AGENDA

MEETING OF THE
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES
December 5, 2017, 9:00 A.M.
6th Floor Board Room #609
Administrative Offices
2800 U. S. Hwy 281 North, San Antonio, Texas 78212

1. MEETING CALLED TO ORDER.

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

3. Minutes.
   A. Approval of the Minutes of the San Antonio Water System Board of Trustees Regular Board Meeting of October 10, 2017.


5. Public Comment.
CONSENT AGENDA ITEMS

ITEMS CONCERNING THE PURCHASE OF EQUIPMENT, MATERIALS AND SUPPLIES

6. A Resolution accepting recommendations regarding the contracting for certain services, equipment, materials, and supplies, and authorizing the acceptance of bids as follows: (DOUG EVANSON – YVONNE TORRES)

A. Award of New One Time Purchases of Materials, Equipment and Services.

1. Approving a one-time purchase from Mythics, Inc. to provide: Oracle Licenses for test and development, DIR-TSO-2548, Bid No. 17-17114, for a total of $170,116.00.

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. Acceptance of the bid of RFD & Associates, Inc. to provide: annual contract for Splunk Enterprise Upgrade and Annual Enterprise Support, Bid No. 17-7094A, for a total of $81,381.23.

2. Acceptance of the bid of Macaulay Controls Co. to provide: annual contract for chlorination equipment and repair parts, Group 1, Bid No. 17-3057, for a total of $345,526.00.

3. Acceptance of the bid of JCS Industries, Inc. to provide: annual contract for chlorination equipment and repair parts, Group 2, Bid No. 17-3057, for a total of $287,181.30.

4. Acceptance of a sole source bid of Avista Technologies, Inc. to provide: annual contract for purchase of Clean in Place chemicals, Bid No. 17-17082, for a total of $137,350.88.

5. Acceptance of the bid of My Plumber, Inc. dba J.R.'s Plumbing to provide: annual contract for a plumbing service program, Bid No. 17-1004, for a total of $108,700.00.

6. Acceptance of the bid of J&S Materials, LLC dba Madden Materials to provide: annual contract for the supply of backfill materials, Bid No. 17-2038, for a total of $811,660.00.

7. Authorizing the extension of an existing contract of United Rentals (North America), Inc. to provide: annual contract for rental of various shoring equipment, Bid No. 15-5020, for a total of $73,138.57.
8. Acceptance of the bid of Avid Systems to provide: annual contract for Adobe and other software licenses, Bid No. 17-1459, for a total of $76,255.22.

9. Acceptance of the bid of Primeline Products, Inc. to provide: annual contract for Cure-In-Place-Pipe point repair installation equipment and associated consumables, Bid No. 17-1070, for a total of $126,424.00.

10. Acceptance of the bid of Rocky Hill Equipment, Inc. to provide: annual contract for rental of compact excavators and crawler loaders, Bid No. 17-1016, Item 17, for a total of $96,320.00.

11. Acceptance of the bid of Herc Rentals, Inc. to provide: annual contract for rental of compact excavators and crawler loaders, Bid No. 17-1016, Items 1, 2, 3, 6, 8, 9 and 15, for a total of $34,725.40.

12. Acceptance of the bid of Texas First Rentals to provide: annual contract for rental of compact excavators and crawler loaders, Bid No. 17-1016, Items 5 and 7, for a total of $7,250.00.

13. Acceptance of the bid of RDO Equipment to provide: annual contract for rental of compact excavators and crawler loaders, Bid No. 17-1016, Items 4, 10, 11, 12, 13, 14 and 16, for a total of $68,150.00.

14. Acceptance of the bid of Fortiline, Inc. dba Fortiline Waterworks to provide: annual contract for polyethylene wrapping/polyvinyl tape, Bid No. 17-0018, for a total of $56,843.00.

15. Acceptance of the bid of Darktrace Limited to provide: annual contract for Network Anomaly Detection solution, Bid No. 17-17089, for a total of $300,000.00.

CAPITAL IMPROVEMENT CONTRACTS
PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY
Developer Customer Contracts

7. A Resolution awarding a construction contract to R.L. Jones L.P. in an amount not to exceed $521,491.32 in connection with the Harlach Farms Subdivision 16-inch and 24-inch Oversize Water Main Project; approving a contract between the System, R.L. Jones L.P., and Meritage Homes of Texas, LLC for the project work; authorizing the expenditures of funds in an amount of $285,091.32 for the System’s proportionate share of the project work payable to R.L. Jones L.P. and the expenditure of funds in an amount of $28,509.13 for the System’s proportionate share of the engineering design fees payable to Meritage Homes of Texas, LLC. (ANDREA BEYMER – TRACEY LEHMANN)
8. A Resolution approving Recapitulation Change Order No. 2 in the decreased amount of $445,010.91 to be credited to the construction contract with IPR South Central, LLC in connection with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project – Sewer Rehabilitation at the University of Incarnate Word. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

9. A Resolution approving Recapitulation Change Order No. 3 in the decreased amount of $224,011.20 to be credited to the construction contract with Pronto Sandblasting & Coating & Oilfield Services Co., Inc. in connection with the 2014 Water and Sewer Construction Package I Project. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

10. A Resolution approving Change Order No. 3 in an amount not to exceed $263,121.76 to the construction contract with Qro Mex Construction Company, Inc. in connection with the C5 Culebra - Castroville to Laredo & C28 Zarzamora Creek - San Gabriel to NW 23rd Street, Phase 2 Project. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

11. A Resolution ratifying the actions of the Vice President of Engineering and Construction in approving Change Order No. 4 in an amount not to exceed $173,491.74 to the construction contract with S.J. Louis Construction of Texas, Ltd. in connection with the C-12 Donaldson Terrace Project. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

Production, Transmission and Treatment Improvements

12. A Resolution approving additional funds in an amount not to exceed $71,261.00 to the professional services contract with Grubb Engineering, Inc. in connection with the Broadband Access Points and Programmable Logic Controllers Replacement – Phase 1 Project. (ANDREA BEYMER – MICHAEL MYERS)

13. A Resolution approving additional funds in an amount not to exceed $611,971.00 to the professional services contract with Gupta and Associates, Inc. in connection with the Dos Rios Water Recycling Center Electrical System Improvements – Phase 2 Project. (ANDREA BEYMER – MICHAEL MYERS)

14. A Resolution approving additional funds in an amount not to exceed $181,380.00 to the existing services agreement with Weisinger Incorporated in connection with the Central Water Integration Pipeline Project, Water Collection Services formerly known as the Vista Ridge Integration Pipeline Project, Water Collection Services. (DONOVAN BURTON – LINDA BEVIS)

REPLACEMENT AND ADJUSTMENT PROJECTS

Governmental Relocations and Replacements
15. A Resolution approving the expenditure of funds in the amount of $174,000.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 24. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

16. A Resolution approving the expenditure of funds in the amount of $363,682.60 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 25. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

17. A Resolution approving the expenditure of funds in the amount of $301,500.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2018 Asphalt Overlay Contract Package 1. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

18. A Resolution approving the expenditure of funds in the amount of $122,625.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2018 Asphalt Overlay Contract Package 2. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

19. A Resolution approving the expenditure of funds in the amount of $232,530.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2018 Asphalt Overlay Contract Package 3. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

20. A Resolution approving the expenditure of funds in the amount of $145,520.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2018 Asphalt Overlay Contract Package 4. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

21. A Resolution approving the expenditure of funds in the amount of $170,020.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2017-2018 Asphalt Overlay Task Order Contract Package 8. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

22. A Resolution approving the expenditure of funds in the amount of $379,463.70 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the Medical Center Phase X: Louis Pasteur to Ewing Halsell Project. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

23. A Resolution approving the expenditure of funds in the amount of $1,081,482.93 for the replacement of water and sewer facilities by the City of San Antonio in connection with the Gillette Blvd. Street Reconstruction: Moursund Blvd. to Garnett Ave. Project. (ANDREA BEYMER - GAIL HAMRICK-PIGG)
EASEMENT AND REAL PROPERTY

24. A Resolution awarding a contract to Cano and Company Commercial Real Estate to provide real estate brokerage services in connection with the marketing and disposal of the System’s surplus properties. (NANCY BELINSKY – BRUCE HABY)

MISCELLANEOUS ITEMS


26. A Resolution prescribing authority to sign for withdrawals from depository fund accounts, prescribing authority for withdrawals of documents from safekeeping, and appointing representatives with full authority to execute collateral transactions in accordance with contracts for general depository services and investment services as approved by actions of the Board of Trustees; and that all prior instructions and resolutions with respect to the foregoing signatories be and are hereby rescinded. (DOUG EVANSON)

27. A Resolution adopting revisions to the Investment Policy of the San Antonio Water System pursuant to the guidelines established in the City of San Antonio’s Ordinance No. 75686 and the Public Funds Investment Act. (DOUG EVANSON)

28. A Resolution approving the extension of a contract with various temporary employment agencies in an amount not to exceed $2,276,320.00 for the period of January 1, 2018 through December 31, 2018 in connection with temporary employment services for Information Systems related positions. (DOUG EVANSON – SREE PULAPAKA)

29. A Resolution approving the extension of a contract with various temporary employment agencies in an amount not to exceed $1,224,642.00 for the period of January 1, 2018 through December 31, 2018 in connection with temporary employment services. (SHARON DE LA GARZA)

30. A Resolution approving the recommendation of Wells Fargo Insurance Service USA, Inc. in an amount not to exceed $892,379.00 for the period ending December 31, 2018 in connection with the comprehensive commercial insurance program. (SHARON DE LA GARZA)

31. A Resolution approving the extension of a contract with Aramark Services, Inc. in an amount not to exceed $120,000.00 for the period of January 1, 2018 through December 31, 2018 in connection with cafeteria, vending, and related services. (MICHAEL BRINKMANN – CARLOS MENDOZA)

32. A Resolution approving settlement of the lawsuit of Tammie England against the San Antonio Water System; approving the System’s financial obligation in the total amount of $75,000.00 for purposes of the settlement. (NANCY BELINSKY – BILL CROW)
33. A Resolution approving a subscription agreement with West, a Thomson Reuters Business, in an amount not to exceed $91,888.32 for a five-year term in connection with online legal research services. (NANCY BELINSKY – MONICA DOBIE)

34. A Resolution approving an Interlocal Contract with the Trinity Glen Rose Groundwater Conservation District in connection with the hydrologic study of certain portions of the Trinity Aquifer in Northern Bexar County. (DONOVAN BURTON – DARREN THOMPSON)

35. A Resolution approving an agreement with Guadalupe Valley Electric Cooperative in an amount not to exceed $100,000.00 in connection with the design and construction of electrical power service for the Vista Ridge Regional Supply Project Intermediate Pump Station 2 Facilities. (DONOVAN BURTON – MARTY JONES)

36. A Resolution approving the delegating authority to the President/Chief Executive Officer to initiate certain litigation on behalf of the San Antonio Water System. (BERTO GUERRA, JR., CHAIRMAN, BOARD OF TRUSTEES)

37. A Resolution approving an Engagement Letter with Ruben Barreira of the Law Firm of Langley & Banack, Inc. in an amount not to exceed $73,100.00 to act as Special Counsel to the Board of Trustees for calendar year 2018. (BERTO GUERRA, JR., CHAIRMAN, BOARD OF TRUSTEES)

ITEMS FOR INDIVIDUAL CONSIDERATION

CAPITAL IMPROVEMENT CONTRACTS

PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

Developer Customer Contracts

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

<table>
<thead>
<tr>
<th>No.</th>
<th>Tract Name</th>
<th>Developer</th>
<th>Acres</th>
<th>W EDUs</th>
<th>WW EDUs</th>
<th>CoSA / CoSA ETJ / Outside</th>
<th>EARZ / CZ</th>
<th>Board Reason</th>
<th>W CCN</th>
<th>WW CCN</th>
</tr>
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<tbody>
<tr>
<td>1</td>
<td>Toepperwein</td>
<td>Laredo Toepp LTD</td>
<td>52.14</td>
<td>558</td>
<td>392</td>
<td>CoSA OUTSIDE</td>
<td>CCN/IFC</td>
<td>INSIDE</td>
<td>OUTSIDE</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Coolcrest Additional</td>
<td>Vaquero Ventures</td>
<td>1.29</td>
<td>4</td>
<td>0</td>
<td>COSA ETJ OUTSIDE</td>
<td>CCN</td>
<td>OUTSIDE</td>
<td>INSIDE</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>53.43</td>
<td>562.00</td>
<td>392.00</td>
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<td></td>
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</tbody>
</table>
39. A Resolution awarding a construction contract to SpawGlass Civil Construction, Inc. in an amount not to exceed $6,335,754.55 in connection with the Classen-Steubing Oversized Sewer Main Project; approving a contract between the System, SpawGlass Civil Construction, Inc. and XJ 1869 Development, L.P. for the project work; authorizing the expenditures of funds in an amount of $5,223,774.97 for the System’s proportionate share of the project work payable to SpawGlass Civil Construction, Inc. and the expenditure of funds in an amount of $522,377.50 for the System’s proportionate share of the engineering design fees payable to XJ 1869 Development, L.P.  
(ANDREA BEYMER – TRACEY LEHMANN)

Water and Sewer Line Improvements

40. A Resolution awarding a construction contract to Texas Pride Utilities, LLC in an amount not to exceed $3,028,682.00 in connection with the Central Sewershed Package 4 Project.  (ANDREA BEYMER - GAIL HAMRICK-PIGG)

41. A Resolution awarding a construction contract to SAK Construction, LLC in an amount not to exceed $10,761,688.00 in connection with the East Sewershed Package 3 – Large Diameter Project. (ANDREA BEYMER - GAIL HAMRICK-PIGG)

Production, Transmission and Treatment Improvements

42. A Resolution awarding a construction contract to Archer Western Construction, LLC in an amount not to exceed $11,451,000.00 in connection with the Zarzamora Pump Station Improvements Project.  (ANDREA BEYMER – MICHAEL MYERS)

MISCELLANEOUS ITEMS

43. A Resolution approving a consulting agreement with the Alliance for Water Efficiency in an amount not to exceed $75,000.00 in connection with predictive data analytic services. (GAVINO RAMOS – KAREN GUZ)

44. A Resolution awarding a contract to Texas Landfill Management, LLC in an amount not to exceed $4,520,000.00 for a two-year period ending December 31, 2019 in connection with composting and marketing of biosolids.  
(JEFF HABY – PARVIZ CHAVOL)

45. A Resolution awarding a construction contract to J&P Paving Co., Inc. in an amount not to exceed $4,746,880.60 in connection with the 2017 Bi-Annual Asphalt Overlay Work Order Construction Contract, Package 1.  
(MICHAEL BRINKMANN – ALISSA LOCKETT)

46. BRIEFING SESSION.

A. Briefing and deliberation regarding the Vista Ridge Project
B. Briefing and deliberation regarding Various Financial Matters:
   - 2018 & 2019 Rate Request – Follow up
   - Quarterly Investment Portfolio Report
   - Debt Disclosure Report

47. President/Chief Executive Officer’s Report.
   A. Investment in SAWS Infrastructure
   B. Leading Utilities of the World

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

49. The Regular Session of the December 5, 2017, Regular Board Meeting is hereby recessed to hold an Executive Session and discuss the matters listed pursuant to Section §551.071 of the Texas Open Meetings Act.

50. EXECUTIVE SESSION.
   A. Consultation with attorneys regarding advice on legal matters in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the Texas Open Meetings Act, pursuant to Section §551.071 of the Texas Government Code.

51. The Regular Session of the Regular Board Meeting of December 5, 2017, is hereby reconvened.

52. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF DECEMBER 5, 2017, IS HEREBY ADJOURNED.
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></td>
<td>Number of Contracts (SMWB)</td>
<td>Estimated Amount (SMWB)</td>
</tr>
<tr>
<td>A. Award of New One Time Purchases of Materials, Equipment or Services</td>
<td>1</td>
<td>0</td>
</tr>
<tr>
<td>B. Award of New and Renewal of Annual Goods &amp; Services Requirements Contracts and Maintenance Agreements</td>
<td>15</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>16</td>
<td>4</td>
</tr>
<tr>
<td>SMWB Purchasing Contracts (percentage)</td>
<td>25.00%</td>
<td>48.45%</td>
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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 5th day of December, 2017

Berto Guerra, Jr., Chairman

ATTEST:

Ernesto Arrellano, Jr., Secretary
Award of New One Time Purchases of Materials, Equipment or Services

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

<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>Mythics, Inc.</td>
<td>One Time Purchase for Oracle Licenses</td>
<td>All</td>
<td>$ 170,116.00</td>
<td>This is a one time purchase of 200 named Oracle Licenses for Test and Development which will allow the existing licenses to be used in the Production environment.</td>
</tr>
</tbody>
</table>

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

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<tbody>
<tr>
<td>1. RFD &amp; Associates, Inc. (SBE, WBE)</td>
<td>Purchase Splunk Enterprise Upgrade and Annual Enterprise Support Bid No. 17-17094A</td>
<td>All</td>
<td>$81,381.23</td>
<td>This is a new contract. This contract will be utilized by System to purchase an additional 30G license our existing license to 50G with annual maintenance support for our Splunk Enterprise. This contract will be effective Date of Award (December 5, 2017) through December 31, 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 for in future years budgets.</td>
</tr>
<tr>
<td>2. Macaulay Controls Co. (WBE)</td>
<td>Annual Contract for Chlorination Equipment and Repair Parts Bid No. 17-3057</td>
<td>Group 1</td>
<td>$345,526.00</td>
<td>This is a new contract. This contract will be utilized by System maintenance staff for the purchase of Chlorination Equipment &amp; Repair Parts on an as needed basis to be used by maintenance crews for water and wastewater to maintain and repair chlorine &amp; sulfur dioxide equipment. This contract will be effective January 1, 2018 through December 31, 2018. 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 for in future years budgets.</td>
</tr>
<tr>
<td>3. JCS Industries, Inc.</td>
<td>Annual Contract for Chlorination Equipment and Repair Parts Bid No. 17-3057</td>
<td>Group 2</td>
<td>$287,181.30</td>
<td>(Same as above)</td>
</tr>
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*Indicates vendor is an SMWB unless otherwise noted vendor is non minority.*

Board Date: December 5, 2017
**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.

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</table>
| Avista Technologies, Inc. | Annual Contract for Purchase of CIP Chemical | All | $137,350.88 | DIRECTOR Comments

Ten vendors were invited to bid, however, only one bid was received. This equipment is used to regulate the flow of the chemicals released in the various stages required in the treatment of water or wastewater. The standardization of the De Nor equipment and Robo Controls for Treatment includes Chlorinators, Sulfanators and Evaporators, as well as, other associated components. The standardization allows the warehouses to stock associated replacement parts that are interchangeable at our production and treatment facilities. Macaulay Controls is the manufacturer's sole distributor for the DeNora equipment and JCS Industries is the manufacturer of the Robo-Controls equipment. Recommend award.

This is a sole source contract. This contract will be utilized by System to purchase CIP chemical for the Twin Oaks Plant. The CIP chemicals are used to clean membranes and are proprietary to Avista Tech specifications. This contract will be effective January 1, 2018 through May 31, 2018. If determined that an extension is favorable to the system, price and service considered, the award includes the availability of one (1) additional six month option to extend as provided for and approved for in future years budgets.

**DIRECTOR Comments**

Avista Technologies is the manufacturer of the Clean In Place (CIP) chemicals used to clean membranes for the Brackish Groundwater Desalination reverse osmosis process. Avista supplies the anti-scalant and there is a technical advantage of using anti-scalant and membrane cleaning chemicals from the same manufacturer. Recommend award.

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

Board Date: December 5, 2017
### 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.

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<tbody>
<tr>
<td>5. My Plumber, Inc. dba J.R.'s Plumbing (VBE, MBE, ESBE)</td>
<td>Annual Contract for a Plumbing Service Program Bid No. 17-1004</td>
<td>All</td>
<td>$108,700.00</td>
<td>This is a new contract. This contract will be utilized by System to troubleshoot, diagnose, service and repair System plumbing equipment, including associated components located at various SAWS locations. This contract will be effective January 1, 2018 through December 31, 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 for in future years budgets.</td>
</tr>
<tr>
<td>6. J&amp;S Materials, LLC dba Madden Materials (MBE)</td>
<td>Annual Contract for the Supply of Backfill Materials Bid No. 17-2038</td>
<td>All</td>
<td>$811,660.00</td>
<td>This is a new contract. This contract will be utilized by System to supply backfill materials to the System. Backfill materials are used for pipe bedding and backfill on repairs performed by SAWS Distribution &amp; Collection Operations. This contract will be effective Date of Award (December 5, 2017) through December 31, 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 for in future years budgets.</td>
</tr>
</tbody>
</table>

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

Board Date: December 5, 2017
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>NO(s.)</th>
<th>PURCHASES</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>7. United Rentals (North America), Inc.</td>
<td>Annual Contract for Rental of Various Shoring Equipment Bid No. 15-5020</td>
<td>All</td>
<td>$ 73,138.57</td>
<td>This is an extension of an existing contract. This contract will be utilized for the rental of various shoring equipment on an as needed basis as requested by the System. United Rentals, Inc. has performed well during the contract period. Base year, first and second year extension total through December 31, 2018 is $73,138.57. This contract extension will be effective January 1, 2018 through December 31, 2018. This contract extension is favorable to System, price and service considered. The award includes the availability of one (1) additional one-year option to extend as provided for and approved in future year's budgets.</td>
</tr>
<tr>
<td>8. Avid Systems</td>
<td>Annual Contract for Adobe &amp; Other Software Licenses Bid No. 17-1459</td>
<td>All</td>
<td>$ 76,255.22</td>
<td>This is a new contract. This contract will be utilized by System to purchase Adobe and various software licenses. This contract will be effective Date of Award (December 5, 2017) through December 31, 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 for in future years budgets.</td>
</tr>
<tr>
<td>9. Primeline Products, Inc.</td>
<td>Annual Contract for Cure-In-Place-Pipe (CIPP) Point Repair Installation Equipment &amp; Associated Consumables Bid No. 17-1070</td>
<td>All</td>
<td>$ 126,424.00</td>
<td>This is a new contract. This contract will be utilized by the System Distribution &amp; Collection operations for the purchase of Cure-In-Place-Pipe (CIPP) Point Repair Installation Equipment &amp; Associated Consumables on an as needed basis. These products for CIPP will be purchased to be used in point repairs that are needed when repairing damage sewer lines in System wastewater infrastructure. This contract will be effective January 1, 2018 through December 31, 2018. 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 for in future years budgets.</td>
</tr>
</tbody>
</table>

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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>NO(s)</th>
<th>PURCHASES</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. Rocky Hill Equipment, Inc.</td>
<td>Annual Contract for Rental of Compact Excavators and Crawler Loaders Bid No. 17-1016</td>
<td>Item 17</td>
<td>$96,320.00</td>
<td>This is a new contract. This contract will be utilized for the Rental of Compact Track Loaders, Excavator Crawler Loaders, Excavators Tracked, Loader Backhoes, Motor Graders and Trenchers for various periods of time. This contract will be effective Date of Award (December 5, 2017) through September 30, 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 for in future years budgets.</td>
</tr>
<tr>
<td>11. Herc Rentals, Inc.</td>
<td>Annual Contract for Rental of Compact Excavators and Crawler Loaders Bid No. 17-1016</td>
<td>Items 1, 2, 3, 6, 8, 9 &amp; 15</td>
<td>$34,725.40</td>
<td>(Same as above)</td>
</tr>
<tr>
<td>12. Texas First Rentals</td>
<td>Annual Contract for Rental of Compact Excavators and Crawler Loaders Bid No. 17-1016</td>
<td>Items 5 &amp; 7</td>
<td>$7,250.00</td>
<td>(Same as above)</td>
</tr>
</tbody>
</table>

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

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>NO(s.)</th>
<th>PURCHASES</th>
<th>REMARKS</th>
</tr>
</thead>
<tbody>
<tr>
<td>13. RDO Equipment</td>
<td>Annual Contract for Rental of Compact Excavators and Crawler Loaders</td>
<td>Items 4, 10, 11, 12, 13, 14 &amp; 16</td>
<td>$68,150.00</td>
<td>(Same as above)</td>
</tr>
<tr>
<td>14. Fortiline, Inc. dba Fortiline Waterworks</td>
<td>Annual Contract for Polyethylene Wrapping/Polyvinyl Tape</td>
<td>All</td>
<td>$56,843.00</td>
<td>This is a new contract. This contract will be utilized by the System warehouse for the purchase of polyethylene wrapping/polyvinyl tape for System for wrapping pipe and valves on an as needed basis. This contract will be effective January 1, 2018 through December 31, 2018. 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 for in future years budgets.</td>
</tr>
<tr>
<td>15. Darktrace Limited</td>
<td>Request for Proposal Purchase of Network Anomaly Detection Solution</td>
<td>All</td>
<td>$300,000.00</td>
<td>This is a new contract. This contract will be utilized for a Network Anomaly Detection solution that will allow for monitoring and notification of anomalous behavior in real time. The proposal should include all hardware, software, installation and training required for a turnkey full operational solution. This contract will be effective Date of Award (December 5, 2017) through December 4, 2020. 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 for in future years budgets.</td>
</tr>
</tbody>
</table>

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

Board Date: December 5, 2017
SAN ANTONIO WATER SYSTEM  
P. O. BOX 2449  
SAN ANTONIO, TEXAS 78298-2449  
TABULATION OF BIDS

PROPOSAL: Oracle Licenses  
FOR:  DIR-TS0-2548

TIME & DATE: 3:00 p.m., November 6, 2017

<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>200 ea.</td>
<td>Perpetual Oracle Database Enterprise Edition</td>
<td>399.00</td>
<td>79,800.00</td>
</tr>
<tr>
<td>200 ea.</td>
<td>1 Year Update Rights and Product Technical Support</td>
<td>87.78</td>
<td>17,556.00</td>
</tr>
<tr>
<td>200 ea.</td>
<td>Perpetual Diagnostics Pack</td>
<td>63.00</td>
<td>12,600.00</td>
</tr>
<tr>
<td>200 ea.</td>
<td>1 Year Update Rights and Product Technical Support</td>
<td>13.86</td>
<td>2,772.00</td>
</tr>
<tr>
<td>200 ea.</td>
<td>Perpetual Tuning Pack</td>
<td>42.00</td>
<td>8,400.00</td>
</tr>
<tr>
<td>200 ea.</td>
<td>1 Year Update Rights and Product Technical Support</td>
<td>9.24</td>
<td>1,848.00</td>
</tr>
<tr>
<td>200 ea.</td>
<td>Perpetual Real Application Clusters</td>
<td>193.20</td>
<td>38,640.00</td>
</tr>
<tr>
<td>200 ea.</td>
<td>1 Year Update Rights and Product Technical Support</td>
<td>42.50</td>
<td>8,500.00</td>
</tr>
</tbody>
</table>

**TOTAL**  
170,116.00

Delivery Days  
Net  
30 days

*LOW BIDDER

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

- Critical River
- CSGI
- Infolob
- MRSW Management
- Mythics Inc.
- ONX
- RFD Associates

17-17114
BID NO. 17-17094A
PURCHASE SPLUNK ENTERPRISE UPGRADE AND ANNUAL ENTERPRISE SUPPORT
SINGLE SOURCE

Bid No. 17-17079 solicited bids to purchase an additional 30G Splunk enterprise license to upgrade System existing license to 50G and to purchase the annual maintenance support license. Splunk Enterprise is used to correlate system logs from various systems like firewalls, security scanners, servers, etc., to help troubleshoot issues and potentially identify system misuse. Splunk allows System IS personnel to take machine data and use it to enhance operations, security, and system management.

The bid was sent to 19 authorized resellers of Splunk software. One responsive bid was received. A second bid was e-mailed in as a quote, however, since this was a formal bid it could not be accepted. Prices proposed in the e-mailed quote were higher than prices being offered by RFD & Associates. See attached bid tabulation for prices proposed by RFD.

