Amount</td>
<td>$105,240.37</td>
</tr>
<tr>
<td>Total Remaining Balance Returned</td>
<td>$215,311.37</td>
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</tbody>
</table>

Construction funds in the amount of $110,071.00 are being returned to the Project Fund. Construction contingency funds in the amount of $105,240.37 are also being returned to the Project Fund for a total of $215,311.37. The water job number is 12-5046-000 and the sewer job number is 12-5546-000.

SUPPLEMENTARY COMMENTS:

Previous Change Orders No. 1 through 11 and Recapitulation Change Order No. 12 reflect a 17.81 percent increase to the original contract amount.
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING Recapitulation CHAnge ORDER NO. 12 IN THE DECREASED AMOUNT OF $110,071.00 TO THE CONSTRUCTION CONTRACT WITH PESADO CONSTRUCTION COMPANY, INC. IN CONNECTION WITH THE ALAMO AT GUENTHER PH. 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 TO THE PROJECT FUND; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE Recapitulation CHANGE ORDER NO. 12 AND TO CLOSE THE CONTRACT; 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 Alamo at Guenther Ph. II - Water & Sewer Siphon Project; and

WHEREAS, funds in the amount of $2,996,307.00 for the construction contract with Pesado Construction Company, Inc. and $149,815.35 for construction contingency expenses were authorized for the project by Resolution No. 13-200 on July 22, 2013; and

WHEREAS, the construction of the work assigned to this contract is now complete; and

WHEREAS, Change Order No. 12 recapitulates the project cost in the decreased amount of $110,071.00; and

WHEREAS, 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 are to be returned to the Project Fund; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve Recapitulation Change Order No. 12 in the decreased amount of $110,071.00 in connection with the Alamo at Guenther Ph. II - Water & Sewer Siphon Project, (ii) to return the amount of $110,071.00 and the construction contingency balance of $105,240.37 for a total amount of $215,311.37 to the Project Fund, and (iii) to authorize the President/Chief Executive
Officer or his duly appointed designee to execute Recapitulation Change Order No. 12 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. 12 in the decreased amount of $110,071.00 in connection with the Alamo at Guenther Ph. II - Water & Sewer Siphon Project is hereby approved.

2. That the amount of $110,071.00 and the construction contingency balance of $105,240.37 for a total amount of $215,311.37 is hereby returned to the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute Recapitulation Change Order No. 12 to the construction contract between the System and Pesado Construction Company, Inc. and to close the contract in connection with the Alamo at Guenther Ph. II - Water & Sewer Siphon Project.

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 remain 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 5th day of January, 2016.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Patricia E. Merritt, Secretary
AGENDA ITEM NO. __19__

TO: San Antonio Water System Board of Trustees

FROM: Frances Plocek, P.E., Director, Governmental Engineering, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

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

SUBJECT: AUTHORIZATION TO REIMBURSE THE CITY OF SAN ANTONIO IN CONNECTION WITH THE INDIAN CREEK CHANNEL IMPROVEMENTS – PHASE II PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the President/Chief Executive Officer to reimburse the City of San Antonio (the “City”) in the amount of $575,215.58 for the joint construction of water and sewer facility adjustments and replacements in connection with the Indian Creek Channel Improvements - Phase II Project. It further approves an additional amount of $57,521.56 for construction contingency expenses. This project is located in Council District 4.

- This project is a City of San Antonio Capital Improvement Program project included in the 2012-2017 Bond Program. The City proposes to construct new drainage and channel improvements and culvert crossing improvements in the project area illustrated on the attached maps. The City’s improvement work is estimated to cost $2,120,105.91.

- Due to the roadway and drainage improvements within the Indian Creek Phase II Project, the existing water mains constructed between 1982 and 2009 require adjustment to avoid conflicts with the City’s drainage improvements and the existing water mains constructed in 1982 require replacement to meet current San Antonio Water System (the “System”) standards.

- The existing sewer mains constructed in 1987 require adjustment to avoid conflicts with the City’s drainage improvements and the existing sewer mains constructed between 1967 and 1968 require replacement to meet current System standards.

- The water work will consist of the adjustment of 479 feet of 8-inch through 12-inch water mains at an estimated cost of $105,537.01 and the replacement of approximately 162 feet of 12-inch water main at an estimated cost of $35,179.00.

- The sewer work will consist of the adjustment of approximately 2,231 feet of 8-inch through 12-inch sewer mains at an estimated cost of $225,939.78 and the replacement of approximately 2,089 feet of 8-inch through 12-inch sewer mains at an estimated cost of $208,559.79.
Reimbursement of the City of San Antonio  
Indian Creek Channel Improvements - Phase II Project

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 $154,787.61 for water work, including $140,716.01 for construction and $14,071.60 for construction contingency expenses. The job number is 12-5104-000.

The sewer work is included in the Wastewater Core Business, Governmental - Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $477,949.53 for sewer work, including $434,499.57 for construction and $43,449.96 for construction contingency expenses. The job number is 12-5604-000.

SUPPLEMENTARY COMMENTS:

The engineer’s estimated construction cost for this project is $877,121.08 and the contractor’s construction cost is $575,215.58. The difference is 34 percent. The overall cost of the project is $2,745,921.49.

The City received nine bids for this project on September 1, 2015. The lowest qualified, responsive bidder for this project is Construction Resolution Group, a local, minority contractor. City Council approved the construction contract on October 22, 2015 and construction began in November 2015. Time allowed for total construction is 210 calendar days. The request for reimbursement is requested after City Council approves the award of the construction contract to ensure that the contract is awarded, to determine which contractor was awarded the project, to give System’s staff time to review the bids and establish the reimbursement amount based on the winning bid.

Frances Plocek, P.E.  
Director  
Governmental Engineering

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
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES 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; APPROVING AN AMOUNT NOT TO EXCEED $57,521.56 FOR CONSTRUCTION CONTINGENCY EXPENSES RELATED TO THE PROJECT WORK; APPROVING AN AMOUNT NOT TO EXCEED $632,737.14 BE MADE AVAILABLE AND EXPENDED FROM THE SYSTEM’S PROJECT FUND FOR THE PROJECT WORK AND RELATED CONSTRUCTION CONTINGENCY EXPENSES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO PAY TO THE CITY OF SAN ANTONIO A TOTAL AMOUNT NOT TO EXCEED $632,737.14 FOR THE PROJECT WORK AND RELATED CONSTRUCTION CONTINGENCY EXPENSES; 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 San Antonio (the “City”) is constructing the Indian Creek Channel Improvements - Phase II Project as part of its Capital Improvement Program; and

WHEREAS, the City’s Indian Creek Channel Improvements - Phase II Project will require the adjustment and replacement of certain water and sewer facilities of the San Antonio Water System (the “System”); and

WHEREAS, the project work will consist of the adjustment and replacement of approximately 641 feet of 8-inch through 12-inch water mains and 4,320 feet of 8-inch through 12-inch sewer mains (the “project work”); and

WHEREAS, the City has received a bid for the project work from Construction Resolution Group, in the amount of $575,215.58 and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $575,215.58 are required for the project work; and
WHEREAS, additional System funds in an amount not to exceed $57,521.56 may be required for construction contingency expenses in connection with the project work; and

WHEREAS, the total amount of $632,737.14 is available from the System’s Project Fund for the project work and related construction contingency expenses; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve 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, (ii) to approve the expenditure of an amount not to exceed $57,521.56 for construction contingency expenses in connection with the project work, (iii) to approve and make available an amount not to exceed $632,737.14 from the San Antonio Water System’s Project Fund to reimburse the City of San Antonio for the project work and related construction contingency expenses, and (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to pay a total amount not to exceed $632,737.14 to the City of San Antonio for the project work and related construction contingency expenses; now, therefore:

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

1. That the expenditure of funds in the amount of $575,215.58 for the adjustment and replacement of water and sewer facilities by the City in connection with the Indian Creek Channel Improvements Phase II Project is hereby approved.

2. That the expenditure of funds in an amount not to exceed $57,521.56 for construction contingency expenses in connection with the project work is also hereby approved.

3. That a total sum not to exceed $632,737.14 to reimburse the City for the project work costs and related construction contingency expenses 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 pay the City a total amount not to exceed $632,737.14 for the adjustment and replacement of water and sewer facilities by the City in connection with the Indian Creek Channel Improvements Phase II 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 5th day of January 2016.

________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________________________
Patricia E. Merritt, Secretary
AGENDA ITEM NO. 20

TO: San Antonio Water System Board of Trustees

FROM: Frances Plocek, P.E., Director, Governmental Engineering, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

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

SUBJECT: AUTHORIZATION CONCERNING BOTH THE SAN ANTONIO WATER SYSTEM AND THE DISTRICT SPECIAL PROJECT TO REIMBURSE THE CITY OF SAN ANTONIO IN CONNECTION WITH THE FAY AVENUE DRAINAGE IMPROVEMENTS (NEW LAREDO HWY TO SOMERSET ROAD) PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution relates to both the San Antonio Water System (the “System”) and the District Special Project (the “DSP”) and authorizes the President/Chief Executive Officer to reimburse the City of San Antonio (the “City”) in the amount of $265,015.49 for the joint construction of water and sewer facility replacements in connection with the Fay Avenue Drainage Improvements (New Laredo Hwy to Somerset Road) Project. It further approves an additional amount of $26,501.55 for construction contingency expenses. This project is located in Council District 5.

- This project is a City of San Antonio Capital Improvement Program project included in the 2012-2017 Bond Program. The City proposes to construct roadway and drainage improvements in the projected area illustrated on the attached maps. The City’s improvement work is estimated to cost $586,425.90.

- Due to the roadway and drainage improvements within the Fay Avenue Drainage Improvements (New Laredo Hwy to Somerset Road) Project, the existing DSP water mains within the project that were constructed in 1939 require replacement due to size and age as well as to avoid conflicts with proposed City improvements. The water main replacement will be brought to current System standards.

- The existing clay tile sewer mains within the project limits were constructed between 1935 and 1949 and require to be replaced due to the age and material to meet System standards.

- The DSP’s water work will consist of the replacement of approximately 1,055 feet of 8-inch water main at an estimated cost of $141,579.70.

- The sewer replacement work will consist of approximately 1,175 feet of 8-inch sewer mains at a cost of $123,435.79.
Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

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<thead>
<tr>
<th></th>
<th>System</th>
<th>District Special Project</th>
<th>Total</th>
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<tr>
<td></td>
<td>$135,779.37</td>
<td>$155,737.67</td>
<td>$291,517.04</td>
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</table>

The District Special Project Fund will finance $155,737.67 of the total expenditure included in the CY 2016 District Special Project 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 $155,737.67 for water work, including $141,579.70 for construction and $14,157.97 for construction contingency expenses. The DSP job number is DSP-15-5202-000.

The System’s Project Fund will finance $135,779.37 of the total expenditure included in the System’s CY 2016 Capital Improvement Program. The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $135,779.37 for sewer work, including $123,435.79 for construction and $12,343.58. The job number is 13-5587-000.

**SUPPLEMENTARY COMMENTS:**

The engineer’s estimated construction cost for this project is $350,430.76 and the contractor’s construction cost is $265,015.49. The difference is 24.37 percent. The overall cost of the project is $1,399,791.39.

The City received six bids for this project. The lowest qualified, responsive bidder for this project is D. Plata Construction Company, LLC, a local, minority contractor. City Council approved the construction contract on October 22, 2015, and construction will begin on Feb. 1, 2016. Time allowed for total construction is 323 calendar days. The request for reimbursement is requested after City Council approves the award of the construction contract to ensure that the contract is awarded, to determine which contractor was awarded the project, to give the System’s staff time to review the bids and establish the reimbursement amount based on the winning bid.
Reimbursement to the City of San Antonio
Fay Ave. Drainage Improvements (New Laredo Hwy to Somerset Road)

Frances Plocek, P.E.
Director
Governmental Engineering

APPROVED:

Robert R. Puente
President/Chief Executive Officer

Attachments:
1. Project Area Map
2. Project Site Map
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES, 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; APPROVING AN AMOUNT NOT TO EXCEED $26,501.55 FOR CONSTRUCTION CONTINGENCY EXPENSES RELATED TO THE PROJECT WORK; APPROVING A TOTAL AMOUNT NOT TO EXCEED $291,517.04 BE MADE AVAILABLE AND EXPENDED FROM BOTH THE SYSTEM'S AND DSP'S PROJECT FUND FOR THE PROJECT WORK AND RELATED CONSTRUCTION CONTINGENCY EXPENSES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO PAY TO THE CITY OF SAN ANTONIO AN AMOUNT NOT TO EXCEED $291,517.04 FOR THE PROJECT WORK AND RELATED CONSTRUCTION CONTINGENCY EXPENSES FOR BOTH THE SYSTEM AND THE DSP; 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’s District Special Project (the “DSP”) was created by the City Council of the City of San Antonio on October 20, 2011, pursuant to Ordinance No. 2011-10-20-0845, and this action is related to, and consistent with, that Ordinance; and

WHEREAS, this action concerns both the San Antonio Water System (the “System”) and the DSP; and

WHEREAS, the City of San Antonio (the “City”) is constructing street improvements in connection with the Fay Avenue Drainage Improvements (New Laredo Hwy to Somerset Road); and

WHEREAS, the Fay Avenue Drainage Improvements (New Laredo Hwy to Somerset Road) will require the replacements of certain water and sewer facilities of the System; and
WHEREAS, the project work will consist of the replacement of 1,055 feet of 8-inch DSP water main, and the replacement of 1,175 feet of 8-inch sewer main (the “project work”); and

WHEREAS, the City has received a bid for the project work from D. Plata Construction Company, LLC, in the amount of $265,015.49 and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System and DSP funds in the amount of $265,015.49 are required for the project work; and

WHEREAS, additional System and DSP funds in an amount not to exceed $26,501.55 may be required for construction contingency expenses in connection with the project work; and

WHEREAS, the total amount of $291,517.04 is available from the System’s and DSP’s Project Fund for the project work and related construction contingency expenses; and

WHEREAS, it is estimated the amount to be expended from the System’s Fund is $135,779.37 and the amount to be expended from the DSP’s Fund is $155,737.67; however, the actual amounts of this allocation between the System and the DSP may vary so long as the total amount is not exceeded; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve the expenditure of funds in the amount of $265,015.49 for the replacement of water and sewer facilities by the City in connection with the Fay Avenue Drainage Improvements (New Laredo Hwy to Somerset Road) Project, (ii) to approve the expenditure of an amount not to exceed $26,501.55 for construction contingency expenses in connection with the project work, (iii) to approve and make available an amount not to exceed $291,517.04 from the System’s and DSP’s Project Fund to reimburse the City of San Antonio for the project work and related construction contingency expenses, and (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to pay a total amount not to exceed $291,517.04 to the City of San Antonio for the project work and related construction contingency expenses for both the System and the DSP; now, therefore:

BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES CONCERNING BOTH THE SYSTEM AND THE DISTRICT SPECIAL PROJECT:

1. That the expenditure of funds in the amount of $265,015.49 for the replacement of water and sewer facilities by the City in connection with the Fay Avenue Drainage Improvements (New Laredo Hwy to Somerset Road) Project is hereby approved.

2. That the expenditure of funds in an amount not to exceed $26,501.55 for construction contingency expenses in connection with the project work is also hereby approved.
3. That a total sum not to exceed $291,517.04 to reimburse the City for the project work and related construction contingency expenses is hereby made available and is to be expended from the System’s and DSP’s Project Fund.

4. That the estimated amount of $135,779.37 is hereby made available to be expended from the System Fund and the estimated amount of $155,737.67 is hereby made available to be expended from the District Special Project Fund. The actual amounts of this allocation between the System and the DSP may vary so long as the total amount is not exceeded.

5. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to pay the City an amount not to exceed $291,517.04 for the adjustment of water and sewer facilities by the City in connection with the Fay Avenue Drainage Improvements (New Laredo Hwy to Somerset Road).

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 4, 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 5th day of January, 2016.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Patricia E. Merritt, Secretary
AGENDA ITEM NO. 21

TO: San Antonio Water System Board of Trustees

FROM: Frances Plocek, P.E., Director, Governmental Engineering, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

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

SUBJECT: AUTHORIZATION TO EXECUTE AN INTERLOCAL AGREEMENT AND TO ADVANCE FUNDS TO BEXAR COUNTY FLOOD CONTROL IN CONNECTION WITH THE BULVERDE ROAD AT MUD CREEK TRIB A (SC-27) PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the President/Chief Executive Officer to provide advanced payment to Bexar County Flood Control (the “County”) in the amount of $611,883.50 for the joint construction of water and sewer facility adjustments and replacements in connection with the Bulverde Road at Mud Creek Trib A (SC-27) Project. It further approves an additional amount of $61,188.35 for construction contingency expenses and the execution of an Interlocal Agreement.

- The County proposes to construct street and drainage improvements in the area illustrated on the attached maps. The County’s improvement work is to cost $2,488,284.85.

- Due to the reconstruction of Bulverde Road at Mud Creek Trib A (SC-27), the existing water mains that were constructed in 2002 require adjustment to avoid conflicts with the proposed drainage culvert improvements and the existing water mains that were constructed in 1974 require replacement to meet current San Antonio Water System standards.

- The existing sewer facilities within the project boundaries were constructed in 1983 and require adjustment to avoid conflicts with the County’s drainage improvements.

- The water adjustment work will consist of approximately 151 feet of 8-inch water main at a cost of $60,674.38 and the water replacement work will consist of approximately 2,327 feet of 8-inch and 12-inch water main at a cost of $357,769.62.

- The sewer adjustment work will consist of approximately 895 feet of 10-inch sewer main at a cost of $193,439.50.

- The County is scheduled to approve the Thyssen-Laughlin, Inc. bid for construction of this project on January 12, 2016. 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. The executed Interlocal Agreement and the amount
Authorization to Execute an Interlocal Agreement and Advance Funds to Bexar County Flood Control Bulverde Road at Mud Creek Trib A (SC-27) Project

advanced to the County will reflect the actual bid price and contingency amount for the project.

- Funds as determined by the amount bid will be transferred to the County following the execution of the Interlocal Agreement.

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 $460,288.40 for water work, including $418,444.00 for construction and $41,844.40 for construction contingency expenses. The job number is 13-5094-000.

The sewer work is included in the Wastewater Core Business, Governmental –Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $212,783.45 for sewer work, including $193,439.50 for construction and $19,343.95 for construction contingency expenses. The job number is 13-5594-000.

SUPPLEMENTARY COMMENTS:

The engineer's estimated construction cost for this project is $596,099.72 and the contractor’s construction cost is $611,883.50. The difference is 3.0 percent. The overall joint bid cost of the project is $3,211,568.35.

Frances Plocek, P.E.  
Director  
Governmental Engineering

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
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES 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; APPROVING AN AMOUNT NOT TO EXCEED $61,188.35 FOR CONSTRUCTION CONTINGENCY EXPENSES RELATED TO THE PROJECT WORK; APPROVING AN AMOUNT NOT TO EXCEED $673,071.85 BE MADE AVAILABLE AND EXPENDED FROM THE SYSTEM'S PROJECT FUND FOR THE PROJECT WORK AND RELATED CONSTRUCTION CONTINGENCIES; APPROVING AN INTERLOCAL AGREEMENT WITH BEXAR COUNTY FLOOD CONTROL AND AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE INTERLOCAL AGREEMENT AND TO PAY IN ADVANCE TO BEXAR COUNTY FLOOD CONTROL AN AMOUNT NOT TO EXCEED $673,071.85 FOR THE PROJECT WORK AND RELATED CONSTRUCTION CONTINGENCIES; 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 Flood Control (the “County”) proposes to construct the Bulverde Road at Mud Creek Trib A (SC-27) Project; and

WHEREAS, the Bulverde Road at Mud Creek Trib A (SC-27) Project will require the adjustment and replacement of certain water and sewer facilities of the San Antonio Water System (the “System”); and

WHEREAS, the project work will consist of the adjustment and replacement of approximately 2,478 feet of 8-inch and 12-inch water main, and the adjustments of approximately 895 feet of 10-inch sewer main (the “project work”); and

WHEREAS, the County has requested that the System execute an Interlocal Agreement and pay the County in advance the sum of $611,883.50 for the project work costs; and

WHEREAS, System funds in the amount of $611,883.50 are required for the project work; and

WHEREAS, additional System funds in an amount not to exceed $61,188.35 may be required for construction contingency expenses in connection with the project work; and
WHEREAS, the amount of $673,071.85 is available from the System’s Project Fund for the project work and related construction contingency expenses; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve the expenditure of funds in the amount of $611,883.50 for the adjustment and replacement of water and sewer facilities by the County in connection with the Bulverde Road at Mud Creek Trib A (SC-27) Project, (ii) to approve the expenditure of an amount not to exceed $61,188.35 for construction contingency expenses in connection with the project work, (iii) to approve the expenditure of an amount not to exceed $673,071.85 from the System’s Project Fund to pay the County for the project work and related construction contingencies, and (iv) to approve an Interlocal Agreement with the County and to authorize the President/Chief Executive Officer or his duly appointed designee to execute an Interlocal Agreement and to pay in advance an amount not to exceed $673,071.85 to the County for the project work and related construction contingencies; now, therefore:

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

1. That the expenditure of funds in the amount of $611,883.50 for the adjustment and replacement of water and sewer facilities by the County in connection with the Bulverde Road at Mud Creek Trib A (SC-27) Project is hereby approved.

2. That expenditures for construction contingencies in connection with the project work in an amount not to exceed $61,188.35 are also hereby approved.

3. That a total sum not to exceed $673,071.85 to pay the County for the project work costs and related construction contingency expenses is hereby made available and is to be expended from the System’s Project Fund.

4. 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 and pay in advance to the County an amount not to exceed $673,071.85 for the project work and related construction contingencies in connection with the Bulverde Road at Mud Creek Trib A (SC-27) 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 5\textsuperscript{th} day of January, 2016.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Patricia E. Merritt, Secretary

DRAFT
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 Bulverde Road at Mud Creek Trib A (SC-27) (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 County Public Works Specifications for the Project the plans and specifications for SAWS Water Job No. 13-5094 and SAWS Sewer Job No. 13-5594 (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 ten percent (10.0%) 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 Six Hundred and Seventy-Three Thousand, Seventy-One and 85/100’s Dollars ($673,071.85), which includes the Original Bid amount and the ten percent (10.0%) 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 ten percent (10.0%) 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’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 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 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 be 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 not 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
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**

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**

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

By: __________________________
    Nelson W. Wolff
    County Judge

SAN ANTONIO WATER SYSTEM

By: __________________________
    Robert R. Puente
    President/Chief Executive Officer

ATTEST:

By: __________________________
    Gerard 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
### Exhibit “A”
**Bid Amount and Funds Committed by SAWS**

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Main ¹</td>
<td>$418,444.00</td>
</tr>
<tr>
<td>Sanitary Sewer ²</td>
<td>$193,439.50</td>
</tr>
<tr>
<td>Contingency (10.0% of Construction)</td>
<td>$61,188.35</td>
</tr>
<tr>
<td><strong>Total SAWS Contribution =</strong></td>
<td><strong>$673,071.85</strong></td>
</tr>
</tbody>
</table>

1. Approx. 2,478 LF of 8-inch and 12-inch PVC Water Pipe
2. Approx. 895 LF of 10-inch PVC Sanitary Sewer Pipe
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: AUTHORIZATION TO EXPEND FUNDS IN AMOUNT OF SPECIAL COMMISSIONERS AWARD AND AUTHORIZE SETTLEMENT IN LITIGATION BETWEEN THE SAN ANTONIO WATER SYSTEM AND AYERS INVESTMENTS, INC., SUCCESSOR IN INTEREST TO JESTER INVESTMENTS, INC., ET AL, FOR THE ACQUISITION OF ONE PERMANENT SEWER AND RECYCLED WATER EASEMENT FOR THE HUEBNER CREEK ENHANCED CONVEYANCE LC-17, PHASE III PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the expenditure of funds in the amount of $75,000.00 into the Registry of the Court in connection with the Special Commissioners Award in Cause No. 2015-ED-0035 of the Probate Court No. 1 of Bexar County, Texas, concerning one permanent sewer and recycled water easement of approximately 0.413 (18,005.85 sq. ft.) acre in the aggregate (the “Easement”) required from Ayers Investments, Inc., successor in interest to Jester Investments, Inc., et al, required for the Huebner Creek Enhanced Conveyance LC-17, Phase III (the “Project”) and approves a settlement of the case in the amount of $75,000.00.

- The San Antonio Water System (the “System”) requires the acquisition of the Easement, 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., et al, for the construction and operation of the Project.

- The Project was declared a public necessity and the use of eminent domain was authorized by the Board by Resolution No. 14-312 on December 2, 2014, and by Ordinance No. 2015-04-02-0222 of the City of San Antonio (the “City”) on April 2, 2015.

- The System staff attempted to acquire the Easement by negotiation. The negotiations were not successful and it became necessary that the City acting by and through the System acquire the needed Easement by condemnation.

- The System filed Cause No. 2015-ED-0035, styled City of San Antonio, acting by and through the San Antonio Water System, Condemnor, v. Ayers Investments, Inc., successor in interest to Jester Investments, Inc., et al, Condemnees; in the Probate Court No. 1, Bexar County, Texas to acquire the Easement from the Owner.
On December 2, 2015, the Special Commissioner in the above captioned case rendered a damage award of $75,000.00 (the “Award”). The System desires to authorize staff to deposit funds in the amount of the Award in the Registry of the Court, allowing the System to obtain possession of the Easement and further authorizing the System’s Legal Counsel to settle the litigation in the amount of the Award.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure, included in the 2016 Capital Improvement Program, Wastewater Core Business, –Governmental – Wastewater Category, and the Water Resource Core Business, Recycle Water Category for the Huebner Creek Enhanced Conveyance LC17 - Phase III Project. The SAWS sewer job number associated with this project is 13-5570; the recycle job number is 13-8612.

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 AUTHORIZING THE EXPENDITURE AND MAKING AVAILABLE FROM THE PROJECT FUND THE AMOUNT OF $75,000.00 (THE “AWARD”) BEING THE AMOUNT OF THE SPECIAL COMMISSIONERS AWARD IN LITIGATION BETWEEN THE CITY OF SAN ANTONIO (THE “CITY”) BY AND THROUGH THE SYSTEM AND AYERS INVESTMENTS, INC., SUCCESSOR IN INTEREST TO JESTER INVESTMENTS, INC., ET AL., IN CONNECTION WITH THE ACQUISITION OF ONE PERMANENT SEWER AND RECYCLED WATER EASEMENT BEING APPROXIMATELY 0.413 (18,005.85 SQ. FT.) ACRE (THE “EASEMENT”) 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. (THE “OWNER”), FOR HUEBNER CREEK ENHANCED CONVEYANCE LC-17, PHASE III PROJECT (THE “PROJECT”); AUTHORIZING THE DEPOSIT OF THE AMOUNT OF THE AWARD INTO THE REGISTRY OF THE COURT; AUTHORIZING THE SYSTEM'S LEGAL COUNSEL TO SETTLE THIS LITIGATION IN THE AMOUNT OF THE AWARD; FINDING THAT THIS RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the System has determined that acquisition of the Easement is necessary for the Project, the Easement being more particularly described and depicted in Attachment I, attached hereto and incorporated herein for all purposes; and

WHEREAS, the Project was declared a public necessity by the System’s Board by Resolution No. 14-312 on December 2, 2014, and use of eminent domain was authorized by Ordinance No. 2015-04-02-0222 of the City of San Antonio on April 2, 2015; and

WHEREAS, the System requires the acquisition of the Easement, being one permanent sewer and recycled water easement containing 0.413 (18,005.85 sq. ft.) acre, and being more particularly described in Attachment I attached to this Resolution, 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., et al, for the construction of a sewer and recycled water line, and related appurtenances for the Project; and
WHEREAS, although it was the System’s desire to acquire the Easement by negotiation, the negotiations were not successful and it became necessary that the City acting by and through the System acquire the needed Easement by condemnation; and

WHEREAS, the System filed Cause No. 2015-ED-0035, styled City of San Antonio, acting by and through the San Antonio Water System, Condemnor, v. Ayers Investments, Inc., successor in interest to Jester Investments, Inc. et al, Condemnees; in the Probate Court No. 1, Bexar County, Texas, to acquire from the Owner the Easement over the property described in Attachment I attached to this Resolution; and

WHEREAS, on December 2, 2015, the Special Commissioners in the above captioned case rendered a damage award of $75,000.00 (the “Award”); and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) authorize the expenditure and availability from the Project Fund in the amount of $75,000.00, being the Award, (ii) authorize the deposit of the Award into the Registry of the Court in connection with the acquisition of the Easement, and (iii) authorize the System’s Legal Counsel to settle the litigation for the amount of the Award; now therefore:

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

1. That the expenditure from the Project Fund in the amount of $75,000.00, being the amount of the Award, is hereby made available and authorized.

2. That the amount of the Award is hereby authorized to be deposited into the Registry of the Court in order for the System to obtain possession of the Easement.