Award amount for the base year is $81,381.23 and $21,497.89 for each of the three one-year optional extension periods.
# SAN ANTONIO WATER SYSTEM

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

**PROPOSAL FOR:**  
**TIME & DATE:** 3:00 p.m., October 19, 2017  
**ITEM NO.**

<table>
<thead>
<tr>
<th>Item</th>
<th>Description and Approximate Quantity</th>
<th>Unit Price</th>
<th>Total</th>
</tr>
</thead>
</table>
| 1.   | Base Period: 12/5/17 - 12/31/18  
1 ea. Splunk Enterprise Upgrade-Perpetual License-30G/day, Part No. SEU-P-LIC | UNIT PRICE | 57,000.00 |
| 2.   | 1 ea. Splunk Enterprise Upgrade-30G/day-Enterprise Support, Part No. SEU-P-ESUP (End Date 12/31/2018) | UNIT PRICE | 11,431.23 |
| 3.   | 1 ea. Splunk Enterprise Upgrade Enterprise Support, Start Date 01/01/2018 - End Date 12/31/2018 (Existing license size 20G/day) Entitlement SPL-14134731 (Start Date 11/12/12 - End Date 12/31/17), Part No. SE-P-ESUP-R | UNIT PRICE | 12,950.00 |
| 1.   | Renewal Year 1: 01/01/19 - 12/31/19  
1 ea. Splunk Enterprise Support - 50 G/day, Part No. SE-P-ESUP-R | UNIT PRICE | 21,497.89 |
| 1.   | Renewal Year 2: 01/01/20 - 12/31/20  
1 ea. Splunk Enterprise Support - 50 G/day, Part No. SE-P-ESUP-R | UNIT PRICE | 21,497.89 |
| 1.   | Renewal Year 3: 01/01/21 - 12/31/21  
1 ea. Splunk Enterprise Support - 50 G/day, Part No. SE-P-ESUP-R | UNIT PRICE | 21,497.89 |

**TOTAL**  
**UNIT PRICE**  
**TOTAL**  
**UNIT PRICE**  
**TOTAL**  
**UNIT PRICE**  
**TOTAL**  
**UNIT PRICE**  
**TOTAL**  
**UNIT PRICE**  
**TOTAL**

**UNIT PRICE**  
**TOTAL**

**Terms**  
**Net**  
**30 days**

**Delivery Days**  
**1 day**

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

- August Schell Enterprises  
- Blackwood Associates  
- BlueFort Security  
- Carahsoft Technology Corp  
- CDW Government LLC  
- ClearShark  
- Datrium  
- FireEye  
- Force 3  
- Government Acquisitions Inc.  
- GTS Technology  
- Iron Bow Technologies  
- Red River  
- RFD & Associates, Inc.  
- SHI Government Solutions Inc.  
- Spear Inc.  
- TVAR Solutions  
- Demandstar  
- SAWS Website
## SAN ANTONIO WATER SYSTEM

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

**TABULATION OF BIDS**

**PROPOSAL**  
Annual Contract for  
Chlorination Equipment Parts

**DATE**  
300 p.m., October 31, 2017

**ITEM NO.**  
DESCRIPTION AND APPROXIMATE QUANTITY

<table>
<thead>
<tr>
<th>GROUP 1 - CAPITAL CONTROLS PARTS</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
<th>BID</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Capital Controls Econometrics, Series 480 Gas Chlorinator, 100 ppm Cylinder Mount, Automatic Switch, Model 581C5</td>
<td>3,480.00</td>
<td>34,800.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>2. Capital Controls Advance Series 200 Gas Chlorinator 500 ppm, Ton Container Mount, Right-hand oriented, automatic switch, Model 203, SAWS #22342</td>
<td>6,702.00</td>
<td>33,510.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>3. Capital Controls Advance Series 480, 3&quot; Remote Meter Panel, 100 ppm</td>
<td>383.00</td>
<td>766.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>4. Capital Controls Advance Series 200, 3&quot; Remote Meter Panel, 250 ppm</td>
<td>364.00</td>
<td>1,128.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>5. Capital Controls Advance Series 200, 5&quot; Remote Meter Panel, 500 ppm</td>
<td>804.00</td>
<td>1,608.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>6. Capital Controls Econometrics, Series 480, Chlorine Vacuum Regulator, 100 ppm With Valve, SAWS #22345</td>
<td>1,263.00</td>
<td>1,263.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>7. Capital Controls Econometrics, Series 480, Chlorine Vacuum Regulator, 100 ppm Plugged, SAWS #22346</td>
<td>33,925.00</td>
<td>33,925.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>8. Capital Controls Advance Series 200, Chlorine Vacuum Regulator, Ton Mounted, 500 ppm with Valve, SAWS #22347</td>
<td>2,921.00</td>
<td>2,921.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>9. Capital Controls Advanced Series 200, Chlorine Vacuum Regulator, Ton Mounted, 500 ppm Plugged, SAWS #22348</td>
<td>4,854.00</td>
<td>4,854.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>10. Capital Controls Automatic Switch Module, Chlorine, 100 ppm Max</td>
<td>542.00</td>
<td>542.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>11. Capital Controls Automatic Switch Module, Chlorine, 250 ppm Max</td>
<td>541.00</td>
<td>1,623.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>12. Capital Controls Automatic Switch Module, Chlorine, 500 ppm Max, SAWS #22349</td>
<td>1,112.00</td>
<td>1,112.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>13. Capital Controls O-Ring Ejector, 100 ppm, 20-140 psi max back pressure, Part # EU-100C</td>
<td>567.00</td>
<td>8,005.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>14. Capital Controls O-Ring Ejector, 250 ppm, 20-140 psi max back pressure, Part # EU-200C1</td>
<td>792.00</td>
<td>3,960.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>15. Capital Controls O-Ring Ejector, 500 ppm, 20-140 psi max back pressure, Part # EU-500C1</td>
<td>792.00</td>
<td>3,960.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>16. 0-300 PSI Gauge, 2 inch dial, with protective diaphragm Part #A-201-1, SAWS #22352</td>
<td>589.00</td>
<td>5,983.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>17. Series WP840 Automatic Gas Control Valve, 250 max, Part #14409-5, SAWS #47984</td>
<td>2,426.00</td>
<td>2,426.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>18. Series WP840 Automatic Gas Control Valve, 500 max, Part #14409-4, SAWS #33982</td>
<td>2,310.00</td>
<td>2,310.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>19. Controller Model 1450, Series WP840 Controller, Parts List #315,700, SAWS #42985</td>
<td>3,003.00</td>
<td>6,006.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>20. Capital Controls Model NXT 3000 Vacuum Regulator, 500 ppm kit, SAWS #31242</td>
<td>5,010.00</td>
<td>6,330.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>21. Filter, Specialty for CL2, Part #R1/308, SAWS #12279</td>
<td>359.00</td>
<td>359.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>22. Capital Controls Vacuum Regulator, Chlorine, 8000 PPD, Part #VR8000C1, SAWS #33357</td>
<td>4,468.00</td>
<td>8,936.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>23. Capital Controls Vacuum Regulator, Sulfur Dioxide, 8000 PPD, Part #VR8000S1, SAWS #3333</td>
<td>5,232.00</td>
<td>10,464.00</td>
<td>No Bid</td>
</tr>
</tbody>
</table>
```
San Antonio Water System
P.O. Box 2449
San Antonio, Texas 78298-2449

Tabulation of Bids

Annual Contract for Chlorination Equipment Parts
(January 1, 2018 through December 31, 2018)

Closed 3:00 p.m., October 31, 2017

No Bid

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Unit</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>24</td>
<td>Capital Controls Vacuum Regulator, Chlorine, 40000 PPD, Part #VRC4000CEN2, SAWS #4029</td>
<td>ea.</td>
<td>4.779</td>
<td>970.00</td>
</tr>
<tr>
<td>25</td>
<td>Flow tube assembly, PIN A-321-1, SAWS #48805</td>
<td>ea.</td>
<td>97.00</td>
<td>970.00</td>
</tr>
<tr>
<td>26</td>
<td>Flowmeter assembly, PIN A-108-3, SAWS #42150</td>
<td>ea.</td>
<td>146.00</td>
<td>4,380.00</td>
</tr>
<tr>
<td>27</td>
<td>Flowmeter assembly, PIN A-108-4, SAWS #42151</td>
<td>ea.</td>
<td>146.00</td>
<td>2,920.00</td>
</tr>
<tr>
<td>28</td>
<td>Flowmeter assembly, PIN A-108-5, SAWS #42152</td>
<td>ea.</td>
<td>146.00</td>
<td>2,920.00</td>
</tr>
<tr>
<td>29</td>
<td>Flowmeter assembly, PIN A-108-6, SAWS #42153</td>
<td>ea.</td>
<td>146.00</td>
<td>2,920.00</td>
</tr>
<tr>
<td>30</td>
<td>Flowmeter assembly, PIN A-108-8, SAWS #42154</td>
<td>ea.</td>
<td>146.00</td>
<td>2,920.00</td>
</tr>
<tr>
<td>31</td>
<td>Filter Floss, PIN BM-1023, SAWS #12036</td>
<td>ea.</td>
<td>6.00</td>
<td>300.00</td>
</tr>
<tr>
<td>32</td>
<td>Fluorolube Grease, PIN BM-1084, SAWS #43196</td>
<td>ea.</td>
<td>91.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>33</td>
<td>Filter Assembly, PIN BM-1736, SAWS #48806</td>
<td>ea.</td>
<td>453.00</td>
<td>453.00</td>
</tr>
<tr>
<td>34</td>
<td>Seal Diaphragm, PIN D-102, SAWS #2329</td>
<td>ea.</td>
<td>10.00</td>
<td>2,100.00</td>
</tr>
<tr>
<td>35</td>
<td>Diaphragm Chlorine, PIN D-104, SAWS #11381</td>
<td>ea.</td>
<td>3.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>36</td>
<td>Gasket, PIN G-106, SAWS #1996</td>
<td>ea.</td>
<td>3.00</td>
<td>600.00</td>
</tr>
<tr>
<td>37</td>
<td>Gasket, PIN G-100-1, SAWS #42148</td>
<td>ea.</td>
<td>2.00</td>
<td>200.00</td>
</tr>
<tr>
<td>38</td>
<td>Gasket, PIN G-100-2, SAWS #42149</td>
<td>ea.</td>
<td>2.00</td>
<td>300.00</td>
</tr>
<tr>
<td>39</td>
<td>Gasket, PIN G-100-3, SAWS #43193</td>
<td>ea.</td>
<td>2.00</td>
<td>300.00</td>
</tr>
<tr>
<td>40</td>
<td>Screw 6-32 x 1/4 LG, PIN N-302, SAWS #48807</td>
<td>ea.</td>
<td>10.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>41</td>
<td>Screw 10-24 x 1/2 LG, PIN N-138, SAWS #48808</td>
<td>ea.</td>
<td>2.00</td>
<td>200.00</td>
</tr>
<tr>
<td>42</td>
<td>Screw 1/4 x 20 x 3/8, PIN N-157, SAWS #37940</td>
<td>ea.</td>
<td>5.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>43</td>
<td>O-Ring, PIN OV-11-009</td>
<td>ea.</td>
<td>2.00</td>
<td>2.00</td>
</tr>
<tr>
<td>44</td>
<td>O-Ring, PIN OV-11-210, SAWS #34075</td>
<td>ea.</td>
<td>5.00</td>
<td>1,000.00</td>
</tr>
<tr>
<td>45</td>
<td>Ring O CL/C, PIN OV-11-011, SAWS #15328</td>
<td>ea.</td>
<td>2.00</td>
<td>1,000.00</td>
</tr>
</tbody>
</table>
```
## SAN ANTONIO WATER SYSTEM

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

**TABULATION OF BIDS**

**PROPOSAL:** Annual Contract for  
Chlorination Equipment Parts  
(January 1, 2018 through December 31, 2018)

**DATE:** 3:00 p.m., October 31, 2017

### Tabulation of Bids

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL PRICE</th>
<th>remarks</th>
</tr>
</thead>
<tbody>
<tr>
<td>46.</td>
<td>Ring O for CL CIC, P/N OV-11-012, SAWS #15331</td>
<td>2.00</td>
<td>1,000.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>47.</td>
<td>Ring O for CL CIC, P/N OV-11-012, SAWS #15341</td>
<td>4.00</td>
<td>2,000.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>48.</td>
<td>Ring O for CL CIC, P/N OV-11-114, SAWS #15333</td>
<td>3.00</td>
<td>900.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>49.</td>
<td>200 pound Remote Flow Meter, P/N RM-018-C, SAWS #48809</td>
<td>564.00</td>
<td>5,640.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>50.</td>
<td>Plug Bonnet, P/N S-104, SAWS #37945</td>
<td>125.00</td>
<td>6,250.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>51.</td>
<td>Adapter In Let, P/N T-1167, SAWS #27587</td>
<td>111.00</td>
<td>5,550.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>52.</td>
<td>Valve Type Sleeve, P/N U-330, SAWS #1960</td>
<td>25.00</td>
<td>1,250.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>53.</td>
<td>Diaphragm Bolt, P/N U-627, SAWS #48810</td>
<td>45.00</td>
<td>900.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>54.</td>
<td>Ring Inlet Retainer, P/N U-1830, SAWS #642143</td>
<td>10.00</td>
<td>300.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>55.</td>
<td>Diaphragm Nut, P/N U-1683, SAWS #11390</td>
<td>9.00</td>
<td>450.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>56.</td>
<td>Plug Seal Adaptor, P/N U-182, SAWS #34083</td>
<td>11.00</td>
<td>1,650.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>57.</td>
<td>Spring Retainer, P/N U-183, SAWS #42147</td>
<td>12.00</td>
<td>3,600.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>58.</td>
<td>Diaphragm Bolt, P/N U-236, SAWS #34076</td>
<td>19.00</td>
<td>1,900.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>59.</td>
<td>Filter Stop, P/N U-184, SAWS #37930</td>
<td>5.00</td>
<td>1,500.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>60.</td>
<td>Valve Type Bonnet, P/N U-349, SAWS #2442</td>
<td>19.00</td>
<td>950.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>61.</td>
<td>Plug Bonnet, P/N U-430, SAWS #37945</td>
<td>17.00</td>
<td>510.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>62.</td>
<td>Plug Clamp, P/N U-233-1, SAWS #48836</td>
<td>50.00</td>
<td>300.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>63.</td>
<td>Hold Chlorine, P/N W-113, SAWS #34082</td>
<td>11.00</td>
<td>825.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>64.</td>
<td>Screen Fiber Inlet, P/N W-101, SAWS #34083</td>
<td>8.00</td>
<td>400.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>65.</td>
<td>Valve Seat, P/N W-110, SAWS #32421</td>
<td>9.00</td>
<td>4,500.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>66.</td>
<td>Plug Valve Inlet, P/N W-117, SAWS #34084</td>
<td>59.00</td>
<td>2,950.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>67.</td>
<td>Plug Vent, P/N W-111, SAWS #42144</td>
<td>59.00</td>
<td>5,900.00</td>
<td>No Bid</td>
</tr>
</tbody>
</table>
# SAN ANTONIO WATER SYSTEM

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

## TABULATION OF BIDS

**PROPOSAL**

Annual Contract for Chlorination Equipment Parts  
**FOR**

(January 1, 2018 through December 31, 2018)  
**DATE**

3:00 p.m., October 31, 2017

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
<th>BID</th>
</tr>
</thead>
<tbody>
<tr>
<td>68.</td>
<td>Viton O-Ring, P/N: OV-203, SAWS #26958</td>
<td>10.00</td>
<td>1,000.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>69.</td>
<td>Valve Seat Assembly, P/N: A-1232, SAWS #48812</td>
<td>15.00</td>
<td>300.00</td>
<td>No Bid</td>
</tr>
<tr>
<td></td>
<td><strong>Allowance for miscellaneous parts not listed</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Effective Date: 01/01/18</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Budget</strong>: SAWS Discount off MSRP: Estimated Miscellaneous Parts Purchase: a x (1 - b)**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>$75,000 x (1 - 0%) =</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td></td>
<td>75,000.00</td>
<td>No Bid</td>
</tr>
</tbody>
</table>

## GROUP 2: ROBO-CONTROL PARTS

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
<th>BID</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Automatic Valve shutoff control panel, Robo-Controls p/n: RCPO02UPS10 or approved equal, SAWS #45769</td>
<td>6.20</td>
<td>62,000.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>2.</td>
<td>Chlorine Cylinder Shutoff Valves: Robo Controls p/n: U150-LD-CL or approved equal, SAWS #45768</td>
<td>4.60</td>
<td>92,000.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>3.</td>
<td>Automatic Valve shutoff control panel Robo-Controls p/n: RCPO10XL10 or approved equal, SAWS #37154</td>
<td>13.00</td>
<td>26,000.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>4.</td>
<td>Chlorine Cylinder Shutoff Valves: Robo Controls p/n: 2000C-G-10-CL2 or approved equal, SAWS #31241</td>
<td>6.00</td>
<td>60,000.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>5.</td>
<td>Sensor Chlorine P/N: L9007 0-30 PPM 4 to 20 MA Output, SAWS #37151</td>
<td>590.00</td>
<td>59,000.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>6.</td>
<td>Circuit Board Main P/N: BID022 for Model U2000C Actuator, SAWS #37152</td>
<td>823.20</td>
<td>8,232.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>7.</td>
<td>Circuit Board in/output BID007 for Model U2000C Actuator, SAWS #37153</td>
<td>6,000.00</td>
<td>60,000.00</td>
<td>No Bid</td>
</tr>
<tr>
<td>8.</td>
<td>Retainer U-Clip P/N: L9006B Model U/LRC, SAWS #48471</td>
<td>65.28</td>
<td>652.80</td>
<td>No Bid</td>
</tr>
<tr>
<td>9.</td>
<td>ARM Alignment P/N: A8055H Model U Anodized, SAWS #48472</td>
<td>239.65</td>
<td>2,396.50</td>
<td>No Bid</td>
</tr>
<tr>
<td></td>
<td><strong>Allowance for miscellaneous parts not listed</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Effective Date: 12/31/2017</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>Budget</strong>: SAWS Discount off MSRP: Estimated Miscellaneous Parts Purchase: a x (1 - b)**</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>$75,000 x (1 - 0%) =</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>TOTAL</strong></td>
<td></td>
<td>287,181.30</td>
<td>No Bid</td>
</tr>
</tbody>
</table>

## EXTENSION 1

<table>
<thead>
<tr>
<th>UNIT PRICE</th>
<th>TOTAL</th>
<th>BID</th>
</tr>
</thead>
<tbody>
<tr>
<td>345,526.00</td>
<td>287,181.30</td>
<td>No Bid</td>
</tr>
</tbody>
</table>

## EXTENSION 2

<table>
<thead>
<tr>
<th>UNIT PRICE</th>
<th>TOTAL</th>
<th>BID</th>
</tr>
</thead>
<tbody>
<tr>
<td>345,526.00</td>
<td>287,181.30</td>
<td>No Bid</td>
</tr>
</tbody>
</table>

## EXTENSION 3

<table>
<thead>
<tr>
<th>UNIT PRICE</th>
<th>TOTAL</th>
<th>BID</th>
</tr>
</thead>
<tbody>
<tr>
<td>345,526.00</td>
<td>287,181.30</td>
<td>No Bid</td>
</tr>
</tbody>
</table>

## EXTENSION 4

<table>
<thead>
<tr>
<th>UNIT PRICE</th>
<th>TOTAL</th>
<th>BID</th>
</tr>
</thead>
<tbody>
<tr>
<td>345,526.00</td>
<td>287,181.30</td>
<td>No Bid</td>
</tr>
</tbody>
</table>

## Terms

| Net 30 days | Net 30 days |

## Delivery Days

*LOW BIDDER*

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

- CAPP USA
- E2
- Global Treat
- JCS Industries Inc.
- Macaulay Controls Co.
- Moody Bros

**Demandstar**

**SAWS Website**
BID NO. 17-3057
ANNUAL CONTRACT FOR CHLORINATION EQUIPMENT PARTS
SINGLE SOURCE

Bid No. 17-3057 solicited bids for the purchase of chlorination equipment parts for the System Treatment & Production facilities. The equipment is used by our maintenance staff for water & wastewater to maintain and repair chlorine & sulfur dioxide equipment.

GROUP 1 – Macaulay Controls Company
Macaulay Control Company is the single responsible bidder for the Chlorination Equipment Parts bid, Group 1.

GROUP 2: – JCS Industries, Inc
JCS Industries, Inc. is the single responsible bidder for the Chlorination Equipment Parts bid, Group 2.

The chlorine and sulfur dioxide equipment is vital in meeting permit requirements with the EPA and TCEQ. The De Nora/Capital Controls equipment is used to regulate the flow of the chemicals released in the various stages required in the treatment of water or wastewater. The Robo-Controls monitor the release of these gases in the air and shut down the system when that occurs. The standardization of the De Nora (the parent company for Capital Controls) and Robo-Controls equipment for Treatment includes Chlorinators, Sulfanators and evaporators, as well as, other associated components. The standardization allows the warehouses to stock associated replacement parts that are interchangeable at our production and treatment facilities.

This is extremely important in the middle of the night when staff gets a call-out to a facility that is having chlorination or sulfur dioxide issues. It also allows us to keep labor costs to a minimum since we are trying to use the same amount of staff in the Mechanical group to maintain the disinfection equipment.

This bid was emailed to ten companies in addition to being posted on Onvia and SAWS website. Only one response was received for each the two different manufacturers for the chlorination equipment and parts. Macaulay Controls is the manufacturer’s sole distributor for the DeNora chlorine and sulfur dioxide equipment. JCS Industries is the manufacturer of the Robo-Controls chlorine and sulfur dioxide equipment.

- The estimated total annual award amount for Group 1 is $345,526.00
- The estimated total annual award amount for Group 2 is $287,181.30
Avista Tech is a sole source for Bid No. 17-1082 Avista Tech Clean in Place (CIP) chemicals. The CIP chemicals are used to clean membranes and are a proprietary to Avista Tech specifications. The Avista Tech CIP chemicals made by Avista Tech will be used to clean membranes for the SAWS Twin Oaks Plant.

The manufacturer Avista Tech is the exclusive manufacturer of the CIP chemicals to clean membranes for the Brackish Groundwater Desalination (BGD) reverse osmosis process. Avista Technologies (anti-scalant supplier), as part of their scope for supplying ant-scalant, installed three black boxes to obtain fouling data for System BGD RO membranes. They recently analyzed the fouling data obtained from SAWS BGD system. Based on their analysis, they recommended Roclean L403, and Roclean P112. Anti-scalants are used to reduce fouling on the membrane surface. Therefore, there is a technical advantage of using anti-scalant and membrane cleaning chemical from the same manufacturer.

Since the Desal plant is new, staff initially ordered minimal quantities to clean the membranes. They now have a better understanding of what is needed and at what frequencies. Previous purchases of CIP chemicals and those needed thru May 31, 2018 is $137,350.88.

The bid submitted by Avista Tech meets SAWS requirements to provide CIP chemicals in maintaining the Twin Oaks Plant.

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Extended Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>CIP CHEMICAL ROCLEAN P903 90 POUND JUGS</td>
<td>96 JUGS</td>
<td>$369.90</td>
<td>$35,510.40</td>
</tr>
<tr>
<td>CIP CHEMICAL ROCLEAN P112 100 POUND JUGS</td>
<td>88 Jugs</td>
<td>$382.00</td>
<td>$33,616.00</td>
</tr>
<tr>
<td>CIP CHEMICAL ROCLEAN L403 45 POUND PAILS</td>
<td>36 Pail</td>
<td>$202.05</td>
<td>$7,273.80</td>
</tr>
<tr>
<td>CIP CHEMICAL ROCLEAN P112 45 POUND PAILS</td>
<td>36 Pail</td>
<td>$229.05</td>
<td>$8,245.80</td>
</tr>
<tr>
<td>FREIGHT</td>
<td>Each</td>
<td></td>
<td>$2,705.88</td>
</tr>
<tr>
<td>TOTAL</td>
<td></td>
<td></td>
<td><strong>$87,351.88</strong></td>
</tr>
</tbody>
</table>

• The award amount is $87,351.88 and $49,999.00 for a total of $137,350.88
# SAN ANTONIO WATER SYSTEM
## P. O. BOX 2449
## SAN ANTONIO, TEXAS 78298-2449
## TABULATION OF BIDS

**PROPOSAL FOR:**
Annual Contract for Plumbing Service Program

*(January 1, 2018 through December 31, 2018)*

**TIME & DATE:**
3:00 p.m., October 3, 2017

### GROUP 1
**PLUMBING SERVICES (During SAWS Normal Duty Hours of 7:00 a.m. to 5:00 p.m.)**

- 400 Hours Plumber Licensed Journeymen Services on Plumbing systems shall include troubleshooting, diagnosis and repairs as called for in the specifications
  - **Lawson No. 33772**
  - **Price/ Hour:** 79.50
  - **Total:** 31,800.00

- 400 Hours Plumber Apprentice Services on Plumbing, Lawson No. 33773
  - **Price/ Hour:** 25.00
  - **Total:** 10,000.00

- 20 Hours Grease Truck, Lawson No. 33774
  - **Price/ Hour:** 375.00
  - **Total:** 7,500.00

- 20 Hours Hydro Jetting Machine, Lawson No.
  - **Price/ Hour:** 425.00
  - **Total:** 8,500.00

**SUB TOTAL FOR GROUP 1**
- **Total:** 57,800.00

### GROUP 2
**PLUMBING SERVICES AFTER HOURS 5:01 PM TO 6:59 AM**

- 200 Hours Plumber Licensed Journeymen Services on Plumbing systems shall include troubleshooting, diagnosis and repairs as called for in the specifications, Lawson No. 33775
  - **Price/ Hour:** 79.50
  - **Total:** 15,900.00

- 200 Hours Plumber Apprentice Services on Plumbing, Lawson No. 33776
  - **Price/ Hour:** 25.00
  - **Total:** 5,000.00

- 10 Hours Grease Truck, Lawson No. 33774
  - **Total:** 375.00

- 10 Hours Hydro Jetting Machine, Lawson No.
  - **Total:** 425.00

**SUB TOTAL FOR GROUP 2**
- **Total:** 28,900.00

### GROUP 3
**MISCELLANEOUS PARTS**
- Cost Plus applies to all miscellaneous parts, Lawson No. 34173
  - **Total:** 22,000.00

**SUB TOTAL FOR GROUP 3**
- **Total:** 22,000.00

**GRAND TOTAL (GROUP 1-3)**
- **Total:** 108,700.00

**EXTENSION 1**
- **Total:** 108,700.00

**EXTENSION 2**
- **Total:** 108,700.00

**EXTENSION 3**
- **Total:** 108,700.00

**Terms**
- **Net:** 30 days

*LOW BIDDER*

**BID INVITATIONS E-MAILED TO AND/OR PICKED UP BY:**
- AAA Plumbers
- Acmedia
- Benchmark Plumbing
- Beyer Plumbing
- Bryco Plumbing
- Gibson Plumbing
- J.R.'s Plumbing
- Quartermoon Plumbing

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**Demandstar**

**SAWS Website**
Bid No. 17-1004 solicited bids for plumbing service program to troubleshoot, diagnose, service and repair System plumbing equipment, including associated components, located at Headquarters, Northeast Service Center, Mission Road Service Center, Dos Rios Treatment Plant (O&M Building #16 and Admin Building #17), Leon Creek Treatment Plant Admin Building, the Environmental Service Laboratory, and the SAWS Heating and Cooling Plants Downtown, Cherry Street and various locations.

JR’s Plumbing is the single responsible bidder for the plumbing service program.

Eight vendors were invited to bid, but only one bid was received from JR’s Plumbing. Cited reasons as to why some of the vendors did not bid are as follows: “cannot be competitive”, “do not have time and resources to do the job”, and “company was sold”. Contacted vendors and one vendor was interested in submitting a bid. Extended the bid for an additional week, but the vendor did not submit a bid when bid was due. The cost from 2013 to 2017 has increased by 10.69%, which translates to $10,500.00.

The bid submitted by JR’s Plumbing meets all the requirements of the specification.

<table>
<thead>
<tr>
<th>Description</th>
<th>Quantity</th>
<th>Unit Price</th>
<th>Extended Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Plumber Licensed Journeymen Services on Plumbing systems shall include troubleshooting, diagnosis and repairs as called for in the Specifications Lawson No. 33772</td>
<td>400 each</td>
<td>$ 79.50</td>
<td>$ 31,800.00</td>
</tr>
<tr>
<td>Plumber Apprentice Services on Plumbing Lawson No.33773</td>
<td>400 each</td>
<td>$ 25.00</td>
<td>$ 10,000.00</td>
</tr>
<tr>
<td>Grease Truck Lawson No.33774</td>
<td>20 each</td>
<td>$ 375.00</td>
<td>$ 7,500.00</td>
</tr>
<tr>
<td>Hydro Jetting Machine Lawson No.</td>
<td>20 each</td>
<td>$ 425.00</td>
<td>$ 8,500.00</td>
</tr>
<tr>
<td>Plumber Licensed Journeymen Services on Plumbing systems shall include troubleshooting, diagnosis and repairs as called for in the Specifications Lawson No. 33775</td>
<td>200 each</td>
<td>$ 79.50</td>
<td>$ 15,900.00</td>
</tr>
<tr>
<td>Plumber Apprentice Services on Plumbing Lawson No.33776</td>
<td>200 each</td>
<td>$ 25.00</td>
<td>$ 5,000.00</td>
</tr>
<tr>
<td>Grease Truck Lawson No.33774</td>
<td>10 each</td>
<td>$ 375.00</td>
<td>$ 3,750.00</td>
</tr>
<tr>
<td>Hydro Jetting Machine Lawson No.</td>
<td>10 each</td>
<td>$ 425.00</td>
<td>$ 4,250.00</td>
</tr>
<tr>
<td>Description</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost Plus applies to all miscellaneous parts Lawson No. 34173</td>
<td>10%</td>
<td>$ 20,000.00</td>
<td>$ 22,000.00</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td><strong>$ 108,700.00</strong></td>
</tr>
</tbody>
</table>

- The award amount is $108,700.00/ year
### SAN ANTONIO WATER SYSTEM

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

**TABULATION OF BIDS**

**Annual Contract for the Supply of Backfill Materials**

(DATE OF AWARD THROUGH DECEMBER 31, 2018)

**TIME & DATE:** 3:00 p.m., October 23, 2017

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Lawton No.</th>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1a</td>
<td>3/8” Crushed Limestone</td>
<td>1602</td>
<td>20,000 ton</td>
<td>15.96</td>
<td>319,200.00</td>
</tr>
<tr>
<td>1b</td>
<td>3/8” Crushed Limestone - Deliver to Jobsite</td>
<td>22333</td>
<td>600 ton</td>
<td>15.96</td>
<td>9,576.00</td>
</tr>
<tr>
<td>2a</td>
<td>1/2” Washed Gravel</td>
<td>22331</td>
<td>20,000 ton</td>
<td>21.02</td>
<td>420,400.00</td>
</tr>
<tr>
<td>2b</td>
<td>1/2” Washed Gravel - Deliver to Jobsite</td>
<td>22332</td>
<td>600 ton</td>
<td>21.02</td>
<td>12,612.00</td>
</tr>
<tr>
<td>3a</td>
<td>Washed Silica Sand</td>
<td>43085</td>
<td>2,600 ton</td>
<td>14.96</td>
<td>38,960.00</td>
</tr>
<tr>
<td>3b</td>
<td>Washed Silica Sand - Deliver to Jobsite</td>
<td>40550</td>
<td>600 ton</td>
<td>14.96</td>
<td>8,976.00</td>
</tr>
<tr>
<td>4</td>
<td>Expedited Delivery Charge</td>
<td></td>
<td>20 each</td>
<td>100.00</td>
<td>2,000.00</td>
</tr>
</tbody>
</table>

**GRAND TOTAL**

| TOTAL | 811,660.00 |

**Terms**

<table>
<thead>
<tr>
<th>2%</th>
<th>Net 15 days</th>
<th>Net 30 days</th>
<th>Net 30 days</th>
</tr>
</thead>
</table>

**Delivery**

| 24 hours | 24 hours | 24 hours | 24 hours |

* Lowest Bidder

**BID INVITATIONS MAILED, EMAILED TO AND/OR PICKED UP BY:**

- Aguado Stone
- Alamo Stone Art
- Diamond S Construction
- Fertile Garden
- Garden-Ville
- Hall and Sons Transport
- Jarco Transport
- K.D. Williams Construction
- Keller Material
- Landscape Solution & Nursery

- M&M Marble
- Madden Material & Trucking
- Martin Marietta
- Morris Co.
- Oppies Topsoil Sand & Gravel
- Oscar Gutierrez Trucking
- Texas Disposal
- Texas Sand & Gravel
- TexaStone Quarries
- Timms Trucking & Excavating

- SAWS Website
- DemandStar

**NOTE:**

- Delivery: 24 hours
- Terms: 2% Net 15 days, Net 30 days, Net 30 days, Net 30 days
- Grand Total: 811,660.00

**DATE:"** October 23, 2017
**SAN ANTONIO WATER SYSTEM**  
**P. O. BOX 2449**  
**SAN ANTONIO, TEXAS 78298-2449**  
**TABULATION OF BIDS**

**PROPOSAL:** Annual Contract for  
**FOR:** Rental of Various Shoring Equipment  
**TIME & DATE:** (January 1, 2016 through December 31, 2016)  
3:00 p.m., November 5, 2015

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>PRICE PER DAY</th>
<th>PRICE PER WEEK</th>
<th>PRICE PER MONTH</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>4' x 30' Steel Trench Box</td>
<td>58.26</td>
<td>174.79</td>
<td>524.38</td>
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<tr>
<td></td>
<td>8' x 30' Steel Trench Box</td>
<td>74.01</td>
<td>222.03</td>
<td>666.10</td>
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<tr>
<td></td>
<td>10' x 24' Steel Trench Box</td>
<td>70.86</td>
<td>212.13</td>
<td>637.75</td>
</tr>
<tr>
<td></td>
<td>8' x 10' Trench Shield with Spreaders</td>
<td>39.37</td>
<td>118.10</td>
<td>314.94</td>
</tr>
<tr>
<td></td>
<td>8' x 12' Trench Shield with Spreaders</td>
<td>59.05</td>
<td>177.15</td>
<td>472.40</td>
</tr>
<tr>
<td></td>
<td>10' x 12' Trench Shield with Spreaders</td>
<td>47.24</td>
<td>141.72</td>
<td>377.92</td>
</tr>
</tbody>
</table>
SAN ANTONIO WATER SYSTEM
P. O. BOX 2449
SAN ANTONIO, TEXAS 78298-2449