3. That the System’s Legal Counsel are hereby authorized to settle this condemnation proceeding in the amount of the Award, and to take any necessary or advisable action, including execution of a Rule 11 settlement agreement and any court filings, to effectuate the settlement.

4. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that published 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, 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 shall take effect immediately upon its passage.

PASSED AND APPROVED this 5\textsuperscript{th} day of January, 2016.


Berto Guerra, Jr., Chairman

ATTEST:


Patricia E. Merritt, Secretary

Attachments:
I Legal description of Easement
II Special Commissioners Award
FIELD NOTES FOR A 0.413 ACRE (18005.85 SQUARE FEET) PERMANENT RECYCLED WATER & SANITARY SEWER EASEMENT

BEING A 0.413 ACRE PERMANENT RECYCLED WATER & SANITARY SEWER EASEMENT, LOCATED IN LOT 101, C.B. 4430, RE-PLAT OF LEON VALLEY RANCHES, BEXAR COUNTY, TEXAS, SAID 0.413 ACRE PERMANENT RECYCLED WATER & SANITARY SEWER EASEMENT BEING A PORTION OF THAT CERTAIN LOT 101, RECORDED IN VOLUME 9505, PAGE 6, PLAT RECORDS, BEXAR COUNTY, TEXAS, SAID 0.413 ACRE PERMANENT RECYCLED WATER & SANITARY SEWER EASEMENT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

Beginning at a 1/2" iron rod found at the west corner of said Lot 101, at the south corner of Lot 87, C.B. 4430, Leon Valley Ranches, Second Filing subdivision, recorded in Volume 3025, Pages 319-320, Plat Records, Bexar County, Texas, the east corner of Lot 80, C.B. 4430, said Leon Valley Ranches, Second Filing subdivision, at the north corner of Lot 79, C.B. 4430, said Leon Valley Ranches, Second Filing subdivision, said point being the west corner of the herein described easement;

Thence, North 29°58′15″ East, with the common Lot line between said Lot 87 and said Lot 101, a distance of 288.65 feet to a calculated point at the north corner of said Lot 101, in the southwest right-of-way line of Bandera Road/State Highway No. 16, said point being the north corner of the herein described easement;

Thence, South 52°16′55″ East, with the southwest right-of-way line of said Bandera Road/State Highway No. 16 and the northeast line of said Lot 101, a distance of 62.23 feet to a calculated point for the east corner of the herein described easement;

Thence, South 29°58′15″ West, departing the southwest right-of-way line of said Bandera Road/State Highway No. 16 and across said Lot 101, a distance of 295.40 feet to a calculated point in the northeast line of said Lot 79, in the southwest line of said Lot 101, said point being the southeast corner of the herein described easement;

Thence, North 46°14′20″ West, with the common Lot line between said Lot 79 and said Lot 101, a distance of 63.49 feet to the POINT OF BEGINNING and containing 0.413 acres of land.

Note: The basis of bearing was established using the Trimble VRS Network, NAD (83), Texas State Plane Coordinate System, South Central Zone, 4204, US Survey Foot, Grid. A survey plat was prepared by a separate document.

Travis L. Quicksall Date: 09/19/2014
RPLS #6447
Job #10-4040 0.413 ACRES
PERMANENT RECYCLED WATER & SANITARY SEWER EASEMENT

PROJECT NAME: HUEBNER CREEK ENHANCED CONVEYANCE LC17—PHASE III
SAWS PROJECT NUMBER – 13–5570 & 13–8612–202
SAWS PARCEL NUMBER – P14–312

PROPERTY OWNER: JESTER INVESTMENTS, INC.

LOT 7, C.B. 4430
VOLUME 3025, PAGES 319-320
PLAT RECORDS
BEXAR COUNTY, TEXAS

EXHIBIT SHOWING: A 0.413 ACRE VARIABLE WIDTH PERMANENT RECYCLED WATER & SANITARY SEWER EASEMENT LOCATED IN C.B. 4430, LEON VALLEY RANCHES, REPLAT RECORDED IN VOLUME 9505, PAGE 6, PLAT RECORDS, BEXAR COUNTY, TEXAS.

LOT 7, BLOCK 8
LEBMAN’S CORRAL SUBDIVISION
VOLUME 9500, PAGE 105
PLAT RECORDS
BEXAR COUNTY, TEXAS

HIERARCHY CERTIFIES THAT THIS SURVEY WAS MADE ON THE GROUND, AND THAT TO THE BEST OF MY KNOWLEDGE AND BELIEF, THIS PLAN CORRECTLY REPRESENTS THE FACTS FOUND AT THE TIME OF THIS SURVEY.
CITY OF SAN ANTONIO, acting by and through the SAN ANTONIO WATER SYSTEM, Condemnor,

v.

AYERS INVESTMENTS, INC., SUCCESSOR IN INTEREST TO JESTER INVESTMENTS, INC., Condemnee.

§ PROBATE COURT NO. 1
§ BEXAR COUNTY, TEXAS
§ CONDEMNATION PROCEEDINGS

AWARD OF COMMISSIONERS

On this the 2nd day of December, 2015, in the Bexar County Probate Court No. 1, situated in San Antonio, Texas the above-styled cause came on to be heard before the undersigned, three disinterested freeholders of Bexar County, Texas, appointed as Special Commissioners by the Judge of Probate Court No. 1 of Bexar County, Texas, to assess the damages caused by this condemnation proceeding, and came the Plaintiff, City of San Antonio, Texas acting by and through the San Antonio Water System, represented by counsel, having announced ready and

Defendants Ayers Investments, Inc. and Jester Investments, Inc.,

☐ Not appearing,

☑ Having appeared in person,

☐ Having appeared represented by counsel, announcing ready;

Defendant taxing authorities – Bexar County Road and Flood, San Antonio River Authority, Alamo Community College, University Health System, Bexar County, Texas, City of Leon Valley, and Northside Independent School District, having filed Taxing Authorities’ Acceptance of Service, Waiver of Citation and Notice of Appearance on September 19, 2015, did not appear at this Commissioners’ hearing.
The Commissioners proceeded to hear evidence and arguments of the parties and made the following findings:

I.

That, on the 9th day of September, 2015, City of San Antonio, Texas acting by and through the San Antonio Water System as Plaintiff, filed a petition with the Bexar County Probate Court No. 1, in the above cause, wherein upon the facts and for the purposes therein stated, it seeks a decree of condemnation vesting in said Plaintiff of a 0.413 acre permanent sewer and recycled water pipeline facilities easement, more particularly described in Exhibit “A.”

II.

That upon consideration of said condemnation proceedings, the Judge of Bexar County Probate Court No. 1, Bexar County, Texas, did appoint Richard Ihfe, Bruce Mery, and Dale Dorsey as Special Commissioners to assess the damages caused by the condemnation of said property and property rights. On the (16th, 18th, and 22nd) day of August, 2015, each Special Commissioner took an oath prescribed by law in which each swore to assess the damages fairly and impartially and in accordance with law. Copies of these oaths are on file with the papers in this proceeding.

III.

Said Special Commissioners by written order filed on or before October 5, 2015, designated and appointed December 2, 2015, at 10:30 o’clock a.m. at the Probate Court No. 1, Bexar County Courthouse, 100 Dolorosa, # 123, San Antonio, Bexar County, Texas 78205 as the place for hearing said petition and parties, said date being the earliest practicable time and such
place being the county scar of the county in which a portion of the property is situated is situated
in the landowner's county of residence.

IV.

That on the 2\textsuperscript{nd} day of December, 2015, said Special Commissioners did convene and
said Special Commissioners proceeded to hear evidence as to the damages which will be
sustained by the owners, by reason of the condemnation of the property and, after hearing and
considering such evidence, said Special Commissioners did find and determine and accordingly
assess damages to be paid by the plaintiff for this condemnation according to the rules of
the total amount of \textit{SEVENTY FIVE THOUSAND} \textdollar{75,000} to: Ayers Investments, Inc. and Jester
Investments, Inc.

The costs of this proceeding are adjudged against Plaintiff City of San Antonio, Texas acting by
and through the San Antonio Water System.

The costs which have accrued to date are as follows:

Fees due Special Commissioners as set by the Court.

$\underline{\_\_\_\_\_\_\_\_\_\_}$/7 hours to Richard Ihfe;

$\underline{\_\_\_\_\_\_\_\_\_\_}$/7 hours to Bruce Mery; and,

$\underline{\_\_\_\_\_\_\_\_\_\_}$/7 hours to Dale Dorsey

3
RENDERED this the 2nd day of December, 2015.

Signature: [Signature]
Print Name: Richard Ihfe

Signature: [Signature]
Print Name: Bruce Mery

Signature: [Signature]
Print Name: Dale Dorsey

SPECIAL COMMISSIONERS

The foregoing decision and Award was filed with me this the ___ day of December, 2015.

HONORABLE
Bexar County Probate Court No. 1
FIELD NOTES FOR A 0.413 ACRE (1800.58 SQUARE FEET) PERMANENT RECYCLED WATER & SANITARY SEWER EASEMENT

BEING A 0.413 ACRE PERMANENT RECYCLED WATER & SANITARY SEWER EASEMENT, LOCATED IN LOT 101, C.B. 4430, RE-PLAT OF LEON VALLEY RANCHES, BEARX COUNTY, TEXAS, SAID 0.413 ACRE PERMANENT RECYCLED WATER & SANITARY SEWER EASEMENT BEING A PORTION OF THAT CERTAIN LOT 101, RECORDED IN VOLUME 9505, PAGE 66, PLAT RECORDS, BEARX COUNTY, TEXAS, SAID 0.413 ACRE PERMANENT RECYCLED WATER & SANITARY SEWER EASEMENT BEING MORE PARTICULARLY DESCRIBED BY METES AND BOUNDS AS FOLLOWS:

Beginning at a 1/2" iron rod found at the west corner of said Lot 101, at the south corner of Lot 87, C.B. 4430, Leon Valley Ranches, Second Filing subdivision, recorded in Volume 3025, Pages 319-320, Plat Records, Bexar County, Texas, the east corner of Lot 80, C.B. 4430, said Leon Valley Ranches, Second Filing subdivision, at the north corner of Lot 79, C.B. 4430, said Leon Valley Ranches, Second Filing subdivision, said point being the west corner of the herein described easement;

Thence, North 29°58'15" East, with the common Lot line between said Lot 87 and said Lot 101, a distance of 288.65 feet to a calculated point at the north corner of said Lot 101, in the southwest right-of-way line of Bandera Road/State Highway No. 16, said point being the north corner of the herein described easement;

Thence, South 52°16'55" East, with the southwest right-of-way line of said Bandera Road/State Highway No. 16 and the northeast line of said Lot 101, a distance of 62.23 feet to a calculated point for the east corner of the herein described easement;

Thence, South 29°58'15" West, departing the southwest right-of-way line of said Bandera Road/State Highway No. 16 and across said Lot 101, a distance of 295.40 feet to a calculated point in the northeast line of said Lot 73, in the southwest line of said Lot 101, said point being the southeast corner of the herein described easement;

Thence, North 46°14'20" West, with the common Lot line between said Lot 79 and said Lot 101, a distance of 63.49 feet to the POINT OF BEGINNING and containing 0.413 acres of land.

Note: The basis of bearing was established using the Trimble VRS Network, NAD (83), Texas State Plane Coordinate System, South Central Zone, 4204, US Survey Foot, Grid. A survey plat was prepared by a separate document.

Travis L. Quicksall Date: 09/19/2014
RPLS #6447
Job #10-4040 0.413 ACRES
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 AUTHORIZING EXECUTION OF A PURCHASE AGREEMENT WITH WAYNE HALE FOR THE SALE OF 190.848 ACRES (WALTON FARM) LOCATED NORTH OF HACIENDA ROAD (CR 201), BETWEEN F.M. 1403 AND THE NUECES RIVER IN ULVALDE COUNTY, TEXAS

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution accepts the offer of Wayne Hale of $625,000.00 for the sale of 190.848 acres (Walton Farm), located north of Hacienda Road (CR 201), between F.M. 1403 and the Nueces River in Uvalde County, Texas (the “Property”) and authorizes the execution of a Purchase Agreement (the “Agreement”) with Wayne Hale for the sale of this Property for the purchase price of $625,000.00.

- 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 28, 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 according to the requirements of Texas Local Government Code Section 272.001.

- 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 $575,000.00, which was based on an appraisal dated October 15, 2015 by Eckmann Groll, Inc.

- The highest offer for the purchase of the Property was in the amount of $625,000.00 from Wayne Hale.
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. If closing occurs, the six percent (6%) commission will be shared equally by Cano and Company with the buyer’s broker, Stephanie Sieckenius d/b/a Lantana Realty, for their real estate services related to the sale of this property.

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:

The expenditure of closing costs will be deducted from the sales proceeds at closing.

Bruce A. Haby  
Manager, Corporate Real Estate

Nancy Belinsky  
Vice President and General Counsel

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 $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 (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 $625,000.00 for the Walton Farm was received by the System from Wayne Hale; 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, which commission will be shared equally with the buyer’s broker, Stephanie Sieckenius d/b/a Lantana Realty; 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 Wayne Hale in the amount of $625,000.00 for the Walton Farm for a purchase price under the Purchase Agreement of $625,000.00 and approve a Purchase Agreement with Wayne Hale for the sale of the Walton Farm, (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 $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 modify 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 Wayne Hale in the amount of $625,000.00 for the 190.848 acre Walton Farm is hereby accepted and a Purchase Agreement for a purchase price of $625,000.00 with Wayne Hale 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, if and only if closing occurs, which commission will be equally shared with the buyer’s broker, Stephanie Sieckenius d/b/a Lantana Realty.

3. That payment of up $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 modify 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 5th day of January, 2016.

__________________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________________
Patricia E. Merritt, Secretary

Attachments:
I  Area Map
II  Purchase Agreement
ATTACHMENT II

PURCHASE AGREEMENT

Walton Farm

This Purchase Agreement (the “Agreement”) is made by and between City of San Antonio, acting by and through its San Antonio Water System, hereinafter called “Seller”, and WAYNE HALE 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 the two tracts of real property being an approximately 190.848 acre tract in Uvalde County, Texas described more particularly on Exhibit A (the “Property”, together with all improvements and fixtures thereon (including the Pivot (hereinafter defined)) and all rights and appurtenances thereto, including Seller’s right, title and interest in the road access easements more particularly described in Volume 266, Page 842 and Volume 287, Page 45, Deed Records of Uvalde County and in Exhibit A-1 attached hereto.

a. Water Rights that Run with the Property. The Property will be conveyed with the right to withdraw 179,873 acre-feet of Edwards Aquifer base irrigation groundwater (the “Base Irrigation Groundwater”) per annum under and pursuant to the terms of Edwards Aquifer Authority (“EAA”) Regular Permit No. P101-793 (UV00478) (the “Permit”). 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.

b. Seller Reservation of Water Rights. Seller has previously transferred 288,415 acre feet per annum of unrestricted irrigation groundwater rights under the Permit to points of withdrawal located outside the Property (the “Reserved Water Rights”). The Reserved Water Rights include 55.27 acre-feet of unrestricted irrigation water rights that were converted from base withdrawal rights. 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 one (1) Valley 7000 Series Pivot Irrigation System located on the Property (the “Pivot”).

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 SIX HUNDRED TWENTY FIVE THOUSAND AND NO/100 DOLLARS ($625,000.00).

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 of 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.** Within ten (10) days following the Date of this Agreement, Title Company shall 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 surveys 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 and Disclosures.** 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.

Buyer acknowledges that Seller has disclosed to Buyer that Union Pacific Railroad has made an offer to purchase an approximately 1.4 acre tract out of the Property being along the southern boundary of the Property where same adjoins the Union Pacific Railroad right of way. Union Pacific Railroad may have the ability to exercise eminent domain to acquire said 1.4 acre tract, and Buyer is encouraged to consult with legal counsel regarding this matter.

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 OFFICIALS, 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
NONDISCLOSURE 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 HEREBIN 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 RECURS 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. 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 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. The conveyance of the Property to Buyer shall be closed ("Closing") at the office of the
Title Company on January 15, 2016 (the "Closing Date"), or such earlier date as the parties may
agree to, provided all conditions to closing have been satisfied.

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 Pivot 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 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. Seller shall pay the basic premium for the Title Policy. Buyer shall be responsible at its sole cost for 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 the 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, by personal delivery to such address by a party, via 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, 5th Floor, Tower I, Suite 526
San Antonio, Texas 78212
Bruce.haby@saws.org

With a copy to: San Antonio Water System
Attn: Mark E. Brewton, Corporate Counsel
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 following Seller’s receipt of notice of such termination 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 six percent (6%) brokerage fee (the “Commission”) to Cano & Company (“Seller’s Broker”) pursuant to a separate written agreement. If Buyer has engaged a broker (“Buyer’s Broker”) via written brokerage agreement, Seller’s Broker has agreed via such separate written agreement to share the Commission equally with Buyer’s Broker. To further memorialize such Commission splitting, Seller’s Broker and Buyer’s Broker shall execute the Broker’s Addendum attached hereto. The Buyer represents and warrants that no broker other than Buyer’s Broker as identified in the Broker’s Addendum 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. **Condemnation.** If any part of the Property is, at time of Closing, subject to a condemnation proceeding, Seller shall assign all rights relating to such proceeding, including the right to receive the proceeds of any such condemnation, to Buyer. The conveyance of the Property shall be made subject to such proceeding. The existence of any such proceeding shall not relieve Buyer of its obligations to close on the purchase of the Property in the manner, time and terms required under this Agreement.

25. **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)
EXECUTED by Seller on 12/14, 2015.

Seller:

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

BY: Nancy Belinsky
Vice President and General Counsel

EXECUTED by Buyer on 12/10/15, 2015.

Buyer:

Wayne Hale

Exhibits:
Exhibit A: Property Description
Exhibit A-1: Road access 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]

Date: 12/14/15

GF#: 4041007043
BROKER’S ADDENDUM
TO PURCHASE AGREEMENT
Walton Farm

Cano & Company ("Seller’s Broker") will receive a 6% commission (the "Commission") of the Purchase Price at Closing, if and only if Closing occurs, pursuant to a separate written agreement between Seller and Seller’s Broker.

If Seller’s Broker receives the Commission, Seller’s Broker shall, at Closing, split the Commission on a 50/50 basis with Lantana Realty ("Buyer’s Broker"), such that Buyer’s Broker shall receive from Seller’s Broker an amount equal to 3% of the Purchase Price.

Buyer’s Broker agrees to look solely to Seller’s Broker for a share of the Commission, and releases and agrees to hold harmless Seller for any claim for a brokerage commission or fee.

Cano & Company

By: Stephanie Sieckeniis
Printed Name: Stephanie Sieckeniis
Title: Broker/Owner

Lantana Realty

By: Stephanie A. Sieckeniis
License No. 588507

Alfonso Cano
President, Cano & Company
Exhibit A

UVALDE COUNTY, TEXAS

The property is located outside the limits of a 100 year flood zone as shown on the National Flood Insurance Program Flood Insurance Rate Map, Uvalde County, Texas. Incorporated areas Community Panel Number 01401013. Effective Date: August 4, 1987

The bearings are relative to the bearing along the North R.D.W. line of said Southern Pacific Railroad between two found iron pipes having a bearing and distance of N 29° 10' 16" W 1571.57 feet.

PREPARED FOR: San Antonio Water System

A survey of 190.848 acres of land situated about 6 miles N 65° W of Uvalde in Uvalde County, Texas, being 34.211 acres out of Survey No. 111, Abstract No. 42, R. A. Bell, original Grantee, 98.037 acres out of Survey No. 114, Abstract No. 335, F. R. Whitney, original Grantee, and 58.600 acres out of Survey No. 115, Abstract No. 237, Randall Jones, original Grantee, being that same property called 190.85 acres and described as First Tract in a deed to F.W. Ranchlands L.P. from Jeffrey L. Hart, Trustee, dated July 30, 1997, as recorded in Volume 382 on Page 756 of the Official Public Records of Uvalde County, Texas.

I certify that the foregoing plat was prepared from an actual survey made under my supervision on the ground and is true and correct. Witness my hand and seal this the 3rd day of April, 2000.

Charles W. Roth<br>Registered Professional Surveyor No. 2925<br>1705 Avenue R, P.O. Box 425<br>Hondo, Texas 78861<br>Ph. (830) 426-3005<br>FAX (830) 426-8160

PLAT REVISED: 5/7/00<br>PLAT REVISED: 5/24/00

190.848 Acres
THE STATE OF TEXAS  
COUNTY OF UVALDE  

PREPARED FOR: San Antonio Water Systems  

FIELD NOTES TO DESCRIBE  

A survey of 190.848 acres of land situated about 6 miles N 65° W of Uvalde in Uvalde County, Texas, being 34.211 acres out of Survey No. 111, Abstract No. 42, R. A. Bell, original Grantee, 96.848 acres out of Survey No. 114, Abstract No. 335, F. R. Whitney, original Grantee, and 59.789 acres out of Survey No. 115, Abstract No. 237, Randall Jones, original Grantee, being that same property called 190.85 acres and described as First Tract in a deed to FW Ranchlands L.P. from Jeffery L. Hart, Trustee, dated July 30, 1997, as recorded in Volume 382 on Page 756 of the Official Public Records of Uvalde County, Texas, and being more particularly described by metes and bounds as follows:  

BEGINNING:  
At a 1" iron pin found by a 14" diameter mesquite corner post for the recognized Northeast corner of said Survey No. 111, a recognized lower exterior corner of Survey No. 578, Abstract No. 1003, W. Z. McKinney, original Grantee, an exterior corner of that certain 671.6 acre tract of land described in a deed to Marjorie Owen Kirchner, et al from Edward Areligh Owen, et ux, dated May 27, 1976, as recorded in Volume 206 on Page 366 of the Deed Records of Uvalde County, Texas, and an Interior corner of this survey;  

THENCE:  
Along fence, the recognized East line of said Survey No. 111, the recognized lower West line of said Survey No. 578, and the lower West line of said 671.6 acre tract of land, S 19-33-19 E 1413.54 feet to a 1" iron pin found 2 feet North of a corner post on the North R.O.W. line of the Southern Pacific Railroad for the Southwest corner of said 671.6 acre tract of land and the lower Southeast corner of this survey;  

THENCE:  
Generally along fence and the North R.O.W. line of said Southern Pacific Railroad, N 82-36-16 W 1571.57 feet to a 1" iron pin found by an 8" diameter creosote corner post for an exterior corner of this survey;  

THENCE:  
Along fence and Interior East line of this survey, N 02° 41-34 W 240.58 feet to a 1" iron pin found by an 8" diameter creosote post for an angle point and N 20° 16-09 W 243.61 feet to a 1" iron pin found by an 8" diameter creosote corner post for an Interior corner of this survey;  

THENCE:  
Along fence and an Interior South line of this survey, N 82° 17-37 W 893.85 feet to a 1" iron pin found by an 8" diameter creosote corner post for the Northeast corner of a certain 0.364 acre tract of land being a 35-foot-wide R.O.W. easement described in a deed to the Veterans Land Board of Texas from Edward D. Duvall, et ux, dated June 17, 1988, as recorded in Volume 287 on Page 45 of the aforementioned Deed Records;  

THENCE:  
Along fence and the Southeast and East line of said 0.364 acre 35-foot-wide R.O.W. Easement, S 46° 32-10 W 325.34 feet to a 5/8" iron pin set for an angle point and S 00-49-33 W 170.56 feet to a 1" diameter iron pin found by a 10" diameter creosote corner post for the Southeast corner of said 0.364 acre 35-foot-wide R.O.W. Easement, a point on the North line of that certain 0.353 acre tract of land being a 35-foot-wide R.O.W. Easement described in a deed to Everett R. Duvall, et ux from Leon D. Walton, dated December 17, 1965, as recorded in Volume 266 on Page 842 of the said Deed Records, and an Interior Southeast corner of this survey;
THENCE: Along the North line of said 0.353 acre 35-foot-wide R.O.W. Easement, N 83°11'51" W 34.92 feet to a 1" iron pin found on the East line of that certain 10.00 acre tract of land described in a Contract of Sale and Purchase to Everett Ray Duvall from the Veterans Land Board of Texas, dated June 17, 1988, as recorded in Volume 287 on Page 52 of the said Deed Records, for the Southwest corner of said 0.364 acre 35-foot-wide R.O.W. Easement, the Northwest corner of said 0.353 acre 35-foot-wide R.O.W. Easement, and the lower Southwest corner of this survey;

THENCE: Along the East and Southeast line of said 10.00 acre tract of land and the West and Northwest line of said 0.364 acre 35-foot-wide R.O.W. Easement, N 00°46'54" E 181.94 feet to a 5/8" iron pin set for an angle point and N 46°37'09" E 227.77 feet to a 1" iron pin (bent) found 2 feet South of fence for the Northeast corner of said 10.00 acre tract of land and an interior corner of this survey;

THENCE: Along the North line of said 10.00 acre tract of land, N 82°34'54" W 1328.45 feet to a ¾" iron pin found in fence for the Northwest corner of said 10.00 acre tract of land and the upper Southwest corner of this survey;

THENCE: Along fence, N 04°25'54" W 813.57 feet to a ¾" iron pin found by railroad tie corner post for the lower Northwest corner of this survey;

THENCE: Along fence, S 82°12'14" E 1220.53 feet to a ¾" iron pin found by a 6" diameter cedar corner post for an interior corner of this survey;

THENCE: Along fence and the middle West line of this survey, N 22°43'26" W 184.46 feet to a 1" iron pin found by a 6" diameter cedar corner post for an angle point, N 65°26'46" E 14.25 feet to a ¾" iron pin found by a 6" diameter cedar post for an angle point, and N 18°00'51" W 164.24 feet to a 1" iron pin found in fence about 8 feet N 45°06'07" E from a gate for a middle Northwest corner of this survey;

THENCE: Along fence, N 46°08'07" E 580.11 feet to a ¾" iron pin found by a 12" diameter mesquite corner post for an interior corner of this survey;

THENCE: Along fence, N 15°51'28" W 1098.31 feet to a 5/8" iron pin set by a 12" diameter mesquite corner post on the recognized North line of said Survey No. 115 for the upper Northwest corner of this survey;

THENCE: Along fence and the recognized North line of said Survey No. 115, N 69°57'59" E 1814.34 feet to a 1" iron pin found by an 8" diameter cedar corner post for the recognized Northeast corner of said Survey No. 115, the recognized upper Northwest corner of said Survey No. 578, the upper Northwest corner of said 671.6 acre tract of land, and the Northeast corner of this survey;

THENCE: Along fence, the recognized East line of said Survey No. 115, the recognized East line of said Survey No. 114, the recognized upper West line of said Survey No. 578, and the upper West line of said 671.6 acre
tract of land, S 18-57-22 E 1343.84 feet to a 1" iron pin found by an 18" diameter mesquite tree for the recognized Southeast corner of said Survey No. 115 and the recognized Northeast corner of said Survey No. 114, and S 19-35-01 E 1250.10 feet to a 1" iron pin found by an 8" diameter cedar corner post for the recognized Southeast corner of said Survey No. 114, a recognized Interior corner of said Survey No. 578, an Interior corner of said 671.6 acre tract of land, and an exterior corner of this survey;

THENCE: Along fence, the recognized South line of said Survey No. 114, a recognized lower North line of said Survey No. 578, and the lower North line of said 671.6 acre tract of land, S 70-11-25 W 275.98 feet to the POINT OF BEGINNING.

The bearings are relative to the bearing along the North R.O.W. line of said Southern Pacific Railroad between two found ¼" iron pins having a bearing and distance of N 82-36-16 W 1571.57 feet.

I certify that the foregoing field note description was prepared from an actual survey made under my supervision on the ground and that same is true and correct. Witness my hand and seal this the 1st 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 "M-1"

TOGETHER WITH ROAD ACCESS EASEMENT:

Being a 35-foot road access easement lying over and across said 338 acres, and more particularly described by metes and bounds as follows:

Beginning at the NE and eastmost corner of the aforesaid 10.00 acres tract deeded to Veterans Land Board, a 1-inch threaded-head steel stake found down 3 inches:

THENCE N 63° 51' 19" E 117.10 feet to the 1-inch threaded-head steel stake found up 2 inches at 8-inch treated-pine 2-way fence corner post;

THENCE S 46° 27' 52" W, at 194.72 feet passing said 3/4-inch steel stake found at NW corner of concrete slab, and continuing a total of 325.40 feet to said 1-inch threaded-head steel stake found up 3 inches by 10-inch treated pine post;

THENCE S 0° 56' 05" W 170.24 feet to said 1-inch threaded-head steel stake found up 3 inches at 10-inch treated-pine 3-way fence corner post;

THENCE S 82° 34' 47" E, parallel to and 35.00 feet from said N R.O.W. of S.P. Railroad R.O.W., 404.97 feet to a 1-inch steel stake found down 1 inch in roadway;

THENCE S 7° 25' 13" W 35.00 feet to a 1-inch steel stake found up 3 inches in said N R.O.W. of S.P. Railroad for SE and southmost corner of this described easement, from which the 1-inch threaded-head steel stake found up 5 inches by 3-way fence corner post in E boundary of Survey No. 111 bears with R.O.W. S 82° 34' 47" E 2401.71 feet;

THENCE N 82° 34' 47" W with said R.O.W., parallel to and 50.00 feet from its marked centerline, crossing said railroad crossing to Hacienda Road, at 35.00 feet passing a 1-inch threaded-head steel stake found up 3 inches to mark this line, from which the 6-inch steel pipe gate post bears N 7° 25' 13" E 2.08 feet, and continuing generally along left side of existing R.O.W. fence a total of 439.97 feet to a 1-inch steel stake found up 4 inches at 10-inch treated-pine post for SW and westmost corner of this described easement;

THENCE N 7° 25' 13" E, at 25.00 feet passing the SE and southmost corner and Beginning Point of the aforesaid 10.00 acres, and continuing a total of 35.00 feet to said 1-inch threaded-head steel stake found up 1/2 inch at 9-inch treated-pine fence post;

THENCE continuing with E boundary of said 10.00 acres as follows:
N 0° 56' 05" E 181.22 feet to a point in plowed field;
And N 46° 27' 52" E 228.01 feet to the Point of Beginning, and occupying 0.716 acre.
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 190.848 acre tract in Uvalde County, Texas described more particularly on Exhibit A attached hereto, together with the right to withdraw 179.873 acre-feet of Edwards Aquifer base irrigation groundwater per annum under and pursuant to the terms of Edwards Aquifer Authority Regular Permit No. P101-793 (UV00478).

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 288.415 acre feet of unrestricted water rights under EAA P101-793 (UV00478), which water rights have been transferred to points of withdrawal located outside the Property (the “Reserved Water Rights”). The Reserved Water Rights include 55.27 acre-feet of unrestricted irrigation water rights that were converted from base withdrawal rights. 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 hereinafter, 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 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 but not limited to Grantor’s right, title and interest in the road access easements more particularly described in Volume 266, Page 842 and Volume 287, Page 45, Deed Records of Uvalde County and in Exhibit A-1 attached hereto) subject to Exceptions to Conveyance and Reservations from Conveyance, to have and to hold it to Grantor 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 WAITS 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 2016 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:

Nancy Belinsky, 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

After recording, return to:

B-3
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 190.848 acre tract in Uvalde County, Texas described more particularly on Exhibit A attached hereto.

Transferred Property: One (1) Valley 7000 Series Pivot Irrigation System 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 WHATSOEVER 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
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:

____________________________
TO: San Antonio Water System Board of Trustees

FROM: Jeff S. Brown, Director, Western Service Centers, and Michael S. Brinkmann, Vice President, Distribution and Collection Operations

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

SUBJECT: AUTHORIZATION CONCERNING THE SAN ANTONIO WATER SYSTEM AND THE DISTRICT SPECIAL PROJECT TO AWARD THE 2016 ANNUAL WATER DISTRIBUTION LEAK REPAIRS CONTRACT - PACKAGE 1

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution relates to the San Antonio Water System (SAWS) and the District Special Project (DSP), and awards a construction contract in the amount of $940,255.00 to Austin Constructors, LLC, a non-local, MBE-Hispanic firm in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 1.

- SAWS has typically experienced a high volume of leaks in approximately 6,700 plus miles of combined water distribution mains and appurtenances every year, especially during extended periods of dry weather.

- Many of the water leaks are discovered by in-house leak detection crews and contracted valve preventive maintenance in conjunction with SAWS’ proactive conservation program to find and repair leaks. Other leaks are reported to SAWS by water-conscious public citizens.

- This contract will supplement the Distribution and Collection Operations Group with outsourced construction services to perform the necessary leak repairs, thus resulting in more rapid response times and less lost water while allowing the crews to optimize their level of service to our customers.

- The contract will allow for work orders to be issued to the contractor for the leak repairs. The work orders will be issued and managed by SAWS Operations staff and will be charged against the contract as they are completed.

- The standard construction bidding process was used for this contract.

- Austin Constructors, LLC submitted the lowest responsive bid of $940,255.00.

Staff recommends that the Board approve this resolution.
FINANCIAL IMPACT:

The cost will be paid from the System Fund in the 2016, 2017 and 2018 Distribution and Collection Operations budget (Company: 1000, Accounting Units: 5025900, 5026500, 5026800, and 5027100, Account: 511220) in the total amount of $940,255.00 for construction pursuant to and contingent upon Board approval of the 2017 and 2018 budgets with a line item for such expenditures. The SAWS job number for the replacement of any water service lines, valves or fire hydrants is 16-1401 (CIP). The SAWS job number for all other SAWS work is 16-0101 (O&M). DSP job number is 16-0701 (DSP O&M).

*Actual amounts charged to SAWS and the DSP may vary as long as the total amount of the contract is not exceeded.

SUPPLEMENTARY COMMENTS:

SAWS staff prepared the specifications for this project. The bid opening was held on November 17, 2015 at 10:00 a.m. The following bids were submitted:

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>BID AMOUNT</th>
<th>LOCAL/SMWB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Austin Constructors, LLC*</td>
<td>$ 940,255.00</td>
<td>Non-Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$1,000,000.00</td>
<td>Non-Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Pronto Sandblasting &amp; Coating &amp; Oilfield Services, Co., Inc.</td>
<td>$1,034,000.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>D. Guerra Construction, LLC</td>
<td>$1,094,595.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
</tbody>
</table>

* Lowest responsible bidder

The bid amount by Austin Constructors, LLC represents a 6.0% decrease from the estimated construction cost.

This contract provides for 730 calendar days for completion of this contract or until funds have been exhausted.
The SMWB analysis is shown in the following table:

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2016 Annual Water Distribution Leak Repairs Contract - Package 1</strong></td>
<td></td>
</tr>
<tr>
<td><strong>AUSTIN CONSTRUCTORS, LLC</strong></td>
<td></td>
</tr>
<tr>
<td><strong>SMWB ANALYSIS – BOARD AWARD</strong></td>
<td></td>
</tr>
<tr>
<td>SBE</td>
<td>7.94%</td>
</tr>
<tr>
<td>MBE – African American</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - Asian</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - Hispanic</td>
<td>81.63%</td>
</tr>
<tr>
<td>MBE - Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE - Minority</td>
<td>1.28%</td>
</tr>
<tr>
<td>WBE – Non-Minority</td>
<td>9.15%</td>
</tr>
<tr>
<td><strong>SMWB Total</strong></td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Jeff S. Brown, P.E.
Director
Western Service Centers

Michael S. Brinkmann
Vice President
Distribution and Collection Operations

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF
TRUSTEES, CONCERNING BOTH THE SAN ANTONIO
WATER SYSTEM AND THE DISTRICT SPECIAL
PROJECT, ACCEPTING THE BID OF AUSTIN
CONSTRUCTORS, LLC FOR A CONSTRUCTION
CONTRACT IN THE AMOUNT OF $940,255.00 IN
CONNECTION WITH THE 2016 ANNUAL WATER
DISTRIBUTION LEAK REPAIRS CONTRACT – PACKAGE
1; AWARDING A CONSTRUCTION CONTRACT IN THE
AMOUNT OF $940,255.00 TO AUSTIN CONSTRUCTORS,
LLC IN CONNECTION WITH THE 2016 ANNUAL WATER
DISTRIBUTION LEAK REPAIRS CONTRACT – PACKAGE
1; APPROVING THE EXPENDITURE OF FUNDS AND TO
MAKE AVAILABLE THE AMOUNT OF $940,255.00 FROM
THE SYSTEM FUND AND DSP FUND FOR THE PROJECT
WORK, PURSUANT TO AND CONTINGENT UPON BOARD
APPROVAL OF THE 2017 AND 2018 BUDGETS WITH A
LINE ITEM FOR SUCH EXPENDITURES; AUTHORIZING
THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS
DULY APPOINTED DESIGNEE TO EXECUTE A
CONTRACT WITH AUSTIN CONSTRUCTORS, LLC AND
TO PAY AUSTIN CONSTRUCTORS, LLC THE AMOUNT
OF $940,255.00 FOR THE SYSTEM’S AND DSP’S
OBLIGATIONS UNDER THE TERMS OF THE CONTRACT
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’s District Special Project (the “DSP”) was created by the City Council of the City of San Antonio on October 20, 2011, pursuant to Ordinance No. 2011-10-20-0845, and this action is related to, and consistent with, that Ordinance; and

WHEREAS, this action concerns both the San Antonio Water System (the “System”) and the DSP; and

WHEREAS, the System typically experiences a high volume of leaks in the water distribution system every year, especially during an extended period of dry weather; and

WHEREAS, the System requires construction services to perform the necessary leak repairs (the "project work") during periods when the volume of leaks is high in order to relieve the stress on in-house crews; and
WHEREAS, this contract will supplement the Distribution and Collection Operations Group with outsourced construction services to perform the necessary leak repairs, thus resulting in more rapid response times and less lost water while allowing the crews to optimize their level of service to our customers; and

WHEREAS, Austin Constructors, LLC, a non-local, MBE-Hispanic contractor, submitted a bid in the amount of $940,255.00 for the project work, and this bid has been determined to be the lowest responsible bid; and

WHEREAS, System and DSP funds in the amount of $940,255.00 are required for the project work; and

WHEREAS, the total amount of $940,255.00 is available from the System and DSP funds 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 $940,255.00 in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 1, (ii) to award a construction contract in the amount of $940,255.00 to Austin Constructors, LLC in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 1, (iii) to approve the expenditure of funds in the amount of $940,255.00 from the System Fund and DSP Fund for the project work, pursuant to and contingent upon Board approval of the 2017 and 2018 budgets with a line items for such expenditures, and (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Austin Constructors, LLC and to pay Austin Constructors, LLC the amount of $940,255.00 for the System’s and DSP’s obligations under the terms of the contract for the project work; now, therefore:

BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES CONCERNING THE SYSTEM AND THE DISTRICT SPECIAL PROJECT:

1. That the bid of Austin Constructors, LLC in the amount of $940,255.00 for the project work in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 1 is hereby accepted.

2. That the contract is hereby awarded to Austin Constructors, LLC in the amount of $940,255.00 for the project work in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 1.

3. That the expenditure of funds in the not to exceed amount of $940,255.00 for the project work is hereby approved and made available from the System Fund and DSP Fund, pursuant to and contingent upon Board approval of the 2017 and 2018 budgets with a line items for such expenditures.

4. That the System's President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a contract with Austin Constructors, LLC for the project work and to
pay an amount of $940,255.00 for the System’s and DSP’s obligations under the terms of the contract to Austin Constructors, LLC for the project work in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 1.

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 5th day of January, 2016.

_______________________________
Berto Guerra, Jr., Chairman

ATTEST:

_______________________________
Patricia E. Merritt, Secretary
TO: San Antonio Water System Board of Trustees

FROM: Jeff S. Brown, Director, Western Service Centers, and Michael S. Brinkmann, Vice President, Distribution and Collection Operations

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

SUBJECT: AUTHORIZATION CONCERNING THE SAN ANTONIO WATER SYSTEM AND THE DISTRICT SPECIAL PROJECT TO AWARD THE 2016 ANNUAL WATER DISTRIBUTION LEAK REPAIRS CONTRACT - PACKAGE 2

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution relates to the San Antonio Water System (SAWS) and the District Special Project (DSP), and awards a construction contract in the amount of $940,255.00 to Austin Constructors, LLC, a non-local, MBE-Hispanic firm in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 2.

- SAWS has typically experienced a high volume of leaks in approximately 6,700 plus miles of combined water distribution mains and appurtenances every year, especially during extended periods of dry weather.

- Many of the water leaks are discovered by in-house leak detection crews and contracted valve preventive maintenance in conjunction with SAWS’ proactive conservation program to find and repair leaks. Other leaks are reported to SAWS by water-conscious public citizens.

- This contract will supplement the Distribution and Collection Operations Group with outsourced construction services to perform the necessary leak repairs, thus resulting in more rapid response times and less lost water while allowing the crews to optimize their level of service to our customers.

- The contract will allow for work orders to be issued to the contractor for the leak repairs. The work orders will be issued and managed by SAWS Operations staff and will be charged against the contract as they are completed.

- The standard construction bidding process was used for this contract.

- Austin Constructors, LLC submitted the lowest responsive bid of $940,255.00.

Staff recommends that the Board approve this resolution.
FINANCIAL IMPACT:

The cost will be paid from the System Fund in the 2016, 2017 and 2018 Distribution and Collection Operations budget (Company: 1000, Accounting Units: 5025900, 5026500, 5026800, and 5027100, Account: 511220) in the total amount of $940,255.00 for construction pursuant to and contingent upon Board approval of the 2017 and 2018 budgets with a line item for such expenditures. The SAWS job number for the replacement of any water service lines, valves or fire hydrants is 16-1401 (CIP). The SAWS job number for all other SAWS work is 16-0102 (O&M). DSP job number is 16-0702 (DSP O&M).

*Actual amounts charged to SAWS and the DSP may vary as long as the total amount of the contract is not exceeded.

SUPPLEMENTARY COMMENTS:

SAWS staff prepared the specifications for this project. The bid opening was held on November 17, 2015 at 2:00 p.m. The following bids were submitted:

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>BID AMOUNT</th>
<th>LOCAL/SMWB</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Austin Constructors, LLC</strong>*</td>
<td><strong>$ 940,255.00</strong></td>
<td><strong>Non-Local/MBE-Hispanic</strong></td>
</tr>
<tr>
<td>D. Guerra Construction, LLC</td>
<td>$ 991,845.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td><strong>Engineer’s Estimate</strong></td>
<td><strong>$1,000,000.00</strong></td>
<td></td>
</tr>
<tr>
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<td>$1,074,000.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
</tbody>
</table>

* Lowest responsible bidder

The bid amount by Austin Constructors, LLC represents a 6.0% decrease from the estimated construction cost.

This contract provides for 730 calendar days for completion of this contract or until funds have been exhausted.
The SMWB analysis is shown in the following table:

<table>
<thead>
<tr>
<th>2016 Annual Water Distribution Leak Repairs Contract - Package 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>AUSTIN CONSTRUCTORS, LLC</td>
</tr>
<tr>
<td>SMWB ANALYSIS – BOARD AWARD</td>
</tr>
<tr>
<td>SBE</td>
</tr>
<tr>
<td>MBE – African American</td>
</tr>
<tr>
<td>MBE - Asian</td>
</tr>
<tr>
<td>MBE - Hispanic</td>
</tr>
<tr>
<td>MBE - Other</td>
</tr>
<tr>
<td>WBE - Minority</td>
</tr>
<tr>
<td>WBE – Non-Minority</td>
</tr>
<tr>
<td>SMWB Total</td>
</tr>
</tbody>
</table>

Jeff S. Brown, P.E.  
Director  
Western Service Centers

Michael S. Brinkmann  
Vice President  
Distribution and Collection Operations

Robert R. Puente  
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES, CONCERNING BOTH THE SAN ANTONIO WATER SYSTEM AND THE DISTRICT SPECIAL PROJECT, ACCEPTING THE BID OF AUSTIN CONSTRUCTORS, LLC FOR A CONSTRUCTION CONTRACT IN THE AMOUNT OF $940,255.00 IN CONNECTION WITH THE 2016 ANNUAL WATER DISTRIBUTION LEAK REPAIRS CONTRACT – PACKAGE 2; AWARDING A CONSTRUCTION CONTRACT IN THE AMOUNT OF $940,255.00 TO AUSTIN CONSTRUCTORS, LLC IN CONNECTION WITH THE 2016 ANNUAL WATER DISTRIBUTION LEAK REPAIRS CONTRACT – PACKAGE 2; APPROVING THE EXPENDITURE OF FUNDS AND TO MAKE AVAILABLE THE AMOUNT OF $940,255.00 FROM THE SYSTEM FUND AND DSP FUND FOR THE PROJECT WORK, PURSUANT TO AND CONTINGENT UPON BOARD APPROVAL OF THE 2017 AND 2018 BUDGETS WITH A LINE ITEM FOR SUCH EXPENDITURES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DELEGEE TO EXECUTE A CONTRACT WITH AUSTIN CONSTRUCTORS, LLC AND TO PAY AUSTIN CONSTRUCTORS, LLC THE AMOUNT OF $940,255.00 FOR THE SYSTEM’S AND DSP’S OBLIGATIONS UNDER THE TERMS OF THE CONTRACT 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’s District Special Project (the “DSP”) was created by the City Council of the City of San Antonio on October 20, 2011, pursuant to Ordinance No. 2011-10-20-0845, and this action is related to, and consistent with, that Ordinance; and

WHEREAS, this action concerns both the San Antonio Water System (the “System”) and the DSP; and

WHEREAS, the System typically experiences a high volume of leaks in the water distribution system every year, especially during an extended period of dry weather; and

WHEREAS, the System requires construction services to perform the necessary leak repairs (the "project work") during periods when the volume of leaks is high in order to relieve the stress on in-house crews; and
WHEREAS, this contract will supplement the Distribution and Collection Operations Group with outsourced construction services to perform the necessary leak repairs, thus resulting in more rapid response times and less lost water while allowing the crews to optimize their level of service to our customers; and

WHEREAS, Austin Constructors, LLC, a non-local, MBE-Hispanic contractor, submitted a bid in the amount of $940,255.00 for the project work, and this bid has been determined to be the lowest responsible bid; and

WHEREAS, System and DSP funds in the amount of $940,255.00 are required for the project work; and

WHEREAS, the total amount of $940,255.00 is available from the System and DSP funds 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 $940,255.00 in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 2, (ii) to award a construction contract in the amount of $940,255.00 to Austin Constructors, LLC in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 2, (iii) to approve the expenditure of funds in the amount of $940,255.00 from the System Fund and DSP Fund for the project work, pursuant to and contingent upon Board approval of the 2017 and 2018 budgets with a line items for such expenditures, and (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Austin Constructors, LLC and to pay Austin Constructors, LLC the amount of $940,255.00 for the System’s and DSP’s obligations under the terms of the contract for the project work; now, therefore:

BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES CONCERNING THE SYSTEM AND THE DISTRICT SPECIAL PROJECT:

1. That the bid of Austin Constructors, LLC in the amount of $940,255.00 for the project work in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 2 is hereby accepted.

2. That the contract is hereby awarded to Austin Constructors, LLC in the amount of $940,255.00 for the project work in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 2.

3. That the expenditure of funds in the not to exceed amount of $940,255.00 for the project work is hereby approved and made available from the System Fund and DSP Fund, pursuant to and contingent upon Board approval of the 2017 and 2018 budgets with a line items for such expenditures.

4. That the System's President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a contract with Austin Constructors, LLC for the project work and to
pay an amount of $940,255.00 for the System’s and DSP’s obligations under the terms of the contract to Austin Constructors, LLC for the project work in connection with the 2016 Annual Water Distribution Leak Repairs Contract - Package 2.

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 5th day of January, 2016.

_______________________________
Berto Guerra, Jr., Chairman

ATTEST:

_______________________________
Patricia E. Merritt, Secretary
This item has been pulled; no action will be taken.

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)
AGENDA ITEM NO. ___________

TO: San Antonio Water System Board of Trustees

FROM: Margarita Hubbard, Interim-Chief of Information Systems, and Douglas P. Evanson, Senior Vice President/Chief Financial Officer

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

SUBJECT: AUTHORIZATION OF EXPENDITURES FOR THE PURCHASE OF CISCO PRODUCTS AND SERVICES FOR VARIOUS INFORMATION SYSTEMS PROJECTS FOR THE DATA CENTER, NETWORK ENGINEERING AND TELEPHONY GROUPS FOR 2016

Board Action Date: January 05, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the purchase of Cisco Systems products and services through various State of Texas Department of Information Resources (DIR) Contracts, DIR-TSO-2542 (Cisco Systems) and its resellers, DIR-TSO-2544 (Presidio Networked Solutions Group) and its resellers, DIR-TSO-2541 (AT&T Corp), and DIR-TSO-2543 (General Datatech) for various Information Systems projects for the Data Center, Network Engineering and Telephony Groups for 2016. This resolution also authorizes funding in an amount not to exceed $1,050,000.00 to various resellers for the period of January 01, 2016 through December 31, 2016 to provide Cisco products and services.

- DIR provides statewide leadership and oversight for management of government information and communications technology. By leveraging the state's volume-buying power to drive down costs through a streamlined cooperative purchasing program. DIR has already performed all state of Texas competitive procurement requirements.

- Contracts may be used by state and local government, public education, other public entities in Texas, as well as public entities outside the state. Two of the contracts have resellers, many of which are HUB vendors.

- Cisco Systems offers Cisco branded hardware, networking equipment, servers, data storage solutions, and related services through the DIR-TSO-2542, DIR-TSO-2544, DIR-TSO-2541 and DIR-TSO-2543 contracts with purchase orders going directly to contract holders or authorized resellers.

- The DIR contracts, DIR-TSO-2542, DIR-TSO-2544, DIR-TSO-2541, and DIR-TSO-2543 specify minimum pricing and discounts off of Cisco Global Price List.
The discounts listed on DIR-TSO-2542, DIR-TSO-2544, DIR-TSO-2541, and DIR-TSO-2543 are minimum guaranteed contract pricing. This means that the Authorized Reseller Vendors must provide, at a minimum, those discounts and cannot offer less favorable pricing discounts than the contract discounts. However, the Authorized Reseller Vendors listed below may offer any additional, incremental discounts to any eligible users under this contract and such additional discounts if offered, may be provided at the discretion and as the sole legal obligation of the Authorized Reseller Vendors.

The San Antonio Water System’s (SAWS) Information Systems Department uses Cisco products for switching and routing of wired and wireless network traffic, for network security appliances and components, for telephony PBX and call center applications, and for servers and aspects of server management. Previously, we have made separate requests throughout the year and to be more efficient, we are seeking to consolidate requests into one annual request for all budgeted Cisco products.

SAWS Information Systems Department began implementing Cisco products for switching, routing and network security in 2002 when migrating the network technology from Token-Ring to Ethernet. SAWS began implementing Cisco products in late 2003 to replace an analog PBX and related call center applications and fully implemented the solutions in 2005 with SAWS headquarters move. SAWS migrated to Cisco products for servers and aspects of server management in 2011 as part of a technology refresh for ERSS hardware. Cisco represents a technology portfolio vendor for SAWS similar to Microsoft or Oracle and we have optimized SAWS resources for Cisco products thru training and certifications.

SAWS Purchasing Department will continue the practice of issuing a Request for Quote (RFQ) for all Cisco project requirements and will send the RFQ to defined Cisco resellers to insure SAWS always receives the most competitive price.

SAWS reserves the right to add/delete authorized DIR contract holders and resellers in accordance with the State of Texas Department of Information Resources (DIR) Contract DIR-TSO-2542, DIR-TSO-2544, DIR-TSO-2541, and DIR-TSO-2543.

The combined not to exceed total amount of Cisco product purchases for products and services for the remainder of 2016 will not exceed $1,050,000.00.

SAWS will return to the Board for Cisco purchases for subsequent years.

Staff recommends that the Board approve this resolution.
FINANCIAL IMPACT:

The item/services will be paid from the SAWS System Fund budgeted in the 2016 budget (Company: 1000, Accounting Unit: Various, Account: 511315, as well as from Project Funds - Total 2016 amount $1,050,000.00).

Margarita Hubbard
Interim-Chief of Information Systems

APPROVED:

Douglas P. Evanson
Senior Vice President/Chief Financial Officer

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES 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) FOR VARIOUS INFORMATION SYSTEMS PROJECTS FOR THE DATA CENTER, NETWORK ENGINEERING AND TELEPHONY GROUPS FOR THE PERIOD OF JANUARY 01, 2016 THROUGH DECEMBER 31, 2016; AUTHORIZING FUNDS TO BE EXPENDED IN FY2016 FROM THE SYSTEM’S PROJECT FUND AND SYSTEM FUND IN AN AMOUNT NOT TO EXCEED $1,050,000.00; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE CONTRACTS WITH VARIOUS CONTRACT HOLDERS OR RESELLERS FOR CISCO PRODUCTS AND SERVICES FROM JANUARY 01, 2016 THROUGH DECEMBER 31, 2016 AND TO PAY VARIOUS CONTRACT HOLDERS OR RESELLERS AN AMOUNT NOT TO EXCEED $1,050,000.00 FOR CISCO PRODUCTS AND SERVICES FOR VARIOUS INFORMATION SYSTEMS PROJECTS FOR THE DATA CENTER, NETWORK ENGINEERING AND TELEPHONY GROUPS FOR 2016; 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 State of Texas Department of Information Resources (DIR) provides statewide leadership and oversight for management of government information and communications technology; and

WHEREAS, contracts may be used by state and local government, public education, other public entities in Texas, as well as public entities outside the state. Two of the contracts have resellers, many of which are HUB vendors; and

WHEREAS, Cisco Systems offers Cisco branded hardware, networking equipment, servers, data storage solutions, and related services through the DIR-TSO-2542, DIR-TSO-2544, DIR-TSO-2541 and DIR-TSO-2543 contracts with purchase orders going directly to contract holders or authorized resellers; and
WHEREAS, the DIR contracts, DIR-TSO-2542, DIR-TSO-2544, DIR-TSO-2541, and DIR-TSO-2543 specify minimum pricing and discounts off of Cisco Global Price List; and

WHEREAS, the discounts listed on DIR-TSO-2542, DIR-TSO-2544, DIR-TSO-2541, and DIR-TSO-2543 are minimum guaranteed contract pricing. This means that the Authorized Reseller Vendors must provide, at a minimum, those discounts and cannot offer less favorable pricing discounts than the contract discounts. However, the Authorized Reseller Vendors may offer any additional, incremental discounts to any eligible users under this contract and such additional discounts if offered, may be provided at the discretion and as the sole legal obligation of the Authorized Reseller Vendors; and

WHEREAS, the San Antonio Water System (the “System”) Information Systems Department uses Cisco products for switching and routing of wired and wireless network traffic, for network security appliances and components, for telephony Private Branch Exchange (PBX) and call center applications, and for servers and aspects of server management. Previously, we have made separate requests throughout the year and to be more efficient, we are seeking to consolidate requests into one annual request for all budgeted Cisco products; and

WHEREAS, the System began implementing Cisco products for switching, routing and network security in 2002 when migrating the network technology from Token-Ring to Ethernet. The System began implementing Cisco products in late 2003 to replace an analog PBX and related call center applications and fully implemented the solutions in 2005 with the System’s headquarters move. The System migrated to Cisco products for servers and aspects of server management in 2011 as part of a technology refresh for ERSS hardware. Cisco represents a technology portfolio vendor for the System similar to Microsoft or Oracle and we have optimized the System’s resources for Cisco products thru training and certifications; and

WHEREAS, the System’s Purchasing Department will continue the practice of issuing a Request for Quote (RFQ) for all Cisco project requirements and will send the RFQ to each of the defined Cisco resellers to insure SAWS always receives the most competitive price; and

WHEREAS, the combined not to exceed total amount of Cisco products and services purchases for the remainder of 2016 will not exceed $1,050,000.00; and

WHEREAS, the System will return to the Board for Cisco purchases for subsequent years; and

WHEREAS, it is estimated the amount to be expended from the System Fund and Project Fund is $1,050,000.00; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to accept the use of the State of Texas Department of Information Resources (DIR) contracts DIR-TSO-2542, DIR-TSO-2544, DIR-TSO-2541, and DIR-TSO-2543 through contract holders or resellers for the purchase of Cisco products and services for various Information Systems projects for the Data Center, Network Engineering and Telephony Groups for the period of January 01, 2016
through December 31, 2016, (ii) to approve the expenditures in an amount not to exceed $1,050,000.00 for FY 2016 from the System Fund and Project Fund, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute contracts with various contract holders or resellers for Cisco products and services from January 01, 2016 through December 31, 2016, and to pay various contract holders or resellers an amount not to exceed $1,050,000.00; now, therefore:

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

1. That the use of the State of Texas Department of Information Resources (DIR) contracts DIR-TSO-2542, DIR-TSO-2544, DIR-TSO-2541, and DIR-TSO-2543 through contract holders or resellers for the purchase of Cisco products and services for various Information Systems projects for the Data Center, Network Engineering and Telephony Groups for 2016 for the period of January 01, 2016 through December 31, 2016 is hereby authorized. Over the life of this resolution, the listed suite of Cisco DIR contracts will be updated as the contracts above expire or additional Cisco contracts are awarded. In addition, contract availability will be updated based upon the Texas Department of Information Resources’ renewal of existing contracts.

2. That an amount not to exceed $1,050,000.00 is hereby made available to be expended from the System Fund and Project Fund for Cisco products and services for various Information Systems related projects for the period of January 01, 2016 through December 31, 2016.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute contracts with various authorized Cisco resellers for the purchase of Cisco products and services for various Information Systems projects for the Data Center, Network Engineering and Telephony Groups for 2016 for the period of January 01, 2016 through December 31, 2016.

4. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to pay an amount not to exceed $1,050,000.00 to the authorized Cisco resellers for Cisco products and services from January 01, 2016 through December 31, 2016.

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 the 5th day of January, 2016.