TABULATION OF BIDS

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>PRICE PER MONTH 2 per year</th>
<th>PRICE PER MONTH 1 per year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10' x 12' Trench Shield with Spreaders</td>
<td>425.17 465.00</td>
<td>850.34 930.00</td>
</tr>
<tr>
<td></td>
<td>4' x 16' Trench Shield with Spreaders</td>
<td>35.43 38.00</td>
<td>106.29 115.00</td>
</tr>
<tr>
<td></td>
<td>4' x 16' Trench Shield with Spreaders</td>
<td>318.88 348.00</td>
<td>637.76 696.00</td>
</tr>
<tr>
<td></td>
<td>8' x 16' Trench Shield with Spreaders</td>
<td>55.11 58.00</td>
<td>165.34 178.00</td>
</tr>
<tr>
<td></td>
<td>8' x 16' Trench Shield with Spreaders</td>
<td>19.68 21.11</td>
<td>59.05 63.33</td>
</tr>
<tr>
<td></td>
<td>4' x 10' Trench Shield with Spreaders</td>
<td>19.68 21.11</td>
<td>177.15 190.00</td>
</tr>
<tr>
<td></td>
<td>4' x 20' Trench Shield with Spreaders</td>
<td>35.43 38.67</td>
<td>106.29 116.00</td>
</tr>
<tr>
<td></td>
<td>4' x 20' Trench Shield with Spreaders</td>
<td>106.29 116.00</td>
<td>1,417.20 1,520.00</td>
</tr>
<tr>
<td></td>
<td>4' x 20' Trench Shield with Spreaders</td>
<td>318.88 348.00</td>
<td>318.88 348.00</td>
</tr>
<tr>
<td></td>
<td>8' x 20' Trench Shield with Spreaders</td>
<td>59.05 64.00</td>
<td>177.15 192.00</td>
</tr>
<tr>
<td></td>
<td>8' x 20' Trench Shield with Spreaders</td>
<td>177.15 190.00</td>
<td>1,417.20 1,520.00</td>
</tr>
<tr>
<td></td>
<td>8' x 20' Trench Shield with Spreaders</td>
<td>472.41 518.00</td>
<td>6,141.33 6,734.00</td>
</tr>
</tbody>
</table>
## SAN ANTONIO WATER SYSTEM

**P. O. BOX 2449**

**SAN ANTONIO, TEXAS 78298-2449**

**TABULATION OF BIDS**

**PROPOSAL**: Annual Contract for Rental of Various Shoring Equipment

**TIME & DATE**: (January 1, 2016 through December 31, 2016)

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

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>PRICE PER DAY</th>
<th>PRICE PER WEEK</th>
<th>PRICE PER MONTH</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>10' x 20' Trench Shield with Spreaders</td>
<td>39.37</td>
<td>118.10</td>
<td>354.31</td>
</tr>
<tr>
<td></td>
<td>4' x 24' Trench Shield with Spreaders</td>
<td>19.68</td>
<td>59.05</td>
<td>177.15</td>
</tr>
<tr>
<td></td>
<td>8' x 24' Trench Shield with Spreaders</td>
<td>78.74</td>
<td>118.10</td>
<td>354.31</td>
</tr>
<tr>
<td></td>
<td>5' x 8' x 1' Shoring Plate</td>
<td>7.09</td>
<td>21.26</td>
<td>63.78</td>
</tr>
<tr>
<td></td>
<td>6' x 10' x 1' Shoring Plate</td>
<td>28.36</td>
<td>191.34</td>
<td>956.70</td>
</tr>
<tr>
<td></td>
<td>8' x 10' x 1' Shoring Plate</td>
<td>7.09</td>
<td>21.26</td>
<td>63.78</td>
</tr>
</tbody>
</table>

**PROPOSAL # 1**

**United Rentals (North America)**

**NTS Milex, LLC**

**260 N Sam Houston Pkwy E**

**Houston, TX 77060**

**PRICE & DATE**: 3:00 p.m., November 5, 2015
**SAN ANTONIO WATER SYSTEM**

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

**TABULATION OF BIDS**

**PROPOSAL FOR:**

**TIME & DATE:** 3:00 p.m., November 5, 2015

**ITEM NO.**

<table>
<thead>
<tr>
<th>Description</th>
<th>Price Per Week</th>
<th>Price Per Month</th>
<th>Price Per Day</th>
</tr>
</thead>
<tbody>
<tr>
<td>4 per year 8' x 10' x 1&quot; Shoring Plate</td>
<td>23.62</td>
<td>94.48</td>
<td>15.75</td>
</tr>
<tr>
<td>50 per year 8' x 10' x 1&quot; Shoring Plate</td>
<td>70.86</td>
<td>3,543.00</td>
<td>126.00</td>
</tr>
<tr>
<td>8 per year 8' x 20' x 1&quot; Shoring Plate</td>
<td>15.75</td>
<td>755.84</td>
<td>125.98</td>
</tr>
<tr>
<td>63 per year 8' x 20' x 1&quot; Shoring Plate</td>
<td>7,936.74</td>
<td>135.00</td>
<td></td>
</tr>
<tr>
<td>50 per year Chain Sling for Steel Box</td>
<td>3.00</td>
<td>150.00</td>
<td>9.00</td>
</tr>
<tr>
<td>2 per year Chain Sling for Steel Box</td>
<td>9.00</td>
<td>132.00</td>
<td>50.00</td>
</tr>
<tr>
<td>1 per year Chain Sling for Steel Box</td>
<td>27.00</td>
<td>18.00</td>
<td></td>
</tr>
<tr>
<td>2 per year Crossing Plate Lift Screw 1.25&quot;</td>
<td>3.00</td>
<td>6.00</td>
<td></td>
</tr>
<tr>
<td>5 per year Crossing Plate Lift Screw 1.25&quot;</td>
<td>9.00</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>15 per year Crossing Plate Lift Screw 1.25&quot;</td>
<td>27.00</td>
<td>0.00</td>
<td></td>
</tr>
<tr>
<td>2 per year Stacking Pins set of 4</td>
<td>N/C</td>
<td>N/C</td>
<td>0.00</td>
</tr>
<tr>
<td>5 per year Stacking Pins set of 4</td>
<td>N/C</td>
<td>N/C</td>
<td>0.00</td>
</tr>
<tr>
<td>5 per year Stacking Pins set of 4</td>
<td>N/C</td>
<td>N/C</td>
<td>0.00</td>
</tr>
<tr>
<td>2 per year Trench Box 8'x8' including 4 spreader bars and 8 spreader bar pins</td>
<td>36.65</td>
<td>73.30</td>
<td>312.68</td>
</tr>
<tr>
<td>2 per year Trench Box 8'x8' including 4 spreader bars and 8 spreader bar pins</td>
<td>115.39</td>
<td>230.78</td>
<td>312.68</td>
</tr>
<tr>
<td>1 per year Trench Box 8'x8' including 4 spreader bars and 8 spreader bar pins</td>
<td>312.68</td>
<td>312.68</td>
<td>345.00</td>
</tr>
</tbody>
</table>
### SAN ANTONIO WATER SYSTEM

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

**TABULATION OF BIDS**

<table>
<thead>
<tr>
<th>PROPOSAL FOR:</th>
<th>Annual Contract for Rental of Various Shoring Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>TIME &amp; DATE:</td>
<td>(January 1, 2016 through December 31, 2016) 3:00 p.m., November 5, 2015</td>
</tr>
<tr>
<td>ITEM NO.</td>
<td>DESCRIPTION AND APPROXIMATE QUANTITY</td>
</tr>
<tr>
<td>TOTAL PER DAY</td>
<td>TOTAL 2,566.04 2,871.71</td>
</tr>
<tr>
<td>TOTAL PER WEEK</td>
<td>TOTAL 5,340.95 5,708.03</td>
</tr>
<tr>
<td>TOTAL PER MONTH</td>
<td>TOTAL 26,879.46 28,665.00</td>
</tr>
<tr>
<td>TOTAL PER YEAR</td>
<td>TOTAL 34,786.45 37,244.74</td>
</tr>
<tr>
<td>EXTENSION 1</td>
<td>34,786.45</td>
</tr>
<tr>
<td>EXTENSION 2</td>
<td>34,786.45</td>
</tr>
<tr>
<td>EXTENSION 3</td>
<td>34,786.45</td>
</tr>
<tr>
<td>Terms</td>
<td>Net 30 days 1% 10 days</td>
</tr>
<tr>
<td>Delivery Days</td>
<td></td>
</tr>
</tbody>
</table>

*LOW BIDDER*

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

- Aztec Rental Center
- Baker Corp
- Hertz Equipment
- National Trench Safety
- Neff Rental
- Road Runner Plate and Shoring
- Safway
- South Texas Trench Safety
- Sunbelt Rentals
- United Rentals
- Demandstar
- SAWS Website

**United Rentals (North America),**  
7414 Grissom Road  
San Antonio, TX 78251

**NTS Mikelson, LLC,**  
dba National Trench Safety  
260 N Sam Houston Pkwy E,  
Houston, TX 77060
**ANNUAL CONTRACT for Adobe & Other Software Licenses**

**SAN ANTONIO WATER SYSTEM**

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

**TABULATION OF BIDS**

**SAN ANTONIO WATER SYSTEM**

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

**EXTENDED PERIOD:**

1. **Base Period:** December 5, 2017 - December 31, 2018

   1. **Part No. 65280374AC02A00**
      - Adobe Acrobat Professional 2017 Multiple Platforms License 1 User, Level 2 CLP
      - **Price:** 311.11
      - **Total:** 62,222.00

   2. **Part No. 2018789-1T2**
      - SAP Crystal Reports 2016 - License - 1 named user - volume - 1-2 licenses-Win
      - **Price:** 391.05
      - **Total:** 2,346.30

   3. **Part No. 65270491BC01A12**
      - Adobe Illustrator CC Multiple Platforms Licensing Subscription 12 Months, Level 1 VIP
      - **Price:** 307.50
      - **Total:** 3,690.00

   4. **Part No. 652701819BC01A12**
      - Adobe Photoshop CC - Team Licensing Subscription, New (monthly)-1 user - GOV - Value Incentive Plan - level 1 (1-9)-Win, Mac - Multi North American Language
      - **Price:** 307.50
      - **Total:** 3,690.00

   5. **Part No. 65270473BC01A12**
      - Adobe Captivate for teams Multiple Platforms Team Licensing Subscription 12 months
      - **Price:** 307.52
      - **Total:** 3,690.00

   6. **Part No. 65270367BC01A12**
      - Adobe Dreamweaver CC - Team Licensing Subscription, New (monthly)-1 user - GOV - Value Incentive Plan - level 1 (1-9)-0 points - Win, Mac - Multi North American Language
      - **Price:** 307.50
      - **Total:** 3,690.00

   7. **Part No. 65270766BC01A12**
      - Adobe Creative Cloud for teams - All Apps Multiple Platforms Team Licensing Subscription 12 months 1 User Level 1 VIP
      - **Price:** 717.71
      - **Total:** 4,311.18

**BASE YEAR TOTAL:**

- **Total:** 76,254.68
- **Total:** 76,427.98

**Extension 1:**

1. **Base Period:** December 5, 2018 - December 31, 2019

   1. **Part No. 65280374AC02A00**
      - Adobe Acrobat Professional 2017 Multiple Platforms License 1 User, Level 2 CLP
      - **Price:** 311.11
      - **Total:** 62,222.00

   2. **Part No. 2018789-1T2**
      - SAP Crystal Reports 2016 - License - 1 named user - volume - 1-2 licenses-Win
      - **Price:** 391.05
      - **Total:** 2,346.30

   3. **Part No. 65270491BC01A12**
      - Adobe Illustrator CC Multiple Platforms Licensing Subscription 12 Months, Level 1 VIP
      - **Price:** 307.50
      - **Total:** 3,690.00

   4. **Part No. 652701819BC01A12**
      - Adobe Photoshop CC - Team Licensing Subscription, New (monthly)-1 user - GOV - Value Incentive Plan - level 1 (1-9)-Win, Mac - Multi North American Language
      - **Price:** 307.50
      - **Total:** 3,690.00

   5. **Part No. 65270473BC01A12**
      - Adobe Captivate for teams Multiple Platforms Team Licensing Subscription 12 months
      - **Price:** 307.52
      - **Total:** 3,690.00

   6. **Part No. 65270367BC01A12**
      - Adobe Dreamweaver CC - Team Licensing Subscription, New (monthly)-1 user - GOV - Value Incentive Plan - level 1 (1-9)-0 points - Win, Mac - Multi North American Language
      - **Price:** 307.50
      - **Total:** 3,690.00

   7. **Part No. 65270766BC01A12**
      - Adobe Creative Cloud for teams - All Apps Multiple Platforms Team Licensing Subscription 12 months 1 User Level 1 VIP
      - **Price:** 717.71
      - **Total:** 4,311.18

**EXTENSION 1 TOTAL:**

- **Total:** 20,255.42
- **Total:** 20,663.98

**Extension 2:**

1. **Part No. 65280374AC02A00**
   - Adobe Acrobat Professional 2017 Multiple Platforms License 1 User, Level 2 CLP
   - **Price:** 311.11
   - **Total:** 6,222.20
SAN ANTONIO WATER SYSTEM
P. O. BOX 2449
SAN ANTONIO, TEXAS  78298-2449

TABULATION OF BIDS
ANNUAL CONTRACT for Adobe & Other Software Licenses
(December 5, 2017 through December 31, 2018)
3:00 p.m., October 31, 2017

<table>
<thead>
<tr>
<th>ITEM#</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>SAP Crystal Reports 2016 - License - 1 named user - volume - 1-2 licenses-Win</td>
<td>391.00</td>
<td>2,346.30</td>
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<td></td>
<td>Part No. 7018780-172</td>
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<td>2</td>
<td>Adobe Illustrator CC Multiple Platforms Licensing Subscription 12 Months, Level 1 VIP</td>
<td>307.53</td>
<td>1,845.18</td>
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<tr>
<td></td>
<td>Part No. 65270491BC01A12</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Adobe Photoshop CC - Team Licensing Subscription, New (monthly)-1 user - GOV - Value Incentive Plan - level 1 (1-9)-Win, Mac - Multi North American Language</td>
<td>307.53</td>
<td>1,845.18</td>
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<td></td>
<td>Part No. 65270819BC01A12</td>
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<tr>
<td>4</td>
<td>Adobe Captivate for teams Multiple Platforms Team Licensing Subscription 12 months</td>
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<td>1,845.12</td>
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<tr>
<td></td>
<td>Adobe - Part #65277347BC01A12</td>
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<tr>
<td>5</td>
<td>Adobe Dreamweaver CC - Team Licensing Subscription, New (monthly) - 1 user - GOV Value Incentive Plan - level 1 (1-9)- 0 points - Win, Mac - Multi North American Language</td>
<td>307.53</td>
<td>1,845.18</td>
</tr>
<tr>
<td></td>
<td>Part No. 65270367BC01A12</td>
<td></td>
<td></td>
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<tr>
<td>6</td>
<td>Adobe Creative Cloud for teams - All Apps Multiple Platforms Team Licensing Subscription 12 months 1 User Level 1 VIP</td>
<td>717.71</td>
<td>4,306.36</td>
</tr>
<tr>
<td></td>
<td>Part No. 65270768BC01A12</td>
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EXTENSION 2 TOTAL

<table>
<thead>
<tr>
<th>ITEM#</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
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<tbody>
<tr>
<td>7</td>
<td>4,306.36</td>
<td>4,311.18</td>
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GRAND TOTAL (Base, Ext 1 and Ext 2)

<table>
<thead>
<tr>
<th>ITEM#</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td>116,765.52</td>
<td>117,755.94</td>
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Terms

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

Delivery

<table>
<thead>
<tr>
<th>Net</th>
<th>5 days</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>5 days</td>
</tr>
</tbody>
</table>

* Low Bidder

BID INVITATIONS MAILED TO AND/OR PICKED UP BY:

- Caesar Otieno
- Carasof Technology Corp
- CDW
- Computer Intelligence Association
- GovConnection Inc
- Insight Public Sector Inc
- Sainatech
- SHI Government Solutions
- Summus Industries
### SAN ANTONIO WATER SYSTEM

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

#### TABULATION OF BIDS

**PROPOSAL:** Annual Contract for Cure-In-Place-Pipe (CIPP) Point Repair Installation  
**FOR:** Equipment and Associated Consumables  
**TIME & DATE:** January 1, 2018 through December 31, 2018, 3:00 p.m., October 26, 2017

<table>
<thead>
<tr>
<th>GROUP I - EQUIPMENT</th>
<th>UNIT</th>
<th>PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Source one Environmental, P/N FPP-PAC610FT or approved equal, SAWS #34529</td>
<td>ea.</td>
<td>1,190.00</td>
<td>4,760.00</td>
</tr>
<tr>
<td>2. Source one Environmental, P/N FPP-PACK610FT48 or approved equal, SAWS #34530</td>
<td>ea.</td>
<td>1,206.00</td>
<td>4,824.00</td>
</tr>
<tr>
<td>3. Source one Environmental, P/N FPP-PACK1215FT or approved equal, SAWS #34531</td>
<td>ea.</td>
<td>1,580.00</td>
<td>3,160.00</td>
</tr>
<tr>
<td>4. Source one Environmental, P/N FPP-PACK1215FT48 or approved equal, SAWS #34532</td>
<td>ea.</td>
<td>1,773.00</td>
<td>3,546.00</td>
</tr>
<tr>
<td>5. Source one Environmental, P/N FPP-PACK3PACKER or approved equal, SAWS #34535</td>
<td>ea.</td>
<td>584.00</td>
<td>584.00</td>
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<td>6. Source one Environmental, P/N FPP-PACKER-4EL or approved equal, SAWS #34539</td>
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<td>760.00</td>
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<td>8. Source one Environmental, P/N FPP-PACKER-6EL or approved equal, SAWS #34540</td>
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<td>9. Source one Environmental, P/N FPP-6 PACKER or approved equal, SAWS #34537</td>
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<td>10. Source one Environmental, P/N FPP-PACK4-6X48 or approved equal, SAWS #34538</td>
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<td>ITEM</td>
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<td>UNIT PRICE</td>
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</tr>
<tr>
<td>------</td>
<td>-------------------------------------</td>
<td>------------</td>
<td>-------</td>
</tr>
<tr>
<td>1</td>
<td>Replacement cart and wheel assemble for air hose</td>
<td></td>
<td></td>
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<tr>
<td>18.</td>
<td>Source One Environmental, P/N FPP-HR-CART or approved equal, SAWS #34546</td>
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<tr>
<td>4 ea.</td>
<td>Vinyl coated pull cable, 250' spool</td>
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<tr>
<td>19.</td>
<td>Source One Environmental, P/N FPP-PUABLE or approved equal, SAWS #34547</td>
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<tr>
<td>4 ea.</td>
<td>Vinyl coated pull cable, 500' spool</td>
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<td></td>
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<tr>
<td>20.</td>
<td>Source One Environmental, P/N FPP-PUABLE500 or approved equal, SAWS #34548</td>
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</table>

**TOTAL GROUP 1**

<table>
<thead>
<tr>
<th>ITEM</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
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<tbody>
<tr>
<td>4 ea.</td>
<td>4&quot; Packer protective sleeves, 48&quot; length, 10 pieces per pack</td>
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<tr>
<td>1.</td>
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<tr>
<td>2.</td>
<td>Source One Environmental, P/N FPP-SLV648MP or approved equal, SAWS #34550</td>
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<tr>
<td>4 ea.</td>
<td>8&quot; Packer protective sleeves, 48&quot; length, 10 pieces per pack</td>
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<tr>
<td>3.</td>
<td>Source One Environmental, P/N FPP-SLV848MP or approved equal, SAWS #34551</td>
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<td>4 ea.</td>
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<td>4.</td>
<td>Source One Environmental, P/N FPP-SLV1048MP or approved equal, SAWS #34552</td>
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<td>4 ea.</td>
<td>12&quot; Packer protective sleeves, 48&quot; length, 10 pieces per pack</td>
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<td>5.</td>
<td>Source One Environmental, P/N FPP-SLV1248MP or approved equal, SAWS #34553</td>
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<tr>
<td>4 ea.</td>
<td>15&quot; Packer protective sleeves, 48&quot; length, 10 pieces per pack</td>
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<tr>
<td>6.</td>
<td>Source One Environmental, P/N FPP-SLV1548MP or approved equal, SAWS #34554</td>
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<td>4 ea.</td>
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<td>7.</td>
<td>Source One Environmental, P/N FPP-SLV1848MP or approved equal, SAWS #34555</td>
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<td>8.</td>
<td>Source One Environmental, P/N FPP-SLV2448MP or approved equal, SAWS #34556</td>
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<tr>
<td>10 ea.</td>
<td>14&quot; vinyl zip ties for 4&quot; - 10&quot; packer installation tool, 100 pieces per pack</td>
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<td></td>
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<tr>
<td>9.</td>
<td>Source One Environmental, P/N FPP-TY18-MP or approved equal, SAWS #16736</td>
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<tr>
<td>10.</td>
<td>Source One Environmental, P/N FPP-TY50-MP or approved equal, SAWS #34557</td>
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**TOTAL GROUP 2 - CONSUMABLES**

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<th>ITEM</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
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<tr>
<td>3.</td>
<td>Source One Environmental, P/N FPP-SLV848MP or approved equal, SAWS #34551</td>
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<td>4.</td>
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<td>5.</td>
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<td>15&quot; Packer protective sleeves, 48&quot; length, 10 pieces per pack</td>
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<tr>
<td>6.</td>
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</tr>
<tr>
<td>7.</td>
<td>Source One Environmental, P/N FPP-SLV1848MP or approved equal, SAWS #34555</td>
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<td>4 ea.</td>
<td>24&quot; Packer protective sleeves, 48&quot; length, 10 pieces per pack</td>
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<td></td>
</tr>
<tr>
<td>8.</td>
<td>Source One Environmental, P/N FPP-SLV2448MP or approved equal, SAWS #34556</td>
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<tr>
<td>10 ea.</td>
<td>14&quot; vinyl zip ties for 4&quot; - 10&quot; packer installation tool, 100 pieces per pack</td>
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<td>9.</td>
<td>Source One Environmental, P/N FPP-TY18-MP or approved equal, SAWS #16736</td>
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<td>10.</td>
<td>Source One Environmental, P/N FPP-TY50-MP or approved equal, SAWS #34557</td>
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<td>ITEM NO</td>
<td>DESCRIPTION AND APPROXIMATE QUANTITY</td>
<td>UNIT PRICE</td>
<td>TOTAL</td>
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<td>---------</td>
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<td>11</td>
<td>Green wire ties for 3&quot; packer installation tool, 100 pieces per pack</td>
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<td>18</td>
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<td>265.00</td>
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<td>272.00</td>
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<td>24</td>
<td>15&quot; x 24&quot; Fiberglass/Resin Repair Kit - Summer</td>
<td>303.00</td>
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<td>25</td>
<td>15&quot; x 24&quot; Fiberglass/Resin Repair Kit - Winter</td>
<td>303.00</td>
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<td>26</td>
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<td>365.00</td>
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<td>27</td>
<td>18&quot; x 24&quot; Fiberglass/Resin Repair Kit - Winter</td>
<td>365.00</td>
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<tr>
<td>28</td>
<td>24&quot; x 24&quot; Fiberglass/Resin Repair Kit - Summer</td>
<td>486.00</td>
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</tbody>
</table>

**Total:** 19,875.00
SAN ANTONIO WATER SYSTEM  
P. O. BOX 2449  
SAN ANTONIO, TEXAS 78298-2449  
TABULATION OF BIDS  

FOR: Annual Contract for Cure-In-Place-Pipe (CIPP) Point Repair Installation  
FOR: Equipment and Associated Consumables  
TIME & DATE: (January 1, 2018 through December 31, 2018)  
DATE: 3:00 p.m., October 26, 2017  

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL PRICE</th>
</tr>
</thead>
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<tr>
<td>1 ca.</td>
<td>24&quot; x 24&quot; Fiberglass/Resin Repair Kit - Winter</td>
<td>Mfg: Source One Environmental, P/N FPP-24W or approved equal, SAWS #34576</td>
<td>486.00</td>
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<td>1 ca.</td>
<td>4&quot; x 48&quot; Fiberglass/Resin Repair Kit - Summer</td>
<td>Mfg: Source One Environmental, P/N FPP-4X48S or approved equal, SAWS #34577</td>
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<td>4&quot; x 48&quot; Fiberglass/Resin Repair Kit - Winter</td>
<td>Mfg: Source One Environmental, P/N FPP-4X48W or approved equal, SAWS #34578</td>
<td>300.00</td>
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<td>2 ea.</td>
<td>6&quot; x 48&quot; Fiberglass/Resin Repair Kit - Summer</td>
<td>Mfg: Source One Environmental, P/N FPP-6X48S or approved equal, SAWS #34579</td>
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<td>Mfg: Source One Environmental, P/N FPP-6X48W or approved equal, SAWS #34580</td>
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<td>8&quot; x 48&quot; Fiberglass/Resin Repair Kit - Summer</td>
<td>Mfg: Source One Environmental, P/N FPP-8X48S or approved equal, SAWS #34581</td>
<td>7,950.00</td>
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<td>8&quot; x 48&quot; Fiberglass/Resin Repair Kit - Winter</td>
<td>Mfg: Source One Environmental, P/N FPP-8X48W or approved equal, SAWS #34582</td>
<td>2,650.00</td>
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<td>Mfg: Source One Environmental, P/N FPP-10X48S or approved equal, SAWS #34583</td>
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<td>Mfg: Source One Environmental, P/N FPP-10X48W or approved equal, SAWS #34584</td>
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<td>Mfg: Source One Environmental, P/N FPP-12X48S or approved equal, SAWS #34585</td>
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<td>Mfg: Source One Environmental, P/N FPP-12X48W or approved equal, SAWS #34586</td>
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<td>Mfg: Source One Environmental, P/N FPP-15X48S or approved equal, SAWS #34587</td>
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<td>Mfg: Source One Environmental, P/N FPP-15X48W or approved equal, SAWS #34588</td>
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<td>Mfg: Source One Environmental, P/N FPP-18X48S or approved equal, SAWS #34589</td>
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<td>Mfg: Source One Environmental, P/N FPP-18X48W or approved equal, SAWS #34590</td>
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<td>24&quot; x 48&quot; Fiberglass/Resin Repair Kit - Summer</td>
<td>Mfg: Source One Environmental, P/N FPP-24X48S or approved equal, SAWS #34591</td>
<td>3,888.00</td>
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<td>1 ea.</td>
<td>24&quot; x 48&quot; Fiberglass/Resin Repair Kit - Winter</td>
<td>Mfg: Source One Environmental, P/N FPP-24X48W or approved equal, SAWS #34592</td>
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<tr>
<td>1 ea.</td>
<td>4&quot; Elbow Fiberglass/Resin Repair Kit - Summer</td>
<td>Mfg: Source One Environmental, P/N FPP-EL4S or approved equal, SAWS #34593</td>
<td>150.00</td>
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<td>1 ca.</td>
<td>4&quot; Elbow Fiberglass/Resin Repair Kit - Winter</td>
<td>Mfg: Source One Environmental, P/N FPP-EL4W or approved equal, SAWS #34594</td>
<td>150.00</td>
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</table>
**TABULATION OF BIDS**

**FOR:** Equipment and Associated Consumables  
**TIME & DATE:** January 1, 2018 through December 31, 2018; 3:00 p.m., October 26, 2017

<table>
<thead>
<tr>
<th>ITEM NO</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
</tr>
</thead>
</table>
| 48.     | 6" Elbow Fiberglass/Resin Repair Kit - Summer  
Mfg: Source One Environmental, P/N FPP-EL6S or approved equal, SAWS #34595 | 200.00 | 200.00 |
| 49.     | 6" Elbow Fiberglass/Resin Repair Kit - Winter  
Mfg: Source One Environmental, P/N FPP-EL6W or approved equal, SAWS #34596 | 200.00 | 200.00 |

**TOTAL GROUP 2**  
**TOTAL** 75,028.00

**Manufacturer Name**  
Primeline Products, Inc.

**Price Sheet**

**Effective Date of Schedule**  
10/26/17

**Discount Off Mfg Price List**  
0%

**TOTAL GROUP 1 & 2**  
**TOTAL** 126,424.00

**EXTENSION 1**  
**EXTENSION** 126,424.00

**EXTENSION 2**  
**EXTENSION** 126,424.00

**EXTENSION 3**  
**EXTENSION** 126,424.00

**EXTENSION 4**  
**EXTENSION** 126,424.00

**Terms**  
Net 30 days

**Delivery Days**  
10 days

*LOW BIDDER*

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

- Advanced Pipe Repair
- IPE Products
- MaxLiner USA
- Multiliner
- Pipe Lining Supply
- Primeline Products, Inc.

- Demandstar
- SAWS Website
Bid 17-1070 solicited bids for the purchase of cure-in-place-pipe (CIPP) point repair installation equipment & associated consumables. These products are used by the System D&C maintenance crews to repair damage sewer pipelines.

Pipeline Products, Inc. is the single responsible bidder for the Cure-In-Place-Pipe (CIPP) Point Repair Installation Equipment & Associated Consumables bid.

This bid was emailed to nine bidders in addition to being posted on Onvia and SAWS website. The System has invested in CIPP equipment previously purchased from Source 1 Environmental. All equipment and consumables have to be compatible with original manufacturer or an approved equal. The manufacturer no longer sells direct and all equipment and consumables are sold through a distribution network. The previous time these items were bid in 2010 and 2013 only one vendor responded. The current bid price is approximately 37% less than the previous two bids.

These products are used for point repairs on damaged or collapsed sewer pipelines. Using this method to repair pipe provides for a fast and less evasive way to restore the flow of sewer through the system while minimizing the impact on the customer services.