____________________________________
Berto Guerra, Jr., Chairman

ATTEST:

____________________________________
Patricia E. Merritt, Secretary
## Attachment I

Authorized Cisco products and service resellers on DIR-TSO-2542.

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Local/Non-Local</th>
<th>Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accudata Systems Inc.</td>
<td>Non-Local</td>
<td>SBE</td>
</tr>
<tr>
<td>Alexander Open Systems, Inc.</td>
<td>Non-Local</td>
<td>SBE</td>
</tr>
<tr>
<td>Austin Ribbon &amp; Computer Supplies, Inc.</td>
<td>Non-Local</td>
<td>WBE-Caucasian</td>
</tr>
<tr>
<td>Black Box Network Services, Inc.</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>CDW Government, LLC</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Centre Technologies</td>
<td>Non-Local</td>
<td>SBE</td>
</tr>
<tr>
<td>Datavox</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Desert Communications</td>
<td>Non-Local</td>
<td>SBE</td>
</tr>
<tr>
<td>Direct Packet, Inc. dba OneVision Solutions</td>
<td>Non-Local</td>
<td>SBE</td>
</tr>
<tr>
<td>DISYS Solutions, Inc.</td>
<td>Non-Local</td>
<td>SBE</td>
</tr>
<tr>
<td>ePlus Technology, Inc.</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>FMS Technologies dba Flexile Systems</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Great South Texas Corporation dba Computer Solutions</td>
<td>Local</td>
<td>WBE-Caucasian</td>
</tr>
<tr>
<td>Insight Public Sector, Inc.</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Lumenate Technologies, LP</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Netera Network Integrations, LLC</td>
<td>Non-Local</td>
<td>MBE-Hispanic</td>
</tr>
<tr>
<td>Netsync Network Solutions, Inc</td>
<td>Non-Local</td>
<td>WBE-Hispanic</td>
</tr>
<tr>
<td>Nexus IS, Inc.</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>NWN Corporation</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>PC Specialists, Inc. dba Technology Integration Group (TIG)</td>
<td>Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>PCMG, Inc. dba PCM Gov, Inc.</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Porter Burgess Company dba Flair Data Systems</td>
<td>Non-Local</td>
<td>SBE</td>
</tr>
<tr>
<td>SHI Government Solutions, Inc.</td>
<td>Non-Local</td>
<td>MBE-Asian</td>
</tr>
<tr>
<td>Sigma Technology Solutions, Inc</td>
<td>Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Sirius Computer Solutions, Inc</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Sky Communications, Inc.</td>
<td>Non-Local</td>
<td>MBE - African American</td>
</tr>
<tr>
<td>Softchoice Corporation</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Sology LLC</td>
<td>Non-Local</td>
<td>WBE-African American</td>
</tr>
<tr>
<td>Strategic Products and Services (SPS)</td>
<td>Non-Local</td>
<td>SBE</td>
</tr>
<tr>
<td>Synetra Inc</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Technologent</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Technology for Education dba: TFE</td>
<td>Non-Local</td>
<td>WBE-Caucasian</td>
</tr>
<tr>
<td>The Broadleaf Group, LLC.</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>United Teleservices, Inc. dba CenturyLink</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>World Wide Technology, Inc.</td>
<td>Non-Local</td>
<td>MBE-African American</td>
</tr>
<tr>
<td>Zones, Inc.</td>
<td>Non-Local</td>
<td>MBE-Asian</td>
</tr>
</tbody>
</table>
Authorized Cisco products and service resellers on DIR-TSO-2544.

<table>
<thead>
<tr>
<th>Vendor</th>
<th>Local/Non-Local</th>
<th>Classification</th>
</tr>
</thead>
<tbody>
<tr>
<td>Centre Technologies</td>
<td>Non-Local</td>
<td>WBE-Caucasian</td>
</tr>
<tr>
<td>EKHP Consulting LLC</td>
<td>Non-Local</td>
<td>WBE</td>
</tr>
<tr>
<td>InterCall</td>
<td>Non-Local</td>
<td>Non-SMWB</td>
</tr>
<tr>
<td>Network Alliance LLC</td>
<td>Local</td>
<td>WBE-Hispanic</td>
</tr>
<tr>
<td>Summus Industries, Inc</td>
<td>Non-Local</td>
<td>MBE-African American</td>
</tr>
</tbody>
</table>
Attachment II

State of Texas DIR - Contracts for Cisco Branded Products and Related Services, and their Pricing

The discounts listed below on each DIR contract price schedule are the minimum guaranteed contract pricing discounts. This means that the Authorized Contract Holders or Reseller Vendors must provide, at a minimum, those discounts and cannot offer less favorable pricing discounts than the contract discounts. However, the Contract Holder or Authorized Reseller Vendors may offer any additional, incremental discounts to any eligible users under these contracts and such additional discounts if offered, may be provided at the discretion and as the sole legal obligation of the Contract Holder or Authorized Reseller Vendors.

DIR Contract Number: DIR-TSO-2542
Vendor Name: Cisco Systems, Inc. (multiple resellers)
Vendor ID: 1770059951100
HUB Type: Non HUB

Texas DIR Website: http://dir.texas.gov/View-Search/Contracts-Detail.aspx?contractnumber=DIR-TSO-2542

Minimum Pricing & Discounts off Cisco US Global Price List

<table>
<thead>
<tr>
<th>Scope of Offering</th>
<th>Discount % off MSRP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Products</td>
<td></td>
</tr>
<tr>
<td>Cisco Equipment on the Global Pricelist</td>
<td>0.00%</td>
</tr>
<tr>
<td>Related Services</td>
<td></td>
</tr>
<tr>
<td>Government - 1 Year Cisco SMARTnet Contract</td>
<td>10.00%</td>
</tr>
<tr>
<td>Government - 3 Year Cisco SMARTnet Contract</td>
<td>17.00%</td>
</tr>
<tr>
<td>Government - 5 Year Cisco SMARTnet Contract</td>
<td>21.00%</td>
</tr>
<tr>
<td>Education - 1 Year Cisco SMARTnet Contract</td>
<td>25.00%</td>
</tr>
<tr>
<td>Education - 3 Year Cisco SMARTnet Contract</td>
<td>28.00%</td>
</tr>
<tr>
<td>Education - 5 Year Cisco SMARTnet Contract</td>
<td>30.00%</td>
</tr>
<tr>
<td>Training - Cisco Learning Credits</td>
<td>0.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Partner Services</th>
<th>NTE Amount/Hour*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Enterprise Network Services I</td>
<td>$285.00</td>
</tr>
<tr>
<td>Enterprise Network Services II</td>
<td>$325.00</td>
</tr>
<tr>
<td>Enterprise Network Services III</td>
<td>$375.00</td>
</tr>
<tr>
<td>Technician</td>
<td>$180.00</td>
</tr>
<tr>
<td>Network Engineer</td>
<td>$225.00</td>
</tr>
<tr>
<td>Senior Network Engineer</td>
<td>$275.00</td>
</tr>
<tr>
<td>Project Manager</td>
<td>$250.00</td>
</tr>
<tr>
<td>Program Manager</td>
<td>$275.00</td>
</tr>
</tbody>
</table>

*Labor Rates Not To Exceed Hourly Rate
**DIR Contract Number:** DIR-TSO-2544  
**Vendor Name:** Presidio Networked Solutions Group (Multiple resellers)  
**Vendor ID:** 17605152499  
**HUB Type:** Non HUB  


### COMPUTERS

<table>
<thead>
<tr>
<th>PRODUCT Category</th>
<th>DIR Customer Discount %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cisco Products (equipment and related software)</td>
<td>38%</td>
</tr>
<tr>
<td>Cisco Maintenance (Gov’t)</td>
<td>18%</td>
</tr>
<tr>
<td>Cisco Maintenance (Education)</td>
<td>28%</td>
</tr>
<tr>
<td>Cisco Meraki</td>
<td>38%</td>
</tr>
<tr>
<td>Cisco SourceFire Software</td>
<td>30%</td>
</tr>
<tr>
<td>Cisco SourceFire Appliances</td>
<td>25%</td>
</tr>
<tr>
<td>Cisco SourceFire Svc and Training</td>
<td>15%</td>
</tr>
<tr>
<td>Cisco SourceFire Options and Accessories</td>
<td>5%</td>
</tr>
<tr>
<td>Cisco SourceFire First Year Support</td>
<td>15%</td>
</tr>
<tr>
<td>Cisco SourceFire Support Renewal</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Cisco SourceFire Options and Accessories</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Cisco SourceFire First Year Support</strong></td>
<td></td>
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<tr>
<td><strong>Cisco SourceFire Support Renewal</strong></td>
<td></td>
</tr>
</tbody>
</table>

### SERVICE Category

<table>
<thead>
<tr>
<th>Category</th>
<th>DIR Customer Discount %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Datacom/Telecom design and planning services, Installation, Training,</td>
<td>15%</td>
</tr>
<tr>
<td>Troubleshooting, Support, Data Center and virtualization professional</td>
<td></td>
</tr>
<tr>
<td>services</td>
<td></td>
</tr>
</tbody>
</table>
**Manufacturer Product Line** | **Customer Discount % off MSRP**
--- | ---
**Hardware**
Cisco
Cisco Hardware and Software for ALL Categories | 39.00%

**Services**
Maintenance Services
Cisco Maintenance | 17.00%
Education Maintenance | 30.00%
Cisco Technical Services
Installation | 0.00%
Training | 0.00%

AT&T Technical Services
AT&T Financing/Leasing Services | ICB
Staging | 12.00%
Installation | 12.00%
Project Management | 12.00%
Telephony Site Survey | 12.00%
Wireless Site Survey and Assessment | 7.00%
Structured Cabling Services | 0.00%

ICB see AT&T website DRAFT
DIR Contract Number: DIR-TSO-2543  
Vendor Name: General Datatech (no resellers)  
Vendor ID: 1752756261900  
HUB Type: Non HUB


<table>
<thead>
<tr>
<th>Hardware</th>
<th>DIR Customer Discount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cisco</td>
<td>44.85%</td>
</tr>
<tr>
<td>Ironport</td>
<td>24.50%</td>
</tr>
<tr>
<td>Ironport Maintenance (Annual)</td>
<td>23.00%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Maintenance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Smartnet</td>
<td>20.50%</td>
</tr>
<tr>
<td>Smartnet for Education (K-12 &amp; higher education)</td>
<td>31.75%</td>
</tr>
<tr>
<td>Cisco Maintenance</td>
<td>20.50%</td>
</tr>
<tr>
<td>Cisco Maintenance for Education (k-12 &amp; higher education)</td>
<td>31.75%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Technical Services</th>
<th>DIR Hourly Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>End User Specialist/Trainer</td>
<td>$100.00</td>
</tr>
<tr>
<td>Associate Network Systems Engineer</td>
<td>$100.00</td>
</tr>
<tr>
<td>Network Systems Engineer/Security Systems Engineer</td>
<td>$135.00</td>
</tr>
<tr>
<td>Technical</td>
<td>$150.00</td>
</tr>
<tr>
<td>Principal</td>
<td>$160.00</td>
</tr>
<tr>
<td>Staging Resource</td>
<td>$60.00</td>
</tr>
<tr>
<td>Level 1 installer</td>
<td>$88.00</td>
</tr>
<tr>
<td>Level 2 installer</td>
<td>$97.00</td>
</tr>
<tr>
<td>Level 3 installer</td>
<td>$99.00</td>
</tr>
<tr>
<td>Level 4 installer</td>
<td>$100.00</td>
</tr>
<tr>
<td>Installation Engineers</td>
<td>$100.00</td>
</tr>
<tr>
<td>Associate PM</td>
<td>$100.00</td>
</tr>
<tr>
<td>Project Manager</td>
<td>$130.00</td>
</tr>
<tr>
<td>Senior Project Manager</td>
<td>$130.00</td>
</tr>
<tr>
<td>Staging Engineer</td>
<td>$65.00</td>
</tr>
<tr>
<td>Cisco Authorized Training</td>
<td>$9.50%</td>
</tr>
</tbody>
</table>
TO: San Antonio Water System Board of Trustees

FROM: Margarita Hubbard, Interim-Chief of Information Systems, and Douglas P. Evanson, Senior Vice President/Chief Financial Officer

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

SUBJECT: AUTHORIZING EXPENDITURES FOR SOFTWARE SUBSCRIPTION AND MAINTENANCE AGREEMENTS WITH B2GNOW/ASKREPLY, INC.

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes expenditures for software subscription and maintenance agreements with B2GNow/AskReply, Inc. for the LCPtracker software.

- B2GNow and LCPtracker is utilized at the San Antonio Water System to monitor subcontractor payments in order to comply with the SAWS SMWB Policy.
- The annual software maintenance agreements provide for software updates and continual product support.
- This resolution approves license upgrades in the amount of $54,450.00 through December 31, 2016.
- Total expenditures in 2016 are not to exceed $54,450.00 payable to B2GNow/AskReply, Inc.

Staff recommends approval of this item.

FINANCIAL IMPACT:

Funds will be made available from the System Fund to purchase the annual subscriptions and maintenance. The total amount is not to exceed $54,450.00 for FY 2016. These items will be paid from System Fund budgeted in the FY 2016 expense budget (Company: 1000, Accounting Unit: 5020900, Account: 511381).

Margarita Hubbard
Interim-Chief of Information Systems

Douglas P. Evanson
Senior Vice President/Chief Financial Officer

Robert R. Puente
President/Chief Executive Officer

APPROVED:

Margarita Hubbard
Interim-Chief of Information Systems

Douglas P. Evanson
Senior Vice President/Chief Financial Officer

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AUTHORIZING EXPENDITURES FOR SOFTWARE SUBSCRIPTION AND MAINTENANCE AGREEMENTS WITH B2GNOW/ASKREPLY, INC. IN A TOTAL AMOUNT NOT TO EXCEED $54,450.00 FROM THE SYSTEM FUND; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO PAY B2GNOW/ASKREPLY, INC. AN AMOUNT NOT TO EXCEED $54,450.00 FOR THE SUBSCRIPTIONS AND MAINTENANCE; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, B2GNow and LCPtracker is utilized at the San Antonio Water System (the “System”) to monitor subcontractor payments in order to comply with the SMWB Policy; and

WHEREAS, the required funding in an amount not to exceed $54,450.00 is available from the System Fund; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to authorize expenditures and to make available from the System Fund an amount not to exceed $54,450.00 for software subscriptions and maintenance from B2GNow/AskReply, Inc., and (ii) to authorize the President/Chief Executive Officer or his duly appointed designee to make payment to B2GNow/AskReply, Inc. for the purchase software subscriptions and maintenance in a total amount not to exceed $54,450.00, therefore:

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

1. That expenditures in a total amount not to exceed $54,450.00 are hereby authorized and made available from the System Fund in FY 2015 for the purchase of software related subscriptions and maintenance utilized at the System.

2. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to pay B2GNow/AskReply, Inc. an amount not to exceed $54,450.00 for the subscriptions and maintenance of software utilized at the System.

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 is effective immediately upon passage of this resolution.

PASSED AND APPROVED this the 5th day of January, 2016.

___________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_____________________________
Patricia E. Merritt, Secretary
TO: San Antonio Water System Board of Trustees

FROM: Douglas P. Evanson, Senior Vice President/Chief Financial Officer

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

SUBJECT: RESOLUTION AMENDING THE TRUSTEES OF THE RISK POOL UNDER WHICH THE SAN ANTONIO WATER SYSTEM MEDICAL PLAN AND RETIREE HEALTH TRUST IS OPERATED

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution amends the Trustees of the Risk Pool under which the San Antonio Water System (SAWS) operates its Medical Plan and Retiree Health Trust.

- By Resolution 12-058, dated February 7, 2012, the Board approved operating the group health plans of SAWS called the SAWS Medical Plan (Plan) and the San Antonio Water System Retiree Health Trust (Trust), as a risk pool as defined in the Texas Political Subdivision Employees Uniform Group Benefits Act, Chapter 172, Texas Local Government Code.

- The Plan and Trust were approved to be operated as a risk pool under Chapter 172, Texas Local Government Code, to allow assets in the Plan and Trust to be invested per the Texas Trust Code, rather than under the Texas Public Funds Investment Act. By investing Plan and Trust assets under the Texas Trust Code, the actuarial valuation of the prefunded assets of the Plan and Trust would be discounted at a higher rate than would be allowed by prefunded assets invested under the Texas Public Funds Investment Act, thus reducing the Unfunded Actuarial Accrued Liability (UAAL) and Annual Required Contribution (ARC) of other post-employment benefits (OPEB).

- To satisfy the requirements of the risk pool, trustees of the risk pool were named and received training as required under Chapter 172, Texas Local Government Code. At the time, the persons named to serve as trustees of the risk pool included those who held the title of Senior Vice President/Chief Financial Officer; Vice President Human Resources; and Vice President Customer Service.

- There is currently a separate investment committee that invests plan assets and selects investment options under the SAWS Retirement Plans and the DSP Retirement Plans, which currently consists of Doug Evanson – Senior Vice President/Chief Financial Officer; Sharon De La Garza – Vice President Human Resources; and Phyllis Garcia – Treasurer.
• Due to changes in staff, it is recommended to amend those persons named as trustees of the risk pool to the same persons who serve on the investment committee for the SAWS Retirement Plans and the DSP Retirement Plans.

• The attached resolution will amend the trustees of the risk pool so that they are one and the same as the membership of the investment committee of the SAWS and DSP Retirement Plans, and any changes to the membership of the SAWS and DSP Retirement Plans investment committee shall automatically be reflected with corresponding changes to the trustees of the risk pool, without any further action required other than an acceptance of trustee duties by the applicable individuals.

Staff recommends approval of the resolution.

FINANCIAL IMPACT:

Amending the Trustees of the risk pool has no financial impact to SAWS.

Douglas P. Evanson
Sr. Vice President/Chief Financial Officer

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AMENDING THE TRUSTEES OF THE RISK POOL UNDER WHICH THE SAN ANTONIO WATER SYSTEM MEDICAL PLAN AND RETIREE HEALTH TRUST IS OPERATED; 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 12-058, dated February 7, 2012, the San Antonio Water System Medical Plan (Plan) and the Retiree Health Trust (Trust) were to operate as a risk pool as defined in the Texas Political Subdivision Employees Uniform Group Benefits Act, Chapter 172, Texas Local Government Code; and

WHEREAS, as required under Chapter 172, Texas Local Government Code, trustees were named to the risk pool and included those persons who held the title of Senior Vice President/Chief Financial Officer; Vice President Human Resources; and Vice President Customer Service; and

WHEREAS, there is currently a separate investment committee that invests plan assets and selects investment options under the San Antonio Water System (SAWS) Retirement Plans and the DSP Retirement Plans, which currently consists of Doug Evanson – Senior Vice President/Chief Financial Officer; Sharon De La Garza – Vice President Human Resources; and Phyllis Garcia - Treasurer; and

WHEREAS, due to changes in staff, it is recommended to amend those persons named as trustees of the risk pool to the same persons who service on the investment committee for the SAWS Retirement Plans and the DSP Retirement Plans; and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) amend the trustees of the risk pool for the Plan and Trust to the same persons who serve on the investment committee for the SAWS and DSP Retirement Plans; now, therefore:

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

1. That henceforth, the Trustees of the risk pool under which the San Antonio Water System Medical Plan and the Retiree Health Trust are operated include those persons who serve on the SAWS and DSP Retirement Plans investment committee (currently Doug Evanson, Sharon De La Garza, and Phyllis Garcia), and any changes to the member of the SAWS and DSP Retirement Plans investment committee shall automatically be reflected with corresponding

2. The San Antonio Water System Board of Trustees specifically desires to authorize the trustees of the risk pool to make investments, select investment options, and enter into agreements that are consistent with the objectives of the Plan and Trust.

3. This resolution shall take effect immediately upon adoption

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changes to the trustees of the risk pool, subject to the acceptance of trustee duties by the applicable individuals, without any further action required by the Board of Trustees of the San Antonio Water System.

2. 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.

3. If any 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.

4. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 5th day of January, 2016.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Patricia E. Merritt, Secretary
TO: San Antonio Water System Board of Trustees

FROM: Douglas P. Evanson, Senior Vice President/Chief Financial Officer

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

SUBJECT: 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

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

By Resolution 12-057, dated February 7, 2012, the Board established the San Antonio Water System Retiree Health Trust (Trust) to prefund future payments of other post-employment benefits (OPEB) provided to retirees under the SAWS Medical Plan and awarded a service agreement to Wells Fargo Bank, N.A. (Wells Fargo) to provide trust and investment management services (as discretionary trustee) to the Trust for a three year period with an option to extend the agreement for up to two additional one-year periods. By Resolution 15-021, dated January 6, 2015, the Board exercised the first one-year extension.

- The initial service agreement with Wells Fargo was for a three year period with an option to extend the term for up to two additional one-year periods. The first of the two one-year extensions expires February 7, 2016. The attached resolution exercises the second one-year extension of the service agreement with Wells Fargo through February 7, 2017 to provide trust and investment management services (as discretionary trustee) to the Trust.

Staff recommends approval of the resolution.

FINANCIAL IMPACT:

The extension of the service agreement with Wells Fargo has no direct impact on the financial condition of SAWS.

The annual fee for trust and investment management services paid to Wells Fargo is deducted quarterly from the Trust and is based on the total assets in the Trust. The initial annual fee for the Trust was 0.40%. Based on the total assets of the Trust of $31.0 million as of September 30, 2015, the rate has decreased to 0.30% of total assets.
Douglas P. Evanson  
Sr. Vice President/Chief Financial Officer

APPROVED:

Robert R. Puente  
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES 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 FOR THE SECOND OF TWO ONE-YEAR PERIODS ALLOWED UNDER THE SERVICE AGREEMENT; 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 12-057, dated February 7, 2012, the San Antonio Water System Retiree Health Trust (Trust) was established to prefund future payments of other post-employment benefits (OPEB) provided to retirees under the San Antonio Water System Medical Plan; and

WHEREAS, by Resolution 12-058, dated February 7, 2012, a Service Agreement (Service Agreement) was awarded to Wells Fargo Bank, N.A. to provide the trust and investment management services (as discretionary trustee) to the Trust for a three year period with an option to extend the term for up to two additional one-year periods; and

WHEREAS, by Resolution 15-021, dated January 6, 2015, the Board exercised the first of the two one-year extensions; and

WHEREAS, staff recommends that the Board of Trustees exercise the contractual option to extend the term of the Service Agreement for the second one-year extension allowed under the Service Agreement; and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) authorize the extension of the Service Agreement pursuant to which Wells Fargo Bank, N.A. provides trust and investment management services (as discretionary trustee) to the Trust for the second one-year period through February 7, 2017; now, therefore:

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

1. That the Service Agreement pursuant to which Wells Fargo Bank, N.A. provides trust and investment management services (as discretionary trustee) to the Trust be extended for the second one-year period through February 7, 2017; and the President/CEO or his duly appointed
designee is authorized to execute any instruments necessary or advisable to effectuate such extension.

2. 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.

3. If any 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.

4. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 5th day of January, 2016.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Patricia E. Merritt, Secretary
TO: San Antonio Water System Board of Trustees
FROM: Stacey Isenberg, CPA, Chief of Internal Audit
THROUGH: Robert R. Puente, President/Chief Executive Officer
SUBJECT: APPROVAL OF THE INTERNAL AUDIT RISK ASSESSMENT AND ANNUAL AUDIT PLAN FOR 2016 AND DIRECTING THAT THE PLAN BE IMPLEMENTED

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The mission of the San Antonio Water System (SAWS) Internal Audit Department is to provide independent and objective assurance and consulting services designed to add value and improve SAWS operations.

The purpose of Internal Audit is to assist the Audit Committee of the Board of Trustees and SAWS internal management in achieving the SAWS goals and objectives by providing analyses, evaluations, recommendations, counsel, and information concerning the audited activities and by promoting effective accountability.

The Chief of Internal Audit, working in conjunction with the Internal Audit staff, is responsible for developing an internal audit risk assessment and annual audit plan.

The risk assessment and audit plan for 2016 was reviewed by the Audit Committee during their regular meeting held on December 9, 2015. Exhibit A to the attached resolution provides details regarding the risk assessment and includes the 2016 annual audit plan.

The attached resolution provides for approval of the Internal Audit Risk Assessment and Annual Audit Plan for 2016 and further directs the Internal Audit Department to implement the Plan.
FINANCIAL IMPACT:
The cost of implementing the Annual Internal Audit Plan for 2016 is included in the 2016 SAWS budget.

It is recommended that the Board approve this resolution.

Stacey Isenberg, CPA
Chief of Internal Audit

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE INTERNAL AUDIT RISK ASSESSMENT AND 2016 ANNUAL AUDIT PLAN; FURTHER DIRECTING THE INTERNAL AUDIT DEPARTMENT TO IMPLEMENT THE PLAN; 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 mission of the San Antonio Water System (the "System") Internal Audit Department is to provide independent and objective assurance and consulting services designed to add value and improve the System; and

WHEREAS, the purpose of the Internal Audit Department is to assist the Audit Committee of the Board of Trustees and the System's internal management in achieving the System's goals and objectives by providing analyses, evaluations, recommendations, counsel, and information concerning the audited activities and in promoting effective accountability; and

WHEREAS, the Chief of Internal Audit, working in conjunction with the Internal Audit staff, is responsible for developing an internal audit risk assessment and annual audit plan; and

WHEREAS, the risk assessment and audit plan for 2016 was reviewed by the Audit Committee during their regular meeting held on December 9, 2015; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve the Internal Audit Risk Assessment and 2016 Annual Audit Plan and (ii) to further direct the Internal Audit Department to implement the Plan; now, therefore:

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

1. That the Internal Audit Risk Assessment and 2016 Annual Audit Plan of the San Antonio Water System is hereby approved and attached as Exhibit A.

2. That the Internal Audit Department is hereby directed to implement the Plan.

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 5th day of January, 2016.

____________________________
Berto Guerra, Jr., Chairman

ATTEST:

____________________________
Patricia E. Merritt, Secretary
January 5, 2016

Mr. Berto Guerra Jr., Chairman
Mayor Ivy Taylor
Mr. Ernest Arrellano
Ms. Patricia Jasso
Mr. Louis E. Rowe
Ms. Patricia E. Merritt
Mr. David McGee

Dear Chairman, Mayor, and Trustees:

We have completed the internal audit risk assessment and annual audit plan for 2016 and are pleased to present it for your review and approval. The Plan was reviewed by the SAWS Audit Committee during the December 9, 2015 Audit Committee meeting.

EXECUTIVE SUMMARY

The proposed 2016 Annual Audit Plan is designed to provide audit coverage across the entirety of the San Antonio Water System (SAWS). The proposed audit plan focuses on the highest risk areas as identified in the risk assessment process coupled with areas of interest to the Executive Management Team (EMT) and Board of Trustees. The proposed audit plan was developed by collaborating with the EMT to obtain input regarding the perceived risks in their respective functional areas. Input was also obtained from the Board of Trustees and SAWS external auditors.

The 2016 audit plan will focus on four primary activities – audits, continuous monitoring, advisory services, and the annual risk assessment. The Internal Audit Department is responsible for developing and implementing the audit plan. Resources available in the department to implement the plan include two experienced and highly credentialed senior auditors and the Chief of Internal Audit. A vacant senior auditor position is currently being recruited and is anticipated to be filled in the first quarter of 2016.

RISK ASSESSMENT AND ANNUAL AUDIT PLAN FOR 2016

The **mission** of the Internal Audit Department is to provide independent and objective assurance and consulting services designed to add value and improve operations.

The **purpose** of the Internal Audit Department is to assist the Audit Committee of the Board of Trustees and SAWS internal management in achieving goals and objectives by
providing analyses, evaluations, recommendations, counsel, and information concerning the audited activities and by promoting effective accountability.

To help ensure that the mission and purpose of the Internal Audit Department is met, the Chief of Internal Audit is charged with developing and implementing an internal audit risk assessment and annual audit plan. This plan is intended to provide the Audit Committee, the Board of Trustees and SAWS internal management with Internal Audit’s plan of work for 2016. The plan consists of 25 projects as categorized below:

<table>
<thead>
<tr>
<th>Category</th>
<th>Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Regular Audits</td>
<td>11</td>
</tr>
<tr>
<td>Follow-up Audits</td>
<td>2</td>
</tr>
<tr>
<td>Contingency Audits (if time permits)</td>
<td>3</td>
</tr>
<tr>
<td>Continuous Monitoring Projects</td>
<td>3</td>
</tr>
<tr>
<td>Advisory Services Projects</td>
<td>4</td>
</tr>
<tr>
<td>Internal Audit Projects</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>25</strong></td>
</tr>
</tbody>
</table>

The 2016 Annual Audit Plan includes three continuous monitoring projects. These projects will take an on-going approach throughout the year to review the effectiveness of internal controls and detect any associated risk issues.

The Internal Audit Department is authorized to perform work not specified in the plan when deemed necessary or in response to changes in the assessed risk, subject to approval by the Audit Committee.

**RISK ASSESSMENT PROCESS**

The Internal Audit Department uses a risk assessment process to identify and select the specific internal audits to be performed. The objective of this assessment is to ensure that SAWS has sufficient and continuous internal audit coverage of those areas judged as having a relatively high risk rating or that otherwise require internal audit attention.