- The estimated annual award amount is $126,424.00
### SAN ANTONIO WATER SYSTEM

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

**TABULATION OF BIDS**

**PRONOUNCED:** Annual Contract for Rental of Compact Excavators and Crawler Loaders  
**FUEL:** (October 1, 2017 through September 30, 2018)  
**DATE:** 3:00 p.m., October 3, 2017

### DESCRIPTION AND APPROPRIATE QUANTITY

<table>
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<tr>
<th>Item</th>
<th>Description</th>
<th>Manufacturer/Model</th>
<th>Price Details</th>
<th>Price</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Item 1</strong></td>
<td>Crawler Loader Diesel 1/2 yard, Mfg. TAKEUCHI, Model TL130</td>
<td>*</td>
<td>NO BID</td>
<td>NO BID</td>
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<tr>
<td><strong>Item 2</strong></td>
<td>Compact Rubber Track Loader Series 3, Mfg. Case, Model 420CT</td>
<td>*</td>
<td>NO BID</td>
<td>NO BID</td>
</tr>
<tr>
<td><strong>Item 3</strong></td>
<td>Compact Rubber Track Loader Series 3, Mfg. Case, Model 440CT</td>
<td>*</td>
<td>NO BID</td>
<td>NO BID</td>
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<td><strong>Item 4</strong></td>
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<td>MONTH</td>
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**Manufacturer/Model**

- **COMPACT EXCAVATOR CX27B, MFR. CASE. MODEL CX27B**
- **COMPACT EXCAVATOR CX31B, MFR. CASE. MODEL CX31B**
- **COMPACT EXCAVATOR, MFR. CASE, MODEL CX17B**
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<th>Price PER DAY</th>
<th>Price PER MONTH</th>
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### SAN ANTONIO WATER SYSTEM

**P.O. BOX 2449**

SAN ANTONIO, TEXAS 78298-2449

**TABULATION OF BIDS**

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**Item 11**

- **Excavator Tracked**, Mfr. Case, Model CX470B

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**Item 13**


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- **Manufacturer**: Bobcat E32

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<td>2,175.00</td>
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- **Manufacturer**: Bobcat E50

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**Annual Contract for Rental of Compact Excavators and Crawler Loaders**

(October 1, 2017 through September 30, 2018)

3:00 p.m., October 3, 2017

**Rental Insurance Rate**

- 12.00%
- 15.00%
- 14.00%
- 15.00%

**P.O. BOX 2449**

SAN ANTONIO, TX 78284
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<th>ITEM</th>
<th>DESCRIPTION</th>
<th>QUANTITY</th>
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**Supplier Information**

- **Vermeer Texas-Louisiana:** 668 W. White Rd., New Braunfels, TX 78130
- **Santell Rentals, Inc.:** 9412 Corporate Drive, San Antonio, TX 78219
- **Blacklee Rental, LLC:** 11415 South Freeway, San Antonio, TX 78212
- **E.H.O. Equipment:** 4725 IH 35 N, New Braunfels, TX 78132
- **Cusack Rentals (North America), Inc.:** 5120 Wurzbach Rd., San Antonio, TX 78238
### SAN ANTONIO WATER SYSTEM

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

**PROPOSAL:** Annual Contract for Rental of Compact Excavators and Crawler Loaders  
**FOR:** (October 1, 2017 through September 30, 2018)  
**DATE:** 3:00 p.m., October 3, 2017

#### ITEM NO. 19 DESCRIPTION AND APPROPRIATE QUANTITY

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#### TOTAL FOR ITEMS AWARDED

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<td>68,150.00</td>
<td>10,320.00</td>
<td>4,529.40</td>
<td>1,015.00</td>
<td>9,541.00</td>
<td>30,196.00</td>
<td>7,250.00</td>
<td>68,150.00</td>
<td>10,320.00</td>
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</tbody>
</table>

#### EXTENSION 1

<table>
<thead>
<tr>
<th>Total Terms</th>
<th>Net Delivery Days</th>
<th>72 hrs</th>
<th>72 hrs</th>
<th>48 hours</th>
<th>24 hrs</th>
<th>6 hrs</th>
<th>8 hrs</th>
</tr>
</thead>
<tbody>
<tr>
<td>30 days</td>
<td>24 hours</td>
<td>24 days</td>
<td>30 days</td>
<td>30 days</td>
<td>30 days</td>
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</tr>
</tbody>
</table>

#### EXTENSION 3

<table>
<thead>
<tr>
<th>Total Terms</th>
<th>Net Delivery Days</th>
<th>72 hrs</th>
<th>72 hrs</th>
<th>48 hours</th>
<th>24 hrs</th>
<th>6 hrs</th>
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</tr>
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<tbody>
<tr>
<td>30 days</td>
<td>24 hours</td>
<td>24 days</td>
<td>30 days</td>
<td>30 days</td>
<td>30 days</td>
<td>30 days</td>
<td></td>
</tr>
<tr>
<td>ITEM NO.</td>
<td>DESCRIPTION AND APPROXIMATE QUANTITY</td>
<td>MANUFACTURER</td>
<td>Amount</td>
<td>Model</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---------</td>
<td>--------------------------------------</td>
<td>-------------</td>
<td>--------</td>
<td>-------</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1.</td>
<td>2,500 Rolls 2 x 10 Mil Pipe Tape, Size 2&quot; x 100', color black, SAWS #16516</td>
<td>Winmore</td>
<td>4.90</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>130 Rolls 6 x 10 Mil Pipe Tape, Size 6&quot; x 100', color black, SAWS #16517</td>
<td>Winmore</td>
<td>14.80</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2.</td>
<td>30,000 feet Poly Wrap, Size 27&quot;, Thickness 12 Mil, color black, SAWS #16926</td>
<td>Mountain States</td>
<td>0.71</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3.</td>
<td>2,000 feet Poly Wrap, Size 27&quot;, Thickness 8 Mil, color purple, used for recycled water, material type polyethylene, SAWS #16927</td>
<td>Mountain States</td>
<td>0.55</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4.</td>
<td>40 rolls Poly Wrap, Size 42&quot;, Thickness 8 Mil, SAWS #33449</td>
<td>Mountain States</td>
<td>165.40</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>40 rolls Wrap, Black Poly Sheet 20 ft x 100 ft x 4 ML, SAWS #17563</td>
<td>Poly Amer.</td>
<td>70.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>1,500 feet Lubricant, Pipe Joint (a.k.a. flax soap), Size Quart, Mfr. Black Swan, Mfr. Part No. 4055, SAWS #13686</td>
<td>4.15</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>400 ea. Lubricant, Pipe Joint (a.k.a. flax soap), Size 8 Pound Tub Mfr. CSR/Delta Pipe Products, Mfr. Part No. C1-A, SAWS #13687</td>
<td>10.83</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</table>

**TOTAL FOR ITEMS 1-8**

<table>
<thead>
<tr>
<th>Item</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>56,843.00</td>
<td>NO BID</td>
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**EXTENSION 1**

<table>
<thead>
<tr>
<th>Item</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>56,843.00</td>
<td></td>
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**EXTENSION 2**

<table>
<thead>
<tr>
<th>Item</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>56,843.00</td>
<td></td>
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</table>

**EXTENSION 3**

<table>
<thead>
<tr>
<th>Item</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>56,843.00</td>
<td></td>
</tr>
</tbody>
</table>

**EXTENSION 4**

<table>
<thead>
<tr>
<th>Item</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
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<tr>
<td></td>
<td>56,843.00</td>
<td></td>
</tr>
</tbody>
</table>

**Terms**

<table>
<thead>
<tr>
<th>Item</th>
<th>N/C</th>
<th>30 days</th>
</tr>
</thead>
</table>

**Delivery Days**

<table>
<thead>
<tr>
<th>Item</th>
<th>10-14 days</th>
</tr>
</thead>
</table>

**LOW BIDDER**

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

- Act Pipe
- AY McDonald
- Cohen Pipe
- Core and Main
- Corix
- Ferguson
- Fortiline
- Gajeske
- Hydro Solutions
- KLP Commercial
- Milford Online
- MS Techline Pipe
- Scrags
- Demandstar
- SAWS Website
Bid 17-0018 solicited bids for the purchase of polyethylene wrapping & polyvinyl tape on an as needed basis. These products are used by the System maintenance crews to wrap pipe on repair installation and to winterize pipe and valves.

Fortiline Waterworks is the single responsible bidder for the Polyethylene Wrapping & Polyvinyl Tape bid.

This bid was emailed to thirteen bidders in addition to being posted on Onvia and SAWS website. Previous bid was issued in 2014 and three vendors responded. Two of the vendors that responded now come under the same parent company. The other vendor was questioned as to why they did not bid and the response was they cannot be competitive.

- The estimated total annual award amount is $56,843.000
REQUEST FOR PROPOSAL
PURCHASE OF NETWORK ANOMALY DETECTION SOLUTION
SAWS Bid # 17-17089

SUPPLEMENTARY COMMENTS:
Staff recommends that the contract be awarded to Darktrace Limited, a Non-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. Functionality and Usability and Project Approach</td>
<td>35</td>
</tr>
<tr>
<td>b. Price Proposal</td>
<td>30</td>
</tr>
<tr>
<td>c. References and Similar Prior Experience</td>
<td>20</td>
</tr>
<tr>
<td>d. Adherence to Small, Minority, Woman and Veteran Owned Business (SMWB) Participation (Exhibit “B” Good Faith Effort Plan)</td>
<td>15</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>100</strong></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 – 3 Years)</th>
<th>RFP Score</th>
<th>Local/SMWB</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Darktrace Limited</td>
<td>S 300,000.00 Ext 1 Yr 4: $100,000.00 Ext 2 Yr 5: $100,000.00 Ext 3 Yr 6: $100,000.00 Ext 4 Yr 7: $100,000.00 Total: $ 700,000.00</td>
<td>245.04 points</td>
<td>Non-Local/Non-SMWB</td>
</tr>
<tr>
<td>2</td>
<td>BluVector</td>
<td>S 203,000.00 Ext 1 Yr 4: $66,000.00 Ext 2 Yr 5: $66,000.00 Ext 3 Yr 6: $66,000.00 Ext 4 Yr 7: $66,000.00 Total: $ 467,000.00</td>
<td>243.00 points</td>
<td>Non-Local/Non-SMWB</td>
</tr>
<tr>
<td>3</td>
<td>Global Information Intelligence</td>
<td>S 555,030.00 Ext 1 Yr 4: $195,000.00 Ext 2 Yr 5: $195,000.00 Ext 3 Yr 6: $195,000.00 Ext 4 Yr 7: $195,000.00 Total: $ 700,000.00</td>
<td>201.96 points</td>
<td>Non-Local/SBE</td>
</tr>
</tbody>
</table>

1 of 2
*Proposer offering the best value.*

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

<table>
<thead>
<tr>
<th>SBE</th>
<th>0.00%</th>
</tr>
</thead>
<tbody>
<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>0.00%</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>0.00%</td>
</tr>
</tbody>
</table>

**PERIOD OF AWARD**

Contract period shall begin on December 5, 2017 and complete on December 4, 2020. The contract shall include four (4) additional one-year options to extend. In determining the best value, staff considered relevant criteria specifically listed in the request for bid. Staff has determined that *Darktrace Limited* will provide services at the best value to *SAWS.*
TO: San Antonio Water System Board of Trustees

FROM: Tracey B. Lehmann, P.E., Interim-Director, Development, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: AWARD OF CONSTRUCTION CONTRACT AND APPROVAL OF EXPENDITURES FOR HARLACH FARMS SUBDIVISION 16-INCH AND 24-INCH OVERSIZE WATER MAIN PROJECT

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract in the amount of $521,491.32 to R.L. Jones L.P., a local, SBE contractor, on a Developer Customer construction contract, and authorizes the expenditures of funds in the amount of $285,091.32 for associated construction fees to R L Jones L.P., and reimbursements of $28,509.13 for associated design fees to Meritage Homes of Texas, LLC in connection with Harlach Farms Subdivision 16-inch and 24-inch Oversize Water Main Project.

- On June 06 2017, by Resolution No. 17-120, the San Antonio Water System (the “System”) Board of Trustees approved a Utility Service Agreement to provide water and/or wastewater services to a tract of land known as the Harlach Farms Subdivision, a 44.368 tract of land, being developed by Meritage Homes of Texas, LLC (the “Developer”) and the oversizing of approximately 1,705 feet of 8-inch water main to 24-inch water main, and the oversizing of approximately 2,235 feet of 8-inch water main to 16-inch water main, in order to conform with the Water Infrastructure Master Plan.

- The Developer is required to construct an 8-inch water main. System staff recommends oversizing approximately 1,705 feet of the 8-inch water main to a 24-inch water main. The Developer is responsible for 35.67 percent of the oversizing and for $102,300.00 of the project costs. The System is responsible for 64.33 percent of the oversizing, for an estimated $184,512.92.

- The Developer is required to construct an 8-inch water main. System staff recommends oversizing approximately 2,235 feet of the 8-inch water main to a 16-inch water main. The Developer is responsible for 57.14 percent of the oversizing and for $134,100.00 of the project costs. The System is responsible for 42.86 percent of the oversizing, for an estimated $100,578.40.

- The System solicited bids for the construction of the oversize water main. Upon Board authorization of the construction contract, the Developer will enter into a contract with
both the contractor and the System.

- This project consists of the oversize construction of approximately 1,705 feet of 24-inch water main, and approximately 2,235 feet of 16-inch water main. The construction area is not located over the Edwards Aquifer Recharge Zone and not over the Edwards Aquifer Contributing Zone.

- R.L. Jones L.P. has submitted the low bid of $521,491.32 for construction of the project.

- The System will pay R.L. Jones L.P., monthly, for the construction costs for the oversize project. The Developer will pay the System prior to the beginning construction for the Developer’s proportionate share of the construction cost for the oversize project.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

This is a Capital Improvement Project that will be financed by the Capital Improvements Plan Water Oversize 2017 Projects Fund, job number 17-1112. The applicable water main oversize payment will be made monthly to R.L. Jones L.P. in accordance with the Utility Service Regulations. The applicable design fees payment will be made to the Developer. The System will contribute $285,091.32 for construction costs and $28,509.13 for associated design fees for a total cost of $313,600.45. The Developer will pay $236,400.00 of the construction costs and the remainder of the design fees.

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

**SUPPLEMENTARY COMMENTS:**

Bids for this project were opened on November 8, 2017, at 2:30 P.M. The following bids were accepted for submittal:

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>BID AMOUNT</th>
<th>LOCAL/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>R.L. Jones L.P.*</td>
<td>$521,491.32</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>SACC Inc.</td>
<td>$570,513.50</td>
<td>Local/Non–SMWVB</td>
</tr>
<tr>
<td>7 Site &amp; Utility, LLC</td>
<td>$583,041.33</td>
<td>Local/Non–SMWVB</td>
</tr>
<tr>
<td>QRO Mex Constructions Inc.</td>
<td>$585,749.05</td>
<td>Non–Local/MBE–Hispanic</td>
</tr>
<tr>
<td>E-Z Bel Construction, LLC</td>
<td>$662,315.25</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>D Guerra Construction LLC</td>
<td>$691,940.10</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>*Engineer’s Estimate</td>
<td>$692,155.34</td>
<td></td>
</tr>
<tr>
<td>Pronto Sandblasting &amp; Coating &amp; Oil-Field Services Co., Inc.</td>
<td>$697,881.40</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Austin Constructors LLC</td>
<td>$704,873.80</td>
<td>Non–Local/MBE–Hispanic</td>
</tr>
</tbody>
</table>
The contract provides for the completion of this project within 90 calendar days.

Attachments:
1. Project Area Map
2. Project Site Map
RESOLUTION NO. 17-120


WHEREAS, by Resolution No. 17-120, approved on June 06, 2017, the San Antonio Water System (the “System”) authorized the extension of water service within the 44.368-Acre Harlach Farms Subdivision Tract being developed by Meritage Homes of Texas, LLC, and the oversize of approximately 1,705 feet of 8-inch water main to a 24-inch water main, and the oversize of approximately 2,235 feet of 8-inch water main to a 16-inch water main, to conform with the Water Infrastructure Master Plan; and
WHEREAS, Meritage Homes of Texas, LLC is required to construct an 8-inch water main and the System has elected to oversize approximately 1,705 feet of the 8-inch water main to a 24-inch water main; and

WHEREAS, Meritage Homes of Texas, LLC is required to construct an 8-inch water main and the System has elected to oversize approximately 2,235 feet of the 8-inch water main to a 16-inch water main; and

WHEREAS, the System has solicited bids for Harlach Farms Subdivision 16-inch and 24-inch Oversize Water Main Project (the “project work”); and

WHEREAS, the project work includes the oversize construction of approximately 1,705 feet of 8-inch water main to 24-inch water main; and

WHEREAS, the project work includes the oversize construction of approximately 2,235 feet of 8-inch water main to 16-inch water main; and

WHEREAS, R.L. Jones L.P., a local, SBE contractor, submitted the bid of $521,491.32 for construction of the project and this bid is determined to be the lowest responsible bid; and

WHEREAS, Meritage Homes of Texas, LLC is responsible for funding their proportionate share of the construction of the project; and

WHEREAS, Meritage Homes of Texas, LLC is responsible for 35.67 percent of the project costs for the 24-inch oversized main, the System is responsible for 64.33 percent of the project costs for the 24-inch oversized main; and

WHEREAS, Meritage Homes of Texas, LLC is responsible for 57.14 percent of the project costs for the 16-inch oversized main, the System is responsible for 42.86 percent of the project costs for the 16-inch oversized main; and

WHEREAS, the System will pay to R.L. Jones L.P., monthly, for the construction cost for the oversize project in accordance with the Utility Service Regulations; and

WHEREAS, the amount of $313,600.45 is available in the System’s Capital Improvements Plan Water Oversize 2017 Projects Fund for the System’s proportionate share of the project work costs and engineering fees related to oversizing the off-site water main; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to accept the bid of R.L. Jones L.P. in the amount of $521,491.32 for the project work, in connection with Harlach Farms Subdivision 16-inch and 24-inch Oversize Water Main Project, (ii) to award a construction contract to R.L. Jones L.P. in the amount of $521,491.32 for the project work, (iii) to authorize System funds in the amount of $285,091.32 for the project work, (iv) to authorize System funds in the amount of $28,509.13 for design fees, (v) to make available a total amount not to exceed $313,600.45 from the System’s Capital Improvements
Plan Water Oversize 2017 Projects Fund for the System’s proportionate share of the project work and engineering fees related to oversizing the proposed off-site water main, and (vi) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Meritage Homes of Texas, LLC and R.L. Jones L.P., and to provide payment in an amount not to exceed $285,091.32 to R.L. Jones L.P., and reimbursements in an amount not to exceed $28,509.13 to Meritage Homes of Texas, LLC, for the System’s cost to oversize the proposed off-site water main; now, therefore:

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

1. That the bid of R.L. Jones L.P. in the amount of $521,491.32 for the project work in connection with Harlach Farms Subdivision 16-inch and 24-inch Oversize Water Main Project is hereby accepted.

2. That a construction contract for the project work is hereby awarded to R.L. Jones L.P. in the amount of $521,491.32.

3. That the expenditure of System funds in an amount of $285,091.32 for the System's proportionate share of the project work is hereby approved.

4. That the expenditure of System funds in the amount of $28,509.13 for the System’s proportionate share of engineering design fees associated with the project work is hereby authorized and approved.

5. That a total sum not to exceed $313,600.45 consisting of the System’s proportionate share of the project work costs and engineering fees related to the 24-inch oversized and 16-inch oversized (8-inch required) water main, is hereby made available and is to be expended from the System’s Capital Improvements Plan Water Oversize 2017 Projects Fund.

6. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized and directed to execute a contract with Meritage Homes of Texas, LLC and R.L. Jones L.P., and to further provide payment in an amount not to exceed $285,091.32 for the cost to oversize the off-site water main to R.L. Jones L.P., and reimbursements in an amount not to exceed $28,509.13 to Meritage Homes of Texas, LLC, in accordance with the Utility Service Regulations in connection with Harlach Farms Subdivision 16-inch and 24-inch Oversize Water Main Project.

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

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

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

PASSED AND APPROVED on this 5\textsuperscript{th} day of December, 2017.

\signature{Berto Guerra, Jr., Chairman}

ATTEST:

\signature{Ernesto Arrellano, Jr., Secretary}
TO:        San Antonio Water System Board of Trustees
FROM:     Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, 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 OLMOS BASIN CENTRAL WATERSHED SEWER RELIEF LINE (C-3) PROJECT – SEWER REHABILITATION AT THE UNIVERSITY OF INCARNATE WORD

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution approves Recapitulation Change Order No. 2 in the decreased amount of $445,010.91 to be credited to the construction contract with IPR South Central, LLC, a local, non-SMWB firm in connection with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project – Sewer Rehabilitation at the University Of Incarnate Word and closes the contract. This project is located in Council District 1.

- The Olmos Basin Central Watershed Sewer Relief Line (C-3) Project – Sewer Rehabilitation at the University Of Incarnate Word (the “Project”) in the amount of $2,132,891.00, was authorized by Resolution No. 16-306 on December 14, 2016.

- The contract that is the subject of the attached resolution authorized 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 was identified by the Sanitary Sewer Overflow (SSO) Reduction Team as being in poor condition due to deterioration and lacks sufficient capacity to handle future sewer flows due to growth and during peak storm events.

- The Project included the rehabilitation of approximately 4,100 feet of 15-inch, 18-inch, and 54-inch gravity sewer mains by cured-in-place pipe method.

- The Project construction limits are within the University of Incarnate Word area, which includes properties owned by the University, the Headwaters at Incarnate Word, and the Sisters of the Incarnate Word.

- Portions of the project, approximately 0.4 miles of 15-inch and 18-inch sewer
rehabilitation, were removed from this contract due to the Contractor’s failure to perform the work within the timeframe specified by UIW and due to further deterioration of the pipe which did not allow for Cured-In-Place rehabilitation.

- Change Order No. 2 recapitulates the construction contract quantities in the total decreased amount of $445,010.91 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>Description</th>
<th>Amount Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Contract Amount (Resolution No. 16-306)</td>
<td>$2,132,891.23</td>
</tr>
<tr>
<td>Change Order No. 1</td>
<td>0.00</td>
</tr>
<tr>
<td>Proposed Recapitulation Change Order No. 2</td>
<td>(445,010.91)</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>1,687,880.32</td>
</tr>
<tr>
<td>Total Remaining Balance Returned</td>
<td>$445,010.91</td>
</tr>
</tbody>
</table>

**SUPPLEMENTARY COMMENTS:**

Previous change orders and Recapitulation Change Order No. 2 reflect a 20.9 percent decrease to the original bid amount. The project job number is 17-4523.

APPROVED:

Andrea L.H. Beymer, P.E.
Vice President
Engineering and Construction

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

OLMOS BASIN CENTRAL WATERSHED SEWER RELIEF LINE (C-3) PROJECT - SEWER REHABILITATION AT THE UNIVERSITY OF INCARNATE WORD

LEGEND
PROJECT LIMITS
Edwards Aquifer Recharge Zone
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING RECAPITULATION CHANGE ORDER NO. 2 IN THE DECREASED AMOUNT OF $445,010.91 TO BE CREDITED TO THE CONSTRUCTION CONTRACT WITH IPR SOUTH CENTRAL, LLC IN CONNECTION WITH THE OLMos BASIN CENTRAL WATERSHED SEWER RELIEF LINE (C-3) PROJECT – SEWER REHABILITATION AT THE UNIVERSITY OF INCARNATE WORD; AUTHORIZING THE RETURN OF FUNDS IN THE AMOUNT OF $445,010.91 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, this project included the rehabilitation with cured-in-place pipe of approximately 4,100 feet of 15-inch, 18-inch, and 54-inch gravity sewer mains at the University of Incarnate Word; and

WHEREAS, the San Antonio Water System Board of Trustees (the “Board”) by Resolution No. 16-306, adopted December 13, 2016, awarded a construction contract to IPR South Central, LLC, a local, non-SMWVB contractor, (the “contractor”) and approved the expenditure of $2,132,891.23 to pay for the System’s project work; and

WHEREAS, Change Order No. 2 recapitulates the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project – Sewer Rehabilitation at the University of Incarnate Word construction contract quantities in the total decreased amount of $445,010.91; and

WHEREAS, the construction of this project is complete; and

WHEREAS, funds in the amount of $445,010.91 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 $445,010.91 to the construction contract with IPR South Central, LLC in connection with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project – Sewer Rehabilitation at the University of Incarnate Word, (ii) to return funds in the amount of $445,010.91 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 $445,010.91 to the construction contract with IPR South Central, LLC in connection with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project – Sewer Rehabilitation at the University of Incarnate Word is hereby approved.

2. That funds in the amount of $445,010.91 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. 2 to the construction contract between the System and IPR South Central, LLC in connection with the Olmos Basin Central Watershed Sewer Relief Line (C-3) Project – Sewer Rehabilitation at the University of Incarnate Word 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 4, 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 December, 2017.

__________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________
Ernesto Arrellano, Jr., Secretary
AGENDA ITEM NO. 9

TO:  San Antonio Water System Board of Trustees

FROM:  Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, 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 2014 WATER AND SEWER CONSTRUCTION PACKAGE I PROJECT

Board Action Date:  December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution approves Recapitulation Change Order No. 3 in the decreased amount of $224,011.20 to be credited to the construction contract with Pronto Sandblasting & Coating & Oilfield Services Co., Inc. in connection with the 2014 Water and Sewer Construction Package I Project and closes the contract.

- The 2014 Water and Sewer Construction Package I Project with Pronto Sandblasting & Coating & Oilfield Services Co., Inc. in the amount of $2,105,877.00 was authorized by Resolution No. 14-257 on September 29, 2014.

- The 2014 Water and Sewer Construction Package I Project allowed the San Antonio Water System to construct projects that include the replacement, adjustment, or installation of water and sewer facilities required in connection with another agency’s project including, but not limited to, the City of San Antonio’s Infrastructure Maintenance Program.

- Change Order Nos. 1 and 2 were in amounts that did not require Board approval. The combined total was for a decreased amount of $65.64.

- Following the completion of work assigned to Pronto Sandblasting & Coating & Oilfield Services Co., Inc. and upon reaching the contract expiration date of October 30, 2016, funds in the amount of $224,011.20 were not used.

- Change Order No. 3 recapitulates the construction contract quantities in the decreased amount of $224,011.20 and returns funds to the project and closes the contract.

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

This is a capital improvement expenditure that was included in the CY 2014 Capital Improvement Program, Water Delivery and Wastewater Core Business categories, 2014 Water and Sewer Construction Package I under water job number 14-5017 and sewer job number 14-5517.

The authorizations for this project is as follows:

<table>
<thead>
<tr>
<th>Contract:</th>
<th>Amount Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Contract Amount (Resolution No. 14-257)</td>
<td>$2,105,877.00</td>
</tr>
<tr>
<td>Change Order Nos. 1 through 2</td>
<td>(65.64)</td>
</tr>
<tr>
<td>Proposed Recapitulation Change Order No. 3</td>
<td>(224,011.20)</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>1,881,800.16</td>
</tr>
<tr>
<td><strong>Balance Returned:</strong></td>
<td></td>
</tr>
<tr>
<td>Total Remaining Balance Returned</td>
<td>$224,011.20</td>
</tr>
</tbody>
</table>

SUPPLEMENTARY COMMENTS:

Previous Change Order Nos. 1 through 2 and Recapitulation Change Order No. 3 reflect a 10.64 percent decrease to the original contract amount.

Gail Hamrick-Pigg, P.E.
Director
Pipelines

Andrea L.H. Beymer, 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 APPROVING RECAPITULATION CHANGE ORDER NO. 3 IN THE DECREASED AMOUNT OF $224,011.20 TO BE CREDITED TO THE CONSTRUCTION CONTRACT WITH PRONTO SANDBLASTING & COATING & OILFIELD SERVICES CO., INC. IN CONNECTION WITH THE 2014 WATER AND SEWER CONSTRUCTION PACKAGE I PROJECT; AUTHORIZING THE RETURN OF FUNDS IN THE AMOUNT OF $224,011.20 TO THE PROJECT FUND; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE RECAPITULATION CHANGE ORDER NO. 3 AND TO CLOSE THE CONTRACT WITH PRONTO SANDBLASTING & COATING & OILFIELD SERVICES CO., 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, the San Antonio Water System (the “System”) has completed the project work under the 2014 Water and Sewer Construction Package I Project; and

WHEREAS, funds in the amount of $2,105,877.00 for the construction contract with Pronto Sandblasting & Coating & Oilfield Services Co., Inc. were authorized for the project by Resolution No. 14-257 on September 29, 2014; and

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

WHEREAS, Change Order No. 3 recapitulates the project cost in the decreased amount of $224,011.20; and

WHEREAS, funds in the amount of $224,011.20 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. 3 in the decreased amount of $224,011.20 to the construction contract with Pronto Sandblasting & Coating & Oilfield Services Co., Inc. in connection with the 2014 Water and Sewer Construction Package I Project, (ii) to return the amount of $224,011.20 to the 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 $224,011.20 to the construction contract with Pronto Sandblasting & Coating & Oilfield Services Co., Inc. in connection with the 2014 Water and Sewer Construction Package I Project is hereby approved.

2. That the amount of $224,011.20 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. 3 to the construction contract between the System and Pronto Sandblasting & Coating & Oilfield Services Co., Inc. in connection with the 2014 Water and Sewer Construction Package I 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, prospective 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 December, 2017.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Gail A. Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: APPROVAL OF CHANGE ORDER NO. 3 IN CONNECTION WITH THE C_5 CULEBRA - CASTROVILLE TO LAREDO & C_28 ZARZAMORA CREEK - SAN GABRIEL TO NW 23RD STREET, PHASE 2 PROJECT

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution approves Change Order No. 3 in the amount of $263,121.76 payable to Qro Mex Construction Company, Inc., a non-local, MBE-Hispanic contractor, in connection with the C_5 Culebra – Castroville to Laredo & C_28 Zarzamora Creek – San Gabriel to NW 23rd Street, Phase 2 Project.

- The change order to 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 C_5 Culebra – Castroville to Laredo and C_28 Zarzamora Creek – San Gabriel to NW 23rd Street is being constructed in multiple phases: Phase 1A, 1B, 2, and 3. The project consists of approximately 26,000 feet of 12-inch to 42-inch wastewater mains for the Central Basin along Apache Creek and Bandera Branch Tributary between South San Jacinto Street and Culebra Road and approximately 6,000 feet of 15-inch to 21-inch wastewater mains along West Houston, Landa Avenue, and Zarzamora Creek from Northwest 23rd Street to North San Gabriel.

- This project was identified in the Comprehensive Wastewater Master Plan developed by the System’s Master Planning Division. This project will replace sewer pipe, which is in poor condition and requires additional capacity.

- The C_5 Culebra – Castroville to Laredo & C_28 Zarzamora Creek – San Gabriel to NW 23rd Street, Phase 2 Project includes the construction of approximately 7,500 feet of 8-inch through 36-inch mains along Nueva Leon Street starting at Chihuahua Street. The alignment will follow Apache Creek and will terminate just west of 19th Street. Construction will also take place along Colima Street from Nueva Leon Street to Barclay Street.
On August 1, 2017, the System’s Board of Trustees, through Resolution No. 17-180, authorized a construction contract with Qro Mex Construction Company, Inc., in the total amount of $4,995,569.50 in connection with the project work.

Change Order No. 1, in the amount of $46,622.44, provided for the contractor to take control of the maintenance and payment for a small bypass operation that was in place for the C5/C28 Phase 1A Project.

Change Order No. 2, in the amount of $9,538.13, provided for the contractor to take over control of the maintenance and payment for the temporary fencing at the San Antonio Housing Authority that was in place for the C5/C28 Phase 1A Project.

The C5/C28 Phase 1A contract has been terminated by the System. There are many sewer tie-ins, including the initial tie-in along South Laredo Street between the Phase 1A project and the System’s existing sewer infrastructure, which are necessary to be completed to activate the new sewer main that was installed by the C5/C28 Phase 1A contractor. The System has requested that the C5/C28 Phase 2 contractor, whose current scoped work is in the immediate vicinity of this area, complete these sewer tie-ins to facilitate the progression of the overall C5/C28 Project. A change order is required to add this work to the contract.

Change Order No. 3, in a total amount not to exceed $263,121.76, provides for the cost associated with the tie-ins on S. Laredo Street.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this additional expenditure included in the CY 2017 Capital Improvement Program. This project is included in the Wastewater Core Business budget line item. The amount is $263,121.76 for Change Order No. 3 and funds will be transferred from the 2017 Owner Controlled Construction Changes line item. The job number is 17-4501.

The authorization and contract amounts 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. 17-180)</td>
<td>$4,995,569.50</td>
</tr>
<tr>
<td>Change Order Nos. 1 through 2</td>
<td>56,160.57</td>
</tr>
<tr>
<td>Proposed Change Order No. 3</td>
<td>263,121.76</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>$5,314,851.83</td>
</tr>
</tbody>
</table>
The new contract amount for the System’s work as a result of all change orders is $5,314,851.83, which represents an increase of 6.39 percent from the original amount.

**SUPPLEMENTARY COMMENTS:**

The original completion date for this contract was September 1, 2018. As a result of this change order, which adds a total of 30 days, the contract has been extended and the completion date is October 1, 2018.