Although the Annual Internal Audit Plan is based primarily on the risk assessment, other factors can influence the focus of audit efforts. This may include specific requests by the EMT or a Trustee, audit allocation across EMT areas, or audit requirements from prior audits or projects.

**AUDIT UNIVERSE**

The risk assessment process starts with the identification of auditable areas. The Audit Universe includes all SAWS auditable areas and any DSP auditable areas not fully integrated. The table below indicates changes made to the number of auditable areas compared to the prior year.
**AUDITABLE AREAS**

<table>
<thead>
<tr>
<th></th>
<th>SAWS</th>
<th>DSP</th>
<th>COMBINED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior Year</td>
<td>206</td>
<td>5</td>
<td>211</td>
</tr>
<tr>
<td>Deleted/No Longer Relevant</td>
<td>(19)</td>
<td></td>
<td>(19)</td>
</tr>
<tr>
<td>Additional Areas</td>
<td>33</td>
<td>-</td>
<td>33</td>
</tr>
<tr>
<td><strong>Current Year</strong></td>
<td><strong>220</strong></td>
<td><strong>5</strong></td>
<td><strong>225</strong></td>
</tr>
</tbody>
</table>

**RISK CATEGORIES**

As part of the risk assessment process, risk is estimated based on an evaluation of the Risk Categories described in the table below. Each auditable area is scored based upon the level of risk within each category. This rating process allows auditable areas to be objectively compared to each other based on relative overall risk.

<table>
<thead>
<tr>
<th>RISK CATEGORY</th>
<th>DESCRIPTION</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strategic</td>
<td>Potential impact from external &amp; internal threats to maintaining alignment with SAWS business strategy</td>
</tr>
<tr>
<td>Operational</td>
<td>Ineffective or inefficient use of resources and operating procedures</td>
</tr>
<tr>
<td>Financial</td>
<td>Financial loss due to reporting, accounting, cash management or budgeting issues</td>
</tr>
<tr>
<td>Compliance</td>
<td>Regulatory sanctions, penalties and loss due to the failure to comply with applicable laws and regulations</td>
</tr>
<tr>
<td>System</td>
<td>Inefficiency and loss due to the lack of effective and integrated systems to process information</td>
</tr>
</tbody>
</table>

**RISK LEVELS**

The auditable areas are ranked by overall risk rating and categorized as high, medium or low risk. The table below shows the number of auditable areas by risk level.

<table>
<thead>
<tr>
<th>RISK LEVEL</th>
<th>SAWS AUDITABLE AREAS</th>
<th>DSP AUDITABLE AREAS</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>13</td>
<td>2</td>
<td>15</td>
</tr>
<tr>
<td>Medium</td>
<td>71</td>
<td>2</td>
<td>73</td>
</tr>
<tr>
<td>Low</td>
<td>136</td>
<td>1</td>
<td>137</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>220</strong></td>
<td><strong>5</strong></td>
<td><strong>225</strong></td>
</tr>
</tbody>
</table>
AUDIT RISK COVERAGE

The Audit Plan for 2016 continues to focus on the SAWS and DSP areas that are identified as having the greatest level of risk as shown in the following table:

<table>
<thead>
<tr>
<th>RISK</th>
<th>2012 - 2015 Audit Projects</th>
<th>2016 Audit Projects</th>
<th>Total Audit Projects</th>
<th>SAWS/DSP Audit Universe</th>
<th>Audit Risk Coverage</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>8</td>
<td>5</td>
<td>13</td>
<td>15</td>
<td>87%</td>
</tr>
<tr>
<td>Medium</td>
<td>24</td>
<td>14</td>
<td>38</td>
<td>73</td>
<td>52%</td>
</tr>
<tr>
<td>Low</td>
<td>41</td>
<td>4</td>
<td>45</td>
<td>137</td>
<td>33%</td>
</tr>
<tr>
<td>Total</td>
<td>73</td>
<td>23*</td>
<td>96</td>
<td>225</td>
<td>43%</td>
</tr>
</tbody>
</table>

*Excludes Internal Audit Projects

The above table indicates that there will be audit coverage of 87% of the high risk areas when the proposed 2016 audit projects are completed. Additionally, there will be audit coverage of 43% of all the auditable areas.

We look forward to the opportunity to work together with the Audit Committee, Board of Trustees and Management to perform quality audits and provide other advisory services that will add strategic value to the SAWS operational processes. We wish to express our appreciation for the cooperation, courtesy and input provided by the Audit Committee members, other SAWS Board Trustees, and SAWS Executive Management Team during the risk assessment process that led to the development of this Annual Audit Plan for 2016.

Respectfully submitted,

Stacey Isenberg, CPA
Chief of Internal Audit
<table>
<thead>
<tr>
<th>Project #</th>
<th>Major Process</th>
<th>EMT Member</th>
<th>Auditable Area</th>
<th>Risk Rating (1-5)</th>
<th>Risk Level</th>
<th>Last Reviewed*</th>
<th>Budgeted Hours</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Water Resources</td>
<td>Burton</td>
<td>Edwards Aquifer Water Rights/Acquisitions</td>
<td>4.0</td>
<td>High</td>
<td>2009</td>
<td>160</td>
</tr>
<tr>
<td>2</td>
<td>Resource Protection &amp; Compliance</td>
<td>Clouse</td>
<td>Aquifer Protection</td>
<td>3.8</td>
<td>High</td>
<td>NPA</td>
<td>320</td>
</tr>
<tr>
<td>3</td>
<td>Customer Service</td>
<td>Barard</td>
<td>Billing &amp; Customer Payments</td>
<td>3.8</td>
<td>High</td>
<td>2010</td>
<td>360</td>
</tr>
<tr>
<td>4</td>
<td>Sewer System Improvements</td>
<td>Haby</td>
<td>EARZ Compliance</td>
<td>3.8</td>
<td>High</td>
<td>NPA</td>
<td>280</td>
</tr>
<tr>
<td>5</td>
<td>Information Systems</td>
<td>IS</td>
<td>Data Warehouse</td>
<td>3.4</td>
<td>Medium</td>
<td>NPA</td>
<td>240</td>
</tr>
<tr>
<td>6</td>
<td>Financial Services</td>
<td>Evanson</td>
<td>Debt and Debt Related Issues</td>
<td>3.0</td>
<td>Medium</td>
<td>NPA</td>
<td>240</td>
</tr>
<tr>
<td>7</td>
<td>Lift Station &amp; Maintenance</td>
<td>Haby</td>
<td>Maintenance Contracts</td>
<td>3.0</td>
<td>Medium</td>
<td>NPA</td>
<td>280</td>
</tr>
<tr>
<td>8</td>
<td>Production / Resource Protection &amp; Compliance</td>
<td>Clouse</td>
<td>Boil Water Notice</td>
<td>2.8</td>
<td>Medium</td>
<td>NPA</td>
<td>280</td>
</tr>
<tr>
<td>9</td>
<td>Distribution &amp; Collection</td>
<td>Brinkmann</td>
<td>Asphalt Replacement Program</td>
<td>2.6</td>
<td>Medium</td>
<td>2009</td>
<td>280</td>
</tr>
<tr>
<td>10</td>
<td>Financial Services</td>
<td>Evanson</td>
<td>Remittance Processing</td>
<td>2.6</td>
<td>Medium</td>
<td>NPA</td>
<td>240</td>
</tr>
<tr>
<td>11</td>
<td>Information Systems</td>
<td>IS</td>
<td>CPMS</td>
<td>2.4</td>
<td>Medium</td>
<td>NPA</td>
<td>280</td>
</tr>
<tr>
<td>12</td>
<td>Resource Protection &amp; Compliance</td>
<td>Clouse</td>
<td>Backflow Prevention</td>
<td>2.6</td>
<td>Medium</td>
<td>NPA</td>
<td>200</td>
</tr>
<tr>
<td>13</td>
<td>Field Operations</td>
<td>Barard</td>
<td>Revenue Protection</td>
<td>2.2</td>
<td>Low</td>
<td>2010</td>
<td>200</td>
</tr>
<tr>
<td>14</td>
<td>Production &amp; Treatment</td>
<td>Haby</td>
<td>Recycled Water Operations</td>
<td>2.2</td>
<td>Low</td>
<td>NPA</td>
<td>200</td>
</tr>
<tr>
<td>15</td>
<td>Contracting/ Engineering</td>
<td>Belinsky/ Gomez</td>
<td>Change Orders</td>
<td>3.2</td>
<td>Medium</td>
<td>2008 2015</td>
<td>200</td>
</tr>
<tr>
<td>16</td>
<td>Conservation</td>
<td>Burton</td>
<td>Drought Restrictions</td>
<td>1.8</td>
<td>Low</td>
<td>2015</td>
<td>120</td>
</tr>
<tr>
<td>17</td>
<td>Engineering &amp; Inspections</td>
<td>Gomez</td>
<td>Brackish Desalination Program</td>
<td>3.4</td>
<td>Medium</td>
<td>2011 &amp; 2014 Continuous Monitoring</td>
<td>200</td>
</tr>
<tr>
<td>18</td>
<td>Distribution &amp; Collection</td>
<td>Brinkmann</td>
<td>Service Center Operations</td>
<td>3.4</td>
<td>Medium</td>
<td>2015 Continuous Monitoring</td>
<td>200</td>
</tr>
<tr>
<td>19</td>
<td>Service Center Program</td>
<td>Gomez</td>
<td>Service Center Program</td>
<td>2.8</td>
<td>Medium</td>
<td>2015 Continuous Monitoring</td>
<td>200</td>
</tr>
<tr>
<td>20</td>
<td>Field Operations</td>
<td>Barard</td>
<td>Meter Reading (Routing Software)</td>
<td>3.8</td>
<td>High</td>
<td>2009</td>
<td>240</td>
</tr>
<tr>
<td>21</td>
<td>Information Systems</td>
<td>IS</td>
<td>Rockwell SCADA Programming</td>
<td>3.4</td>
<td>Medium</td>
<td>NPA</td>
<td>240</td>
</tr>
<tr>
<td>22</td>
<td>Risk Management</td>
<td>De La Garza</td>
<td>Safety Program (Water/Wastewater Training)</td>
<td>2.6</td>
<td>Medium</td>
<td>2010</td>
<td>200</td>
</tr>
<tr>
<td>23</td>
<td>Public Affairs</td>
<td>Ramos</td>
<td>Creative Services</td>
<td>1.0</td>
<td>Low</td>
<td>NPA</td>
<td>200</td>
</tr>
<tr>
<td>24</td>
<td>Risk Assessment and Annual Audit Plan</td>
<td>All Departments, Functions and Activities</td>
<td>3.8</td>
<td>High</td>
<td>2009</td>
<td>240</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>External Peer Review</td>
<td></td>
<td>Internal Audit</td>
<td>1.0</td>
<td>Low</td>
<td>NPA</td>
<td>80</td>
</tr>
</tbody>
</table>

Total Hours 5,680

* NPA - Not Previously Audited
AGENDA ITEM NO. 32

TO: San Antonio Water System Board of Trustees

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

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


Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution appoints members for a two-year term and appoints a Chairwoman for a one-year term to the Citizens Advisory Panel (CAP) beginning 2016. The CAP provides input to the Board regarding water resource policies, plans, and projects.

- The CAP was created by Resolution No. 98-141 on June 16, 1998, which established the charge for the committee and appointed its initial members. Bylaws created by the CAP and approved by the Board through Resolution No. 07-382 on November 6, 2007 and amended by the Board through Resolution No. 10-113 on March 2, 2010, govern membership goals and CAP structure. Article II, Section 7 of the bylaws describes the procedures to fill vacancies.

- The CAP is charged with supporting the development of long-term water resource plans and periodic updates to those plans, and providing feedback to staff as to how well the proposed policies, plans, and projects respond to citizen concerns.

- CAP members are selected to be a representative of the community, in terms of expertise, geography, and interests. Criteria for selection include interest and knowledge of water resource issues, commitment to a consensus-building approach to solving water resource issues, willingness to participate in meetings, and absence of any conflict of interest among other items.

- The Chairwoman will assist the membership with developing goals and critical milestones for the year, conduct monthly meetings, and work with Water Resources Department staff to review water resource policies, plans, and projects.

- The CAP will hold 10 general membership meetings per calendar year and the meetings shall be held on the third Tuesday of each month.
Appointing New Members and a Chairwoman to the Citizens Advisory Panel

- Staff recommends the appointment of new CAP members to include Evelyn Brown, Javier Garcia, Kay Kutchins, Briana Lyssy, and Denise Ojeda for a two-year term to commence 2016.

- Staff recommends the reappointment of Michael Ferguson, Olga Garza Kauffman, Bianca Maldonado, Gloria S. Martinez, Eddie Meza, Brice Moczygemba, and Lisa Tatum for a two-year term to commence 2016.


Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

There is no financial impact associated with this resolution.

Darren Thompson, Director
Water Resources

Donovan Burton, Vice President
Water Resources and Governmental Relations

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPOINTING EVELYN BROWN, JAVIER GARCIA, KAY KUTCHINS, BRIANA LYSSY, AND DENISE OJEDA AS CITIZENS ADVISORY PANEL NEW MEMBERS FOR A TWO-YEAR TERM EXPIRING DECEMBER 31, 2017; REAPPOINTING MICHAEL FERGUSON, OLGA GARZA KAUFFMAN, BIANCA MALDONADO, GLORIA S. MARTINEZ, EDDIE MEZA, BRICE MOCZYGEMBA, AND LISA TATUM AS CITIZENS ADVISORY PANEL MEMBERS FOR A TWO-YEAR TERM EXPIRING DECEMBER 31, 2017; APPOINTING KAY KUTCHINS AS THE CHAIRWOMAN OF THE 2016 CITIZENS ADVISORY PANEL FOR A ONE-YEAR TERM EXPIRING DECEMBER 31, 2016; 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”) Board of Trustees (the “Board”) is committed to community involvement in major water resource policies, plans, and projects; and

WHEREAS, in order to achieve this goal, the System created the Citizens Advisory Panel (the “CAP”) on June 16, 1998, by Resolution No. 98-141; and

WHEREAS, the purpose of the CAP is to involve the community in water resource policies; and

WHEREAS, the System’s Board desires to appoint new members of the CAP for a term of two years, reappoint returning members for a term of two years, and a Chairman for the calendar year 2016; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to appoint Evelyn Brown, Javier Garcia, Kay Kutchins, Briana Lyssy, and Denise Ojeda as new members, identified in Attachment I attached to this resolution, to the Citizens Advisory Panel for a two-year term expiring December 31, 2017, (ii) to reappoint Michael Ferguson, Olga Garza Kauffman, Bianca Maldonado, Gloria S. Martinez, Eddie Meza, Brice Moczygemba, and Lisa Tatum as returning members, as identified in Attachment I attached to this resolution, for a two-year term expiring December 31, 2017, and (iii) to appoint Kay Kutchins as Chairwoman of the Citizens Advisory Panel for a one-year term expiring December 31, 2016; now, therefore:
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:

1. That Evelyn Brown, Javier Garcia, Kay Kutchins, Brian Lyssy, and Denise Ojeda identified on Attachment I hereto, are hereby appointed to serve for a two-year term on the CAP expiring December 31, 2017.

2. That Michael Ferguson, Olga Garza Kauffman, Bianca Maldonado, Gloria S. Martinez, Eddie Meza, Brice Moczygemba, and Lisa Tatum returning CAP members identified on Attachment I hereto, are hereby reappointed to serve a two-year term expiring December 31, 2017.

3. That the Board hereby appoints Kay Kutchins as the Chairwoman of the 2016 CAP for a one-year term expiring December 31, 2016.

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 takes effect immediately upon its passage.

PASSED AND PROVEN this 5th day of January, 2016.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Patricia E. Merritt, Secretary
## CITIZENS ADVISORY PANEL MEMBER TERMS - 2016

<table>
<thead>
<tr>
<th>Name</th>
<th>Represents</th>
<th>First Appointed</th>
<th>Current Term</th>
<th>First Term</th>
<th>Second Term</th>
<th>Final Term</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kay Kutchins</td>
<td>Water Utility Management</td>
<td>2016</td>
<td>2016-2017</td>
<td>2016-2017</td>
<td>N/A</td>
<td>N/A</td>
</tr>
</tbody>
</table>
This item is a briefing item only; no action will be taken.

33. A Briefing regarding the District Special Project progress and consultation with the BexarMet Integration Advisory Committee.
    (DONOVAN BURTON – STEVE GONZALES)
TO: San Antonio Water System Board of Trustees

FROM: Douglas P. Evanson, Senior Vice President/Chief Financial Officer

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

SUBJECT: RESOLUTION REQUESTING 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)”

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:


- On January 28, 2012, the San Antonio Water System (“SAWS” or “System”) assumed responsibility for the operation and maintenance of the Bexar Metropolitan Water District (“District”) pursuant to Senate Bill 341, and currently operates the former District as the District Special Project (“DSP”), a component unit of SAWS.

- The DSP is to remain a component unit of SAWS until the DSP and SAWS are integrated in accordance with the terms of Senate Bill 341. Part of the integration process is to refund the existing DSP debt obligations with SAWS debt obligations.

- The attached resolution authorizes the issuance of SAWS debt to refund the existing DSP debt obligations. A concurrent resolution authorizes the dissolution of the DSP upon the defeasance of the DSP debt obligations.
• The DSP currently has approximately $155.4M in debt outstanding, with call dates ranging between today and May 2030. As not all of the DSP debt is advance refundable, both tax-exempt and taxable SAWS debt will be issued to defease the DSP debt. SAWS will issue a combination of tax-exempt and taxable debt to be placed in an escrow account for the exclusive use of paying the interest and principal of the DSP debt as it becomes due and callable. This will legally defease the DSP debt and it will no longer be a liability of the DSP.

• It is anticipated that the refunding of the DSP debt will result in positive debt service savings, the level of which will depend on market conditions at the time of pricing and the final structure of the refunding debt.

• The Series 2007 Bonds are callable May 15, 2017. In the current low interest rate environment, a portion of the Series 2007 Bonds could be advance refunded with a new series of bonds for debt service savings. The level of debt service savings will be determined on the day of pricing. The remaining outstanding bonds for the Series 2007 will be eligible for a current refunding starting February 15, 2017, at which time, depending on interest rates at the time, a second resolution may be submitted to authorize the refunding of the remaining outstanding bonds. The par amount of bonds required to refund the advance refundable portion of the Series 2007 Bonds will be included in the Series 2016A Bonds.

• A “Q” authorization is also being requested. A “Q” authorization permits the City Council to delegate to the SAWS Designated Financial Officers, defined as either the President/Chief Executive Officer or the Senior Vice President/Chief Financial Officer, the authority to issue and set pricing on the bonds. This authorization permits the adoption of the Ordinance authorizing the bonds without interest rates, which will be formally set upon the execution of the Pricing Certificate. This approach is recommended to take advantage of market conditions.

Staff recommends approval of this Resolution.

FINANCIAL IMPACT:

• The debt service for the refunding bonds will be paid from revenues of SAWS and are included in the current budget.

SUPPLEMENTAL INFORMATION:

The System’s co-financial advisory team of Public Financial Management (PFM) and Estrada Hinojosa assisted staff in the formulation of this recommendation.
Douglas P. Evanson  
Senior Vice President/Chief Financial Officer

APPROVED:

Robert R. Puente  
President/Chief Executive Officer
RESOLUTION NO. 16-___

A RESOLUTION BY THE BOARD OF TRUSTEES OF THE SAN ANTONIO WATER SYSTEM 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; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; ESTABLISHING AN EFFECTIVE DATE; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, pursuant to the authority contained in (i) Chapter 1502, as amended, Texas Government Code, (ii) certain ordinances (the Senior Lien Bond Ordinances) previously adopted by the City Council (the City Council) of the City of San Antonio, Texas (the City) authorizing the issuance of the currently outstanding senior lien revenue bonds (the Previously Issued Senior Lien Bonds), (iii) certain ordinances (the Junior Lien Bond Ordinances) authorizing the issuance of the currently outstanding junior lien revenue bonds (the Previously Issued Junior Lien Bonds), (iv) certain ordinances (the Subordinate Lien Bond Ordinances) previously adopted by the City Council authorizing the issuance of subordinate lien revenue bonds and obligations arising under a related credit agreement, and (v) an ordinance adopted by the City Council relating to the implementation of a commercial paper program (the Commercial Paper Ordinances) under which is issued from time to time subordinate lien commercial paper notes (the Commercial Paper Notes), the complete management and control of the water system (the City System) of the City is vested in a Board of Trustees (the Board), which City System and Board is known as the San Antonio Water System (SAWS), during the period of time any of such foregoing obligations are outstanding and unpaid; and

WHEREAS, pursuant to authority granted by the 82nd Regular Texas Legislature through its enrollment of Senate Bill 341 (SB 341), the City Council adopted Ordinance No. 2011-10-20-0845 (the DSP Ordinance) for the purpose of creating and prescribing the terms of operation of the District Special Project (the District Special Project or the DSP), being a “special project” under the terms of the respective City ordinances authorizing the respective issuance of each series of City System debt obligations described above, to accommodate and accomplish the assumption by the City, acting by and through SAWS, of the Bexar Metropolitan Water District (the District) upon its dissolution; and

WHEREAS, District voters approved the dissolution of the District and its assumption by SAWS at an election held within the District on November 8, 2011; and
WHEREAS, by operation of law, the City assumed the responsibility of operating and maintaining the District on January 28, 2012; and

WHEREAS, the DSP is operated as a component unit and a department of SAWS, under the management and control of the Board, and no revenues of the City System shall be (or, since assumption, have been) used in support of the combined waterworks system comprising the DSP, which was the combined waterworks system of the former District (the DSP System), until such time as the DSP System and the City System are consolidated as the City proceeds toward “integration” in accordance with the terms of SB 341 and the DSP Ordinance, with such “integration” being accomplished when the former District is dissolved, the DSP System has been consolidated into and made a part of the City System, and rate parity has been achieved among the customers of the of the DSP System and the City System (completion of all such elements referred to herein as Integration); and

WHEREAS, the City has heretofore assumed, and there are currently outstanding obligations (the District Special Project Obligations) supported by liens on and pledges of the net revenues of the District Special Project on both a first and prior and subordinate level of priority (and which District Special Project Obligations are identified in the hereinafter-defined Proposed Bond Ordinances); and

WHEREAS, SB 341 and Senate Bill 1336 enrolled, during the 84th Regular Legislative Session, require that Integration be achieved by January 1, 2017 (unless, the Texas Commission on Environmental Quality, for good cause, grants an extension to complete Integration not more than three additional years from such stated deadline); and

WHEREAS, the Board has now determined that, with respect to operations and debt management of the City System and the DSP, refunding the outstanding District Special Project Obligations represents the most efficient, and a necessary step toward accomplishment of, Integration; and

WHEREAS, the Board has determined that certain outstanding Previously Issued Senior Lien Bonds should also be refunded to realize debt service savings; and

WHEREAS, the Board has determined that not more than $244,805,000 in one or more series of junior lien refunding bonds (not more than $159,805,000 of which shall be attributable to the discharge of the District Special Project Obligations and not more than $85,000,000 of which shall be attributable to the discharge of certain outstanding Previously Issued Senior Lien Bonds to realize debt service savings), to be designated as “City of San Antonio, Texas Water System Junior Lien Refunding Bonds, Series 2016A (No Reserve Fund)” (the Series 2016A Bonds) and “City of San Antonio, Texas Water System Junior Lien Refunding Bonds, Taxable Series 2016B (No Reserve Fund)” (the Series 2016B Bonds, and together with the Series 2016A Bonds, the Proposed Bonds) should now be issued by the City to provide funds to (i) discharge and make final payment of the District Special Project Obligations and certain outstanding Previously Issued Senior Lien Bonds, and (ii) pay certain costs of issuance; and

WHEREAS, by virtue of the authority and power vested in the Board with reference to the expenditure and application of the revenues of the City System and to comply with the terms
and conditions prescribed in the Senior Lien Bond Ordinances and Junior Lien Bond Ordinances, respectively, for the issuance of additional bonds payable from and secured by a junior and inferior lien on and pledge of the Net Revenues of the System, it is necessary and proper for the Board to formally request the City Council to authorize and sell the Proposed Bonds, consent to the issuance of the same, approve the respective ordinances authorizing each series of the Proposed Bonds, including the approval of the respective disclosure documents relating thereto and the purchase of bond insurance, if any, along with approving, to the extent applicable or required, and agree to comply with all the terms and provisions of such ordinances, including, but not limited to, those relating to the operation of the System and the handling of the proceeds of each series of the Proposed Bonds; and

WHEREAS, the Board hereby finds and determines that the adoption of this Resolution is in the best interest of the SAWS ratepayers; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SAN ANTONIO WATER SYSTEM THAT:

1. The City Council is hereby formally requested to authorize and sell fixed rate junior lien revenue refunding bonds, earlier defined herein as the Proposed Bonds, in an aggregate principal amount not to exceed the resultant amount upon application of the limitations described in the preamble hereof, payable from a junior and inferior lien on and pledge of the Net Revenues of the City System and as Additional Junior Lien Bonds that are Junior Lien Obligations – No Reserve Fund (being obligations that are issued without the additional security provided by a lien on and pledge of the Reserve Fund) and as either taxable obligations or obligations the interest on which is exempt for purposes of federal income taxation; and the Board by the adoption of this Resolution hereby evidences its consent to the issuance and sale of such series of junior lien revenue refunding bonds and the payment thereof from the Net Revenues of the City System on the level of priority specified above, as well as its approval of separate ordinances (together, the Proposed Bond Ordinances; individually, a Proposed Bond Ordinance) authorizing the issuance of the Proposed Bonds, substantially in the form of the Proposed Bond Ordinances attached to this Resolution as Exhibit A and Exhibit B, respectively, and incorporated herein by reference for all purposes, including the delegation of the terms of sale, if any, to each Authorized Official as set forth in the Proposed Bond Ordinances; and the Board hereby agrees to comply with all of the terms and provisions of the Proposed Bond Ordinances with relation to the administration and operation of the City System and the disposition of the revenues therefrom.

2. Provided that, at the time of initial delivery of the Proposed Bonds, there no longer remain outstanding any City obligations, whether assumed or issued thereby, secured by and payable from a lien on and pledge of revenues of the DSP System, and the District Special Project has been dissolved (or will dissolve upon issuance of the Proposed Bonds), then the Board hereby finds and determines that the revenues and expenses of the DSP System and the City System shall be consolidated and combined for purposes of satisfying any additional bonds test under the Senior Lien Bond Ordinances, the Junior Lien Bond Ordinances, the Subordinate Lien Bond Ordinances, or the Commercial Paper Ordinance, as well as with respect to any administrative tests demonstrating minimum levels of debt service coverage, satisfaction of
which serves as a prerequisite to the issuance or incurrence of indebtedness payable from a lien on and pledge of the revenues of City System.

3. The offering document or documents relating to the Proposed Bonds (being an Official Statement relating to both series of the Proposed Bonds), substantially in the form presented at this meeting, are hereby approved, the Chairman or Secretary of the Board is authorized to prepare or approve any changes or additions to this disclosure document which shall be deemed appropriate or necessary, and the Chairman or Vice Chairman and Secretary of the Board is authorized to execute the final Official Statement on behalf of the Board.

4. The Purchase Contract or Contracts among the Senior Managing Underwriter or group of Underwriters named in such Purchase Contract (together, the Purchase Contract), the Board, and the City relating to the Proposed Bonds, will be approved by the Chairman or Vice Chairman of the Board or other Authorized Official, and any of them is authorized to execute the final Purchase Contract on behalf of the Board. Each Authorized Official is hereby authorized to execute an Approval Certificate for each series of the Proposed Bonds evidencing final terms of sale thereof, if such Authorized Official, based upon the advice of the authorized representatives of the System (including its co-financial advisors), determines that the interest rates negotiated with the Senior Managing Underwriter or group of Underwriters named in the Purchase Contract are acceptable and within the limits authorized by the applicable Ordinance, as described in such ordinance, pursuant to Chapters 1207, 1502, and 1371, as amended, Texas Government Code.

5. The Board recognizes that the Section of the Proposed Bond Ordinance authorizing the issuance of the Series 2016A Bonds relating to “Covenants to Maintain Tax Exempt Status” contain covenants of the City relating to the Series 2016A Bonds. Since the proceeds of the Series 2016A Bonds will be entirely within the control and disposition of the Board, the Board specifically adopts the covenants to be made by the City Council in that Section of the Proposed Bond Ordinance authorizing the issuance of the Series 2016A Bonds.

6. The Board recognizes that the Sections of the Proposed Bond Ordinances relating to “Continuing Disclosure of Information” contain covenants of the City relating to the respective series of Proposed Bonds. Since certain financial information, financial status, operating data, and annual audits of the System will be entirely within the control and disposition of the Board, the Board specifically adopts the covenants to be made by the City Council in those Sections of the Proposed Bond Ordinances.