APPROVED:

Robert R. Puente
President/Chief Executive Officer

Attachments:
1. Project Area Map
2. Project Site Map
C5 CULEBRA - CASTROVILLE TO LAREDO & C28 ZARZAMORA CREEK, SAN GABRIEL TO NW 23rd ST, PHASE 2
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING CHANGE ORDER NO. 3 IN THE AMOUNT OF $263,121.76 FOR THE ADDITIONAL PROJECT WORK IN CONNECTION WITH THE C_5 CULEBRA – CASTROVILLE TO LAREDO & C_28 ZARZAMORA CREEK – SAN GABRIEL TO NW 23RD STREET, PHASE 2 PROJECT; AMENDING RESOLUTION NO. 17-180 BY APPROVING AN ADDITIONAL AMOUNT NOT TO EXCEED $263,121.76 BE MADE AVAILABLE AND EXPENDED FROM THE SYSTEM'S PROJECT FUND FOR THE ADDITIONAL PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE CHANGE ORDER NO. 3, AND TO PAY QRO MEX CONSTRUCTION COMPANY, INC., AN ADDITIONAL AMOUNT NOT TO EXCEED $263,121.76 FOR ADDITIONAL PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the San Antonio Water System (the “System”) is undertaking replacement of C_5 Culebra – Castroville to Laredo and C_28 Zarzamora Creek – San Gabriel to NW 23rd Street Project sewer infrastructure as part of its Capital Improvement Program; and

WHEREAS, the C_5 Culebra – Castroville to Laredo and C_28 Zarzamora Creek – San Gabriel to NW 23rd Street – Phase 2 sewer project (the “Project”) was identified in the Comprehensive Wastewater Master Plan developed by the System’s Master Planning Division to repair or replace mains in poor condition due to deterioration and require additional capacity; and

WHEREAS, this Project includes the construction of approximately 7,500 feet of 8-inch through 36-inch sewer mains along Nueva Leon Street starting at Chihuahua Street and will follow Apache Creek and will terminate just west of 19th Street; and

WHEREAS, on August 1, 2017, the Board of Trustees, through Resolution No. 17-180, authorized a construction contract with Qro Mex Construction Company, Inc., in the amount of $4,995,569.50 in connection with the project work; and

WHEREAS, the C5/C28 Phase 1A contract has been terminated by the System; and

WHEREAS, there are many sewer tie-ins that are necessary to be completed to activate the new sewer main that was installed by the C5/C28 Phase 1A contractor; and
WHEREAS, the System has requested that the C5/C28 Phase 2 contractor, whose current scoped work is in the immediate vicinity of this area, complete these sewer tie-ins to facilitate the progression of the overall C5/C28 Project; and

WHEREAS, a change order is required to add this work to the contract; and

WHEREAS, negotiations between the System and Qro Mex Construction Company, Inc., resulted in a cost of $263,121.76 for Change Order No. 3 for the additional project work; and

WHEREAS, additional System funds in an amount not to exceed $263,121.76 are required in connection with the project work; and

WHEREAS, funds are available in the System’s Project Fund; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve Change Order No. 3 in an amount not to exceed $263,121.76 payable to Qro Mex Construction Company, Inc., in connection with the C_5 Culebra – Castroville to Laredo & C_28 Zarzamora Creek – San Gabriel to NW 23rd Street, Phase 2 Project, (ii) to amend Resolution No. 17-180 by authorizing an additional amount not to exceed $263,121.76 be made available and expended from the System’s Project Fund for additional project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute Change Order No. 3, and to pay an additional amount not to exceed $263,121.76 to Qro Mex Construction Company, Inc., for additional project work; now, therefore:

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

1. That Change Order No. 3, in an amount not to exceed $263,121.76, payable to Qro Mex Construction Company, Inc., in connection with the C_5 Culebra – Castroville to Laredo & C_28 Zarzamora Creek – San Gabriel to NW 23rd Street, Phase 2 Project is hereby approved.

2. That Resolution No. 17-180 is hereby amended by authorizing an additional amount not to exceed $263,121.76 payable to Qro Mex Construction Company, Inc., in connection with the C_5 Culebra – Castroville to Laredo & C_28 Zarzamora Creek – San Gabriel to NW 23rd Street, Phase 2 Project.

3. That an additional sum not to exceed $263,121.76 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 Change Order No. 3 and to pay Qro Mex Construction Company, Inc. an additional amount not to exceed $263,121.76 for additional project work in connection with the C_5 Culebra – Castroville to Laredo & C_28 Zarzamora Creek – San Gabriel to NW 23rd Street, Phase 2 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 December, 2017.

____________________________
Berto Guerra, Jr., Chairman

ATTEST:

____________________________
Ernesto Arrellano, Jr., Secretary
AGENDA ITEM NO. 11

TO: San Antonio Water System Board of Trustees

FROM: Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: RATIFICATION OF CHANGE ORDER NO. 4 IN CONNECTION WITH THE C-12 DONALDSON TERRACE PROJECT

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution ratifies the actions of the Vice President of Engineering and Construction in approving Change Order No. 4 in the amount of $173,491.74. It further amends Resolution16-236 by approving additional funds in the total amount of $173,491.74 payable to S.J. Louis Construction of Texas, Ltd., a local, non-SMWVB contractor, in connection with the C-12 Donaldson Terrace Project.

- The change order to 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 C-12 Donaldson Terrace Project includes the construction of approximately two miles of 8-inch through 30-inch gravity sewer pipeline. Project limits extend from Mulberry Avenue to Babcock Road along Morning Glory, Senisa Drive, St. Cloud, Donaldson Avenue, Evelyn Drive, and Overbrook Drive.

- This project was identified in the Comprehensive Wastewater Master Plan development by the System’s Master Planning Division. This project will replace sewer pipe, which is in poor condition and requires additional capacity.

- On September 13, 2016, the System’s Board of Trustees, through Resolution No. 16-236, authorized a construction contract with S.J. Louis Construction of Texas, Ltd., in the total amount of $6,758,717.46 in connection with the project work.

- Change Order No. 1 in the amount of $95,266.65 provided for additional waterline.

- Change Order No. 2 in the amount of $1,760.00 provided for a transition coupling utilized for the connection of 21-inch pipeline to a 24-inch pipeline.
Ratification of Change Order No. 4  
C-12 Donaldson Terrace Project

- Change Order No. 3, in the amount of $167,607.52 provided for full mill and overlay road reconstruction.

- During construction CPS Energy raised concerns with the System’s contractor replacing the sewer main via open cut adjacent to a CPS gas vault on Donaldson Avenue and crossing two 16-inch gas mains at the intersection of St. Cloud and Donaldson Avenue. It was agreed that a safer alternative would be to install the proposed sewer main at these locations via tunnel. The tunneling will occur in two sections. One will be a 50 foot tunnel crossing the 16-inch gas mains at the intersection of Donaldson and St. Cloud. The other will be a 40 foot tunnel on Donaldson to get past the gas vault. The total tunneling will be 90 feet and the contractor will utilize 48-inch steel casing.

- Due to the significant potential schedule and cost impacts of a delay and in order to minimize the impact, it was necessary to authorize the contractor to proceed with the necessary modifications.

- Change Order No. 4, in a total amount not to exceed $173,491.74, provides for the costs associated with the additional work.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this additional expenditure included in the CY 2017 Capital Improvement Program. This project is included in the Wastewater Core Business budget line item. The amount is $173,491.74 for Change Order No. 4 and funds will be transferred from the 2017 Owner Controlled Construction Changes line item. The job number is 13-2506.

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. 16-236)</td>
<td>$6,758,717.46</td>
</tr>
<tr>
<td>Change Order Nos. 1 through 3</td>
<td>264,634.17</td>
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<tr>
<td>Proposed Change Order No. 4</td>
<td>173,491.74</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>$7,196,843.37</td>
</tr>
</tbody>
</table>

The new contract amount for the System’s work as a result of this change order is $7,196,843.37, which represents an increase of 6.48 percent to the original contract amount.
SUPPLEMENTARY COMMENTS:

The original completion date for this contract was March 24, 2018. As a result of the previous change orders and this change order, which adds a total of 30 days, the contract has been extended and the completion date is April 23, 2018.

Gail A. Hamrick-Pigg, P.E.
Director
Pipelines

Andrea L.H. Beymer, 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 AMENDING RESOLUTION NO. 16-236 BY APPROVING THE EXPENDITURE OF ADDITIONAL FUNDS IN AN AMOUNT NOT TO EXCEED $173,491.74 PAYABLE TO S.J. LOUIS CONSTRUCTION OF TEXAS, LTD., IN CONNECTION WITH THE C-12 DONALDSON TERRACE PROJECT; APPROVING AN ADDITIONAL AMOUNT NOT TO EXCEED $173,491.74 BE MADE AVAILABLE AND EXPENDED FROM THE SYSTEM’S PROJECT FUND FOR ADDITIONAL PROJECT WORK; RATIFYING THE ACTIONS OF THE VICE PRESIDENT OF ENGINEERING AND CONSTRUCTION IN APPROVING CHANGE ORDER NO. 4 IN THE TOTAL AMOUNT OF $173,491.74; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE CHANGE ORDER NO. 4 AND TO PAY S.J. LOUIS CONSTRUCTION OF TEXAS, LTD., AN ADDITIONAL AMOUNT NOT TO EXCEED $173,491.74 FOR ADDITIONAL 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, C-12 Donaldson Terrace Project (the “Project”) was identified in the Comprehensive Wastewater Master Plan developed by the San Antonio Water System’s (the “System”) Master Planning Division to repair or replace mains in poor condition due to deterioration and requiring additional capacity; and

WHEREAS, this project includes the construction of approximately two miles of 8-inch through 30-inch gravity sewer pipeline with the project limits extending from Mulberry Avenue to Babcock Road along Morning Glory, Senisa Drive, Donaldson Avenue, St. Cloud, Evelyn Drive, and Overbrook Drive; and

WHEREAS, on September 13, 2016, the Board of Trustees, through Resolution No. 16-236, authorized a construction contract with S.J. Louis Construction of Texas, Ltd., in the amount of $6,758,717.46 in connection with the project work; and

WHEREAS, during construction, in response to CPS Energy concerns regarding gas main crossings, it was determined that the installation of the sewer main would be accomplished via tunneling rather than open cut construction at two locations in the vicinity of the intersection of St. Cloud and Donaldson; and

WHEREAS, due to the significant potential schedule and cost impacts of a delay
and in order to minimize the impact, it was necessary to authorize the contractor to proceed with
the necessary modifications; and

WHEREAS, negotiations between the System and S.J. Louis Construction of
Texas, Ltd., resulted in a cost of $173,491.74 for Change Order No. 4 for the additional project
work; and

WHEREAS, additional System funds in an amount not to exceed $173,491.74 are
required in connection with the project work; and

WHEREAS, funds are available in the System’s Project Fund; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to amend
Resolution No. 16-236 by approving the expenditure of an additional amount not to exceed
$173,491.74 payable to S.J. Louis Construction of Texas, Ltd., in connection with the C-12
Donaldson Terrace Project, (ii) to expend an additional sum not to exceed $173,491.74 from the
System’s Project Fund for additional project work, (iii) to ratify the actions of the Vice President
of Engineering and Construction in approving Change Order No. 4 in the amount of $173,491.74
for the additional project work, and (iv) to authorize the President/Chief Executive Officer or his
duly appointed designee to execute Change Order No. 4, and to pay an additional amount not to
exceed $173,491.74 to S.J. Louis Construction of Texas, Ltd., for additional project work; now,
therefore:

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

1. That Resolution No. 16-236 is hereby amended by authorizing additional funds in the
amount not to exceed $173,491.74 payable to S.J. Louis Construction of Texas, Ltd., in connection
with the C-12 Donaldson Terrace Project.

2. That an additional sum not to exceed $173,491.74 is hereby made available and is to be
expended from the System’s Project Fund.

3. That the actions of the Vice President of Engineering and Construction in approving
Change Order No. 4 in the amount of $173,491.74 for the additional project work in connection
with the C-12 Donaldson Terrace Project are hereby ratified.

4. That the President/Chief Executive Officer or his duly appointed designee is hereby
authorized to execute Change Order No. 4 and to pay S.J. Louis Construction of Texas, Ltd., an
additional amount not to exceed $173,491.74 for additional project work in connection with the
C-12 Donaldson Terrace 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.
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 December, 2017.

____________________________
Berto Guerra, Jr., Chairman

ATTEST:

____________________________
Ernesto Arrellano, Jr., Secretary
AGENDA ITEM NO. 12

TO: San Antonio Water System Board of Trustees

FROM: Michael L. Myers, P.E., Director, Plants and Major Projects, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: APPROVAL OF ADDITIONAL FUNDS FOR PROFESSIONAL SERVICES IN CONNECTION WITH THE BROADBAND ACCESS POINTS AND PROGRAMMABLE LOGIC CONTROLLERS REPLACEMENT – PHASE 1 PROJECT

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution amends Resolution No. 14-284 by authorizing additional funds to an existing professional services contract with Grubb Engineering, Inc., a local, WBE-Caucasian firm, in the amount not to exceed $71,261.00 for engineering services in connection with the Broadband Access Points and Programmable Logic Controllers Replacement – Phase 1 Project.

- On November 4, 2014, by Resolution No. 14-284, the San Antonio Water System’s (the “System”) Board of Trustees authorized a professional services contract with Grubb Engineering, Inc., and provided funds in the amount of $633,392.33 for engineering services in connection with the Broadband Access Points and Programmable Logic Controllers Replacement – Phase 1 Project.

- Phase 1 includes improvements and the replacement or addition of radios and programmable logic controllers (PLCs) for fifty four Water Production and Recycled Water facilities that were deemed high criticality in the 2013 SCADA master plan.

- Currently, Phase 1 includes communication work for the Lockhill and Potranco tanks, and the 1604/Blanco pump station. It is necessary to replace three PLCs that allow for the remote control and monitoring of these Water Production facilities. These PLCs were to be replaced by System staff. However, the replacement is now required as part of this Phase 1 project due to staffing requirements that do not allow for this work to be done in-house.

- Additional design and construction phase engineering services are required to design for the replacement of these PLCs that allow for the remote control and monitoring of the Lockhill and Potranco tanks, and the 1604/Blanco pump station Water Production facilities.

- Additional funding in the amount of $71,261.00 is available from the System Project Fund that can be added to the current contract with Grubb Engineering, Inc.
Approval of Additional Funds
Broadband Access Points and Programmable Logic Controllers Replacement – Phase 1

- Additional funding in the amount of $71,261.00 is available from the System Project Fund that can be added to the current contract with Grubb Engineering, Inc.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2017 Capital Improvement Program. The work is included in the Water Delivery Core Business, Production Category, Broadband Access Points and Programmable Logic Controllers Replacement – Phase 1 project. The total amount is $71,261.00. The job number is 14-6003.

The revised authorization for this project is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Amount Authorized</th>
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</thead>
<tbody>
<tr>
<td>Original Contract Amount</td>
<td>$633,392.33</td>
</tr>
<tr>
<td>Proposed Additional Funds</td>
<td>71,261.00</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>$704,653.33</td>
</tr>
</tbody>
</table>

As a result of the additional funds, the new contract amount is $704,653.33. This represents an 11.25 percent increase in the System's original contract amount.

Michael Myers, P.E.
Director
Plants and Major Projects

Andrea L.H. Beymer, P.E.
Vice President
Engineering and Construction

Robert R. Puente
President/Chief Executive Officer

Attachment:
1. Project Area Map
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AMENDING RESOLUTION NO. 14-284, BY APPROVING ADDITIONAL EXPENDITURES TO THE EXISTING PROFESSIONAL SERVICES CONTRACT WITH GRUBB ENGINEERING, INC. IN AN AMOUNT NOT TO EXCEED $71,261.00 FROM THE SYSTEM'S PROJECT FUND IN CONNECTION WITH THE BROADBAND ACCESS POINTS AND PROGRAMMABLE LOGIC CONTROLLERS REPLACEMENT – PHASE 1 PROJECT; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO PAY AN ADDITIONAL AMOUNT NOT TO EXCEED $71,261.00 TO GRUBB ENGINEERING, INC., 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, on November 4, 2014 by Resolution No. 14-284, the San Antonio Water System’s (the “System”) Board of Trustees authorized a professional services contract with Grubb Engineering, Inc., and provided funds in the amount of $633,392.33 for engineering services in connection with the Broadband Access Points and Programmable Logic Controllers Replacement – Phase 1 Project; and

WHEREAS, additional design and construction phase engineering services are required to design for the replacement of these PLCs that allow for the remote control and monitoring of the Lockhill and Potranco tanks, and the 1604/Blanco pump station Water Production facilities; and

WHEREAS, the total additional funding in the amount of $71,261.00 is available from the System’s Project Fund; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to amend Resolution No. 14-284, by approving additional expenditures to the existing professional services contract with Grubb Engineering, Inc. in an amount not to exceed $71,261.00 from the System’s Project Fund in connection with the Broadband Access Points and Programmable Logic Controllers Replacement – Phase 1 Project, and (ii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay the additional amount not to exceed $71,261.00 to Grubb Engineering, Inc. for the additional engineering services; now, therefore:

BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:
1. That Resolution No. 14-284 is hereby amended by approving additional expenditure of funds to the existing professional services contract with Grubb Engineering, Inc. in an amount not to exceed $71,261.00 in connection with the Broadband Access Points and Programmable Logic Controllers Replacement – Phase 1 Project.

2. That an amount not to exceed $71,261.00 is hereby made available and is to be expended from the System’s Project Fund for the additional engineering services.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to pay Grubb Engineering, Inc. an amount not to exceed $71,261.00 for the additional project engineering work.

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 December, 2017.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Michael L. Myers, P.E., Director, Plants and Major Projects, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: APPROVAL OF ADDITIONAL FUNDS FOR PROFESSIONAL SERVICES IN CONNECTION WITH THE DOS RIOS WATER RECYCLING CENTER (WRC) ELECTRICAL SYSTEM IMPROVEMENTS – PHASE 2 PROJECT

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution amends Resolution No. 17-098 by authorizing additional funds to an existing professional services contract with Gupta and Associates, Inc., a non-local, MBE-Asian firm, in the amount not to exceed $611,971.00 for engineering services in connection with the Dos Rios Water Recycling Center (WRC) Electrical System Improvements – Phase 2 Project.

- On April 4, 2017, by Resolution No. 17-098, the San Antonio Water System’s (the “System”) Board of Trustees authorized a professional services contract with Gupta and Associates, Inc., and provided funds in the amount of $1,644,043.00 for engineering services in connection with the Dos Rios Water Recycling Center (WRC) Electrical System Improvements – Phase 2 Project.

- The improvements will be done in multiple phases to minimize impacts to plant operations and the Capital Improvement Program budget. Phase 1 is currently in construction. Phase 2 of this project will provide the necessary recommended improvements for the electrical and instrumentation and control infrastructure that serves the Primary Clarifier and Aeration Basin process areas. Construction is programmed for 2019.

- It is necessary to replace two motor control centers that serve the Dos Rios WRC Headworks process area. Although this equipment was previously identified for replacement on Phase 3 of the improvements, replacement is required earlier due to its current deteriorated condition resulting from accelerated corrosion.

- Additional design and construction phase engineering services are required for the replacement of these electrical motor control centers that serve the Dos Rios WRC Headworks process area.

- Additionally, the Leon Creek WRC main electrical switchgear equipment has been in operation since 1985. The equipment is over 30 years old and has exceeded the end of its service life.
A Preliminary Design Report was performed to evaluate the alternatives for the proposed replacement of the main electrical switchgear equipment at the Leon Creek WRC, along with the engineer’s opinion of probable construction cost.

It is necessary to replace the main electrical switchgear equipment at the Leon Creek WRC. The replacement is required due to its age and deteriorated condition as well as safety concerns in operating the equipment.

Additional design and construction phase engineering services are required for the replacement of the plant’s high voltage main electrical distribution system with a new underground raceway system, and the installation of a new main electrical switchgear building to house new electrical distribution equipment at the Leon Creek WRC.

The System Operations and Electrical staff continue to maintain aging infrastructure at both Dos Rios and Leon Creek WRCs. Major electrical improvements at either facility are not programmed until 2020 and beyond. Including the design in the current contract will address the Systems staff needs and allow this infrastructure to be addressed earlier resulting in cost savings by including this work as part of a larger construction project.

Additional funding in the amount of $611,971.00 is available from the System Project Fund that can be added to the current contract with Gupta and Associates, Inc.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this expenditure included in the CY 2016 and CY 2017 Capital Improvement Program. The work is included in the WW – Wastewater Core Business, Treatment Category, Dos Rios WRC Electrical System Improvements – Phase 2 project. The total amount is $611,971.00. The job number is 16-6501.

The revised authorization for this project is as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount Authorized</th>
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</thead>
<tbody>
<tr>
<td>Original Contract Amount (Resolution No. 17-098)</td>
<td>$1,644,043.00</td>
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<tr>
<td>Proposed Additional Funds</td>
<td>611,971.00</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>$2,256,014.00</td>
</tr>
</tbody>
</table>

As a result of the additional funds, the new contract amount is $2,256,014.00. This represents a 37.22 percent increase in the System’s original contract amount.
Michael Myers, P.E.
Director
Plants and Major Projects

Andrea L.H. Beymer, P.E.
Vice President
Engineering and Construction

APPROVED:

Robert R. Puente
President/Chief Executive Officer

Attachments:
1. Project Area Map
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AMENDING RESOLUTION NO. 17-098, BY APPROVING ADDITIONAL EXPENDITURES TO THE EXISTING PROFESSIONAL SERVICES CONTRACT WITH GUPTA AND ASSOCIATES, INC. IN AN AMOUNT NOT TO EXCEED $611,971.00 FROM THE SYSTEM’S PROJECT FUND IN CONNECTION WITH THE DOS RIOS WATER RECYCLING CENTER (WRC) ELECTRICAL SYSTEM IMPROVEMENTS – PHASE 2 PROJECT; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO PAY AN ADDITIONAL AMOUNT NOT TO EXCEED $611,971.00 TO GUPTA AND ASSOCIATES, INC. 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, on April 4, 2017 by Resolution No. 17-098, the San Antonio Water System’s (the “System”) Board of Trustees authorized a professional services contract with Gupta and Associates, Inc., and provided funds in the amount of $1,644,043.00 for engineering services in connection with the Dos Rios Water Recycling Center (WRC) Electrical System Improvements – Phase 2 Project; and

WHEREAS, additional design and construction phase engineering services are required for the replacement of the electrical motor control centers that serve the Dos Rios WRC Headworks process area; and

WHEREAS, additional design and construction phase engineering services are required for the replacement of the plant’s high voltage main electrical distribution system with a new underground raceway system, and the installation of a new main electrical switchgear building to house new electrical distribution equipment at the Leon Creek WRC; and

WHEREAS, the total additional funding in the amount of $611,971.00 is available from the System’s Project Fund; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to amend Resolution No. 17-098, by approving additional expenditures to the existing professional services contract with Gupta and Associates Inc. in an amount not to exceed $611,971.00 from the System’s Project Fund in connection with the Dos Rios Water Recycling Center (WRC) Electrical System Improvements – Phase 2 Project, and (ii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay the additional amount not to exceed $611,971.00 to Gupta and Associates, Inc., for the additional engineering services; now, therefore:
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF
TRUSTEES:

1. That Resolution No. 17-098 is hereby amended by approving additional expenditures of
funds to the existing professional services contract with Gupta and Associates, Inc. in an amount
not to exceed $611,971.00 in connection with the Dos Rios Water Recycling Center (WRC)
Electrical System Improvements – Phase 2 Project.

2. That an amount not to exceed $611,971.00 is hereby made available and is to be expended
from the System’s Project Fund for the additional engineering services.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby
authorized to pay Gupta and Associates, Inc. in an amount not to exceed $611,971.00 for the
additional project engineering work.

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 December, 2017.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Ernesto Arrellano, Jr., Secretary
The attached resolution amends Resolution No. 17-010 by authorizing additional funds to an existing professional services contract with Weisinger Incorporated, a non-local, non-SMWB firm, in an amount not to exceed $181,380.00 to provide additional raw water from the Vista Ridge Regional Supply Project (VRRSP) groundwater wells needed for water quality analysis and testing, which will help determine design and treatment requirements for the Central Water Integration Pipeline Project (CWIPP) formerly known as the Vista Ridge Integration Project (VRIP).

- The San Antonio Water System (the “System”) and Vista Ridge LLC (the “Project Company”) are parties to that certain Water Transmission and Purchase Agreement dated November 4, 2014 and amended on June 10, 2016 and November 2, 2016 to provide and deliver alternate water supplies to the System through the Vista Ridge Regional Supply Project. The VRIP will deliver water from the VRRSP to integration points within the distribution system.

- On November 1, 2016, the System entered into a professional services contract with Black & Veatch Corporation (the “Owner’s Representative”) to provide standard professional engineering services related to a number of things including water quality analysis.

- The objective of the water quality analysis is to develop design criteria for the water treatment required at the Terminus Site to effectively integrate the new Vista Ridge water supply into the existing distribution system.

- In order to complete the water quality analysis the Owner’s Representative requires additional raw water to be provided from the source groundwater wells installed by the Project Company.

- Additional water extraction from the wells will be required on a weekly basis for a period of 6 consecutive months to conduct a pipe loop test which is required to demonstrate the successful integration of the VRSP after supply using the optimal treatment conditions.
successful integration of the VRSP after supply using the optimal treatment conditions identified from the results of the desktop evaluation and bench scale testing.

- The additional funding amount will not exceed $181,380.00.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this expenditure from the CY 2016 Capital Improvement Program. The project work is included in the Water Delivery Core Business, Central Water Integration Pipeline, formerly known as the Vista Ridge Integration Project budget line. The amount is $181,380.00 and the job number for this project is 15-8601.

The revised authorization for this project is as follows:

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<tbody>
<tr>
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<tr>
<td>Proposed Additional Funds</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
</tr>
</tbody>
</table>

Linda Bevis  
Manager  
Central Water Integration Pipeline

Donovan Burton  
Vice President  
Water Resources and Governmental Relations

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 AMENDING RESOLUTION 17-010 BY APPROVING ADDITIONAL EXPENDITURES TO THE EXISTING PROFESSIONAL SERVICES CONTRACT WITH WEISINGER INCORPORATED IN AN AMOUNT NOT TO EXCEED $181,380.00 FROM THE SYSTEM’S PROJECT FUND IN CONNECTION WITH THE CENTRAL WATER INTEGRATION PIPELINE PROJECT, WATER COLLECTION SERVICES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DUTY APPOINTED DESIGNEE TO PAY AN ADDITIONAL AMOUNT NOT TO EXCEED $181,380.00 TO WEISINGER INCORPORATED FOR ADDITIONAL WATER COLLECTION SERVICES; FINDING THAT THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE, AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the Central Water Integration Pipeline Project, formerly known as the Vista Ridge Integration Project, (the “Project”) will deliver water from the Vista Ridge Regional Supply Project to integration points within the SAWS distribution system; and

WHEREAS, the Project’s Owner’s Representative requires raw water to be provided from the source groundwater wells to perform the water quality analysis; and

WHEREAS, the objective of the water quality analysis is to develop design criteria for the water treatment required at the Terminus Site to effectively integrate the new Vista Ridge water supply into the existing SAWS distribution system; and

WHEREAS, in order to complete the water quality analysis the Owner’s Representative requires additional raw water to be provided from the source groundwater wells installed by the Project Company; and

WHEREAS, the System requires additional water collection services to occur on a weekly basis for a period of 6 consecutive months necessary for a loop test; and

WHEREAS, services will be provided for an amount not to exceed $181,380.00; and

WHEREAS, the San Antonio Water System’s Board of Trustees desires (i) to amend Resolution No. 17-010, by approving additional expenditures to the existing professional services contract with Weisinger Incorporated in an amount not to exceed $181,380.00 from the
System’s Project Fund in connection with additional water collection services up to July 31, 2018 for the Central Water integration Pipeline Project, Water Collection Services, formerly known as the Vista Ridge Integration Project, Water Collection Services, and (ii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay an additional amount not to exceed $181,380.00 to Weisinger Incorporated for the additional water collection services; now, therefore:

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

1. That Resolution No. 17-010 is hereby amended by approving additional expenditure of funds to the existing professional services contract with Weisinger Incorporated up to July 31, 2018, in an amount not to exceed $181,380.00 in connection with the Central Water Integration Pipeline Project, Water Collection Services, formerly known as the Vista Ridge Integration Project, Water Collection Services.

2. That an amount not to exceed $181,380.00 is hereby made available and is to be expended from the System’s Project Fund for additional water collection services.

3. That the System’s President/Chief Executive Officer or his duly appointed designee is hereby authorized pay Weisinger Incorporated an amount not to exceed $181,380.00 for additional water collection services.

4. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that 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 December, 2017.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, 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 2017-2018 TASK ORDER CONTRACT FOR FLATWORK AND STREET IMPROVEMENTS PACKAGE 24

Board Action Date: December 5, 2017

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 $174,000.00 for the joint construction of water and sewer facility adjustments in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 24.

- The City plans to complete numerous sidewalk and pedestrian-related projects throughout the city in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 24 for Transportation and Capital Improvements. The City’s work is estimated to cost $2,070,616.00.

- Existing water valve box covers, meter box relocations, fire hydrants and manhole covers within the project boundaries may require adjustment to match the final grade of the new sidewalks.

- The work will consist of adjusting approximately 30 existing water valve box covers, 240 meter box relocations and 8 fire hydrants and approximately 5 existing manhole covers at an estimated cost of $174,000.00.

- Bid item quantities for the adjustment of water valve box covers, meter box relocations, fire hydrants and manhole covers were included in the City’s bid documents. Funds for this work will be reimbursed to the City as payments to the contractor are made.

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

The Project Fund will finance this expenditure included in the CY 2017 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 $164,000.00 for water work. The job number is 17-5125-000.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $10,000.00 for sewer work. The job number is 17-5604-000.

SUPPLEMENTARY COMMENTS:

The City received eleven bids for this project on July 25, 2017. The lowest qualified, responsive bidder for this project is Cal-Tex Interiors, LLC, a local, MBE-Hispanic contractor. City Council approved the construction contract on September 21, 2017 and construction is expected to begin December 2017. Time allowed for total construction is 546 calendar days. The request for reimbursement is requested after City Council approved 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.

Gail Hamrick-Pigg, P.E  
Director  
Pipelines  

Andrea L.H. Beymer, P.E.  
Vice President  
Engineering and Construction  

APPROVED:

Robert R. Puente  
President/Chief Executive Officer
OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $174,000.00 FOR THE ADJUSTMENT OF WATER AND SEWER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE 2017-2018 TASK ORDER CONTRACT FOR FLATWORK AND STREET IMPROVEMENTS PACKAGE 24; APPROVING AN AMOUNT NOT TO EXCEED $174,000.00 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 $174,000.00 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, the City of San Antonio (the “City”) will construct street improvements in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 24; and

WHEREAS, the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 24 will require the adjustment of certain water and sewer facilities of the San Antonio Water System (the “System”); and

WHEREAS, the City has received a bid for the project work from Cal-Tex Interiors, LLC, in the amount of $174,000.00 and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $174,000.00 are required for the project work; and

WHEREAS, the total amount of $174,000.00 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 $174,000.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 24, (ii) to approve and make available an amount not to exceed $174,000.00 from the System’s Project Fund to reimburse the City of San Antonio
for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay an amount not to exceed $174,000.00 to the City of San Antonio 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 $174,000.00 for the adjustment of water and sewer facilities by the City in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 24 is hereby approved.

2. That a sum not to exceed $174,000.00 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 $174,000.00 for the adjustment of water and sewer facilities by the City in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 24.

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 December, 2017.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, 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 2017-2018 TASK ORDER CONTRACT FOR FLATWORK AND STREET IMPROVEMENTS PACKAGE 25

Board Action Date: December 5, 2017

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 $363,682.60 for the joint construction of water and sewer facility adjustments in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 25.

- The City plans to complete numerous sidewalk and pedestrian-related projects throughout the city in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 25 for Transportation and Capital Improvements. The City’s work is estimated to cost $5,880,000.00.

- Existing water valve box covers, meter box relocations, fire hydrants and manhole covers within the project boundaries may require adjustment to match the final grade of the new sidewalks and pavement.

- The work will consist of adjusting approximately 60 existing water valve box covers, 480 meter box relocations and 18 fire hydrants and approximately 36 existing manhole covers at an estimated cost of $363,682.60.