7. The Board approves the delegation to each Authorized Official of the selection of the bond insurer, if any, for the Proposed Bonds, and to otherwise comply with the conditions precedent to the issuance of either series of the Proposed Bonds, as authorized, respectively, by the applicable Proposed Bond Ordinance and any other matter to effectuate the intent and purpose of each of the Proposed Bond Ordinances, respectively.

8. The professionals appointed by the Board, Public Financial Management, Inc., First Southwest Company, LLC and Estrada Hinojosa & Company, Inc., as the co-financial advisors, and Norton Rose Fulbright US LLP and any such other qualified firm as co-bond counsel, if any, as hereafter approved by an Authorized Official, are authorized, upon consultation with System and City staff, to coordinate the legal and financial aspects relating to
these transactions including, but not limited to, preparation of related bond documents, and to otherwise coordinate the legal and financial aspects of these matters with the national rating services and bond insurance companies (if applicable) to ensure that the System and the City receives the lowest possible interest rate for the respective issuance of the Proposed Bonds. In addition, the Board authorizes the payment of the national rating agency fees, bond insurance premiums (if any), and any and all professional fees and expenses associated with the respective issuance of the Proposed Bonds upon the approval of written invoices by any Authorized Official, or his or her designee.

9. In order to comply with various provisions of Texas law and, with respect to the Series 2016A Bonds only, for the interest thereon to be tax-exempt, various certificates must be provided to Co-Bond Counsel and to the Attorney General for the State of Texas; therefore, upon obtaining the advice and consent of legal counsel, the Chairman, Vice Chairman, or Secretary of the Board and each other Authorized Official are authorized to execute any certificate (including but not limited to a Certificate of Tax Exemption relating to the Series 2016A Bonds), or other documents, relating to the issuance, sale, and delivery of any series of the Proposed Bonds.

10. The Board delegates to each Authorized Official the authority to take any and all other actions consistent with the provisions of this Resolution and the Proposed Bond Ordinances to effectuate the sale, issuance and delivery of each series of the Proposed Bonds.

11. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

12. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

13. Capitalized terms used herein without definition shall have the meaning ascribed thereto in the applicable Proposed Bond Ordinance.

14. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

15. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

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

17. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.
PASSED AND APPROVED this the 5th day of January, 2016.

Berto Guerra, Jr., Chairman

Attest:

Pat Merritt, Secretary
EXHIBIT A

Series 2016A Bond Ordinance

See Tab No. __
EXHIBIT B

Series 2016B Bond Ordinance

See Tab No. __
TO:       San Antonio Water System Board of Trustees  
FROM:    Douglas P. Evanson, Senior Vice President/Chief Financial Officer  
THROUGH: Robert R. Puente, President/Chief Executive Officer  
SUBJECT: RESOLUTION REQUESTING CITY COUNCIL TAKE CERTAIN ACTIONS WITH RESPECT TO THE DISSOLUTION OF THE DISTRICT SPECIAL PROJECT  

Board Action Date: January 5, 2016  

SUMMARY AND RECOMMENDATION: 

This resolution requests City Council authorize the dissolution of the District Special Project upon the defeasance of the District Special Project Obligations.

- On January 28, 2012, the San Antonio Water System (“SAWS”) assumed responsibility for the operation and maintenance of the Bexar Metropolitan Water District (“District”) pursuant to Senate Bill 341, and currently operates the former District as the District Special Project (“DSP”), a component unit of SAWS.

- The DSP is to remain a component unit of SAWS until the DSP and SAWS are integrated in accordance with the terms of Senate Bill 341.

- Under a concurrent Resolution, the Board formally requested City Council authorize the issuance of “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)” to refund and defease the outstanding DSP debt.

- Upon the defeasance of the DSP debt obligations the requirements to operate the DSP as a component unit of SAWS will have been satisfied, and the DSP may be dissolved and consolidated with SAWS.

Staff recommends approval of this Resolution.

FINANCIAL IMPACT:

- Upon the dissolution of the DSP, the financial results of the DSP will be consolidated with the financial results of SAWS. It is not anticipated that the
consolidation of the DSP with SAWS will have a material impact on the financial results of SAWS or on SAWS’ financial metrics.

Douglas P. Evangon
Senior Vice President/Chief Financial Officer

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO. 16-___

A RESOLUTION BY THE BOARD OF TRUSTEES OF THE SAN ANTONIO WATER SYSTEM RECOMMENDING AND REQUESTING THAT THE SAN ANTONIO CITY COUNCIL TAKE CERTAIN ACTIONS NECESSARY TO ACCOMPLISH THE DISSOLUTION OF THE DISTRICT SPECIAL PROJECT; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; ESTABLISHING AN EFFECTIVE DATE; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, pursuant to the authority contained in Chapter 1502, as amended, Texas Government Code (the Act), and the provisions of the various ordinances (the Ordinances) of the City Council (the Council) of the City of San Antonio, Texas (the City) pursuant to which the City has issued, and there currently remains outstanding, multiple series of debt obligations payable from and secured by liens on and pledges of the revenues derived from the City’s ownership and operation of its combined water and wastewater system (the City System), the complete management and control of the City System is vested in a Board of Trustees (the Board), which City System and Board is known as the San Antonio Water System (SAWS), for so long as such debt obligations (and any additional obligations hereafter issued that are similarly secured) remain outstanding and unpaid (the SAWS Debt); and

WHEREAS, the 82nd Regular Texas Legislature enacted Senate Bill 341 (SB 341), which became law on or about June 19, 2011, concerning, among other items, the potential dissolution of the Bexar Metropolitan Water District (the District) and the possible transfer of its assets, obligations and duties to, and assumption of the foregoing by, the City, acting by and through SAWS; and

WHEREAS, as required by and in accordance with the provisions of SB 341, District voters approved the dissolution of the District and its assumption of the District’s waterworks system (the District System) by SAWS at an election held within the District on November 8, 2011; and

WHEREAS, SB 341 provided that, to lessen the immediate impact upon the then-existing ratepayers of the City System and to not negatively impact the then-outstanding SAWS Debt, the City, acting by and through SAWS, was authorized to take immediate possession of the District System and operate the same as a “Special Project”, as such term is defined and described in the Ordinances, so long as complete integration of the District System and the City System occurred within the period of time specified in Section 52 of SB 341 (as now amended by the provisions of Senate Bill 1336, enrolled by the 84th Texas Legislature (SB 1336)); and

WHEREAS, the City Council adopted Ordinance No. 2011-10-20-0845 (the DSP Ordinance) for the purpose of creating and prescribing the terms of operation of the District Special Project (the District Special Project or the DSP), being a “Special Project” under the respective terms of the Ordinances, to accommodate and accomplish the assumption by the City,
acting by and through SAWS, of the District upon its dissolution, which dissolution and assumption occurred (by operation of law) on January 28, 2012 (the **Assumption Date**); and

**WHEREAS**, on the Assumption Date, and as a part of the assumption of the District, the City assumed all of the District’s obligations and liabilities at such time outstanding, which included certain bonds and other evidences of indebtedness payable from and secured by a lien on and pledge of the revenues realized from the ownership and operation of the District System and that now remain outstanding (such assumed obligations, as further described in Schedule I hereto, the **Assumed Obligations**), and

**WHEREAS**, to retire and refinance certain District obligations outstanding on the Assumption Date, and to provide funds to finance the costs of capital additions and improvements to the DSP System subsequent to the Assumption Date, the City established a flexible rate revolving note private placement program (the **DSP Note Program**), pursuant to which notes (**Program Notes** and, together with the Assumed Obligations, the **DSP Obligations**), secured by and payable from a lien on and pledge of certain DSP System revenues, have been issued and now remain outstanding; and

**WHEREAS**, since the Assumption Date, SAWS has operated the DSP (and the former District System, now referred to as the **DSP System**) as a component unit and a department of SAWS, under the management and control of the Board, and (as required by the applicable provisions of the Ordinances) no revenues of the City System have been used in support of the DSP System, which has required the segregation of City System and DSP System operations, revenues, and expenses; and

**WHEREAS**, the benefits provided to the City, SAWS, and the City System ratepayers from the segregated operation of the City System and the DSP System have now been realized and a continuation of such segregated operation is no longer necessary or beneficial; and

**WHEREAS**, under the Ordinances and the DSP Ordinance, the City may, upon recommendation of the Board, dissolve the DSP, combining the DSP System and the City System into a single, integrated system, which will include a combination of operations, revenues, and expenses of such combined system; and

**WHEREAS**, SB 341 requires that integration of the former District System and the City System shall, by the time specified therein (as modified by SB 1336), be accomplished when the former District is dissolved, the former District System has been consolidated into and made a part of the City System, and rate parity has been achieved among the customers of the former District System and the City System (completion of all such elements referred to herein as **Integration**); and

**WHEREAS**, dissolution of the former District having already occurred, dissolution of the DSP and operational combination of City System and the DSP System will accomplish the second of the three elements of Integration specified by SB 341; and

**WHEREAS**, by virtue of the authority and power vested in the Board with reference to the operation of the City System, it is necessary and proper for the Board to formally request the City Council, pursuant to authority vested in the City by SB 341 and as a necessary step toward
accomplishment of Integration of the District System into the City System in the manner required by SB 341, to dissolve the District Special Project and to consolidate the DSP System into the City System, subject only to the retirement and termination of all DSP Obligations prior to or at such time of dissolution; and

WHEREAS, the Board hereby finds and determines that the adoption of this Resolution is in the best interest of the SAWS ratepayers; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SAN ANTONIO WATER SYSTEM THAT:

1. The City Council is hereby formally requested to dissolve the District Special Project, extend the City System through the addition thereto of the assets of the DSP System, and to direct that SAWS take such action as may be necessary or desired to cause the operational integration of the two systems into a single, consolidated system, the foregoing to be accomplished by the City Council’s adoption of an ordinance (the Dissolution Ordinance) in substantially the form attached hereto as Exhibit A and incorporated herein by reference for all purposes, and satisfaction of the condition to such dissolution described in Section 2 below.

2. The Board’s recommendation to dissolve the District Special Project and to consolidate the DSP System and the City System is conditioned upon the retirement and termination of all DSP Obligations prior to or at such time of dissolution. Retirement and termination of DSP Obligations may be accomplished by any and all legal means, including the refunding of outstanding DSP Obligations with obligations secured by and payable from certain revenues of the combined City System and DSP System. In furtherance of the foregoing, the Board makes reference to Resolution No. 16-____, adopted by the Board on the date hereof, recommending the City Council’s adoption of one or more ordinances authorizing the issuance of revenue refunding bonds to refund the Assumed Obligations. In addition, and also in furtherance of the foregoing, the Board hereby authorizes and directs SAWS staff, to the extent necessary or desirable, to utilize any funds lawfully available thereto (including borrowings under any interim financing program now or hereafter existing) to refund or refinance any other DSP Obligations (including Program Notes).

Because retirement and termination of all DSP Obligations is dependent upon prior action of the Board and City Council, and delegation to Authorized Officials (defined herein) to implement the directives of those actions, completion of such retirement and termination shall not serve as a prerequisite to the City Council’s adoption of the Dissolution Ordinance.

3. The Board delegates to the President/Chief Executive Officer and Senior Vice President/Chief Financial Officer, respectively, of SAWS (individually, an Authorized Official and, together, the Authorized Officials) the authority to take any and all actions necessary and/or desired to implement the intent of this Resolution.

4. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.
5. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

6. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

7. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.

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

9. This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

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PASSED AND APPROVED this the 5th day of January, 2016.

______________________________
Berto Guerra, Jr., Chairman

Attest:

______________________________
Pat Merritt, Secretary
SCHEDULE I

ASSUMED AND CURRENTLY OUTSTANDING OBLIGATIONS OF THE FORMER
BEXAR METROPOLITAN WATER DISTRICT

35594898.3  Schedule I
EXHIBIT A

DISSOLUTION ORDINANCE
AGENDA ITEM NO. _____

TO: San Antonio Water System Board of Trustees

FROM: Douglas P. Evanson, Senior Vice President/Chief Financial Officer

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

SUBJECT: A RESOLUTION RECOMMENDING AND REQUESTING 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; AND ADOPTION OF REIMBURSEMENT RESOLUTION

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution recommends and requests the San Antonio City Council take certain actions to approve and authorize an application for financial assistance to the Texas Water Development Board (“TWDB”) for participation in the Drinking Water State Revolving Fund Program in the amount not to exceed $12,500,000, and the adoption of a reimbursement resolution.

- The application is a request for financial assistance through TWDB’s Drinking Water State Revolving Fund (“DWSRF”). Projects must qualify for financial assistance through a needs assessment, environmental impact and engineering review.

- TWDB’s DWSRF Program provides subsidized loans for qualified projects.

- The project submitted for review and eligible to receive financial assistance through the DWSRF Program is listed in Attachment A. The financial assistance being requested is for the construction phase of the qualified project, estimated to be approximately $11,100,650, and funds to pay the cost of issuance and Reserve Fund Requirement.

- The process to receive financial assistance under the DWSRF Program consists of a submittal of an application for participation. No financial commitment on the San Antonio Water System’s (SAWS) part is made at the application stage. A financial commitment by SAWS is made at a later date when bond proceeds are received to finance the project. SAWS will seek additional Board of Trustee and City Council approval prior to the issuance of any bonds under this program.
- The acceptance of the application by TWDB is a commitment by TWDB to provide financing for eligible projects to SAWS. SAWS is not required to accept this funding, however, if approved and accepted, SAWS must close on the loan within one year of TWDB’s approval of the application.

- A reimbursement resolution allows SAWS to reimburse itself with bond proceeds for eligible capital expenditures made 60 days prior to the adoption of the reimbursement resolution through the issuance of the bonds.

Staff recommends approval of this Resolution.

**FINANCIAL IMPACT:**

The submittal of the application has no financial impact to SAWS. Should SAWS’ application be approved and the issuance of debt be ultimately authorized, the benefit of participation in the DWSRF program is a reduction of 125 basis points or 1.25% below the market rate of interest when the bonds are issued.

Douglas P. Evanison  
Senior Vice President/Chief Financial Officer

APPROVED:

Robert R. Puente  
President/Chief Executive Officer
Attachment A

Texas Water Development Board Project List
Drinking Water State Revolving Fund

Water Production Facility Upgrades Program – 34th Street Pump Station Improvements - Construction

This project, Phase 7 of a multi-phase pump station rehabilitation program, will rehabilitate this pump station located in a residential area. The 34th St. pump station has a firm capacity of 21 million gallons per day and is located near West Commerce and General McMullen, serving Pressure Zones 3 and 4. The project includes replacing the existing chlorine disinfection system with a new sodium hypochlorite on-site generation system; replacement of two existing high service pump motors with induction type motors including associated electrical gear, new energy efficient exterior lighting, replacement of selected sections of yard piping and defective and/or failed valves, modifications of existing well heads to satisfy TCEQ requirements, and mill and overlay of the existing pavement in poor condition. This will bring the facility into compliance with current Fire Codes, as well as OSHA, TCEQ and AWWA standards and requirements. Estimated Construction Costs: $11,100,650
RESOLUTION NO. 16-

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE SAN ANTONIO WATER SYSTEM RECOMMENDING AND REQUESTING THAT THE SAN ANTONIO CITY COUNCIL TAKE CERTAIN ACTIONS WITH RESPECT TO AN APPLICATION TO THE TEXAS WATER DEVELOPMENT BOARD’S DRINKING WATER STATE REVOLVING FUND PROGRAM; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; RECOMMENDING THAT THE SAN ANTONIO CITY COUNCIL ADOPT A REIMBURSEMENT RESOLUTION; ESTABLISHING AN EFFECTIVE DATE; AND OTHER MATTERS IN CONNECTION THEREWITH

WHEREAS, the San Antonio Water System (the System) deems it necessary to apply to the Texas Water Development Board (TWDB) for financial assistance from the TWDB’s Drinking Water State Revolving Fund Program; and

WHEREAS, the System’s Board of Trustees (Board) desires to request financial assistance from the TWDB in an amount not to exceed $12,500,000 for the design and construction of improvements to the System’s utility system; and

WHEREAS, the Board has determined that the System should apply to the TWDB for financial assistance in an amount not to exceed $12,500,000 which will be evidenced by the issuance of one or more series of revenue and/or revenue and refunding bonds payable from and secured by a junior and inferior lien on and pledge of the net revenues of the System, by the City and purchased by the TWDB to provide funds to acquire, purchase, design, construct, improve, extend, enlarge, and repair the System, pursuant to the TWDB’s programs, to reimburse itself for prior expenses (if any), to refund certain currently outstanding Commercial Paper (if any), and to pay certain costs of issuance; and

WHEREAS, by virtue of the authority and power vested in the Board with reference to the expenditure and application of the revenues of the System and to comply with the terms and conditions prescribed by the TWDB and in the City ordinances authorizing the issuance of currently-outstanding City bonds payable from and secured by a junior and inferior lien on and pledge of the net revenues of the System, which terms and conditions provide for the issuance of additional City bonds payable from and secured by a junior and inferior lien on and pledge of the net revenues of the System, it is necessary and proper for the Board to formally request the City Council of the City to approve the application for financial assistance to the TWDB; and

WHEREAS, it is hereby found and determined that the System cannot reasonably finance the proposed project without the financial assistance of the TWDB in the amount requested; and
WHEREAS, in accordance with the rules and regulations of the Board, which govern the procedures in making such an application, the governing body of the System is required to pass a resolution to accompany such application; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE SAN ANTONIO WATER SYSTEM THAT:

1. The City Council of the City of San Antonio, Texas is hereby formally requested to authorize and approve the application for financial assistance to the TWDB for designing and constructing improvements to the System, to reimburse itself for prior expenses (if any), to refund certain currently outstanding Commercial Paper (if any), and to pay the costs of issuing the revenue bonds and/or revenue and refunding bonds described in the preamble hereof by adopting a Resolution in substantially the form attached hereto as Exhibit A.

2. The Chairman or Vice Chairman, the President/Chief Executive Officer, and the Senior Vice President/Chief Financial Officer of the System are hereby authorized to execute and submit to the TWDB the application for such financial assistance, and the Chairman or Vice Chairman, and the President/Chief Executive Officer, and the Senior Vice President/Chief Financial Officer of the System, together with the bond counsel (or co-bond counsel), co-financial advisors and consulting engineers named in such application, are authorized to appear before the TWDB in support of such application.

3. The Chairman or Vice Chairman of the System is further specifically authorized to make the required assurances to the Board in accordance with the rules, regulations, and policies of the Board.

4. A certified copy of this Resolution shall be attached to the application for financial assistance herein authorized to be prepared and submitted to the TWDB, and the Secretary of the System is authorized and directed to prepare and certify such number of copies of this Resolution as may be required for purposes of supporting the submission of such application to the TWDB.

5. The recitals contained in the preamble hereof are hereby found to be true, and such recitals are hereby made a part of this resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

6. All ordinances and resolutions, or parts thereof, which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

7. This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

8. If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been enacted without such invalid provision.
9. To permit the reimbursement for expenses incurred using proceeds of bonds to be issued, the Board hereby recommends that the City Council adopt the reimbursement resolution attached hereto as Exhibit B and incorporated by reference for all purposes to this Resolution.

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

11. This Resolution shall be in force and effect from and after its passage on the date shown below.

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PASSED AND APPROVED this the 5th day of January, 2016.

Berto Guerra, Jr., Chairman

Attest:

Pat Merritt, Secretary
EXHIBIT A

Application Resolution

See Tab No. __
EXHIBIT B

Reimbursement Resolution

See Tab No. __
TO: San Antonio Water System Board of Trustees

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

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

SUBJECT: APPROVAL OF AN INTERLOCAL CONTRACT BETWEEN THE EDWARDS AQUIFER AUTHORITY AND THE SAN ANTONIO WATER SYSTEM FOR THE IMPLEMENTATION OF REGIONAL WATER CONSERVATION PROJECTS

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution approves an Interlocal Contract with the Edwards Aquifer Authority (EAA) to implement the springflow protection measure included in the Edwards Aquifer Habitat Conservation Plan (EAHCP) known as the Regional Water Conservation Program (the “Program”) effective January 1, 2016 through March 31, 2028.

- The San Antonio Water System (SAWS) Board of Trustees approved the EAHCP and other documents associated with the Edwards Aquifer Recovery Implementation Program on November 1, 2011, in Resolution Number 11-313.

- The EAHCP broadly describes measures to be undertaken by the parties to contribute to recovery of certain threatened and endangered species.

- One of these measures involves Edwards Aquifer pumping reductions by municipal, industrial, and domestic and livestock users of the Edwards Aquifer through various water conservation programs described in the EAHCP.

- The Program’s goal is to conserve 20,000 acre-feet of water. In exchange for funding from this conservation measure, participants in the Program deposit one-half of the volume of conserved water into the EAA’s Groundwater Trust. Therefore, the volumetric goal of conserved water deposited into the EAA’s Groundwater Trust is 10,000 acre-feet.

- By enrolling in the Program, the EAA would be able to pay for SAWS to conduct the needed leak repairs by providing to SAWS the funds allocated to the Program.

- SAWS would use the funds received from the Program to hire outside contractors to repair both new and backlogged system leaks. The contractor will work in tandem with SAWS crews to reduce system leaks to ensure the distribution system is operating at greater efficiency.
Approval of an Interlocal Contract between SAWS and EAA for the Implementation of Regional Water Conservation Projects

- In exchange for the funds received from the Program, SAWS would transfer one-half of the estimated conserved water into the EAA’s Groundwater Trust for the remaining term of the Incidental Take Permit (ITP) through 2028. The estimated volume of water conserved from repairing already-discovered leaks is 4,745 acre-feet per year. As a result of SAWS participation in the Program, SAWS would be expected to annually transfer 2,372.50 acre-feet into the EAA Groundwater Trust in the years 2016 through 2019. In the year 2020, only 316.00 acre-feet would need to be transferred into the EAA Groundwater Trust to accomplish the goal of the Program. SAWS will not be required to pay any Aquifer Management Fees on permits transferred to the EAA Groundwater Trust.

- Upon the expiration of the ITP, the EAA would be required to return to SAWS the full control and right to beneficially use all of the conserved water deposited by SAWS into the EAA’s Groundwater Trust. The ITP expires on March 31, 2028.

- The original intent of the Program was to present smaller municipalities, industries, and exempt well-owners with opportunities to implement water conservation measures similar to the water conservation measures being implemented by SAWS. However, interest by those Edwards Aquifer users appears to be inadequate to meet the volumetric goal of the Program.

- One of the requirements to receive United States Fish and Wildlife Service’s (“Service”) approval of the EAHCP was that the conservation measures outlined in the EAHCP must be “reasonably certain to occur.” In order to assure the Program would be deemed “reasonably certain to occur” by the Service, SAWS and other EAHCP permittees loaned Edwards Water Rights to the EAA Groundwater Trust for a term of ten years through Initial Commitment Contract No. 13-649-HCP, which was approved by the SAWS Board of Trustees on October 1, 2013 through Resolution No. 13-302, conveying to the EAA Groundwater Trust the amount of 8,000 acre-feet. As other participants conserved water by engaging in the Program, the loaned Initial Commitment of Edwards Water Rights would be returned to the EAHCP permittees by the EAA.

- Because SAWS loaned the largest portion of Edwards Water Rights, SAWS will annually receive the largest proportion of returned Initial Commitment of Edwards Water Rights. Ultimately, all SAWS originally committed water will be received by 2020.

- SAWS retains maximum flexibility related to identifying, prioritizing, and managing the repair of leaks.

- The contract has a term of payment for five years and includes provisions to address (a) transfers of Edwards Water Rights (b) duties of the EAA to make payment (c) administration of Edwards Water Rights deposited by SAWS into the EAA Groundwater Trust (d) reporting requirements (e) remedies, and (f) other general conditions.
Approval of an Interlocal Contract between SAWS and EAA for the Implementation of Regional Water Conservation Projects

- The reduction in lost water through leak repair supports a top SAWS goal – reduction of non-revenue water over time.

- SAWS partnership with the Program supports an underpinning aspect of the SAWS 2012 Water Management Plan – long-term maintenance of a valid EAHCP.

- SAWS partnership with the Program supports a shared region-wide goal – conserving Edwards Aquifer water and maintaining a valid EAHCP.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

Under this contract, SAWS is entitled to be paid by the EAA for $18,631,400 over the first five-years of the contract. SAWS would be obligated to transfer 2,372.50 acre-feet of Edwards Water Rights into the EAA Groundwater Trust annually in the years of 2016-2019, and 316.00 acre-feet in 2020.

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Darren Thompson, Director Water Resources

Donovan Burton, Vice President Water Resources and Governmental Relations

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING AN INTERLOCAL CONTRACT BETWEEN THE EDWARDS AQUIFER AUTHORITY AND THE SAN ANTONIO WATER SYSTEM FOR THE IMPLEMENTATION OF REGIONAL WATER CONSERVATION PROJECTS; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE INTERLOCAL CONTRACT; 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 Edwards Aquifer is the primary source of water for the residents of South Central Texas in the San Antonio region, and is vital to the general economy and welfare of the State of Texas; and

WHEREAS, the Edwards Aquifer discharges at Comal Springs and San Marcos Springs, among other locations; and

WHEREAS, the flow from these springs is influenced by the water level of the Edwards Aquifer, which in turn is influenced by the ratio of recharge over time in relation to natural discharge through springs and artificial discharge through wells; and

WHEREAS, certain species listed or subject to petition for listing as threatened or endangered under the federal Endangered Species Act (the “ESA”) have been identified to occupy, be associated with, or depend upon discharges from the Edwards Aquifer at Comal Springs as well as instream flows proximately downstream of the springs in Landa Lake and the Comal River and associated riparian areas within the City of New Braunfels; and

WHEREAS, certain species listed or subject to petition for listing as threatened or endangered under the ESA have been identified to occupy, be associated with, or depend upon discharges from the Edwards Aquifer at San Marcos Springs as well as instream flows proximately downstream of the springs in Spring Lake and the San Marcos River and associated riparian areas within the City of San Marcos; and

WHEREAS, on November 1, 2011, the San Antonio Water System (the “System”) Board of Trustees, jointly with the Edwards Aquifer Authority (EAA), the City of New Braunfels, the City of San Marcos, and Texas State University – San Marcos, as well as the Texas Parks and Wildlife Department for certain limited purposes, approved a Habitat Conservation Plan (HCP) for submission to the United States Fish and Wildlife Service (USFWS) supporting an application
for an Incidental Take Permit (the “Permit”) with a term of 15 years to be issued by the USFWS as authorized by Section 10(a)(1)(B) of the ESA; and

WHEREAS, the USFWS has approved the HCP and issued the Permit; and

WHEREAS, implementation of Regional Water Conservation Projects is included in the HCP as a springflow protection measure; and

WHEREAS, this measure is included in the HCP as one of a series of springflow protection measures, each building off the success of the others in managing defined Drought of Record-like droughts for the protection of certain species described in the HCP; and

WHEREAS, the EAA and the System have cooperatively developed an Interlocal Contract for the implementation and administration of the role of the System in implementing Regional Water Conservation Projects; and

WHEREAS, the Interlocal Contract outlines the rights, duties, and obligations of the EAA and the System individually and each to one another; and

WHEREAS, the Interlocal Contract is consistent with the provisions of the HCP and the role of implementing Regional Water Conservation Projects in support of springflow protection during record-breaking droughts for those certain species in the HCP; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve the Interlocal Contract Between the Edwards Aquifer Authority and the San Antonio Water System for the Implementation of Regional Water Conservation Projects, and (ii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute the Interlocal Contract; now, therefore:

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

1. That the Interlocal Contract Between the Edwards Aquifer Authority and the San Antonio Water System for the Implementation of Regional Water Conservation Projects attached hereto as Attachment I is approved.

2. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the Contract.

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 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 5th day of January, 2016.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Patricia E. Merritt, Secretary

Attachment:

I. Interlocal Contract Between the Edwards Aquifer Authority and the San Antonio Water System for Implementation of Regional Water Conservation Projects
This Interlocal Cooperation Contract ("Contract") is made and entered into under the Interlocal Cooperation Act, Chapter 791, Texas Government Code, by and between the EDWARDS AQUIFER AUTHORITY ("EAA"), a political subdivision of the State of Texas, with its principal place of business located at 900 E. Quincy Street, San Antonio, Texas 78215, and the CITY OF SAN ANTONIO ACTING BY AND THROUGH ITS SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ("System"), the entity that is shown by the official permitting records of the EAA as the owner of record of Permit No. P100-594 ("Permit") with its principal place of business located at 2800 U.S. Highway 281 North, San Antonio, Texas 78212. Each of these entities is, at times, referred to individually as a "Party," and both are referred to collectively as "Parties."