- Bid item quantities for the adjustment of water valve box covers, meter box relocations, fire hydrants and manhole covers were included in the City’s bid documents. Funds for this work will be reimbursed to the City as payments to the contractor are made.

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

The Project Fund will finance this expenditure included in the CY 2017 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 $322,657.60 for water work. The job number is 17-5128-000.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $41,025.00 for sewer work. The job number is 17-5607-000.

SUPPLEMENTARY COMMENTS:

The City received eleven bids for this project on August 1, 2017. The contract was awarded to six contractors; Austin Contractors, LLC, a non-local, non-SMWVB firm; MCOR Construction Company, a local, MBE-Hispanic contractor; HESI Enterprises, LLC, a local, MBE-Hispanic firm; BluTex Irrigation & Construction, LLC, a local, MBE-Hispanic contractor; J&P Paving Co. Inc., a local, MBE-Hispanic contractor; and E-Z Bel Construction, LLC, a local, MBE-Hispanic contractor. City Council approved the construction contract on September 21, 2017, and construction is expected to begin December 2017. Time allowed for total construction is 365 calendar days per contract. The request for reimbursement is requested after City Council approved 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.

Gail Hamrick-Pigg, P.E.          Andrea L.H. Beymer, P.E.
Director                     Vice President
Pipelines                  Engineering and Construction

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $363,682.60 FOR THE ADJUSTMENT OF WATER AND SEWER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE 2017-2018 TASK ORDER CONTRACT FOR FLATWORK AND STREET IMPROVEMENTS PACKAGE 25; APPROVING AN AMOUNT NOT TO EXCEED $363,682.60 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 $363,682.60 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City of San Antonio (the “City”) will construct street improvements in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 25; and

WHEREAS, the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 25 will require the adjustment of certain water and sewer facilities of the San Antonio Water System (the “System”); and

WHEREAS, the City has received bids for the project work from Austin Contractors, LLC, MCOR Construction Company, HESI Enterprises, LLC, BluTex Irrigation & Construction, LLC, J&P Paving Co. Inc., and E-Z Bel Construction, LLC., in the amount of $363,682.60 and the bidders have been determined to be the lowest responsible bidders; and

WHEREAS, System funds in the amount of $363,682.60 are required for the project work; and

WHEREAS, the total amount of $363,682.60 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 $363,682.60 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 25, (ii) to approve and make available an amount
not to exceed $363,682.60 from the System’s Project Fund to reimburse the City of San Antonio for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay an amount not to exceed $363,682.60 to the City of San Antonio 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 $363,682.60 for the adjustment of water and sewer facilities by the City in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 25 is hereby approved.

2. That a sum not to exceed $363,682.60 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 $363,682.60 for the adjustment of water and sewer facilities by the City in connection with the 2017-2018 Task Order Contract for Flatwork and Street Improvements Package 25.

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 December, 2017.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, 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 2018 ASPHALT OVERLAY CONTRACT PACKAGE 1

Board Action Date: December 5, 2017

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 $301,500.00 for the joint construction of water and sewer facility adjustments in connection with the 2018 Asphalt Overlay Contract Package 1.

- The City plans to apply an asphalt overlay throughout the city in connection with the 2018 Asphalt Overlay Contract Package 1 for Transportation and Capital Improvements. The City’s work is estimated to cost $7,011,755.60.

- Existing water valve box covers, manhole covers and sewer cleanouts within the project boundaries may require adjustment to match the final grade of the new pavement.

- The work will consist of adjusting 615 existing water valve box covers, 450 existing manhole covers and 15 existing sewer cleanouts at an estimated cost of $301,500.00.

- Bid item quantities for the adjustment of water valve box covers, manhole covers and sewer cleanouts were included in the City’s bid documents. Funds for this work will be reimbursed to the City as payments to the contractor are made.

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

The Project Fund will finance this expenditure included in the CY 2017 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 $120,750.00 for water work. The job number is 17-5130-000.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $180,750.00 for sewer work. The job number is 17-5609-000.

SUPPLEMENTARY COMMENTS:

The City received eight bids for this project on September 19, 2017. The lowest qualified, responsive bidder for this project is Clark Construction of Texas, Inc., a local, non-SMWVB contractor. City Council approved the construction contract on October 19, 2017 and construction is expected to begin December 2017. Time allowed for total construction is 240 calendar days. The request for reimbursement is requested after City Council approved 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.

APPROVED:

Gail Hamrick-Pigg, P.E.                             Andrea L.H. Beymer, P.E.
Director Engineer and Construction
Pipelines

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $301,500.00 FOR THE ADJUSTMENT OF WATER AND SEWER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE 2018 ASPHALT OVERLAY CONTRACT PACKAGE 1; APPROVING AN AMOUNT NOT TO EXCEED $301,500.00 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 $301,500.00 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 City of San Antonio (the “City”) will construct street improvements in connection with the 2018 Asphalt Overlay Contract Package 1; and

WHEREAS, the 2018 Asphalt Overlay Contract Package 1 will require the adjustment of certain water and sewer facilities of the San Antonio Water System (the “System”); and

WHEREAS, the City has received a bid for the project work from Clark Construction of Texas, Inc., in the amount of $301,500.00 and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $301,500.00 are required for the project work; and

WHEREAS, the total amount of $301,500.00 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 $301,500.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2018 Asphalt Overlay Contract Package 1, (ii) to approve and make available an amount not to exceed $301,500.00 from the System’s Project Fund to reimburse the City of San Antonio for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay an amount not to exceed $301,500.00 to the City of San Antonio 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 $301,500.00 for the adjustment of water and sewer facilities by the City in connection with the 2018 Asphalt Overlay Contract Package 1 is hereby approved.

2. That a sum not to exceed $301,500.00 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 $301,500.00 for the adjustment of water and sewer facilities by the City in connection with the 2018 Asphalt Overlay Contract Package 1.

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 December, 2017.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, 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 2018 ASPHALT OVERLAY CONTRACT PACKAGE 2

Board Action Date: December 5, 2017

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 $122,625.00 for the joint construction of water and sewer facility adjustments in connection with the 2018 Asphalt Overlay Contract Package 2.

- The City plans to apply an asphalt overlay throughout the city in connection with the 2018 Asphalt Overlay Contract Package 2 for Transportation and Capital Improvements. The City’s work is estimated to cost $4,740,289.30.

- Existing water valve box covers, manhole covers and sewer cleanouts within the project boundaries may require adjustment to match the final grade of the new pavement.

- The work will consist of adjusting 285 existing water valve box covers, 210 existing manhole covers and 10 existing sewer cleanouts at an estimated cost of $122,625.00.

- Bid item quantities for the adjustment of water valve box covers, manhole covers and sewer cleanouts were included in the City’s bid documents. Funds for this work will be reimbursed to the City as payments to the contractor are made.

Staff recommends that the Board approve this resolution.
Reimbursement to the City of San Antonio
2018 Asphalt Overlay Contract Package 2

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2017 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 $48,625.00 for water work. The job number is 17-5131-000.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $74,000.00 for sewer work. The job number is 17-5610-000.

SUPPLEMENTARY COMMENTS:

The City received ten bids for this project on September 19, 2017. The lowest qualified, responsive bidder for this project is Clark Construction of Texas, Inc., a local, non-SMWVB contractor. City Council approved the construction contract on October 19, 2017 and construction is expected to begin December 2017. Time allowed for total construction is 180 calendar days. The request for reimbursement is requested after City Council approved 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.

APPROVED:

Gail Hamrick-Pigg, P.E.
Director
Pipelines

Andrea L.H. Beymer, P.E.
Vice President
Engineering and Construction

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $122,625.00 FOR THE ADJUSTMENT OF WATER AND SEWER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE 2018 ASPHALT OVERLAY CONTRACT PACKAGE 2; APPROVING AN AMOUNT NOT TO EXCEED $122,625.00 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 $122,625.00 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 City of San Antonio (the “City”) will construct street improvements in connection with the 2018 Asphalt Overlay Contract Package 2; and

WHEREAS, the 2018 Asphalt Overlay Contract Package 2 will require the adjustment of certain water and sewer facilities of the San Antonio Water System (the “System”); and

WHEREAS, the City has received a bid for the project work from Clark Construction of Texas, Inc., in the amount of $122,625.00 and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $122,625.00 are required for the project work; and

WHEREAS, the total amount of $122,625.00 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 $122,625.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2018 Asphalt Overlay Contract Package 2, (ii) to approve and make available an amount not to exceed $122,625.00 from the System’s Project Fund to reimburse the City of San Antonio for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay an amount not to exceed $122,625.00 to the City of San Antonio 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 $122,625.00 for the adjustment of water and sewer facilities by the City in connection with the 2018 Asphalt Overlay Contract Package 2 is hereby approved.

2. That a sum not to exceed $122,625.00 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 $122,625.00 for the adjustment of water and sewer facilities by the City in connection with the 2018 Asphalt Overlay Contract Package 2.

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 the 5th day of December, 2017.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, 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 2018 ASPHALT OVERLAY CONTRACT PACKAGE 3

Board Action Date: December 5, 2017

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 $232,530.00 for the joint construction of water and sewer facility adjustments in connection with the 2018 Asphalt Overlay Contract Package 3.

- The City plans to apply an asphalt overlay throughout the city in connection with the 2018 Asphalt Overlay Contract Package 3 for Transportation and Capital Improvements. The City’s work is estimated to cost $6,725,034.60.

- Existing water valve box covers, manhole covers and sewer cleanouts within the project boundaries may require adjustment to match the final grade of the new pavement.

- The work will consist of adjusting 615 existing water valve box covers, 450 existing manhole covers and 15 existing sewer cleanouts at an estimated cost of $232,530.00.

- Bid item quantities for the adjustment of water valve box covers, manhole covers and sewer cleanouts were included in the City’s bid documents. Funds for this work will be reimbursed to the City as payments to the contractor are made.

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

The Project Fund will finance this expenditure included in the CY 2017 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 $120,015.00 for water work. The job number is 17-5132-000.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $112,515.00 for sewer work. The job number is 17-5611-000.

SUPPLEMENTARY COMMENTS:

The City received nine bids for this project on September 26, 2017. The lowest qualified, responsive bidder for this project is J&P Paving Co., Inc., a local, MBE-Hispanic contractor. City Council approved the construction contract on November 2, 2017 and construction is expected to begin December 2017. Time allowed for total construction is 240 calendar days. The request for reimbursement is requested after City Council approved 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.

Gail Hamrick-Pigg, P.E.
Director
Pipelines

Andrea L.H. Beymer, 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 APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $232,530.00 FOR THE ADJUSTMENT OF WATER AND SEWER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE 2018 ASPHALT OVERLAY CONTRACT PACKAGE 3; APPROVING AN AMOUNT NOT TO EXCEED $232,530.00 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 $232,530.00 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 City of San Antonio (the “City”) will construct street improvements in connection with the 2018 Asphalt Overlay Contract Package 3; and

WHEREAS, the 2018 Asphalt Overlay Contract Package 3 will require the adjustment of certain water and sewer facilities of the San Antonio Water System (the “System”); and

WHEREAS, the City has received a bid for the project work from J&P Paving Co., Inc., in the amount of $232,530.00 and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $232,530.00 are required for the project work; and

WHEREAS, the total amount of $232,530.00 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 $232,530.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2018 Asphalt Overlay Contract Package 3, (ii) to approve and make available an amount not to exceed $232,530.00 from the System’s Project Fund to reimburse the City of San Antonio for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay an amount not to exceed $232,530.00 to the City of San Antonio 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 $232,530.00 for the adjustment of water and sewer facilities by the City in connection with the 2018 Asphalt Overlay Contract Package 3 is hereby approved.

2. That a sum not to exceed $232,530.00 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 $232,530.00 for the adjustment of water and sewer facilities by the City in connection with the 2018 Asphalt Overlay Contract Package 3.

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 December, 2017.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, 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 2018 ASPHALT OVERLAY CONTRACT PACKAGE 4

Board Action Date: December 5, 2017

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 $145,520.00 for the joint construction of water and sewer facility adjustments in connection with the 2018 Asphalt Overlay Contract Package 4.

- The City plans to apply an asphalt overlay throughout the city in connection with the 2018 Asphalt Overlay Contract Package 4 for Transportation and Capital Improvements. The City’s work is estimated to cost $4,716,432.00.

- Existing water valve box covers, manhole covers and sewer cleanouts within the project boundaries may require adjustment to match the final grade of the new pavement.

- The work will consist of adjusting 285 existing water valve box covers, 210 existing manhole covers and 10 existing sewer cleanouts at an estimated cost of $145,520.00.

- Bid item quantities for the adjustment of water valve box covers, manhole covers and sewer cleanouts were included in the City’s bid documents. Funds for this work will be reimbursed to the City as payments to the contractor are made.

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

The Project Fund will finance this expenditure included in the CY 2017 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 $82,510.00 for water work. The job number is 17-5133-000.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $63,010.00 for sewer work. The job number is 17-5612-000.

SUPPLEMENTARY COMMENTS:

The City received ten bids for this project on October 3, 2017. The lowest qualified, responsive bidder for this project is H.L. Zumwalt Construction, Inc., a local, non-SMWVB contractor. City Council approved the construction contract on November 2, 2017 and construction is expected to begin December 2017. Time allowed for total construction is 180 calendar days. The request for reimbursement is requested after City Council approved 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.

Gail Hamrick-Pigg, P.E.
Director
 Pipelines

APPROVED:

Andrea L.H. Beymer, P.E.
Vice President
Engineering and Construction

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $145,520.00 FOR THE ADJUSTMENT OF WATER AND SEWER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE 2018 ASPHALT OVERLAY CONTRACT PACKAGE 4; APPROVING AN AMOUNT NOT TO EXCEED $145,520.00 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 $145,520.00 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 City of San Antonio (the “City”) will construct street improvements in connection with the 2018 Asphalt Overlay Contract Package 4; and

WHEREAS, the 2018 Asphalt Overlay Contract Package 4 will require the adjustment of certain water and sewer facilities of the San Antonio Water System (the “System”); and

WHEREAS, the City has received a bid for the project work from H.L. Zumwalt Construction, Inc., in the amount of $145,520.00 and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $145,520.00 are required for the project work; and

WHEREAS, the total amount of $145,520.00 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 $145,520.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2018 Asphalt Overlay Contract Package 4, (ii) to approve and make available an amount not to exceed $145,520.00 from the System’s Project Fund to reimburse the City of San Antonio for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay an amount not to exceed $145,520.00 to the City of San Antonio 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 $145,520.00 for the adjustment of water and sewer facilities by the City in connection with the 2018 Asphalt Overlay Contract Package 4 is hereby approved.

2. That a sum not to exceed $145,520.00 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 $145,520.00 for the adjustment of water and sewer facilities by the City in connection with the 2018 Asphalt Overlay Contract Package 4.

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 December, 2017.

_________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees  
FROM: Gail A. Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, 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 MEDICAL CENTER PHASE X: LOUIS PASTEUR TO EWING HALSELL PROJECT  

Board Action Date: December 5, 2017  

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 $379,463.70 for the joint construction of water and sewer facility adjustments in connection with the Medical Center Phase X: Louis Pasteur to Ewing Halsell Project.  

• This project is a City Capital Improvement Program project included in the 2017 Bond Program. The City proposes to construct street and drainage improvements in the project area illustrated on the attached maps. The City’s improvement work is estimated to cost $4,610,915.39.  

• Due to the street and drainage improvements within the Medical Center Phase X: Louis Pasteur to Ewing Halsell Project, the existing water mains constructed from 1979 to 1997 require adjustment to avoid conflict with the City’s adjustments.  

• The existing sewer mains within the project limits, constructed between 1969 and 2011, require adjustment to avoid conflicts with the City’s adjustments.  

• The water work will consist of the adjustment of approximately 295 feet of 8-inch through 12-inch water mains and relocation of an existing pressure point monitoring panel.  

• The sewer work will consist of the adjustment of approximately 175 feet of 10-inch sewer main and reconstruction of two existing manholes.  

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

The Project Fund will finance this expenditure included in the CY 2017 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 $287,591.70 for water work. The job number is 16-5029-000.

The sewer work is included in the Wastewater Core Business, Governmental – Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $91,872.00 for sewer work. The job number is 16-5529-000.

SUPPLEMENTARY COMMENTS:

The City received five bids for this project on October 3, 2017. The lowest qualified, responsive bidder for this project is E-Z Bel Construction, LLC, a local, MBE-Hispanic contractor. City Council approved the construction contract on November 9, 2017 and construction is expected to begin January 2018. Time allowed for total construction is 235 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.

Gail A. Hamrick-Pigg, P.E.
Director
Pipelines

Andrea L.H. Beymer, 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 THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $379,463.70 FOR THE ADJUSTMENT OF WATER AND SEWER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE MEDICAL CENTER PHASE X: LOUIS PASTEUR TO EWING HALSELL PROJECT; APPROVING AN AMOUNT NOT TO EXCEED $379,463.70 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 TO THE CITY OF SAN ANTONIO AN AMOUNT NOT TO EXCEED $379,463.70 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City of San Antonio (the “City”) intends to construct the Medical Center Phase X: Louis Pasteur to Ewing Halsell project as part of its 2017 Bond Program; and

WHEREAS, the City’s Medical Center Phase X: Louis Pasteur to Ewing Halsell Project will require the adjustment of certain water and sewer facilities (the “project work”) of the San Antonio Water System (the “System”); and

WHEREAS, the City has received a bid for the project work from E-Z Bel Construction, LLC, and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $379,463.70 are required 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 $379,463.70 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the Medical Center Phase X: Louis Pasteur to Ewing Halsell Project, (ii) to approve and make available an amount not to exceed $379,463.70 from the System’s Project Fund to reimburse the City of San Antonio for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay an amount not to exceed $379,463.70 to the City of San Antonio 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 $379,463.70 for the adjustment of water and sewer facilities by the City in connection with the Medical Center Phase X: Louis Pasteur to Ewing Halsell Project is hereby approved.

2. That a sum not to exceed $379,463.70 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 $379,463.70 for the adjustment of water and sewer facilities by the City in connection with the Medical Center Phase X: Louis Pasteur to Ewing Halsell 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 December, 2017.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, 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 2017-2018 ASPHALT OVERLAY TASK ORDER CONTRACT PACKAGE 8

Board Action Date: December 5, 2017

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 $170,020.00 for the joint construction of water and sewer facility adjustments in connection with the 2017-2018 Asphalt Overlay Task Order Contract Package 8.

- The City plans to apply an asphalt overlay throughout the city in connection with the 2017-2018 Asphalt Overlay Task Order Contract Package 8 for Transportation and Capital Improvements. The City’s work is estimated to cost $4,970,736.55.

- Existing water valve box covers and manhole covers within the project boundaries may require adjustment to match the final grade of the new pavement.

- The work will consist of adjusting 410 existing water valve box covers and 310 existing manhole covers at an estimated cost of $170,020.00.

- Bid item quantities for the adjustment of water valve box covers and manhole covers were included in the City’s bid documents. Funds for this work will be reimbursed to the City as payments to the contractor are made.

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

The Project Fund will finance this expenditure included in the CY 2017 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 $80,010.00 for water work. The job number is 17-5127-000.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $90,010.00 for sewer work. The job number is 17-5606-000.

SUPPLEMENTARY COMMENTS:

The City received eight bids for this project on August 22, 2017. The lowest qualified, responsive bidder for this project is J&P Paving Co., Inc., a local, MBE-Hispanic contractor. City Council approved the construction contract on September 21, 2017 and construction is expected to begin December 2017. Time allowed for total construction is 365 calendar days. The request for reimbursement is requested after City Council approved 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.

Gail Hamrick-Pigg, P.E.  
Director  
Pipelines

Andrea L.H. Beymer, 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 APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $170,020.00 FOR THE ADJUSTMENT OF WATER AND SEWER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE 2017-2018 ASPHALT OVERLAY TASK ORDER CONTRACT PACKAGE 8; APPROVING AN AMOUNT NOT TO EXCEED $170,020.00 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 $170,020.00 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 City of San Antonio (the “City”) will construct street improvements in connection with the 2017-2018 Asphalt Overlay Task Order Contract Package 8; and

WHEREAS, the 2017-2018 Asphalt Overlay Task Order Contract Package 8 will require the adjustment of certain water and sewer facilities of the San Antonio Water System (the “System”); and

WHEREAS, the City has received a bid for the project work from J&P Paving Co., Inc., in the amount of $170,020.00 and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $170,020.00 are required for the project work; and

WHEREAS, the total amount of $170,020.00 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 $170,020.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2017-2018 Asphalt Overlay Task Order Contract Package 8, (ii) to approve and make available an amount not to exceed $170,020.00 from the System’s Project Fund to reimburse the City of San Antonio for the project work;
work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay an amount not to exceed $170,020.00 to the City of San Antonio 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 $170,020.00 for the adjustment of water and sewer facilities by the City in connection with the 2017-2018 Asphalt Overlay Task Order Contract Package 8 is hereby approved.

2. That a sum not to exceed $170,020.00 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 $170,020.00 for the adjustment of water and sewer facilities by the City in connection with the 2017-2018 Asphalt Overlay Task Order Contract Package 8.

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 December, 2017.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Gail A. Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, 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 GILLETTE BLVD. STREET RECONSTRUCTION: MOURSUND BLVD. TO GARNETT AVE. PROJECT

Board Action Date: December 5, 2017

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 $1,081,482.93 for the joint construction of water and sewer facility replacements in connection with the Gillette Blvd. Street Reconstruction: Moursund Blvd. to Garnett Ave. Project.

- This project is a Transportation and Capital Improvements project funded by the 2016-2017 Storm Water Operation Fund. The City proposes to construct street and drainage improvements in the project area illustrated on the attached maps. The City’s improvement work is estimated to cost $1,156,708.00.

- Due to the street and drainage improvements within the Gillette Blvd. Project, the existing water mains constructed in 1977 require replacement to meet current San Antonio Water System (the “System”) standards.

- The existing sewer mains within the project limits, constructed in 1960, require replacement to meet current System standards.

- The water work will consist of the replacement of approximately 2,742 feet of 6-inch through 12-inch water mains.

- The sewer work will consist of the replacement of approximately 2,495 feet of 8-inch sewer mains.

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

The Project Fund will finance this expenditure included in the CY 2017 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 $536,894.49 for water work. The job number is 16-5019-000.

The sewer work is included in the Wastewater Core Business, Governmental - Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $544,588.44 for sewer work. The job number is 16-5509-000.

SUPPLEMENTARY COMMENTS:

The City received eight bids for this project on August 15, 2017. The lowest qualified, responsive bidder for this project is R. L. Jones, LP, a local, SBE contractor. City Council approved the construction contract on November 2, 2017 and construction is expected to begin January 2018. Time allowed for total construction is 270 calendar days. The request for reimbursement is requested after City Council approved 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.

APPROVED:

[Signatures]

Robert R. Puente
President/Chief Executive Officer

Attachments:
1. Project Area Map
2. Project Site Map
GILLETTE BLVD. STREET RECONSTRUCTION:
MURSOUND BLVD. TO GARNETT AVE

LEGEND
☆ PROJECT SITE
EDWARDS AQUIFER RECHARGE ZONE
SAN ANTONIO WATER SYSTEM
PROJECT SITE MAP
ATTACHMENT II

GILLETTE BLVD. STREET RECONSTRUCTION:
MOURSUND BLVD. TO GARNETT AVE.

LEGEND

PROJECT LIMITS
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $1,081,482.93 FOR THE REPLACEMENT OF WATER AND SEWER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE GILLETTE BLVD. STREET RECONSTRUCTION: MOURSUND BLVD. TO GARNETT AVE. PROJECT; APPROVING AN AMOUNT NOT TO EXCEED $1,081,482.93 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 TO THE CITY OF SAN ANTONIO AN AMOUNT NOT TO EXCEED $1,081,482.93 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City of San Antonio (the “City”) intends to construct the Gillette Blvd. Street Reconstruction: Moursund Blvd. to Garnett Ave. Project as part of its 2016-2017 Storm Water Operation Fund; and

WHEREAS, the City’s Gillette Blvd. Street Reconstruction: Moursund Blvd. to Garnett Ave. Project will require the replacement of certain water and sewer facilities (the “project work”) of the San Antonio Water System (the “System”); and

WHEREAS, the City has received a bid for the project work from R. L. Jones, LP, and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $1,081,482.93 are required 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 $1,081,482.93 for the replacement of water and sewer facilities by the City of San Antonio in connection with the Gillette Blvd. Street Reconstruction: Moursund Blvd. to Garnett Ave. Project, (ii) to approve and make available an amount not to exceed $1,081,482.93 from the System’s Project Fund to reimburse the City of San Antonio for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay an amount not to exceed $1,081,482.93 to the City of San Antonio 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 $1,081,482.93 for the replacement of water
   and sewer facilities by the City in connection with the Gillette Blvd. Street Reconstruction:
   Moursund Blvd. to Garnett Ave. Project is hereby approved.

2. That a sum not to exceed $1,081,482.93 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 $1,081,482.93 for the replacement of water
   and sewer facilities by the City in connection with the Gillette Blvd. Street Reconstruction:
   Moursund Blvd. to Garnett Ave. 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 8, 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 December, 2017.

________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________________________
Ernesto Arrellano, Jr., Secretary
AGENDA ITEM NO. 24

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: AWARD OF SERVICE CONTRACT IN CONNECTION WITH REAL ESTATE BROKERAGE SERVICES FOR DISPOSITION OF SURPLUS PROPERTIES

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution awards a service contract to Cano and Company Commercial Real Estate, a local, MBE-Hispanic firm, for a three-year initial contract period, with the option of one, one-year renewal, for a total of up to a four year term in connection real estate brokerage services on an as required basis.

- Chapter 253.014, of the Texas Local Government allows the San Antonio Water System (SAWS) to utilize brokerage services to dispose of surplus properties. The benefits of utilizing brokerage services versus the sealed bid process include marketing and selling such surplus properties with more flexibility, simplicity, and interaction with potential buyers, predicted to result in higher sales prices to SAWS.

- SAWS issued a Request for Proposals (RFP) to provide real estate brokerage services on September 19, 2017, in which three real estate brokerage firms responded.

- The Selection Committee reviewed, evaluated and ranked each of the responses to the evaluation criteria according to a numerical scoring system.

- The Selection Committee recommends Cano and Company Real Estate as the most qualified respondent, and that it be awarded the contract.

Staff recommends that the Board approve this Resolution.

FINANCIAL IMPACT:

The funding for the closing costs, including broker commissions, will be taken from the sale proceeds and paid at the time of closing on the property. Subject to all of the other provisions of the Brokerage Agreement, any sales commission to which Broker becomes entitled shall be a percentage of the Property sale price at closing, the applicable percentage to be determined based on the first or
initial list price as follows:

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<th>Property List Price</th>
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<td>$1,000,000.00 and larger</td>
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SUPPLEMENTARY COMMENTS:

The firms listed below responded to the RFP:

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<th>NAME OF FIRM</th>
<th>LOCAL/SMWVB</th>
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<td>Peloton Real Estate Partners San Antonio, LLC</td>
<td>Local/SBE</td>
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<td>Keller Willis San Antonio, Inc. d/b/a Keller Williams</td>
<td>Local/Non-SMWVB</td>
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<td>Realty City View</td>
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* Selected firm

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

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Bruce A. Haby
Manager, Corporate Real Estate

Nancy Belinsky
Vice President and General Counsel
Award of Service Contract
Real Estate Brokerage Services

APPROVED:

[Signature]

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE PROPOSAL OF AND AWARDING A SERVICE CONTRACT TO CANO AND COMPANY COMMERCIAL REAL ESTATE IN CONNECTION WITH REAL ESTATE BROKERAGE SERVICES FOR THE MARKETING AND DISPOSAL OF THE SYSTEM’S SURPLUS PROPERTIES FOR A THREE-YEAR PERIOD WITH THE OPTION OF ONE, ONE-YEAR RENEWAL; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A SERVICE CONTRACT WITH CANO AND COMPANY COMMERCIAL REAL ESTATE FOR THE CONTRACT TERM AND TO EXERCISE THE ONE-YEAR RENEWAL OPTION IF IT IS IN THE BEST INTEREST OF THE SYSTEM; AUTHORIZING THE PAYMENT OF BROKER FEES TO BE PAID AT TIME OF CLOSING; FINDING THIS RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, Section 253.014, of the Texas Local Government Code was enacted and allows the San Antonio Water System (“the System”) to utilize brokerage services for disposing of surplus properties; and

WHEREAS, the System requires real estate brokerage services related to the marketing and disposition of real property; and

WHEREAS, Cano and Company Commercial Real Estate, a local, MBE-Hispanic firm, has been determined to be a qualified provider of real estate brokerage services on the basis of demonstrated competence and qualifications; and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) accept the proposal of and to award a service contract to Cano and Company Commercial Real Estate in connection with real estate brokerage services over a three-year period with the option of one, one-year renewal, (ii) authorize payment of broker fees from sale proceeds for the marketing and disposition of the System surplus properties at closing under the applicable sales contract, and (iii) authorize the President/Chief Executive Officer or his duly appointed designee to execute a service contract with Cano and Company Commercial Real Estate to provide real estate brokerage services and to exercise the one-year renewal option if the President/Chief Executive Officer or his duly appointed designee determines that such extension is in the best interest of the System; now, therefore:
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:

1. That the proposal from Cano and Company Commercial Real Estate is hereby accepted and a contract is hereby awarded to Cano and Company Commercial Real Estate in connection with real estate brokerage services over a three-year period, with the option of one, one-year renewal.

2. That payment of brokerage fees due under a sales contract be paid at time of closing of each applicable property is hereby authorized.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a service contract with Cano and Company Commercial Real Estate in substantially the form attached hereto as Attachment I to provide real estate brokerage services over a three-year period, and to exercise the one-year renewal option if the President/Chief Executive Officer or his duly appointed designee determines that such extension is in the best interest of the System.

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 December, 2017.

__________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________
Ernesto Arrellano, Jr., Secretary

Attachment:
1 Real Estate Brokerage Contract Form
ATTACHMENT I

Exhibit “E”
SAMPLE CONTRACT

SAN ANTONIO WATER SYSTEM

BROKERAGE AGREEMENT

Contract No. __________________

Basic Terms. This Paragraph 1 contains certain basic terms of this Brokerage Agreement (the “Agreement”) between the Owner and the Broker named below.

Effective Date:

Owner: City of San Antonio by and through its San Antonio Water System

Broker:

Properties (whether one or more) (each a “Property”): The property described on Exhibit “A” attached hereto or as may be designated by addendum pursuant to Section 2.2 herein below.

Listing Period: The period of time associated with each Property during which the Property shall be listed for sale, as provided in this Agreement. Exhibit “A” sets forth the Listing Period associated with each Property set forth therein.

Term: Twelve (12) months commencing on the Effective Date and ending on ____________ or, provided, however, Owner shall have the right to extend the Term by up to two (2) additional twelve (12) month periods by providing written notice to Broker prior to the expiration of the then-current Term.

2. Engagement.

2.1 Scope of Engagement. Owner engages Broker as Owner’s real estate broker in connection with the sale of the Properties, for the Listing Period associated with each Property. Upon the expiration of a Listing Period for a particular Property, Broker’s engagement as Owner’s real estate broker for that Property shall expire.