RECITALS

WHEREAS, the EAA was created in 1993 by the Edwards Aquifer Authority Act, Act of May 30, 1993, 73rd Leg., R.S., ch. 626, 1993 Tex. Gen. Laws 2350; as amended ("Act"); and

WHEREAS, under Section 1.02 of the Act the EAA is a conservation and reclamation district created by virtue of Article XVI, Section 59 of the Texas Constitution, and is a governmental agency and body politic and corporate vested with the full authority to exercise the powers and to perform the functions specified in the Act; and

WHEREAS, Section 5.1.3 of the Edwards Aquifer Habitat Conservation Plan ("EAHCP") sets forth a Regional Water Conservation Program ("RWCP"), the goal of which is to conserve 20,000 acre feet per year (AF/yr) of permitted Edwards Aquifer ("Edwards" or "Aquifer") groundwater rights and/or exempt Aquifer withdrawals through the EAA exchanging technical assistance and economic incentives for the implementation of various conservation services, techniques, and measures identified in Section 5.1.3.2 of the EAHCP, such that 10,000 AF/yr would be committed to remain in the Aquifer unpumped, but still owned by a participating permittee, for the term of Incidental Take Permit No. TE-63663A-1 ("ITP"), as amended, originally issued on February 5, 2013 (to be effective on March 18, 2013) by the U.S. Fish and Wildlife Service, to benefit springflow levels and contribute to species protection, while the other 10,000 AF/yr would remain available to a participating permittee for withdrawal from the Aquifer and for beneficial use; and
WHEREAS, the System’s participation in the RWCP will assist in achieving and maintaining the RWCP’s stated objectives; and

WHEREAS, this Contract is an interlocal contract entered into under the authority of the Interlocal Cooperation Act ("ICA"), Chapter 791, Texas Government Code; and

WHEREAS, under Section 791.003(4)(A) and (5) of the ICA, the EAA and the System are “local governments”; and

WHEREAS, under Section 791.003(3) of the ICA, the activities that are the subject of this Contract are governmental functions and services in that they involve the public health and welfare, planning, administrative functions, and/or other governmental functions in which the Parties are mutually interested; and

WHEREAS, under Section 1.11(d)(2) of the Act, and other applicable law, the EAA has the authority to enter into contracts; and

WHEREAS, under Section 1.22 of the Act, the EAA is authorized to administer a groundwater trust ("Groundwater Trust"), and has implemented rules in furtherance thereof at Chapter 711, Subchapter N of its rules; and

WHEREAS, the EAA Board of Directors approved this Contract on January 12, 2016, and authorized the EAA General Manager to execute the Contract; and

WHEREAS, the System’s Board of Trustees approved this Contract on January 5, 2016, and authorized the System’s President and Chief Executive Officer to execute the Contract; and

WHEREAS, it is in the public interest that the EAA and the System implement the RWCP by entering into this Contract.

AGREEMENT

NOW THEREFORE, for and in consideration of the mutual promises and benefits contained herein, the sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE I - TERM; DESCRIPTION OF WATER CONSERVATION PROGRAM

Section 1.1. Term. This Contract is effective and commences on January 1, 2016, ("Effective Date") and terminates on March 31, 2028, ("Expiration Date").

Section 1.2. Water Conservation Program. Subject to the terms and conditions of this Contract, the EAA, in discharge of its responsibility to administer the RWCP under Section 5.1.3 of the EAHCP, engages the System to perform, for the benefit of the EAHCP, the work set forth and described in this Contract and in the Water Conservation Program attached hereto as Exhibit A ("Water Conservation Program" or "Program"). The System accepts such engagement and agrees to perform the Program.
Section 1.3. Commencement and Completion of the Water Conservation Program. The System will commence performing the Water Conservation Program immediately upon January 1, 2016. The Program will be completed by the System in compliance with the Program terms and schedule described in Exhibit A. Written notice of Program completion will be delivered to the EAA by the System no later than January 15, 2021. It shall be the System’s responsibility to ensure that the completion times for the Program are met. Time is of the essence in the performance of this Contract.

ARTICLE II - AMENDMENTS

Section 2.1. Written Agreement. This Contract may be amended only by written agreement of the Parties.

Section 2.2. Amendments by the General Manager. The Board of Directors of the EAA delegates the authority to the General Manager to enter into amendments to this Contract without further authorization by the Board consistent with the General Manager’s authority to enter into contracts under Section 4.01 of the EAA’s Bylaws.

ARTICLE III - COMPENSATION

Section 3.1. Fees and Expenses. As consideration for the transfer of Conserved Water in accordance with Section 11.3 and the System’s performance of the Water Conservation Program in accordance with Exhibit A, the EAA agrees to pay the System the sum of $18,631,400, to be paid in the following annual installments for Program implementation during the following calendar years:

2016 – $4,507,750;
2017 – $4,507,750;
2018 – $4,507,750;
2019 – $4,507,750; and
2020 – $600,400.

Expenditure of these annual amounts by the System may be adjusted as provided in Section 3.3.

Section 3.2. Payment. Payment by the EAA to the System of each annual installment as described in Section 3.1 will be payable concurrently with the EAA’s issuance of a notice of transfer of the annual amount of Conserved Water into the Groundwater Trust as provided in Section 11.3.

Section 3.3. Payment Adjustments. Any funds provided by the EAA to the System for a particular calendar year as identified in Section 3.1 that are not expended by the System in that calendar year shall be expended by the System for the Water Conservation Program no later than December 31, 2020.

Section 3.4. Excess Expenditures. The System shall be solely responsible for the payment
of any expenditures of the System in excess of the funds provided by the EAA for a particular calendar year as identified in Section 3.1 for that calendar year. The EAA is not accountable for the payment of any expenditures in excess of the annual or total amounts identified in Section 3.1.

ARTICLE IV - INDEPENDENT CONTRACTOR

Section 4.1. No Employment Relationship. The Parties understand and agree that this Contract does not create a fiduciary relationship between them, that they are separate entities, that the System is an independent contractor with respect to the performance of the Water Conservation Program and is not subject to the direct or continuous control and supervision of the EAA, and that nothing in this Contract is intended to make either Party a subsidiary, joint venturer, partner, employee, agent, servant, or representative of the other Party for any purpose whatsoever. The System shall provide any and all labor, machinery, equipment, materials, tools, and transportation necessary for the performance of the Program. The EAA shall have no right of direction or control of the System, or its employees and agents, except in the results to be obtained, to inspect the progress of the Program, and to receive reports. The System shall accommodate reasonable requests from the EAA to allow EAA employees, agents, or representatives to accompany and observe the System’s personnel, or subcontractors, in carrying out the Program.

ARTICLE V - SYSTEM PERSONNEL AND SUBCONTRACTORS

Section 5.1. Personnel. The System, at its sole discretion, will provide any and all personnel or subcontractors necessary for its performance of the Water Conservation Program. The System will be responsible for its subcontractors, employees and agents in all respects, including, without limitation, their compliance with applicable laws and their safety, including without limitation, all Occupational Safety and Health Administration (“OSHA”) standards, requirements, and regulations. To the extent allowed by law, the System indemnifies and holds harmless the EAA, its officers, employees, and directors from and against any claims brought by any employee, subcontractor, other agent of the System, or other person, relating in any way to the performance of the Program.

Section 5.2. Subcontractors. In performing the Water Conservation Program, the System may retain and utilize subcontractors. The System will be responsible for its subcontractors in all respects including their compliance with applicable laws and their safety, including without limitation, all OSHA standards, requirements, and regulations.

ARTICLE VI – TERMINATION

Section 6.1. Discontinuance or change of the RWCP. This Contract may be terminated prior to the Expiration Date stated in Section 1.1 due to decisions made pursuant to the AMP\(^1\)

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\(^1\) For purposes of this Contract, "AMP" means "Adaptive Management Process" which is an iterative process designed to develop information through monitoring and research, and the review and use of the results to confirm the efficacy of or to adjust the Conservation Measures, as all described in Article Seven of the FMA and in Chapter 6 of the EAHCP. See FMA § 1.1.1. The EAHCP that is in effect for purposes of this Contract is that which accompanied the application for the ITP.
process of the FMA² only as follows:

(A) If it is determined that the RWCP be discontinued as a Conservation Measure by the Implementing Committee of the EAHCP Program under Section 7.12.4.f. of the FMA, the EAA may terminate this Contract, in its sole discretion, by providing advance written notice of termination to the System by July 1st of any year during the term of this Contract, in which case this Contract terminates on December 31st of the same year in which the notice is timely given; or

(B) If the RWCP is modified and such modification results in a material conflict with this Contract, and the Parties are unable in good faith to renegotiate a modification to this Contract to be consistent with the modified RWCP within 60 business days from the date the EAA gives notice to the System that the RWCP has been modified, either Party may terminate this Contract by providing advance written notice of termination to the other Party by July 1st of any year during the term of this Contract, in which case this Contract terminates on December 31st of the same year in which timely notice is given.

Section 6.2. Failure to Appropriate Funds. If either Party fails to appropriate funds necessary to discharge that Party's obligations under this Contract and a court of competent jurisdiction fails to enforce that obligation, then this Contract will terminate, and the other Party will have the right to petition the U.S. Fish and Wildlife Service to terminate the ITP with regard to that Party.

ARTICLE VII - OWNERSHIP OF MATERIALS

Section 7.1. Ownership. All information, documents, property, or materials produced, created, or supplied under this Contract by the System, its employees, agents, or subcontractors, or anyone else, and whether finished or unfinished or in draft or final form, will be the property of the System; provided that the EAA shall have reasonable access to technical and other data resulting directly from the performance of the Water Conservation Program.

Section 7.2. Record Copies. The System shall retain a record copy of all information, documents, property, or materials developed in the course of performing the Water Conservation Program. Upon request of the EAA, such information, documents, property, or materials will be promptly supplied to the EAA, including after the Expiration Date under Section 1.1, or termination of this Contract under Section 6.1. The EAA will reimburse the System for actual cost of time and expenses of reproduction of such materials when requested.

ARTICLE VIII - PERFORMANCE

Section 8.1. Performance. The System warrants that it will perform the Water

² For purposes of this Contract, "FMA" means that certain Funding and Management Agreement by and among the Edwards Aquifer Authority, the City of New Braunfels, the City of San Marcos, the City of San Antonio, acting by and through its San Antonio Water System Board of Trustees, and Texas State University – San Marcos to fund and manage the Habitat Conservation Plan for the Edwards Aquifer Recovery Implementation Program (eff. Jan. 1, 2012).
Conservation Program in a good and workmanlike manner, strictly in accordance with the standards of the water conservation industry for the installation, operation, and maintenance of the services, techniques, and measures which are included in the Program.

ARTICLE IX - ASSUMPTION OF RISK

Section 9.1. Assumption of the Risk. The System shall assume all risks associated with the System’s or its subcontractors’ performance under this Contract.

ARTICLE X - NOTICES

Section 10.1. Notices to the EAA. All notices or communications under this Contract to be mailed or delivered to the EAA shall be in writing and shall be sent to the EAA’s principal place of business as follows, unless and until the System is otherwise notified:

EDWARDS AQUIFER AUTHORITY
900 E. Quincy Street
San Antonio, Texas 78215
ATTENTION: ROLAND RUIZ, GENERAL MANAGER

Section 10.2. Notices to the System. All notices or communications under this Contract to be mailed or delivered to the System shall be in writing and shall be sent to the address of the System as follows, unless and until the EAA is otherwise notified:

SAN ANTONIO WATER SYSTEM
2800 U.S. Highway 281 North
San Antonio, TX 78212
ATTENTION: ROBERT R. PUENTE,
PRESIDENT AND CHIEF EXECUTIVE OFFICER

Section 10.3. Effective Date of Notice. Any notices or communications required to be given in writing by one Party to the other shall be considered as having been given to the addressee on the date the notice of communication is posted by the sending Party, or actually delivered if otherwise delivered.

ARTICLE XI - MANAGEMENT OF CONSERVED WATER

Section 11.1. Conserved Water. The Parties agree that after December 31, 2020, (the final year of implementation of the Water Conservation Program by the System), 9,806.00 AF/yr of groundwater from the Aquifer under the Permit will be conserved annually by the System during the remaining term of this Contract ("Conserved Water"). The Conserved Water will be transferred by the EAA into the Groundwater Trust pursuant to Section 11.3.

Section 11.2. Representations of the System. The System represents and warrants that it has the legal authority to delegate to the EAA the right to transfer the Conserved Water into the Groundwater Trust pursuant to Section 11.3. The System also represents and warrants that it has
good and clear legal title to the Conserved Water, free and clear of liens or other encumbrances, and no challenges have been made or threatened by third parties to the System’s claimed ownership of or rights in the Conserved Water.

Section 11.3. Transfer of Conserved Water. (a) The System desires to conserve and transfer, and the EAA desires for the System to conserve and for the EAA, as Trustee of the Groundwater Trust, to accept the transfer of the Conserved Water in trust under the terms and conditions of this article. Therefore, as consideration for the payments under Article III, subject to Section 3.2 and subsection (d), and as provided in this article, the System hereby authorizes the EAA to transfer into the Groundwater Trust the Conserved Water with the rights and obligations of the Parties as provided in Section 11.5. The EAA shall promptly give written notice to the System of any and all transfers of Conserved Water into the Groundwater Trust that it has made without the need for any further action by either Party, other than the EAA making adjustments to its official permitting records to reflect the transfer. The EAA is responsible for issuance and filing an original of the executed notice of transfer in its appropriate records. The transfer notice is intended by the Parties to be self-implementing to effectuate a transfer without the need for the Parties having to execute and deliver to the other Party any other documents, including an application to transfer, application to amend, trust transfer contract, or any other document of any kind whatsoever that may be required under Subchapters L (Administration of Permits) or N (Groundwater Trust) of Chapter 711 (Groundwater Withdrawals) of the EAA’s rules. The transfer notice shall indicate the amount of Conserved Water transferred, the effective date of the transfer, the term of the transfer, that the EAA has adjusted its official permitting records to reflect the transfer, and any other information that the EAA deems appropriate and useful.

(b) Subject to Section 3.2 and subsection (d), the EAA shall transfer Conserved Water into the Groundwater Trust by issuing a notice of transfer at any time during the month in accordance with the following schedule:

1. 2,372.50 AF/yr – February 2016;
2. 2,372.50 AF/yr – January 2017;
3. 2,372.50 AF/yr – January 2018;
4. 2,372.50 AF/yr – January 2019; and
5. 316.00 AF/yr – January 2020.

(c) A transfer under this section does not include any other rights, duties or obligations of the System under the Permit that are not considered to be Conserved Water, and such remaining portion of the Permit is not affected in any manner by the terms or conditions of this Contract. The System shall not be required to pay any application fees to the EAA for the EAA to issue a transfer notice.

(d) The EAA may issue a transfer notice only concurrently with the EAA’s payment to the System of each annual installment as described in Section 3.1. A notice of transfer is effective only upon the EAA making payment under Section 3.2, and any purported transfer is hereby deemed null and void until such payment has been made.
Section 11.4. Term of Transfer. The Conserved Water shall remain in the Groundwater Trust during the term of this Contract as provided in Section 1.1, until released pursuant to Section 11.7.

Section 11.5. Rights and Obligations of the System. Upon transfer of the Conserved Water into the Groundwater Trust pursuant to Section 11.3, the System shall have the following rights, restrictions, duties, and obligations:

1. The System shall have no right to withdraw the Conserved Water during the term of this Contract.

2. The System shall not undertake any action which could lead to the invalidation of the Conserved Water and the System shall immediately notify the EAA if the System learns of any facts or circumstances suggesting that the Conserved Water could be called into question.

3. The System may not, voluntarily or involuntarily, anticipate, sell, pledge, encumber, license, lease, transfer, assign, convey, give, devise, bequeath, or otherwise dispose of, either directly or indirectly, the Conserved Water without the prior written approval of the EAA. Further, the Conserved Water shall not be subject to any debt contracted by the System, either prior to or after the transfer, or any judicial process for the satisfaction of any claim against the System.

4. The System shall not be assessed and shall have no obligation to pay any aquifer management fees associated with the Conserved Water while it remains in the Groundwater Trust, or in arrears after release of the Conserved Water for the period of time the Conserved Water was held in the Trust. However, the System shall remain liable for any aquifer management fees already assessed against the Conserved Water prior to the effective date of the transfer.

5. The Conserved Water shall not be considered to be part of the System’s authorized groundwater withdrawal amounts for purposes of Section 715.218 of the EAA’s critical period management rules, and the System shall not otherwise be required to interrupt its withdrawals from the Aquifer based on any Conserved Water held in trust by the EAA pursuant to this Contract.

6. The System shall be entitled to have the Conserved Water released from this Contract as provided in Section and 11.7.

Section 11.6. Rights and Obligations of the EAA. Upon transfer of the Conserved Water into the Groundwater Trust pursuant to Section 11.3, the EAA shall have the following rights, restrictions, duties, and obligations:

1. The EAA must hold the Conserved Water in the Groundwater Trust, and may not sell, lease, or transfer the Conserved Water to a third-party for any purposes, nor otherwise withdraw or authorize the withdrawal of any groundwater pursuant to the
Conserved Water during the term of this Contract.

(2) The EAA may not retire the Conserved Water, nor take any other action that would result in the permanent reduction in the groundwater withdrawal amount of the Permit.

(3) The Conserved Water shall not be subject to any debt contracted by the EAA, either prior to or after the transfer, or any judicial process for the satisfaction of any claim against the EAA.

(4) The EAA shall not assess any aquifer management fees against the Conserved Water while it remains in the Groundwater Trust.

(5) The EAA shall exclude the Conserved Water when calculating the System's authorized groundwater withdrawal amounts for purposes of Section 715.218 of the EAA's critical period management rules.

Section 11.7. Release of Conserved Water Held in Trust. Upon the effective date of the termination of this Contract as provided for in Sections 1.1 and 6.1, the Conserved Water is hereby released from the Groundwater Trust and returned to the System without any further action of the EAA to accomplish the release and return. This release and return is intended by the Parties to be self-implementing under the terms and conditions of this Contract without the need of the Parties having to execute any other documents to effectuate this transfer. Such release and return shall be free from any and all of the provisions of this Contract and the Groundwater Trust. The EAA shall promptly adjust its official permitting records to reflect the release and promptly give the System written notice of the adjustment.

Section 11.8. Release of Rights held in Trust under the EAHCP Initial Commitment Contract. (a) As provided in this Section, the Parties agree that the System is entitled to have released and returned the Trust Portion of the Permit as provided in Section 9 of that one certain Regional Water Conservation Program Initial Commitment Contract with the City of San Antonio Acting by and through its San Antonio Water System Board of Trustees (Contract Number 13-649-HCP) (“SAWS Initial Commitment Contract”) entered into with the EAA effective October 8, 2013.

(b) The Board of Directors of the EAA hereby delegates to the General Manager the authority to release the appropriate amount of the Trust Portion of the Permit on a one-to-one AF/yr basis that is subject to release under Section 9.0 of the SAWS Initial Commitment Contract due to the transfer of Conserved Water into the Groundwater Trust under Section 11.3. This delegation is limited to that amount of Conserved Water that has been transferred into the Groundwater Trust under Subsection 11.3(b) for each year in which the EAA has issued a notice of transfer. Because the Water Conservation Program is a multi-year project, the total amount of the Trust Portion of the Permit under the SAWS Initial Commitment Contract that is authorized to be released under Section 9.0 is the incremental cumulative amount for each year from 2016 through 2020.
(c) For conservation occurring from 2016 through 2020, releases of the Trust Portion of the Permit under the SAWS Initial Commitment Contract shall be made concurrently with the transfer of Conserved Water into the Groundwater Trust by the EAA under Section 11.3 under the schedule in Subsection 11.3(b). The EAA shall promptly adjust its official permitting records to reflect the release and promptly give the System written notice of the adjustment.

(d) Not later than March 1st of each year from 2016 through 2020, the General Manager shall report to the Board of Directors of the EAA and the EAHCP Program Manager the amount of Conserved Water to be reserved in the Aquifer due to transfers of Conserved Water made under Section 11.3 for each year.

ARTICLE XII – MISCELLANEOUS

Section 12.1. Entire Agreement. This Contract and the attached Exhibits constitute the entire agreement between the Parties regarding the Water Conservation Program to be performed by the System and there are no representations, warranties, agreements, or commitments between the Parties except as set forth herein. Unless otherwise authorized herein, no amendments or additions to this Contract shall be binding on the Parties unless in writing and signed by the Parties.

Section 12.2. Non-Waiver. No delay or failure by either Party to exercise any right under this Contract, nor any partial or single exercise of that right, shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

Section 12.3. Headings. Headings in this Contract are for convenience only and shall not be used to interpret or construe its provisions.

Section 12.4. Governing Law. This Contract shall be deemed to have been executed and performed in the State of Texas and shall be construed in accordance with and governed by the laws of the State of Texas. Venue for any disputes or claims arising from this Contract shall be exclusively in the proper courts in Bexar County, Texas.

Section 12.5. Counterparts. This Contract may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

Section 12.6. Binding Effect. The provisions of this Contract shall be binding upon and inure to the benefit of the Parties and their respective successors and assigns; provided, however, that neither Party may assign any of its rights or delegate any of its duties under this Contract without the other Party’s prior written consent.

Section 12.7. Validity. The invalidity of any provision or provisions of this Contract shall not affect any other provision of this Contract, which shall remain in full force and effect, nor shall the invalidity of a portion of any provision of this Contract affect the balance of such provision.

Section 12.8. Non-Waiver of Immunity. Nothing in this Contract is intended as any waiver by either Party of any immunity from suit to which it is entitled under Texas law.
Section 12.9. Survival. Termination of this Contract for breach shall not constitute a waiver of any rights or remedies available at law or in equity to a Party to redress such breach. All remedies, either under this Contract or at law or in equity, or otherwise available to a Party, are cumulative and not alternative and may be exercised or pursued separately or collectively in any order, sequence or combination. In addition to these provisions, applicable provisions of this Contract shall survive any termination of this Contract.

Section 12.10. Attachments. The Exhibits, schedules, and/or other documents attached hereto or referred to herein are incorporated herein and made a part of this Contract for all purposes. As used herein, the expression “Contract” means the body of this Contract and such attachments, Exhibits, schedules, and/or other documents, and the expressions “herein,” “hereof,” and “hereunder” and other words of similar import refer to this Contract and such attachments, Exhibits, schedules, and/or other documents as a whole and not to any particular part or subdivision thereof.

Section 12.11. Costs. If any legal action, arbitration, or other proceeding is brought by a Party for the enforcement of this Contract or because of an alleged breach or default of this Contract, the prevailing Party shall be entitled to recover reasonable costs incurred, including but not limited to attorney’s fees, in such action or proceeding in addition to any other relief to which it or they may be entitled.

Section 12.12. Authority to Contract. Each Party represents and warrants for the benefit of the other Party that: (1) it has the legal authority to enter into this Contract; (2) this Contract has been duly approved and executed; (3) no other authorizations or approvals are or will be necessary in order to approve this Contract and enable that Party to enter into and comply with the terms and conditions of this Contract; (4) the person executing this Contract on behalf of each Party has the authority to bind that Party and the Party is empowered by law to execute any other agreements or documents and to give such other approvals, in writing or otherwise, as are or may hereafter be required to implement and comply with this Contract.

Section 12.13. Officers or Agents. No officer or agent of the Parties is authorized to waive or modify any provision of this Contract. No amendment to or rescission of this Contract may be made except by a written document signed by the Parties’ authorized representatives.

Section 12.14. Recordation. The EAA shall have the right to record this Contract of public record, or a memorandum thereof.

Section 12.15 Payment from Current Revenues. The Parties acknowledge that pursuant to Subsection 791.011(d)(3) of the ICA, the EAA, which is paying for the performance of the Water Conservation Program, will make such payments from current revenues available to EAA.

Section 12.16. Remedies. (a) The Parties recognize that failure in the performance of any Party’s obligations hereunder may not be measurable solely in money damages. Each Party therefore agrees in the event of any default on its part that each Party will have available to it, in addition to all other legal remedies, the equitable remedy of injunction, mandamus and/or specific
performance, and, except as provided by subsection (e), not termination, as long as the ITP is outstanding. It is the intent of the Parties that any default may be subject to the remedy of injunction, mandamus and/or specific performance to the extent that injunction, mandamus and/or specific performance is possible under the existing circumstances.

(b) In the event that, during any year during the term of this Contract, the System withdraws Aquifer groundwater in excess of the amounts authorized under the Permit as adjusted for any transfers of Conserved Water into the Groundwater Trust under Article XI, and such withdrawal is deemed by a final judgment of a court of competent jurisdiction to be a breach of this Contract, in addition to the attorney fees and other costs authorized in Section 12.11, the System shall pay to the EAA, as the balance due and owed by the System under this Contract, liquidated money damages for each AF of Aquifer groundwater withdrawn in excess of the adjusted amounts authorized under the Permit, equal to the following amounts per AF then in effect at the time of the unauthorized withdrawals:

1. The EAA’s aquifer management fees then in effect x the number of AF of unauthorized withdrawals as determined by the court in its final judgment;

2. 1.0 times the number of AF of unauthorized withdrawals as determined by the court in its final judgment x average EAHCP Groundwater annual lease cost for leases acquired and maintained by the EAA under Section 6 of that one certain Interlocal Contract between the Edwards Aquifer Authority and the San Antonio Water System for the Use of the Twin Oaks Aquifer Storage and Recovery Project for Contribution to Springflow Protection (effective August 14, 2013), as additional reimbursement for the lease payment that the EAA pays to acquire and lease EAHCP Groundwater under Section 6 of that contract, and the EAA’s administrative costs in acquiring and maintaining such leases.

(c) Each Party agrees that the actual natural resources damages to the Comal Springs and River ecosystem and the San Marcos Springs and River ecosystem in the event of a particular occurrence of unauthorized withdrawals resulting in noncompliance with Subsection 11.5(1) would be difficult or impossible to ascertain, and that the liquidated damages provided for herein are intended to place the EAA in the same economic position in which it would have been had the particular occurrence of unauthorized withdrawals not occurred. Such liquidated damages shall constitute the only money damages payable by the System to the EAA to compensate the EAA for the damages occasioned by and associated with the specific circumstance of unauthorized withdrawals, regardless of legal theory.

(d) The EAA agrees that it has voluntarily entered into this Contract as a Party in furtherance of the EAHCP. In the event that the EAA elects to invoke its regulatory enforcement authority against the System for any action or failure to act related to this Contract, such election shall be deemed to be an election of remedies and the EAA’s right to pursue any other remedies shall be deemed forfeited and terminated.

Section 12.17. Default – Notice and Opportunity to Cure. If any Party fails to perform any obligation or make any payment in the required amount when due under this Contract, the other Party shall provide written notice of default to the nonperforming Party. A copy of such notice
will also be provided to the EAHCP Program Manager and the EAHCP Implementing Committee. The nonperforming Party has five (5) business days to reply to the notice, and sixty (60) days from receipt of the notice within which to remedy the default, unless another time frame is agreed to by the Party.

Section 12.18. Mediation. (a) Either Party may request informal consultation with the other Party at any time to resolve a current or anticipated controversy arising under this Contract. Any such request will not be unreasonably refused by the other Party. The consultation shall be undertaken by both Parties in good faith and with due diligence to effect the purpose of this Contract.

(b) In the event any current or anticipated controversy arising under this Contract is not resolved by informal consultations between the Parties within thirty (30) business days after any Party requests consultations, or within five (5) business days for potential noncompliance, then, upon the request of any Party, the controversy will be referred to mediation, which process will be governed by the Texas Civil Practice and Remedies Code, Chapter 154, as may be amended, or its successor statute. Failing identification of a mutually acceptable mediator, the mediation will be conducted by the University of Texas School of Law Center for Public Policy Dispute Resolution. The mediation process will continue until the sooner of: (i) no more than thirty (30) business days from the designation of the mediator; (ii) until the controversy is resolved; (iii) the mediator makes a finding that there is no possibility of settlement through mediation; or (iv) either Party chooses not to continue the mediation further. All costs and expenses of the mediation (including the mediator’s fees) will be shared equally by the Parties, provided however, that costs incurred individually by each Party will be costs solely of such Party.

Section 12.19 Access to Property. Upon reasonable prior written notice, the System agrees to allow the employees and duly authorized agents of the EAA to enter the property and any other works or facilities of the System associated with the implementation of Water Conservation Program, at any reasonable time for the purpose of inspecting and investigating conditions relating to the implementation or compliance with the terms and conditions of this Contract. EAA employees or agents while on the property, works, or facilities of the System shall observe the System’s rules, policies, or procedures concerning safety, internal security, and fire protection and shall notify the System of their presence and shall exhibit proper credentials.
IN WITNESS WHEREOF, this Contract is executed as of the day and date first written above in Section 1.1.

EDWARDS AQUIFER AUTHORITY

By: __________________________
Roland Ruiz
General Manager

ATTEST:

By: __________________________
Jennifer Wong-Esparza
Assistant to the Board Secretary

APPROVED AS TO FORM:

Darcy Alan Frownfelt
General Counsel
Edwards Aquifer Authority

SAN ANTONIO WATER SYSTEM

By: __________________________
Robert R. Puente
President and Chief Executive Officer

ATTEST:

By: __________________________

Name: __________________________
Title: __________________________

APPROVED AS TO FORM:

Steve Kosub
Senior Water Resource Attorney
San Antonio Water System
ACKNOWLEDGEMENT

STATE OF TEXAS

COUNTY OF __________

This instrument was acknowledged before me on ________________, 2015, Robert R. Puente of the San Antonio Water System, known personally to me to be the person who subscribed to this instrument, on behalf of Transferor.