Broker accepts such engagement and agrees to use its best efforts to sell the Properties. Broker agrees to perform the following activities, at Broker’s sole cost and expense:

(a) List each Property with a multiple listing service (“MLS”) during the entirety of the Listing Period, the selection of which particular MLS each Property shall be listed on to be made by Owner in consultation with Broker, in Owner’s reasonable discretion. Broker acknowledges that Chapter 253 of the Local Government Code requires the Properties to be listed on an MLS for not less than thirty (30) days;
(b) Show and exhibit the Properties to prospective purchasers procured by Broker and all prospective purchasers referred to Broker by Owner;

(c) Develop brochures, sales aids, and special sales materials; provided, however, any such brochures, sales aids, or other materials shall be subject to the prior approval of Owner;

(d) Prepare matrices outlining the key economic and non-economic terms and conditions for each Property, including net present value/comparable valuation system analysis;

(e) Furnish to Owner quarterly written reports of its marketing activities pursuant hereto in such detail and with such frequency as Owner shall require;

(f) Cooperate with licensed real estate brokers and salesmen who have prospective purchasers for the Properties and endeavor to obtain written offers from such prospective purchasers;

(g) To the extent requested by Owner, assist Owner in the negotiation of the terms of prospective contracts of sale with prospective purchasers for the Properties;

(h) Promptly disclose and provide to Owner all offers made to purchase any of the Properties;

(i) Provide assistance, as requested by Owner, with post-contract due diligence requirements and closing;

(j) Maintain complete records of all transactions, and at the completion of transactions, transfer all documents to Owner;

(k) Unless otherwise agreed upon by Owner and Broker, in writing and in advance, pay all costs and expenses incurred by Broker in the performance of the foregoing obligations, including all costs and expenses for listing fees, long distance telephone calls, presentations to prospective purchasers, and travel in connection with the sale of the Properties.

2.2 Designation of Additional Property. Owner may, from time to time, designate additional properties for which Owner desires that Broker act as Owner's broker. If Broker agrees to accept such engagement, Owner and Broker shall execute an Addendum, in substantially the form attached hereto as Exhibit “B”, which shall set forth the property description and Listing Period for such property. Upon mutual execution of an addendum, the property described therein shall become a Property for all purposes under this Agreement. Any additional Property that becomes subject to this Agreement must be reflected by a fully executed Addendum, and property may not become subject to this Agreement by oral agreement.

2.3 List Prices. All MLS listings and any marketing materials developed and distributed by Broker, shall list each Property at price(s) to be determined by the Owner, and may, from time to time, be adjusted.
2.4 Consulting and Ancillary Services. During the Term, Broker agrees to, at no additional cost to Owner:

2.4.1 Provide information resources to Owner, including internet subscription access to Costar; the quarterly San Antonio Real Estate Journal's Commercial Real Estate Report and the REOC Partners Quarterly Office and Retail reports for the entire San Antonio market.

2.4.2 Prepare summaries of real estate market trends in San Antonio and the region.

2.4.3 Provide general real estate consulting.

2.4.4 Conduct studies and analysis to develop a strategy for the use and disposition of Owner's surplus properties.


3.1 Sale During Listing Period. Owner shall pay Broker a sales commission as set forth below in Paragraph 3.3, if: (a) during the applicable Listing Period a third party purchaser for a Property, satisfactory to Owner, is procured by Broker, and (b) such purchaser and Owner enter into a written contract of sale, upon terms and conditions satisfactory to Owner in its sole discretion, covering the Property, and (c) such contract of sale is closed and funded as evidenced by the recording of the deed described therein and receipt by Owner of the purchase price for such Property. Except as expressly provided in this Paragraph 3.1 or in Paragraph 3.2 below, Broker shall not be entitled to any commission or other compensation hereunder. Without limiting the generality of the preceding sentence, if the sale of a Property fails to close for any reason whatsoever, Broker shall not be entitled to any commission related to that Property.

3.2 Sale After Expiration of Listing Period. Subject to the conditions set forth below in this Paragraph 3.2, Owner shall also pay Broker a sales commission if, within 90 days after the expiration of a Listing Period for a particular Property, such Property is sold to, or Owner enters into a contract of sale for such Property thereafter resulting in a sale of same under such contract with a person or entity with whom Broker has had substantive negotiations for the sale of the applicable Property prior to the expiration of the Listing Period for such Property. As a condition precedent to Broker's rights and Owner's obligations under this Paragraph 3.2, before the expiration of a Listing Period, Broker shall submit to Owner a written listing of the full and complete names, addresses, telephone numbers and primary contact persons of those entities and persons with whom Broker has had substantive negotiations for the sale of such Property prior to the expiration of the Term. If Broker fails to submit such listing to Owner before the expiration of the applicable Listing Period, Broker shall not be entitled to any commission under this Agreement. The amount of any commission to which Broker is entitled under this Paragraph 3.2 shall be calculated in accordance with the terms of Paragraph 3.3 below.

3.3 Amount of Commission. Subject to all of the other provisions of this Agreement, any sales commission to which Broker becomes entitled hereunder shall be a percentage of the Property sale price at closing, the applicable percentage to be determined based on the first or initial list price as follows
<table>
<thead>
<tr>
<th>Property List Price</th>
<th>Commission*</th>
</tr>
</thead>
<tbody>
<tr>
<td>$1.00 to $24,999.99</td>
<td>10%</td>
</tr>
<tr>
<td>$25,000.00 to $999,999.99</td>
<td>6%</td>
</tr>
<tr>
<td>$1,000,000.00 and larger</td>
<td>4%</td>
</tr>
</tbody>
</table>

*Subject to commission splitting provisions of paragraph 4.2 herein below

By way of example, if a Property has an initial list price of $30,000.00, the applicable percentage commission at closing shall be 6% of the ultimate sales price. Accordingly, if that property is sold for $23,000.00, the commission shall be 6% of $23,000.00.

3.4 **No Commission.** Notwithstanding Paragraphs 3.1, 3.2, 3.3 or any other provisions hereof, Broker shall not be entitled to any commission (a) in the event of a default by Broker under this Agreement, or (b) in the event of a sale, at any time, of a Property to the City of San Antonio, CPS Energy or any other governmental entity.

3.5 **Terms of Sale.** Owner reserves the right to determine all terms, conditions and provisions of any contracts of sale and to reject any contract of sale in its discretion. Owner reserves the right to the select the title company. Owner shall provide to Broker a form of contract of sale for use in the sale of the Properties.

3.6 **No Additional Payments.** Any commission to Broker provided herein includes all costs, taxes, fees, expenses and charges incurred by Broker or otherwise in connection with the subject matter of this Agreement, and no additional payments shall be made by Owner to Broker hereunder. Broker shall indemnify, hold harmless and defend Owner from any and all costs, taxes, fees, expenses and charges that may be claimed by others with whom Broker may be concerned with regards to the subject matter of this Agreement.

4.0 **Concerning Other Brokers.**

4.1 **Cooperation with Other Brokers.** Broker agrees to cooperate with prospective purchaser’s brokers (“Other Brokers”, each an “Other Broker”) in endeavoring to sell the Properties.

4.2 **Sharing of Commission.** In the event Broker receives a commission from Owner under this Agreement for the sale of a Property in which an Other Broker represents the purchaser, Broker will split its commission evenly with the Other Broker. In all MLS listings of the Properties, Broker will disclose the even fee split and the percentage to which an Other Broker would receive upon closing. Additionally, Owner may elect to offer an additional bonus to an Other Broker in the event of the closing of a Property, and in such event, Broker will disclose such bonus in all MLS listings of such Property. Notwithstanding anything to the contrary contained or implied herein, Owner shall not be liable to Other Brokers for a commission. Broker agrees to and shall protect and save, indemnify and hold harmless Owner, its officers, directors, employees, attorneys and agents from any claim, suit or liability, including reasonable attorneys’ fees, brought by any person or entity seeking a commission or other consideration with whom Broker has
had contact with respect to the sale of the Property.

5. **Duties and Authority of Broker.**

5.1 **Advertising.** Broker agrees and is hereby authorized to advertise the sale of the Properties, and to place “For Sale” signs on the Properties, subject to Owner’s control over the design, size, content, and location of such signs. Broker shall not publish, display or distribute any advertisement or publicity release concerning any Property without Owner’s prior approval.

5.2 **Right of Entry.** With prior notice to Owner, attn: Sunny Burlew, Corporate Real Estate at (210) 233-2954, sunny.burlew@saws.org, or such other person as Owner may direct, Broker is authorized to enter the Properties at any reasonable time and at its sole expense and risk for the purpose of showing the Properties to prospective purchasers. Owner may require that prospective purchasers execute releases, to be provided by Owner, prior to entering a Property.

5.3 **Monthly Report.** Broker shall prepare and furnish to Owner, as soon as possible after the end of each month during the Term and in no event later than the fifteenth day of the month, a monthly report, in reasonable detail, summarizing Broker’s activities hereunder and the results thereof for the previous month. The report shall be in form and content satisfactory to Owner and shall include such information regarding advertising, people contacted, property showings and related matters as Owner requests.

5.4 **Certain Representations of Broker.** Broker represents that Broker will not act as a principal for its own account in any transaction involving the sale of any Property by Owner nor on behalf of any entity to which Broker has a financial or ownership interest, unless full written disclosures are made and the written consent of Owner is first obtained.

5.5 **Limitation of Authority.** It is understood and agreed that Broker will act solely as Owner’s agent in connection with the sale of the Properties and that Broker is not authorized to act as an intermediary between Owner and any prospective purchaser, except with Owner’s prior consent. Broker has no authority to enter into, execute, make or acknowledge any contract, agreement or representation pertaining to the Properties.

5.6 **Independent Contractor.** It is acknowledged and agreed that the Broker is an independent contractor of the Water System and not an employee or agent or fiduciary of Owner. Further, nothing in this Agreement shall be construed to create a partnership, joint venture, or other association between the parties.

5.7 **No Representations.** Broker shall make no representations or warranties of any kind, express or implied, concerning the Properties or any other matter without the prior written consent of Owner.

5.8 **No Recordation.** In no event or circumstance whatsoever shall Broker file any instrument or record or take any other action which has the effect of clouding title to the Properties, and any such action shall automatically terminate Broker’s right to collect any commission with respect to the Properties.
6.0 Indemnity. Broker shall indemnify, hold harmless and defend Owner from all losses, damages, costs, claims and liabilities (including without limitation court costs and attorneys’ fees relating thereto) arising out of or related to (a) any misrepresentation regarding the Properties to a prospective purchaser by Broker or any agent or representative of Broker; (b) any material fact known by Broker relating to any purchaser or proposed transaction which Broker fails to disclose to Owner; or (c) any breach of or default under this Agreement by Broker; and/or (d) any act or omission by Broker inconsistent with or outside the scope of this Agreement and the limited authority conferred hereby.

7. Default; Termination.

7.1 For Cause. If Broker fails to fully and timely perform any covenant set forth herein or fails to satisfy any condition specified herein or if any representation or warranty of Broker is determined to be false, misleading or erroneous in any material respect, then Owner shall have the right immediately to terminate this Agreement. In the event of a termination under this Paragraph 7.1, Owner shall not be liable to Broker for any commission.

7.2 Without Cause. Either party hereto shall have the right, upon thirty (30) days prior written notice to the other to terminate this Agreement without cause. In the event of such a termination, Owner shall not be liable to Broker for any commission, except to the extent set forth in Paragraph 3.2.

8. Miscellaneous.

8.1 Non-Discrimination. Broker shall not refuse to display, market or show the Properties to any person because of race, color, religion, national origin, sex, marital status or physical disability.

Broker agrees not to engage in employment practices which have the effect of discriminating against any employee or applicant for employment; and, will take affirmative steps to ensure that the applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, handicap, or political belief or affiliation. Specifically, the Broker agrees to abide by all applicable provisions of the Non-Discrimination Clause and the Small and Minority Business Advocacy Clause as contained in the City of San Antonio's current Affirmative Action Plan on file in the City Clerk's Office. In the event non-compliance occurs the Broker, upon written notification by the Owner, will commence compliance procedures within thirty (30) days.

8.2 Entire Agreement. This Agreement constitutes the entire agreement between Owner and Broker with respect to the matters set forth herein. No amendment of this Agreement shall be valid or binding unless made in writing and signed by both Owner and Broker.

8.3 Insurance. Broker shall maintain and keep in force for the duration of this Agreement such insurance as set forth on Exhibit “C” of this Agreement, which is attached hereto and incorporated herein for all purposes as if fully set forth herein. Approval of insurance by the Owner shall not relieve or decrease the liability of the Broker hereunder.
and shall not be construed to be a limitation of liability on the part of the Broker. Broker shall be responsible for all premiums, deductibles and self-insured retentions, if any, stated in the policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance.

8.4 Right to Audit. Broker agrees that the Owner or its authorized representative shall have access during normal business hours to any and all books, documents, papers, and records of the Broker which are directly pertinent to the services to be performed under this Agreement for the purposes of making audits and examinations.

8.5 Non-Solicitation. The Broker warrants that he has not employed or retained any company or person other than a bona fide employee working solely for the Broker, to solicit or secure this Agreement, and that he has not for the purpose of soliciting or securing this Agreement paid or agreed to pay any company or person, other than a bona fide employee working solely for the Broker, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach of this warranty, the Owner shall have the right to terminate this Agreement under the provisions of Section 2 below.

8.6 Non-Interest in San Antonio Water System Contracts. No officer or employee of the City shall have a financial interest, direct or indirect, in any Agreement with the Owner, or shall be financially interested, directly or indirectly, in the sale to the Owner of any land, materials, supplies or service, except on behalf of the City or Owner as an officer or employee. Any violation of this Section, with the knowledge, expressed or implied, of Broker contracting with Owner shall render this Agreement voidable by the Board of Trustees or the President/Chief Executive Officer of the San Antonio Water System.

8.7 Gift Policy. No owner employees are prohibited from soliciting, accepting or agreeing to accept any gift from outside sources. A copy of Owner's Policy 2-17 "Procedures for Gift and Meal Policy" is available upon request.

8.8 Assignment; Binding Effect. No assignment, transfer, or delegation of any rights or obligations under this Agreement by Broker shall be made without the prior written consent of the Owner, which may be withheld in the sole and absolute discretion of the Owner. This Agreement shall be binding upon the parties to this Agreement and their respective legal representatives, heirs, devisees, legatees, or other successors and permitted assigns, and shall inure to the benefit of the parties to this Agreement and their respective legal representatives, heirs, devisees, legatees, or other permitted successors and permitted assigns.

8.9 Work Product. All final work product and work papers directly relating thereto delivered to Owner by the Broker in connection with the performance of services pursuant to this Agreement, including public records obtained by the Broker, shall be the property of the Owner whether or not in the possession of the Broker, for use and re-use by the Owner, its agents, employees, contractors and Brokers, as needed from time-to-time.

8.10 Nondisclosure. The Owner has a proprietary interest in this Agreement and in the services provided by Broker. Accordingly, this Agreement, the services, and any
information obtained by Broker through Owner in connection with the performance of the services shall not be disclosed by Broker to any third party. In the event Broker is subject to the Texas Public Information Act, upon receipt of a request for any information obtained by Broker in the performance of this Agreement, Broker shall provide notice to Owner of the request along with a copy of the request, and give Owner the opportunity to respond to the request prior to its release by Broker. In no event shall Broker or any of its employees provide or participate in any public presentations or prepare or present any papers for public dissemination concerning the Properties, or with information obtained via Broker’s activities under this Agreement, without receiving the prior written approval from the Owner, which approval may be withheld in the sole and absolute discretion of the Owner.

8.11 Notices. All notices and demands required or permitted by this Agreement shall be in writing and shall be deemed to have been given when presented personally (whether by commercial delivery service or otherwise) or two (2) business days after being deposited in a regularly maintained mail receptacle of the United States Postal Service, postage prepaid, registered or certified, return receipt requested, addressed to Owner or Broker, as the case may be, at its respective address set forth in Paragraph 1 of this Agreement, or at such other address as Owner or Broker may from time to time designate by written notice to the other party as herein required.

8.12 Construction. If any of the provisions of this Agreement shall for any reason be held to be invalid, illegal or unenforceable, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Agreement shall be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.

8.13 No Waiver. The failure of any party to this Agreement at any time or times to require the performance of any provisions of this Agreement shall in no manner affect the right to enforce the same, and no waiver by any party to this Agreement of any provision (or of a breach of any provision) of this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed or construed either as a further or continuing waiver of any such provision or breach or as a waiver of any other provision (or of a breach of any other provision) of this Agreement.

8.14 Governing Law; Jurisdiction. This Agreement has been entered in, and shall be governed by and construed in accordance with the laws of the State of Texas, without regard to principles of conflict or choice of law. This Agreement is performable in Bexar County and sole venue shall be in the courts of Bexar County, Texas.

8.15 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement or its terms to produce or account for more than one of such counterparts.

Signatures on following page
Owner:

City of San Antonio by and through its San Antonio Water System

By: ____________________________
Printed Name: __________________
Title: __________________________

Broker

By: ____________________________
Printed Name: __________________
Title: __________________________

Exhibits
Exhibit “A”: Property
Exhibit “B”: Form of Addendum
Exhibit “C”: Insurance Requirements
Exhibit "A"

Property List

<table>
<thead>
<tr>
<th>Property Location and Description</th>
<th>Listing Period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(from Effective Date of Agreement)</td>
</tr>
</tbody>
</table>
Exhibit “B”

Form of Addendum

Addendum No. ___ to

BROKERAGE AGREEMENT

Contract No. ______________
(the “Agreement”)

by and between San Antonio Water System (“Owner”) and ______________
(“Broker”)

This Addendum is an amendment to the Agreement, and is made effective as of ___________ __________, 20___. The Agreement and any prior addenda remain in full force except as modified by the following.

All capitalized terms herein, unless otherwise defined, have the meaning as set forth in the Agreement.

Owner and Broker hereby agree that the following property(ies) are hereby added as Properties under the Agreement with the corresponding Listing Period set forth below:

<table>
<thead>
<tr>
<th>Property Location and Description</th>
<th>Listing Period</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(from date of this Addendum set forth above)</td>
</tr>
</tbody>
</table>

Signatures on following page
Owner:

San Antonio Water System

By: ______________________________
Printed Name: ____________________
Title: ____________________________

Broker

By: ______________________________
Printed Name: ____________________
Title: ____________________________
Exhibit "C"

SAWS STANDARD INSURANCE SPECIFICATIONS &
CERTIFICATE OF LIABILITY INSURANCE REQUIREMENTS

2. Commercial Insurance Specifications ("Specifications"): a. Commencing on the date of this Contract, the CONSULTANT shall, at his own expense, purchase, maintain and keep in force such lines of insurance coverage as will protect him and the San Antonio Water System ("SAWS") and the City of San Antonio ("the City") and their employees and agents from claims, which may arise out of or result from his operations under this Contract, whether such operations are by himself, by any sub-consultant, supplier or by anyone directly or indirectly employed by any of them or by anyone for whose acts any of them may be liable, including, without limitation, the following lines of insurance coverage:

4) Workers' Compensation (WC) insurance that will protect the CONSULTANT, SAWS and the City from claims under statutory Workers' Compensation laws, disability laws or such other employee benefit laws and that will fulfill the requirements of the jurisdiction in which the work is to be performed.

The minimum policy limits of liability for this line of insurance coverage shall be statutory limits.

This line of insurance coverage shall be endorsed to provide a Waiver of Subrogation in favor of SAWS and the City with respect to both this insurance coverage and the Employers' Liability (EL) insurance (as specified immediately below in section 1.a.2)).

5) Employers' Liability (EL) insurance (Part 2 under the standard Workers' Compensation insurance policy) that will protect the CONSULTANT, SAWS and the City for damages because of bodily injury, sickness, disease of vendor's employees apart from that imposed by Workers' Compensation laws.

The EL line of insurance coverage shall have minimum policy limits of liability of not less than:

$1,000,000.00  Bodily Injury by Accident
1,000,000.00  Bodily Injury by Disease - Each Employee
1,000,000.00  Bodily Injury by Disease - Policy Limit

6) Commercial General Liability (CGL) insurance that will protect the CONSULTANT, SAWS and the City from claims for damages because of bodily injury, personal injury, sickness, disease or death and insurance that will protect the CONSULTANT, SAWS and the City from claims for damages to or destruction of tangible property of others, including loss of use thereof.

This line of insurance coverage shall:

• Cover independent contractors;

Page 42 of 48
• Not include any exclusions relating to blasting, explosion, collapse of buildings or damage to underground property;

• Afford coverage for Products Liability and/or Completed Operations and, Contractual Liability.

The minimum policy limits of liability for this line of insurance coverage shall be:

- $1,000,000.00 Occurrence Limit
- 2,000,000.00 General Aggregate
- 2,000,000.00 Products/Completed Operations Aggregate
- 1,000,000.00 Personal and Advertising Injury
- 1,000,000.00 Contractual Liability

This line of insurance coverage shall be endorsed:

• Naming SAWS, and the City as an Additional Insured for both ongoing and completed operations; and

• To provide a Waiver of Subrogation in favor of SAWS and the City.

5) Commercial/Business Automobile Liability (CBL) insurance that will protect the CONSULTANT, SAWS and the City from claims for damages arising out of the maintenance, operation, or use of any owned, non-owned or hired vehicles.

Minimum policy limits of liability for this line of insurance coverage for bodily injury and property damage combined shall be not less than $1,000,000.00 per each occurrence.

This line of insurance coverage shall be endorsed:

• Naming SAWS, and the City as an Additional Insured; and

• To provide a Waiver of Subrogation in favor of SAWS and the City.

q. CONSULTANT shall require all Sub-consultants to carry lines of insurance coverage appropriate to their scope of Work and submit copies of Sub-consultants' Certificates of Liability Insurance upon request by SAWS.

r. CONSULTANT agrees that with respect to the above required lines of insurance, all insurance policies are to contain or be endorsed to the extent, not inconsistent with the requirements of the issuing insurance carrier, to provide for an endorsement that the "other insurance" clause shall not apply where SAWS and the CITY are an Additional Insured shown on the policy if such endorsement is permitted by law and regulations.
s. CONSULTANT shall, upon request of SAWS, provide copies of all insurance policies and endorsements required under Contract.

t. CONSULTANT is responsible for the deductibles under all lines of insurance coverage required by these Specifications.

u. The stated policy limits of each line of insurance coverage required by these Specifications are MINIMUM ONLY and it shall be the CONSULTANT’s responsibility to determine what policy limits are adequate and the length of time each line of insurance coverage shall be maintained; insurance policy limits are not a limit of the CONSULTANT’s liability.

v. These minimum limits required of each line of insurance coverage may be either basic policy limits of the WC, EL, CGL and AL or any combination of basic limits or umbrella (Umbrella form) or excess (Other Than Umbrella form) limits.

w. SAWS acceptance of Certificate(s) that in any respect, do not comply with these Specifications, does not release the CONSULTANT from compliance herewith.

x. Each line of insurance coverage that is specified under these requirements shall be so written so as to provide SAWS and the City thirty (30) calendar days advance written notice directly of cancellation or non-renewal of coverage, and not less than ten (10) calendar days advance written notice for nonpayment of premium.

y. Within five (5) calendar days of cancellation or non-renewal of any required line of insurance coverage, the CONSULTANT shall provide SAWS a replacement Certificate with all applicable endorsements included. SAWS shall have the option to suspend the CONSULTANT’s performance should there be a lapse in coverage at any time during this Contract.

z. Failure to provide and maintain the required lines of insurance coverage shall constitute a material breach of this contract.

aa. In addition to any other remedies SAWS may have, upon the CONSULTANT’s failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, SAWS shall have the right to order the CONSULTANT to stop performing services hereunder and/or withhold any payment(s) which become due to the CONSULTANT hereunder until the CONSULTANT demonstrates compliance with the Specifications hereof.

bb. Nothing herein contained shall be construed as limiting, in any way, the extent to which the CONSULTANT may be held responsible for payments for damages to persons or property resulting from the CONSULTANT’s or its sub-consultant’s performance of the services covered under this Contract.

c. It is agreed that the CONSULTANT’s insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by SAWS, the City and their employees and agents for liability arising out of operations under this Contract.
dd. CONSULTANT agrees that all lines of insurance coverage required by these Specifications shall be with insurance companies, firms or entities that have an A.M. Best rating of "A- ("A"- minus)" and a Financial Size Category of a "VII" or better. All lines of insurance coverage shall be of an "Occurrence" type except for the Professional Liability line of insurance coverage.

SAWS will accept worker's compensation insurance coverage written by the Texas Workers Compensation Insurance Fund.

ee. SAWS reserves the right to review the above stated insurance specifications during the effective period of this Contract and any extension or renewal hereof and to request modification of lines of insurance coverage and their respective liability limits when deemed necessary and prudent by SAWS’ Risk Manager and Legal Department based upon changes in statutory law, court decisions, or circumstances surrounding this Contract.

In no instance will SAWS and the City allow modification wherein SAWS and the City may incur increased risk exposure.

2. Certificate(s) of Liability Insurance ("Certificate") Requirements

Prior to the commencement of any Services under this Contract and once notified by SAWS Contracting Official that your Company has been selected as the apparent successful CONSULTANT pursuant to a Request for Proposal selection process, pending Board final approval, and, a request is made for you to submit your Company’s Certificate of Liability Insurance; the Certificate must meet all of the following requirements:

1. The CONSULTANT shall have complied by its insurance agent(s), and submitted to SAWS Contracting Department within 5 business days, a Certificate(s) of Liability Insurance ("Certificate(s)") providing evidence of the lines of insurance coverage pursuant to Section 1.a.1) through 1.a.5) above.

m. The original Certificate(s) or form must include the agent's original signature, including the signer's company affiliation, mailing address, Office and FAX phone numbers, email address, and contact person's name; and, be mailed with copies of all applicable endorsements, directly from the insurer's authorized representative in strictly compliance with sections 2.g. (Certificate Holder) and 2.h. (Distribution of Completed Certificates) below.

n. The Texas Legislature passed and Governor Perry signed Senate Bill 425 to become effective January 1, 2012. This law will require all certificates of insurance forms to be filed with and approved by the Texas Department of Insurance before they can be used after the effective date of the law. In addition, the law codifies current Texas Department of Insurance rules that a certificate of insurance must not obscure or misrepresent the coverage provided by the insurance policies.

o. SAWS will not accept Memorandum of Insurance or Binders as proof of insurance.

p. SAWS shall have no duty to pay or perform under Consulting Services Agreement until such certificate(s) and applicable endorsements have been received, reviewed and deemed 100% compliant.
with the Insurance Specifications contained herein by SAWS' Risk Management/Contract Services Department. No one other than SAWS Risk Manager shall have authority to waive any part of these requirements.

q. Additional Insured:

SAWS requires that the Automobile Liability ("AL") and the Commercial General Liability ("CGL") policies must be endorsed naming Certificate Holder (as per item 2. i. below) as an Additional Insured and, so noted in the DESCRIPTION OF OPERATIONS section of the Certificate;

Suggested wording to be placed on the Certificate is as follows:

EITHER use,

The AL and CGL policies include a blanket automatic Additional Insured endorsement that provides additional insured status to the Certificate Holder only when there is a written contract between the named Insured and the Certificate Holder that requires such status.

OR use,

The AL and CGL policies are endorsed naming the Certificate Holder as an Additional Insured.

NOTE: If the above wording cannot be placed in the DESCRIPTION OF OPERATIONS section of the Certificate, please provide SAWS with the completed Certificate, a copy of the specific AL and CGL Additional Insured endorsement documents or the policy wording from both the AL and CGL policies.

r. Waiver of Subrogation:

SAWS requires that the AL, CGL and Workers' Compensation/Employer's Liability ("WC/EL") policies must be endorsed with the Waiver of Subrogation in favor of Certificate Holder (as per item 2. i. below) and, so noted in the DESCRIPTION OF OPERATIONS section of the Certificate;

Suggested wording to be placed on the Certificate is as follows:

EITHER use,

The AL, CGL and WC/EL policies include a blanket, automatic Waiver of Subrogation endorsement that provides this feature only when there is a written contract between the named Insured, the Certificate Holder that requires such status.

OR use,

The AL, CGL and WC/EL policies are endorsed with the Waiver of Subrogation in favor of the Certificate Holder.
Certificate Holder.

NOTE: If the above wording cannot be placed in the DESCRIPTION OF OPERATIONS section of the Certificate, please provide SAWS with the completed Certificate, a copy of the specific AL, CGL and WC/EL Waiver of Subrogation endorsements documents or the policy wording from each of the AL, CGL and WC/EL policies.

s. The SAWS Project/Contract number(s) along with its Descriptor Caption must be included in the Description of Operations section located in the bottom half of the standard ACORD Certificate forms.

t. Certificate Holder - SAWS shall be shown as the Certificate Holder in the Certificate Holder section located in the bottom half of the standard ACORD Certificate forms and formatted as follows:

San Antonio Water System
c/o Ebix BPO
PO Box 100085-ZD
Ref. # 107-(Lawson Acct’s Payable Vendor #)-(SAWS Contract/Project #)*

Duluth, GA 30096

*SAWS Contracting Official will include in the above address, the correct, complete Ref# in the written confirmation of your selection as a CONSULTANT pending final Board approval.

DO NOT BEGIN THE DISTRIBUTION OF ANY CERTIFICATE(S) BEFORE RECEIVING AND INSERTING THE COMPLETE REFERENCE NUMBER INTO THE CERTIFICATE HOLDER ADDRESS SHOWN ABOVE.

u. Distribution of Completed Certificates - Completed Certificates shall be distributed by the Consultant as follows:

3) Send Original:
   a) By E-Mail: saws@ebix.com
   b) By Fax: 1-770-325-6502

4) Send Copy to the following:
   San Antonio Water System
   Attention: Contract Administration
   P.O. Box 2449
   San Antonio, TX 78298-2449

v. CONSULTANT shall be responsible for obtaining Certificates of Insurance from the first tier Sub-consultant, and upon request furnish copies to SAWS.
4. **SURVIVAL**

Any and all representations, conditions and warranties made by Consultant under this Contract including, without limitation, the provisions of Section 1.a.2), 1.a.3) and 1.a.4) of these Commercial Insurance Specifications and Certificates of Liability Insurance Requirements are of the essence of this Contract and shall survive the execution and delivery of it, and all statements contained in any document required by SAWS whether delivered at the time of the execution, or at a later date, shall constitute representations and warranties hereunder.
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: AUTHORIZING THE SECOND AMENDED AND RESTATED STATEMENT OF INVESTMENT POLICY FOR THE SAN ANTONIO WATER SYSTEM RETIREE HEALTH TRUST

Board Action Date: December 5, 2017

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. At the same time, the Board approved an investment policy for the Trust.

- The Statement of Investment Policy of the Trust provides the framework and guidance as to the management and investment of funds held in the Trust to Wells Fargo, as discretionary trustee.

- Upon review of the Statement of Investment Policy by the Trust’s Investment Committee, it is recommended to update the Statement of Investment Policy to modify the investment objective from a stated rate of return to the actuarial assumed rate of return for the Trust.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

Revisions to the Statement of Investment Policy has no direct financial impact to SAWS.

Douglas P. Evanson
Senior Vice President/Chief Financial Officer
OPEB Trust

APPROVED:

[Signature]

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AUTHORIZING THE SECOND AMENDED AND RESTATED STATEMENT OF INVESTMENT POLICY FOR THE SAN ANTONIO WATER SYSTEM RETIREE HEALTH TRUST; 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 12-057, dated February 7, 2012, a Service Agreement was awarded to Wells Fargo Bank, N.A. (Wells Fargo) to provide the trust and investment management services (as discretionary trustee) to the Trust; and

WHEREAS, a Statement of Investment Policy (the OPEB Investment Policy), which provides the framework and guidance as to the management and investment of funds held in the Trust to Wells Fargo, as discretionary trustee, was approved on February 7, 2012, and amended on January 5, 2015; and

WHEREAS, upon review of the OPEB Investment Policy by the Trust’s Investment Committee, it is recommended to update the OPEB Investment Policy to modify the investment objective from a stated rate of return to the actuarial assumed rate of return for the Trust; and

WHEREAS, the San Antonio Water System Board of Trustees desires to adopt the Second Amended and Restated Statement of Investment Policy for the Trust; now, therefore:

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

1. That the Second Amended and Restated Statement of Investment Policy for the Trust are hereby approved and adopted as attached in Exhibit A.