________________________________
Notary Public, State of Texas

STATE OF TEXAS

COUNTY OF BEXAR

This instrument was acknowledged before me on ________________, 2015, by Roland Ruiz, General Manager of the Edwards Aquifer Authority, known personally to me to be the person who subscribed to this instrument, on behalf of the Edwards Aquifer Authority.

________________________________
Notary Public, State of Texas

AFTER RECORDING RETURN TO:

Edwards Aquifer Authority
900 E. Quincy Street
San Antonio, Texas 78215
Attn: General Manager

Page 15 of 15
EXHIBIT A
WATER CONSERVATION PROGRAM

1. Purpose

The purpose of this Contract is for the System to implement a Water Conservation Program ("Program") under Section 5.1.3 of the EAHCP. Implementation of the Program will result in the transfer into the EAA’s Groundwater Trust of the portion of the associated water estimated to be incrementally conserved annually due to the implementation of the Program. In so doing, Conserved Water transferred into the Groundwater Trust will remain in the Aquifer unpumped for the term of this Contract to benefit springflow levels and contribute to protection of the EAHCP Covered Species.

2. Water Conservation Program

Specifically, the System will initiate a five-year leak repair program from 2016 through 2020 within the System’s existing water distribution infrastructure. The System and the EAA estimate that a total of 19,612 AF of Edwards Aquifer groundwater will be conserved in the annual increments described below. One-half of the Conserved Water will be transferred into the Groundwater Trust in January of each respective year as provided in Section 11.3(b) through March 31, 2028, as depicted in the table below.

<table>
<thead>
<tr>
<th>Water</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Estimated Conserved Water (AF/yr)</td>
<td>4,745</td>
<td>4,745</td>
<td>4,745</td>
<td>4,745</td>
<td>632</td>
<td>19,612</td>
</tr>
<tr>
<td>50% of Conserved Water Transferred into the Groundwater Trust (AF/yr)</td>
<td>2,372.50</td>
<td>2,372.50</td>
<td>2,372.50</td>
<td>2,372.50</td>
<td>316.00</td>
<td>9,806.00</td>
</tr>
<tr>
<td>Annual Payment</td>
<td>$4,507,750.</td>
<td>$4,507,750.</td>
<td>$4,507,750.</td>
<td>$4,507,750.</td>
<td>$600,400.</td>
<td>$18,631,400.</td>
</tr>
</tbody>
</table>

3. Initial Meeting

In February 2016, the Parties shall meet to discuss the System’s contemplated approach to implement the Program, including expected activities, timelines, and costs.
4. **Initial Report – Technical Memorandum**

   In May 2016, the System shall present to the EAA the initial semi-annual status in a written technical memorandum. These reports will include information relevant to how the System’s efforts are being deployed to meet the requirements of this Contract and the EAHCP. Documentation will include invoicing, metrics on leak repairs, details on estimated leakage savings, and accounting for the work above and beyond the System’s current capacities these efforts have provided for. The EAA shall have 10 business days to review, comment and request any further information it may require for purposes of Program documentation. The System, in good faith of its leak detection and repair plan, preemptively transfers water into the Groundwater Trust to cover all potential savings for the Program’s success as it relates to the EAHCP, but cooperatively wishes to document performance results. The Parties will continue this process for future periodic reporting by System providing a semi-annual status in a written technical memorandum each May thereafter through 2020. The System, at its own discretion and the EAA’s cost, may engage its water loss control professionals under current contracts to develop further analysis with detailed methodologies to any shortcomings result from the EAA review.

5. **Periodic Reports**

   The System agrees to furnish semi-annual reports in May and October from 2016 through 2020 relative to the Program and its activities, progress, and costs. Additionally, the System agrees to furnish any special reports or information as may be reasonably requested in writing by the EAA. The System may supply reports on a more frequent basis when, in the System’s judgment, such reports would be useful to the Parties. The EAA will review such reports to ensure that the objectives of the Contract are being met. At the request of the EAA, the System will also provide information on specific actions taken under the Program as may be necessary to ensure compliance with Section 5.1.3 of the EAHCP and this Contract.

6. **Annual Report.**

   (a) No later than February 15th of the year following the reporting period, the System will prepare and submit to the EAHCP Program Manager an annual report of activities related to the Program. This report is for the purpose of assisting the EAHCP Program Manager in the preparation and submission of an annual report to the U. S. Fish and Wildlife Service on or before March 31st. The System’s annual report of Program activities shall contain the following information:

   - (1) A description of the System’s Program activities including action taken, progress achieved, and a description and reconciled quantification of water conserved due to the Program for the reporting period;

   - (2) A description of the Program activities that were required to be performed during the reporting period, and a self-evaluation of whether such activities were met;

   - (3) A description of the terms, conditions, goals, and objectives under the EAHCP relevant to the RWCP that were required to be met during the reporting period, and a self-evaluation of whether such terms, conditions, goals, and objectives were met; and
(4) Any other data or information that in the mutual judgment of the Parties is reasonably relevant and necessary to review and assess the efficacy of the implementation of the Program as provided for in this Contract.

(b) The System will provide a draft annual report to the EAA for review and comment no later than December 31st of the reporting period. The EAA will have ten (10) business days to review and comment on the draft report.

(c) After the System receives the EAA’s comments, the System will review such comments and incorporate any changes that, in its sole discretion, are reasonable and appropriate. The System will provide a written response to any comments that are not incorporated, and the reasons therefore, after which the annual report may be finalized and the report filed with the EAA and the Implementing Committee.

(d) The Parties agree to fully cooperate with one another by sharing administrative records and such other documents, data, or information relating to the preparation, development, and submission of the annual report.

7. Meetings.

The Parties shall meet no less than twice each year in 2016 through 2020 during the months of June and November to discuss the Program and its activities, progress, and costs. Upon the request of one of the Parties, meetings may be held more frequently as required to facilitate the implementation of the Program. Issues to be discussed at such meetings include the following: staffing, project approach and status, scheduling, interagency coordination and communication, documentation, problems encountered, water conserved, activities undertaken, and Program costs. Periodically, meetings may be held at sites to view any construction that may be performed to implement the Program.
TO: San Antonio Water System Board of Trustees

FROM: Frances Plocek, P.E., Director, Governmental Engineering, and Genoveva G. Gomez, P.E., Vice President, Engineering and Construction

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

SUBJECT: AUTHORIZATION CONCERNING BOTH THE SAN ANTONIO WATER SYSTEM AND THE DISTRICT SPECIAL PROJECT TO EXECUTE AN INTERLOCAL AGREEMENT AND TO ADVANCE FUNDS TO BEXAR COUNTY PUBLIC WORKS IN CONNECTION WITH THE POTRANCO ROAD (FM 1957): LOOP 1604 TO HWY 211 PROJECT

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution relates to both the San Antonio Water System (the “System”) and the District Special Project (the “DSP”), and authorizes the President/Chief Executive Officer to provide advanced payment to Bexar County Public Works (the “County”) in the amount of $3,024,799.56 for the joint construction of water and sewer facility adjustments in connection with the Potranco Road (FM 1957): Loop 1604 to Hwy 211 Project. It further approves an additional amount of $60,495.99 for construction contingency expenses and the execution of an Interlocal Agreement.

- 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 $35,348,561.72.

- Due to the reconstruction and expansion of Potranco Road (FM 1957): Loop 1604 to Hwy 211, the existing System water mains constructed between 1999 and 2002, require adjustment to avoid conflicts with the County’s street and drainage improvements.

- The existing DSP water mains constructed between 1998 and 2013, require adjustment to avoid conflicts with the County’s street and drainage improvements. The 2013 infrastructure adjustments are for fire hydrants and associated piping installed by developers for storage facilities.

- The existing sewer main that was constructed in 1986, requires adjustment to avoid conflicts with the County’s street and drainage improvements.

- The System’s water adjustment work will consist of approximately 8,887 feet of 12-inch water main at an estimated cost of $1,893,483.88.
The DSP’s water adjustment work will consist of approximately 4,245 feet of 12-inch through 30-inch water at a cost of $1,603,803.00.

The sewer adjustment work will consist of approximately 74 feet of 21-inch sewer main at a cost of $64,205.68.

It is anticipated that 33.46% of the DSP water adjustment work will be eligible for reimbursement. The remaining 66.54% for DSP water adjustment work, 100% System water adjustment and 100% of the sewer adjustment work will be funded by the System.

Since the County’s proposed street and drainage improvements will conflict with the existing 12-inch and 24-inch water mains and both facilities lie within an existing easement, the County has agreed to pay for all engineering at a cost of $19,295.68 and construction costs of $547,426.86 for DSP water work, including $536,693.00 for construction and $10,733.86 for construction contingency expenses associated with these adjustments.

Following the completion of construction, the County has agreed to reimburse the System its pro-rata share of engineering design costs associated with the replacement of the water main that lies within a dedicated easement within the County’s project limits.

The County is scheduled to approve Sterling Construction Company, Inc.’s bid for construction of this project on January 12, 2016. 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. The executed Interlocal Agreement and the amount advanced to the County will reflect the actual bid price and contingency amount for the project.

Funds as determined by the amount bid will be transferred to County following the execution of the Interlocal Agreement. Only the funds not eligible for reimbursement will be advanced to the County.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

<table>
<thead>
<tr>
<th></th>
<th>System</th>
<th>District Special Project</th>
<th>Total*</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1,996,843.35</td>
<td>$1,088,452.20</td>
<td>$3,085,295.55</td>
</tr>
</tbody>
</table>

The System’s Project Fund will finance $1,931,353.56 of the total expenditure included in the System’s CY 2016 Capital Improvement Program. The water work is included in the Water Core Business, Governmental – Water Category, and Governmental Water Replacements budget line item. The amount is $1,931,353.56 for water work, including $1,893,483.88 for construction and
Authorization to Execute an Interlocal Agreement and Advance Funds to Bexar County Public Works
Potranco Road (FM 1957) Loop 1604 to Hwy 211 Project

$37,869.68 for construction contingency expenses. The System job number is 12-5011-000. The District Special Project Fund will finance $1,088,452.20 of the total expenditure included in the CY 2016 District Special Project Capital Improvement Program. The amount is $1,088,452.20 for water work, including $1,067,110.00 for construction and $21,342.20 for construction contingency expenses. The DSP job number is DSP-12-5210-000.

The System’s Project Fund will finance $65,489.79 of the total expenditure included in the System’s CY 2016 Capital Improvement Program. The sewer work is included in the Wastewater Core Business, Governmental – Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $65,489.79 for sewer work, including $64,205.68 for construction and $1,284.11 for construction contingency expenses. The job number is 12-5511-000.

*The allocation between the System and the District Special Project is an estimate. Actual amounts charged to each entity may vary from this estimate as long as the total amount of the contract is not exceeded.

SUPPLEMENTARY COMMENTS:

The engineer’s estimated construction cost for this project is $4,425,399.42 and the contractor’s construction cost is $3,561,492.56. The difference is 19.5%. The overall cost of the project is $46,305,602.47.

Frances Plocok, P.E.
Director
Governmental Engineering

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 SITE MAP
ATTACHMENT II

POTRANCO ROAD (FM 1957)
LOOP 1604 TO HWY 211

LEGEND
PROJECT LIMITS
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES, 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; APPROVING AN AMOUNT NOT TO EXCEED $60,495.99 FOR CONSTRUCTION CONTINGENCY EXPENSES RELATED TO THE PROJECT WORK; APPROVING AN AMOUNT NOT TO EXCEED $3,085,295.55 BE MADE AVAILABLE AND EXPENDED FROM BOTH THE SYSTEM'S AND DSP'S PROJECT FUND FOR THE PROJECT WORK AND RELATED CONSTRUCTION CONTINGENCIES; APPROVING AN INTERLOCAL AGREEMENT WITH BEXAR COUNTY PUBLIC WORKS, AND AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE INTERLOCAL AGREEMENT AND TO PAY IN ADVANCE TO BEXAR COUNTY PUBLIC WORKS AN AMOUNT NOT TO EXCEED $3,085,295.55 FOR THE PROJECT WORK AND RELATED CONSTRUCTION CONTINGENCIES FOR BOTH THE SYSTEM AND THE DSP; 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’s District Special Project (the “DSP”) was created by the City Council of the City of San Antonio on October 20, 2011, pursuant to Ordinance No. 2011-10-20-0845, and this action is related to, and consistent with that Ordinance; and

WHEREAS, this action concerns both the San Antonio Water System (the “System”) and the DSP; and

WHEREAS, Bexar County Public Works (the “County”) proposes to construct the Potranco Road (FM 1957): Loop 1604 to Hwy 211 Project; and

WHEREAS, the Potranco Road (FM 1957): Loop 1604 to Hwy 211 Project will require the adjustments of certain water and sewer facilities of the System; and

WHEREAS, the project work will consist of System water adjustment work of approximately 8,887 feet of 12-inch water main, and DSP water adjustment work of approximately 4,245 feet of 12-inch through 30-inch water main, and sewer adjustment work of approximately 74 feet of 21-inch sewer main (the “project work”); and
WHEREAS, the County has requested that the System execute an Interlocal Agreement and pay the County in advance the sum of $3,024,799.56, for the project work costs; and

WHEREAS, System and DSP funds in the amount of $3,024,799.56 are required for the project work; and

WHEREAS, additional System and DSP funds in an amount not to exceed $60,495.99 may be required for construction contingency expenses in connection with the project work; and

WHEREAS, the amount of $3,085,295.55 is available from the System’s and DSP’s Project Fund for the project work and related construction contingency expenses; and

WHEREAS, it is estimated the amount to be expended from the System Fund is $1,996,843.35 and the amount to be expended from the DSP Fund is $1,088,452.20; however, the actual amounts of this allocation between the System and the DSP may vary so long as the total amount is not exceeded; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve the expenditure of funds in the amount of $3,024,799.56 for the adjustment of water and sewer facilities by the County in connection with the Potranco Road (FM 1957): Loop 1604 to Hwy 211 Project, (ii) to approve the expenditure of an amount not to exceed $60,495.99 for construction contingency expenses in connection with the project work, (iii) to approve the expenditure of an amount not to exceed $3,085,295.55 from the System’s and the DSP’s Project Fund to pay the County for the project work and related construction contingencies, and (iv) to approve an Interlocal Agreement with the County, and to authorize the President/Chief Executive Officer or his duly appointed designee to execute an Interlocal Agreement and to pay in advance an amount not to exceed $3,085,295.55 to the County for the project work and related construction contingencies for both the System and the DSP; now, therefore:

BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES CONCERNING BOTH THE SYSTEM AND THE DISTRICT SPECIAL PROJECT:

1. That the expenditure of funds in the amount of $3,024,799.56 for the adjustment of water and sewer facilities by the County in connection with the Potranco Road (FM 1957): Loop 1604 to Hwy 211 Project is hereby approved.

2. That expenditures for construction contingencies in connection with the project work in an amount not to exceed $60,495.99 are also hereby approved.

3. That a total sum not to exceed $3,085,295.55 to pay the County for the project work costs and related construction contingency expenses is hereby made available and is to be expended from the System’s and the DSP’s Project Fund.
4. That the estimated amount of $1,996,843.35 is hereby made available to be expended from the System’s Fund and the estimated amount of $1,088,452.20 is hereby made available to be expended from the DSP’s Fund. The actual amounts of this allocation between the System and the DSP may vary so long as the total amount is not exceeded.

5. 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 and pay in advance to the County an amount not to exceed $3,085,295.55 for the project work and related construction contingencies in connection with the Potranco Road (FM 1957): Loop 1604 to Hwy 211 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 5th day of January, 2016.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Patricia E. Merritt, Secretary
This Interlocal Agreement (also referred to herein as the “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 Potranco Road (FM 1957): Loop 1604 to Hwy 211 (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 County Public Works Specifications for the Project the plans and specifications for DSP Water Job No.: 12-5210, SAWS Water Job No. 12-5011 and SAWS Sewer Job No. 12-5511 (together the “SAWS Work”) which SAWS shall prepare and deliver to COUNTY and is incorporated by reference herein, and will be incorporated in the construction contract for the Project.

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 agrees to provide funding reimbursing SAWS for all engineering design fee and associated work to be performed by the SAWS Engineering Design Consultant that is attributed to the County’s portion of the SAWS Work being performed on the Project. County also agrees to contribute costs for construction of certain portions of the SAWS Work associated with the Project that are necessitated by SAWS having to relocate certain infrastructure out of its current easement. This work is defined in footnote 1 of Exhibit A and referred to as “SAWS County Work”. The
costs associated with SAWS County Work are delineated in Exhibit A and B, attached hereto and incorporated for all purposes.

3.02 Within thirty (30) calendar days of the execution of this Interlocal Agreement by the last signatory, COUNTY shall deliver to SAWS good and sufficient funds (the “County Funds”) in the amount of Nineteen Thousand, Two Hundred and Ninety-Five and 68/100’s Dollars ($19,295.68) for the engineering design fees associated with SAWS County Work as further defined in Exhibit A.

3.03 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. Within thirty (30) calendar days of the execution of this Interlocal Agreement by the last signatory, SAWS shall deliver to COUNTY good and sufficient funds (the “SAWS Funds”) for the bid amount for SAWS Work as identified in Exhibit B plus Two percent (2%) contingency, for a total of Three Million, Eighty-Five Thousand, Two Hundred and Ninety-Five and 55/100’s Dollars ($3,085,295.55). Any and all contrived 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 and the funds owed by County to SAWS as described in §3.02.

3.04 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 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’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 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 §3.03, 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.
3.05 If the cost of performing the SAWS Work is less than the amount stated in §3.03, COUNTY agrees to refund the overpayment to SAWS within 15 days of determination of same.

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

3.07 If the cost of performing the SAWS Work engineering design fees that is attributed to the SAWS County’ Work being performed on Project is less than the amount stated in §3.02, SAWS agrees to refund the overpayment to COUNTY within 15 days of determination of same.

3.08 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 RESPONSIBILITY

4.01 SAWS agrees to accept full responsibility for inspection and acceptance of work performed as the SAWS Work and SAWS County Work as identified in Exhibit B.

4.02 Following Substantial Completion of SAWS Work and SAWS County Work, SAWS shall be responsible for all costs associated with operating and maintaining SAWS Work and SAWS County 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 and SAWS County 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 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 be 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.

(a) 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.

(b) 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: ____________________________   By: ____________________________
  Nelson W. Wolff      Robert R. Puente
  County Judge   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
## Exhibit “A”

### Engineering Design Fees and Funds Committed by County and SAWS

**Interlocal Agreement for the Prue Road at Potranco Road (FM 1957): Loop 1604 to Hwy 211 Project**

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>Design Fee(s) Approved Amounts</th>
<th>SAWS County Work</th>
<th>SAWS Work</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>DSP WATER DESIGN FEES</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>40% Design Phase</td>
<td>$23,935.00</td>
<td>$7,302.57</td>
<td>$16,632.43</td>
</tr>
<tr>
<td>70% design Phase</td>
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<td>$5,298.06</td>
<td>$12,066.94</td>
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<tr>
<td>95% Design Phase</td>
<td>$7,390.00</td>
<td>$2,254.69</td>
<td>5,135.31</td>
</tr>
<tr>
<td>Bid Phase</td>
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<td>$346.29</td>
<td>888.71</td>
</tr>
<tr>
<td>Construction</td>
<td>$6,665.00</td>
<td>$2,033.49</td>
<td>4,631.51</td>
</tr>
<tr>
<td>Project Closeout Phase</td>
<td>$2,510.00</td>
<td>$765.80</td>
<td>1,744.20</td>
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<tr>
<td>Additional Services</td>
<td>$2,015.00</td>
<td>-</td>
<td>2,015.00</td>
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<tr>
<td>Plan Revisions</td>
<td>$3,605.00</td>
<td>-</td>
<td>3,605.00</td>
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<tr>
<td>Schematic Phase</td>
<td>$7,495.00</td>
<td>-</td>
<td>7,495.00</td>
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<tr>
<td>Additional 95% Design Phase</td>
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<td>-</td>
<td>8,300.00</td>
</tr>
<tr>
<td>Additional Bid Phase</td>
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<td>3,700.00</td>
</tr>
<tr>
<td>Additional Construction</td>
<td>$3,995.00</td>
<td>-</td>
<td>3,995.00</td>
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<tr>
<td>Additional Project Closeout Phase</td>
<td>$1,480.00</td>
<td>-</td>
<td>1,480.00</td>
</tr>
<tr>
<td>Additional Services</td>
<td>$12,995.00</td>
<td>-</td>
<td>12,995.00</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$96,465.00</td>
<td>$19,295.68</td>
<td>$77,169.32</td>
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<tr>
<td><strong>SAWS WATER DESIGN FEES</strong></td>
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<tr>
<td>40% Design Phase</td>
<td>$27,100.00</td>
<td>-</td>
<td>27,100.00</td>
</tr>
<tr>
<td>70% design Phase</td>
<td>$19,510.00</td>
<td>-</td>
<td>19,510.00</td>
</tr>
<tr>
<td>95% Design Phase</td>
<td>$8,900.00</td>
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<td>8,900.00</td>
</tr>
<tr>
<td>Bid Phase</td>
<td>$3,340.00</td>
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<td>3,340.00</td>
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<tr>
<td>Construction</td>
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<tr>
<td>Project Closeout Phase</td>
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<tr>
<td>Additional Services</td>
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<td><strong>Subtotal</strong></td>
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<td>83,746.00</td>
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<tr>
<td><strong>SAWS SEWER DESIGN FEES</strong></td>
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</tr>
<tr>
<td>40% Design Phase</td>
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<td>-</td>
<td>4,480.00</td>
</tr>
<tr>
<td>70% design Phase</td>
<td>$5,900.00</td>
<td>-</td>
<td>5,900.00</td>
</tr>
<tr>
<td>95% Design Phase</td>
<td>$1,305.00</td>
<td>-</td>
<td>1,305.00</td>
</tr>
<tr>
<td>Bid Phase</td>
<td>$1,525.00</td>
<td>-</td>
<td>1,525.00</td>
</tr>
<tr>
<td>Construction</td>
<td>$1,045.00</td>
<td>-</td>
<td>1,045.00</td>
</tr>
<tr>
<td>Project Closeout Phase</td>
<td>$280.00</td>
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<tr>
<td>Additional Services</td>
<td>$415.00</td>
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<td>415.00</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>$14,950.00</td>
<td>-</td>
<td>14,950.00</td>
</tr>
</tbody>
</table>

**Total County Contribution = “County Funds”**

| Total SAWS Contribution = | $175,865.32 |

See footnotes, following:
The County is responsible for the design relocation costs of the DSP water lines that are in a dedicated SAWS Easement. **County Water Work** includes all design and engineering professional services fees associated with the 12-inch and 24-inch water main as included in the SAWS Water Job No. 12-5210 at a percentage of 30.51% based on linear footage of DSP pipe. The County Water Work will be jointly referred to under this Agreement as the “SAWS County Work.”

Plan revisions requested for County work includes any and all costs associated with plan revisions costs associated with the 24-inch water main at Hwy 211 ROW.

These design fees pertain to services related to Talley Road Tank site and are not eligible for reimbursement.
### Exhibit “B”
#### Construction Costs and Funds Committed by County and SAWS

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>SAWS Work</th>
<th>SAWS County Work</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>DSP Water Main Adjustment¹</td>
<td>$1,067,110.00</td>
<td>$536,693.00</td>
<td>$1,603,803.00</td>
</tr>
<tr>
<td>SAWS Water Main Adjustment²</td>
<td>$1,893,483.88</td>
<td>$ -</td>
<td>$1,893,483.88</td>
</tr>
<tr>
<td>SAWS Sewer Main Adjustment³</td>
<td>$64,205.68</td>
<td>$ -</td>
<td>$64,205.68</td>
</tr>
<tr>
<td>Contingency (2% of Construction)</td>
<td>$60,495.99</td>
<td>$10,733.86</td>
<td>$71,229.85</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$3,085,295.55</strong></td>
<td><strong>$547,426.86</strong></td>
<td><strong>$3,632,722.41</strong></td>
</tr>
</tbody>
</table>

**Total County Contribution =** $547,426.86

**Total SAWS Contribution = “SAWS Funds” =** $3,085,295.55

---

1. Bid price based on approx. 4,245 LF of 12, 16, 20, 24, and 30-inch DSP Water Main
2. Bid price based on approx. 8,887 LF of 12-inch SAWS Water Main
3. Bid price based on approx. 74 LF of 21-inch Sewer Main

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Page 9 of 9
TO: San Antonio Water System Board of Trustees

FROM: Mary Bailey, Vice President, Business Planning/Controller

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

SUBJECT: AUTHORIZE EXPENDITURES OF FUNDS FOR OWNER CONTROLLED CONSTRUCTION CHANGES FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2016

Board Action Date: January 5, 2016

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the expenditures of funds for Owner Controlled Construction Changes for the year ending December 31, 2016 in an amount not to exceed $5,852,127.

- On October 27, 2015, the Board approved the 2016 San Antonio Water System (SAWS) budget by Resolution No. 15-259 and the 2016 District Special Project (DSP) budget by Resolution 15 15-260.
- The approved 2016 SAWS and DSP budgets included specific funding for the estimated total cost to execute the 2016 Capital Improvement Program ("CIP") for SAWS and DSP, including any funds needed in connection with potential construction contract changes ("Owner Controlled Construction Changes"). Funds provided in the 2016 budgets for CIP totaled $235.7 million for SAWS and $11.5 million for DSP.
- In order to improve the monitoring and efficiency of construction changes, staff recommends that a portion of the SAWS and DSP 2016 CIP be specifically designated and authorized by the Board to fund potential Owner Controlled Construction Changes.
- The authorized funds for 2016 Owner Controlled Construction Changes will only be used to fund any necessary and appropriate changes during calendar year 2016 to construction contracts approved by the Board after February 1, 2016, or to contracts approved by the Board prior to February 1, 2016 where the previously approved contract contingency is not sufficient to cover the proposed construction contract changes.
- Total expenditures for the 2016 Owner Controlled Construction Changes are not to exceed the following amounts
  - SAWS - $5,652,495
  - DSP - $199,632
- Owner Controlled Construction Changes in excess of the amount required by Texas Local Government Code Sections 252.048 and 271.060, will continue to require Board approval in accordance with SAWS Resolution No. 15-211 approved on September 1, 2015.

Staff recommends that the Board approve this resolution.
FINANCIAL IMPACT:
There is no financial impact as a result of this action as the funding necessary for the 2016 Owner Controlled Construction Changes has been included in the Board approved 2016 Budgets for SAWS and DSP.

Mary Bailey, Vice President
Business Planning/Controller

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AUTHORIZING EXPENDITURES OF FUNDS FOR OWNER CONTROLLED CONSTRUCTION CHANGES FOR THE CALENDAR YEAR ENDING DECEMBER 31, 2016 IN AN AMOUNT NOT TO EXCEED $5,852,127.00 IN CONNECTION THERewith; 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 27, 2015 the Board approved the 2016 San Antonio Water System (SAWS) budget approved by Resolution No. 15-259 and the 2016 District Special Project (DSP) budget by Resolution No. 15-260; and

WHEREAS, the 2016 SAWS and DSP budgets included specific funding for the estimated cost to execute the 2016 Capital Improvements Project (CIP) for SAWS and DSP in the amount of $235.7 million and $11.5 million, respectively, including funds needed in connection with potential construction contract changes; and

WHEREAS, in order to improve the monitoring and efficiency of construction changes, a portion of the SAWS and DSP 2016 CIP will be specifically designated and authorized to fund potential Owner Controlled Construction Changes; and

WHEREAS, the authorized funds for 2016 Owner Controlled Construction Changes will only be used to fund any necessary and appropriate changes during calendar year 2016 to construction contracts approved by the Board after February 1, 2016, or to contracts approved by the Board prior to February 1, 2016 where the previously approved contract contingency is not sufficient to cover the proposed construction contract changes; and

WHEREAS, total expenditures for the 2016 Owner Controlled Construction Changes are not to exceed $5,852,127.00; and

WHEREAS, change orders in excess of the amount required by Texas Local Government Code Sections 252.048 and 271.060 will continue to require Board approval in accordance with SAWS Resolution No. 15-211 approved on September 1, 2015; now, therefore:

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

1. That expenditures for Owner Controlled Construction Changes are hereby authorized for the calendar year ending December 31, 2016 in an amount not to exceed $5,852,127.00.
2. That authorized funds for 2016 Owner Controlled Construction Changes are only to be used to fund any necessary and appropriate changes during calendar year 2016 to construction contracts approved by the Board after February 1, 2016, or to contracts approved by the Board prior to February 1, 2016 where the previously approved contract contingency is not sufficient to cover the proposed construction contract changes.

3. That staff is hereby directed to bring any change orders for construction projects in excess of the amount required by Texas Local Government Code Sections 252.048 and 271.060, will continue to require Board approval in accordance with SAWS Resolution No. 15-211 approved on September 1, 2015.

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 5th day of January, 2016.

Berto Guerra, Jr., Chairman

ATTEST:

Patricia E. Merritt, Secretary