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 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.

4. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 5th day of December, 2017.

________________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Ernesto Arrellano, Jr., Secretary

Exhibit A – OPEB Investment Policy
San Antonio Water System Retiree Health Trust

SECOND AMENDED AND RESTATED STATEMENT OF INVESTMENT POLICY

Dated December 5, 2017
STATEMENT OF INVESTMENT POLICY

San Antonio Water System Retiree Health Trust

I. INTRODUCTION
This Statement of Investment Policy (this “Policy”) is adopted by the Investment Committee. All capitalized terms used herein and not otherwise defined shall have the meaning specified by the San Antonio Water System Retiree Health Trust (the “Trust”). In the event of any conflict between the terms of this Policy and terms of the Trust Agreement, the terms of the Trust Agreement shall be controlling.

II. PURPOSE
The Investment Committee has established this Policy for the purpose of identifying the risk and return objectives for the Trust and providing guidelines, limitations, and directions for the investment of the assets within the Trust. This Policy provides such objectives, guidelines, limitations, and directions for the assets contributed to the Trust.

This document represents the conclusions and decisions made after a deliberate and focused review of the Trust’s investment objectives, risk tolerance levels, time horizons, income needs, taxation, and other investment concerns, taking into account the requirements of applicable law.

III. RESPONSIBILITIES OF THE RISK POOL TRUSTEES
The responsibilities of the Investment Committee under this Policy include:

- Establishing reasonable and consistent investment objectives, policies, and guidelines which are incorporated in this Policy;
- Evaluating the Investment Manager and, to the extent deemed necessary by the Investment Committee, recommending additional and/or replacement Investment Managers;
- Regularly evaluating the performance of the Investment Manager to assure compliance with the guidelines set forth in this Policy and achievement of the investment objectives set forth in this Policy;
- Establishing and applying proper control procedures for monitoring the investment of the Trust assets in accordance with this Policy; and
- Regularly reviewing this Policy and making any recommendations to the Board of Trustees with respect to any necessary or appropriate revisions.
The Investment Committee shall not make or control specific investment decisions. The Investment Manager (or if none, the Section 115 Trustee) shall be solely responsible for the investment of the portion of the Trust assets with respect to which the Investment Manager has been retained.

The Investment Committee shall avoid any conflict of interest or self-dealing in the selection of the Investment Manager. No Investment Committee member may be affiliated with, or receive any compensation or other economic benefit, directly or indirectly, from the Investment Manager or any investment selected by the Investment Manager. An Investment Committee member shall not be considered to have such a conflict solely because the Investment Committee member has funds invested in the same investment vehicles as the Trust or has an account at or receives services from the same bank or other institution as the Trustee or the Investment Manager.

**IV. INVESTMENT OBJECTIVE**

The investment objective for the Trust is to achieve an average annual rate of return equal to or above the targeted annual rate of return (including interest, dividends, and capital gains and after deducting management, administrative, and transaction costs) of the actuarial assumed rate of return over an evaluation period of three to five years or a full market cycle.

**V. INVESTMENT PHILOSOPHY**

The assets of the Trust shall be invested in a manner that is consistent with the Trust Agreement, generally accepted standards of fiduciary responsibility, and the requirements of applicable law. The Investment Manager shall observe the safeguards that would guide a prudent man acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims. All transactions undertaken on behalf of the Trust shall be for the exclusive benefit of the Participants and their beneficiaries.

The Trust is generally exempt from Federal income taxes under Section 115 of the Internal Revenue Code of 1986, as amended. Therefore, income tax efficiencies are generally not a factor and should not affect investment decisions regarding the Trust assets. However, the Trust assets should be invested in a manner that does not generate unrelated business taxable income, excise taxes, or other taxable income under federal or state law.

The Trust assets shall be actively managed by the Investment Manager on a fully discretionary basis subject to the terms of this Policy and provided that the level of asset turnover and trading action is prudent taking into account expenses incurred. To the extent prudent, the Trust should be essentially fully invested at all times.

**VI. INVESTMENT PERFORMANCE**

Investment performance will be measured quarterly, but it is not expected that Trust performance will meet or exceed the Benchmark each quarter or year. However, it is expected that the performance will meet or exceed the Benchmark, over a Full Market
Cycle (a “Cycle”). A Cycle, for this purpose, is considered to be a period of three to five years. The Market (the “Market”) for the Trust is set by the Benchmark as defined by the underlying target weightings of each index within the Benchmark, as stated in section VII. In addition, the performance of each investment fund utilized within the overall Trust should be competitive over a Cycle with its established benchmark based on investment objective, investment style, and market capitalization. The measurement of investment performance will take into consideration the following:

**Return Objective**

The minimum average annual return objective for the Trust, measured over a Cycle, shall be to generate a return that meets or exceeds that of the Benchmark. Accordingly, the Investment Manager is accountable for the returns of the Trust and each of the underlying investment funds.

**Risk Parameters**

The Trust should experience risk (volatility and variability of returns) comparable to that of the Benchmark, as measured over a Cycle. Accordingly, the Investment Manager is accountable for the risk of the Trust and each of the underlying investment funds.

**VII. ASSET ALLOCATION**

**Asset Mix**

The asset mix will include a blend of active and passive investments. The Investment Manager has the discretion to vary the ratio of stocks, bonds, or cash within the parameters set forth below to maximize total return commensurate with potential risk. If asset allocations fall outside the parameters expressed below, the Investment Manager will rebalance the portfolio to bring it within the allocation limits expressed below within one (1) calendar quarter. Allocations should not remain outside the stated maximums and minimums without written approval from the Investment Committee.

<table>
<thead>
<tr>
<th>EQUITIES</th>
<th>Maximum %</th>
<th>Minimum %</th>
<th>Benchmark Targets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Domestic Large Cap</td>
<td>70</td>
<td>50</td>
<td>60%</td>
</tr>
<tr>
<td>Domestic Small Cap</td>
<td>49</td>
<td>25</td>
<td>36% Russell 1000</td>
</tr>
<tr>
<td>Foreign Equity</td>
<td>25</td>
<td>7</td>
<td>9% Russell 2000</td>
</tr>
<tr>
<td>Fixed Income</td>
<td>25</td>
<td>7</td>
<td>15% MSCI ACWI xUS</td>
</tr>
<tr>
<td>CASH</td>
<td>5</td>
<td>0</td>
<td>2%</td>
</tr>
</tbody>
</table>

DRAFT
Asset Classes

Short-Term Investments

Short-term investments are primarily intended to provide conservative, highly marketable securities for the liquidity needs of the Trust, such as disbursements, and future long-term investment. Short-term investments include high quality debt securities that offer low risk, such as money market funds, U.S. government and agency obligations, commercial paper, certificates of deposit and repurchase agreements. The investment objective of the short-term investment segment is to seek to produce a return, net of fees, that exceeds, over rolling three and five-year periods, the Citigroup 3-Month T-Bill.

Fixed-Income Investments

Fixed-income investments are intended to provide a hedge against deflation, a stable component of return and to minimize the overall volatility of the Trust assets. Assets in this segment are comprised primarily of bonds (e.g., corporate, government, asset-backed, mortgage-backed) but may also include commercial paper and U.S. government/agency issues. The investment objective of the fixed-income segment is to seek to produce a return, net of fees, that exceeds, over rolling three and five-year periods, the Barclay’s Capital Aggregate Bond Index and the median of an appropriate peer universe of managed funds.

Equity Investments

Equity investments are intended to provide long-term capital growth that exceeds inflation. It is recognized that equity investments carry greater market price variability and risk than other asset classes. To assure prudent diversification and to avoid excessive risk, the equity investments of the Trust will adhere to the asset allocation parameters set forth above. The investment objective of each equity segment is noted below:

- **Domestic Large Cap Value**
  
  This asset class invests primarily in companies with market capitalizations in excess of $5 billion. Securities in this asset class will normally have a below-average price-to-earnings ratio, price-to-book ratio and earnings growth ratio when compared to a diversified large cap index. The investment objective is to seek to produce a return, net of fees, that exceeds, over rolling three and five-year periods, the Russell 1000 Value Index and the median of an appropriate peer universe of managed funds.

- **Domestic Large Cap Growth**
  
  This asset class invests primarily in companies with market capitalizations in excess of $5 billion. Securities in this asset class will normally have above-average price-to-earnings ratio, price-to-book ratio and earnings growth ratio when compared to a diversified large cap index. The investment objective is to seek to produce a return, net of fees, that exceeds, over rolling three and five-year periods, the Russell 1000 Growth Index and the median of an appropriate peer universe of managed funds.
Exhibit A

- **Domestic Small Cap**
  This asset class invests primarily in companies with market capitalizations of $1.5 billion or less. Securities in this asset class will normally have an average price-to-earnings ratio, price-to-book ratio and earnings growth ratio when compared to a diversified small cap index. The investment objective of the small cap blend equity segment is to seek to produce a return, net of fees, that exceeds, over rolling three and five-year periods, the Russell 2000 Index and the median of an appropriate peer universe of managed funds.

- **International**
  This asset class invests primarily in companies based outside the U.S. and will normally diversify assets among numerous developed markets, such as Australia, Japan, Great Britain, Italy, France and Germany. Limited emerging market exposure is acceptable. The investment objective of the international equity segment is to seek to produce a return, net of fees, that exceeds, over rolling three and five-year periods, the Morgan Stanley Capital International All Country World Index Exclude US and the median of an appropriate peer universe of managed funds.

**Current Income**
The Investment Committee will advise the Investment Manager when liquidity for benefit payments and expenses is necessary. The Investment Manager must provide sufficient liquidity to meet benefit payments and expenses of the Trust.

**Other Characteristics of Rate of Return**
In complying with the investment objectives of this Policy, the Investment Manager will employ a dynamic and flexible approach, as called for by changing economic and capital market environments. Fundamental industry, company, and credit analysis should be the primary basis for the investment decisions, coupled with sensitivity to both market factors and price.

**Diversification and Investment Quality**
The Investment Manager shall maintain a diversified portfolio consistent with the Trust and this Policy, at all times. Adequate diversification should include geographic and sector diversity, but also requires limiting concentration in groups of securities subject to a single significant economic, social, or political event.

**VIII. INVESTMENT RESTRICTIONS**
The Investment Committee may restrict specific investments from the Trust assets on grounds other than economic risk and reward. Should the Investment Committee restrict security investments, a list of the prohibited investments will be given to the Investment Manager. This list may be periodically updated.
IX. INVESTMENT REVIEWS

Investment reviews with the Investment Committee and/or the Board of Trustees will be held at least annually, or as requested, and sufficiently after the close of the fiscal year of the Trust. The materials for this meeting should include, but not be limited to:

- Forward look at the economic and market environment, and the Trust’s posture given potential scenarios.
- Investment environment and strategy employed for the most recent fiscal year, with particular attention to departures from prior outlook report.
- Performance of the Trust and underlying asset classes relative to stated benchmarks, including returns for 1, 3, and 12-months, and 3 and 5-year periods, when available.
- Administrative, procedural or other matters.
- Other items of importance which may occur, such as changes in our working relationship, if necessary, to comply with pertinent legislation; material changes in the Investment Manager’s organization; investment philosophy or outlook; recommendations concerning any change in Policy which the Investment Manager believes should be considered by the Investment Committee.

In addition to a monthly statement, a written quarterly report is required and should include, but not be limited to, the following information:

- Statement of assets in the Investment Manager’s current format.
- Statement of the current asset mix or allocation.
- Quarterly performance measures and benchmark comparisons.
- Statement of transactions in the Asset custodian’s current format.

X. MISCELLANEOUS

For the calculation of percentages in a particular security, market value will be used as the basis, unless otherwise indicated.

The Investment Manager will use its own judgment in placing securities transactions with brokerage firms, unless otherwise directed by the Investment Committee. All transactions should be entered into on the basis of best execution. Notwithstanding the above, the Investment Manager is expected to deal with financially strong firms capable of giving the Trust a reasonable combination of price, commission, and service.

All changes or exceptions to this document will be in writing, signed by the representatives of the Investment Committee, and delivered to the Investment Manager.
Exhibit A

AGREED: San Antonio Water System
By: _____________________________ Date: _______________________
Name: ___________________________
Title: _____________________________
Company: ___________________________
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: AUTHORIZING THE DESIGNATED SIGNATORIES FOR CERTAIN FINANCIAL TRANSACTIONS AND ACTIVITIES OF THE SAN ANTONIO WATER SYSTEM

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution appoints individuals with authority to execute certain financial transactions at the financial institution's that have a contractual relationship with the San Antonio Water System (SAWS) and rescinds prior Resolution 15-064 approved on March 3, 2015, with respect to the foregoing signatories.

- Authorized signatories for the stated responsibilities will be:

<table>
<thead>
<tr>
<th>Name</th>
<th>Withdrawal or Disbursement of Funds excluding Interest &amp; Sinking and Reserve Fund Accounts</th>
<th>Withdrawal or Disbursement of Funds of Interest &amp; Sinking and Reserve Fund Accounts</th>
<th>Withdrawal of Documents and Instruments from safekeeping</th>
<th>Acceptance of, or change to collateral pledged to secure deposits</th>
</tr>
</thead>
<tbody>
<tr>
<td>Berto Guerra Jr.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Ernesto Arrellano Jr.</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Robert R. Puente</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Douglas P. Evanson</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Steven M. Clouse</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Nancy I. Belinsky</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Sharon M. De La Garza</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td>Phyllis R. Garcia</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sandra O. Paulos</td>
<td>✓</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- In addition, as Investment Officers of SAWS, Phyllis R. Garcia and Sandra O. Paulos are authorized to provide instructions for the withdrawal or disbursement of funds of the Interest & Sinking and Reserve Fund Accounts for mutual funds and investment pools only.
Disbursements by check from accounts other than the Interest and Sinking Fund Account and the Reserve Fund Account shall have the signature of any one of the individuals listed above, provided, however, that any check issued in excess of $100,000.00 shall require dual signatures, one of which will include Robert R. Puente, Douglas P. Evanson, Steven M. Clouse, Nancy I. Belinsky or Sharon M. De La Garza.

Electronic disbursements via wire or ACH issued in excess of $100,000.00 from accounts other than the Interest and Sinking Fund Account and the Reserve Fund Account shall have the signature of Robert R. Puente, Douglas P. Evanson, Steven M. Clouse, Nancy I. Belinsky or Sharon M. De La Garza.

This action is required as changes have occurred on SAWS Board and SAWS staff.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

This resolution has no financial impact on any funds of SAWS.

Douglas P. Evanson
Senior Vice President/Chief Financial Officer

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES PRESCRIBING AUTHORITY TO SIGN FOR WITHDRAWALS FROM DEPOSITORY FUND ACCOUNTS, PRESCRIBING AUTHORITY FOR WITHDRAWALS OF DOCUMENTS FROM SAFEKEEPING, AND APPOINTING REPRESENTATIVES WITH FULL AUTHORITY TO EXECUTE COLLATERAL TRANSACTIONS IN ACCORDANCE WITH CONTRACTS FOR GENERAL DEPOSITORY SERVICES AND INVESTMENT SERVICES AS APPROVED BY ACTIONS OF THE BOARD OF TRUSTEES; AND THAT ALL PRIOR INSTRUCTIONS AND RESOLUTIONS WITH RESPECT TO THE FOREGOING SIGNATORIES ARE HEREBY RESCINDED; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, it is necessary that the San Antonio Water System’s Board of Trustees (the “Board”) appoint representatives with full authority to sign for withdrawals from the various depository accounts established by City ordinance No. 75686; and

WHEREAS, it is necessary that the Board appoint representatives with full authority to sign for withdrawals of documents and instruments from safekeeping; and

WHEREAS, it is necessary that the Board appoint representatives with full authority to accept, withdraw, or change collateral in accordance with said contracts; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to prescribe authority to sign for withdrawals from depository fund accounts, (ii) to prescribe authority for withdrawals of documents and investments from safekeeping, (iii) to appoint representatives with full authority to execute collateral transactions in accordance with contracts for general depository services and investment services as approved by actions of the Board, and (iv) to rescind all prior instructions and resolutions with respect to the foregoing signatories; now, therefore:

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

1. That all funds in accounts other than "Interest and Sinking Fund Accounts" and "Reserve Fund Accounts," established by Ordinance No. 75686 of the City of San Antonio, Texas, dated April 30, 1992, may from the effective date of this Resolution be withdrawn by checks or some form of electronic medium (wires or ACH) of the San Antonio Water System and that checks are hereby
authorized to be signed either manually, or electronically by any one of the following persons:

Berto Guerra, Jr.
Ernesto Arrellano, Jr.
Robert R. Puente
Douglas P. Evanson
Steven M. Clouse
Nancy I. Belinsky
Sharon M. De La Garza
Phyllis R. Garcia
Sandra O. Paulos

provided, however, that any such checks, in excess of $100,000.00 drawn on such accounts, the payee of which is other than the San Antonio Water System or the City of San Antonio, shall require the signature of two of the foregoing, provided further, however, that one such signature shall be that of Robert R. Puente, Douglas P. Evanson, Steven M. Clouse, Nancy I. Belinsky or Sharon M. De La Garza and that wires and ACH disbursements issued in excess of $100,000.00 shall have the signature of Robert R. Puente, Douglas P. Evanson, Steven M. Clouse, Nancy I. Belinsky or Sharon M. De La Garza.

2. That funds in the "Interest and Sinking Fund Accounts" and "Reserve Fund Accounts" are hereby authorized to be withdrawn by check or some form of electronic medium (wire or ACH) of the San Antonio Water System as authorized by any one of the following persons:

Berto Guerra, Jr.
Ernesto Arrellano, Jr.
Robert R. Puente
Douglas P. Evanson
Steven M. Clouse
Nancy I. Belinsky
Sharon M. De La Garza

3. That as Investment Officers of the San Antonio Water System, Phyllis R. Garcia and Sandra O. Paulos are authorized to provide instructions on the withdrawal or disbursement of funds of the Interest & Sinking and Reserve Fund Accounts for mutual funds and investment pools only.

4. That securities or other documents of the San Antonio Water System held in safekeeping are hereby authorized to be withdrawn upon written instructions from either of the following persons:

Berto Guerra, Jr.
Ernesto Arrellano, Jr.
Robert R. Puente
Douglas P. Evanson
Steven M. Clouse
Nancy I. Belinsky
Sharon M. De La Garza

5. That the amount or type of collateral pledged as security for deposits of the San Antonio Water System are hereby authorized to be accepted, withdrawn, or changed upon written approval from either of the following persons:

   Berto Guerra, Jr.
   Ernesto Arrellano, Jr.
   Robert R. Puente
   Douglas P. Evanson
   Steven M. Clouse
   Nancy I. Belinsky
   Sharon M. De La Garza

6. That an original written and signed copy of the authorization to change the amount or type of collateral is hereby authorized to be kept by the Senior Vice President/Chief Financial Officer of the San Antonio Water System as part of the Board's permanent financial records.

7. That all prior instructions and Resolutions with respect to the foregoing signatories be and are hereby rescinded.

8. 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.

9. 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.

10. This resolution becomes effective immediately upon its passage.
PASSED AND APPROVED this 5th day of December, 2017.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Ernesto Arrellano, Jr., 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: AUTHORIZING REVISIONS TO THE INVESTMENT POLICY OF THE SAN ANTONIO WATER SYSTEM

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution revises the Investment Policy of the San Antonio Water System (SAWS). The Investment Policy provides a framework and guidance for the investment of funds pursuant to the City of San Antonio’s Ordinance No. 75686 and the Public Funds Investment Act (PFIA). The Investment Policy sets out the following investment objectives in order of priority of legality, safety, liquidity, diversification, and yield.

An annual review by the Board of Trustees is a requirement of the Investment Policy. Revisions to the Investment Policy are proposed to reflect legislative changes made to the PFIA during the 2017 legislative session and for clarification purposes. The proposed revisions include the following:

- Adding Interest Bearing Deposits insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Share Insurance Fund to the list of authorized investments;
- Removing the $10,000,000.00 limit for certificates of deposit held with any one depository institution or broker dealer firm;
- Updating provisions for Investment Pools as an authorized investment; and
- Updating the list of authorized investments that do not require collateral.

Exhibit A to the resolution contains the Investment Policy of SAWS.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Investment Policy provides the guidelines for the investment of SAWS funds. Revisions to the Investment Policy have no direct financial impact.
Douglas P. Evanson
Senior Vice President/Chief Financial Officer

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ADOPTING REVISIONS TO THE INVESTMENT POLICY OF THE SAN ANTONIO WATER SYSTEM PURSUANT TO THE CITY OF SAN ANTONIO’S ORDINANCE NO. 75686 AND THE PUBLIC FUNDS INVESTMENT ACT; DECLARING THAT THE REVISIONS TO THE INVESTMENT POLICY CONFORM TO THE REQUIREMENTS OF THE PUBLIC FUNDS INVESTMENT ACT; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, it has been the practice of the San Antonio Water System (the “System”) to apply the highest standard of care to the investment of System funds; and

WHEREAS, this standard of care is reflected in the System’s Investment Policy currently in effect; and

WHEREAS, an annual review of the Investment Policy by the Board of Trustees is required by the Public Funds Investment Act (PFIA) and the Investment Policy; and

WHEREAS, the System desires to revise the Investment Policy in order to allow flexibility when investing System funds while maintaining prudent investment practices; and

WHEREAS, the following revisions to the Investment Policy are proposed to reflect legislative changes made to the PFIA during the 2017 legislative session and for clarification purposes:

- Adding Interest Bearing Deposits insured by the Federal Deposit Insurance Corporation (FDIC) or the National Credit Union Share Insurance Fund to the list of authorized investments;
- Removing the $10,000,000.00 limit for certificates of deposit held with any one depository institution or broker dealer firm;
- Updating provisions for Investment Pools as an authorized investment;
- Updating the list of authorized investment that do not require collateral; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to adopt revisions to the Investment Policy of the San Antonio Water System pursuant to the City of San Antonio’s Ordinance No. 75686, and the Public Funds Investment Act, and (ii) to declare that the revisions to the System’s Investment Policy conform to the requirements of the Public Funds Investment Act and any amendments thereto; now, therefore:
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF
TRUSTEES:

1. That the revisions to the San Antonio Water System Investment Policy is in accordance with
the City of San Antonio’s Ordinance No. 75686 and the Public Funds Investment Act are hereby
approved and adopted as attached in Exhibit A.

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 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.

4. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 5th day of December, 2017.

________________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________________
Ernesto Arrellano, Jr., Secretary

Exhibit A – Investment Policy
Exhibit A

San Antonio Water System
San Antonio, Texas

INVESTMENT POLICY
December 2017

1.0 INTRODUCTION

Fiduciary responsibility for the management and safeguarding of the San Antonio Water System’s (SAWS) monetary assets resides with the SAWS’ Finance Department. SAWS’ investment strategy for all investments is to ensure availability of funds to meet cash flow requirements, safeguard and preserve principal, maintain liquidity, practice security diversification, and maximize yield, all within the context of understanding the suitability of each investment and the cash flow requirements of SAWS.

The Investment Policy (the “Policy”) for SAWS encompasses a dynamic framework, which, under the direction and approval of the Board of Trustees (the “Board”), provides SAWS with the flexibility and control required to execute investment transactions and manage the investment portfolio. The Policy incorporates the investment guidelines and mandates promulgated in the Texas Public Funds Investment Act (the “Act”), as amended. Daily investment transactions and management of SAWS’ invested funds are the responsibility of SAWS’ designated Investment Officers within the Finance Department.

As prescribed by the Act, and as authorized by this Policy, pursuant to Board approval, SAWS’ designated Investment Officers include the Senior Vice President-Chief Financial Officer, Treasurer, and Manager – Treasury.

2.0 POLICY STATEMENT

This policy is designed to serve as a guideline for the investment of all SAWS’ funds by the individuals designated by the Board of Trustees as having the authority and responsibility for making such investments. This policy reflects the concept that SAWS, by law, manages funds defined as public funds.

This policy serves to satisfy the statutory requirements of Texas Government Code Chapter 2256 of the Act, as amended to define and adopt a formal investment policy. This policy will be reviewed and approved by the Board at least annually according to Section 2256.005(e) of the Act.

Provisions of the Investment Policy are designed to be consistent with guidelines set forth in
City Ordinance No. 75686 (the authorizing ordinance of SAWS) which discusses investment of funds under management and control of the Board and are designed to be within the limitations of the Act and any amendments thereto.

SAWS' funds shall be kept and/or invested until required for payment of operating and maintenance expenses, debt service, construction costs, or any other debt or amount rightfully due and owed by SAWS.

Investments shall be made with the primary objectives of (in order of priority):

- **Legality** - Funds of SAWS shall be invested in accounts or instruments that are provided for by law.
- **Safety** - Funds of SAWS shall not be invested in accounts or instruments which expose the assets of SAWS to undue or unreasonable risk.
- **Liquidity** - Funds of SAWS shall be invested in accounts or instruments that mature in such a manner that cash is provided as required to finance daily maintenance and operation expenditures, construction costs, or other asset acquisitions.
- **Diversification** - SAWS should attempt to reduce investment risk by participating in a variety of authorized investment instruments and financial institutions.
- **Yield** - Funds of SAWS shall be invested in accounts or instruments that ensure a competitive rate of return after considering all other objectives of the Investment Policy. Active portfolio management may be practiced to enhance portfolio yield without a resulting increase in risk.

When determining the term of an investment, market trends and economic conditions shall be recognized factors within the parameters of projected cash requirements.

3-0. **AUTHORITY FOR INVESTMENT**

Authority for the investment of funds of SAWS in accordance with this policy is placed with the Senior Vice President-Chief Financial Officer, Treasurer and Manager-Treasury.

4-0. **INVESTMENT TRAINING**

The Senior Vice President-Chief Financial Officer, Treasurer, and Manager - Treasury are the designated Investment Officers for SAWS. In order to ensure the quality and capability of investment management in compliance with the Act, SAWS shall provide periodic training in investments for the designated Investment Officers and other investment personnel through courses and seminars offered by professional organizations, associations, and other independent sources. The Investment Officers of SAWS must comply with the following training requirements as required by the Act.

4-1. The Investment Officers must attend 10 hours of investment training within 12 months of taking office or assuming investment duties.

4-2. The Investment Officer must attend eight hours of investment training within a two year period that begins on the first day of SAWS’s fiscal year and consists of the two consecutive fiscal years after that date. The Investment Officer’s training must be from an independent source that relates to the Investment Officer’s responsibilities and must comply with the Act. This training must include education in investment controls, investment-related risks, portfolio diversification, and compliance with and defined by the Act.
4-3. The independent training source can be from, but is not limited to the following:

- Government Treasurers Organization of Texas (GTOT)
- Texas Municipal League (TML)
- TEXPO
- Government Finance Officers Association (GFOA)
- Government Finance Officer Association of Texas (GFOAT)
- Universities
- Consulting Firms

5-0. **STANDARD OF CARE**

Investment Officers of SAWS who are related by blood or marriage within the second degree by affinity or consanguinity, or have a personal business relationship with a business organization offering to engage in an investment transaction with SAWS, shall file a statement disclosing that relationship or personal business interest with SAWS and the Texas Ethics Commission as required by the Act. Investments shall be made with judgment and care, under prevailing circumstances, that a person of prudence, discretion, and intelligence would exercise in the management of the person's own affairs, not for speculation, but for investment, considering the probable safety of capital and the probable income to be derived. Investment of funds shall be governed by the objectives stated in the Policy Statement. In determining whether an Investment Officer has exercised prudence with respect to an investment decision, the determination shall be made taking into consideration the investment of all funds, or funds under SAWS' control, over which the officer had responsibility rather than a consideration as to the prudence of a single investment and whether the investment decision was consistent with the written approved investment policy of SAWS.

6-0. **PERMISSIBLE TYPES OF INVESTMENTS**

The Act, as subsequently amended, direct and authorize specific investment parameters for the investment of public funds. Listed below are authorized investments by this statute and in which available funds of SAWS may be invested. Investment of SAWS' funds in any instrument or security not authorized for investment under the Act and by this investment policy is prohibited.

6-1. Direct obligations, including letters of credit, of the United States or its agencies and instrumentalities.

6-2. Direct obligations of the State of Texas or its agencies and instrumentalities.

6-3. Other obligations, the principal and interest of which are unconditionally guaranteed or insured by the United States or its agencies and instrumentalities or the State of Texas, including obligations that are fully guaranteed or insured by the Federal Deposit Insurance Corporation or by the explicit full faith and credit of the United States.

6-4. Obligations of states, agencies, counties, cities and other political subdivisions of any state having been rated as to investment quality by a nationally recognized investment rating firm and having received not less than an "A" rating or its equivalent.

6-5. Certificates of Deposit and Share Certificates, where investments in certificates of deposit or share certificates are in accordance with the Act and meets the following criteria:

6-5.1. Certificate of deposit issued by depository institutions that have their main
Exhibit A

office or a branch office in the state of Texas that are:

6-5.1.1. guaranteed or insured by the Federal Deposit Insurance Corporation or its successor, or the National Credit Union Share Insurance Fund or its successor;

6-5.1.2. secured by obligations that are described by sections 6-1 through 6-4 above that have a market value of not less than the principal amount and accrued interest of the certificates.

6-5.1.3. secured in any other manner and amount provided by law for deposits of SAWS.

6-5.2. In addition to the authority to invest funds in certificates of deposit as stated above, an investment in certificates of deposit made in accordance with the following conditions is an authorized investment if:

6-5.2.1. the funds are invested by SAWS through a depository institution or an approved broker-dealer firm (as required under section 13-4) that (a) has its main office or a branch office in the State of Texas; (b) authorized to offer services through Certificates of Deposit Account Registry Service, “CDARS”; and (c) is selected by SAWS;

6-5.2.2. the depository institution or the broker-dealer firm selected by SAWS arranges for the deposit of the funds in certificates of deposit in one or more federally insured depository institutions, wherever located, including out of state. Each of the certificates of deposit will be issued for the account of SAWS as the beneficial owner of the certificate of deposit;

6-5.2.3. the full amount of the principal and accrued interest of each of the certificates of deposit is insured by the United States or an instrumentality of the United States; in effect the Federal Deposit Insurance Corporation (FDIC). Each certificate of deposit will be issued in an amount within the FDIC insurance coverage limit. The total amount of SAWS’ investment will be allocated among a number of financial institutions. SAWS’ investment will thus be fully protected against the failure of any of the institutions issuing the certificates of deposit;

6-5.2.4. the depository institution selected by SAWS or a broker-dealer firm registered with the Securities and Exchange Commission and selected by SAWS shall act as custodian for SAWS with respect to the certificates of deposit issued for the account of SAWS with respect to the certificates of deposit. Under this provision, when the certificates of deposit issued by other institutions to SAWS mature, the payment of the principal and accrued interest will be made by those institutions through the selected depository institution in the state of Texas; and

6-6. Interest-bearing banking deposits that are guaranteed or insured by:

6-6.1. the FDIC or its successor; or

6-6.2. the National Credit Union Share Insurance Fund or its successor; and
6-6.1. Interest-bearing banking deposits other than those described in 6-6, if:
   6-6.1.1. the funds invested in the banking deposits are invested through:
           • a broker with a main office or branch office in the state of Texas
             that SAWS selects from an approved list; or
           • a depository institution with a main office or branch office in the
             state of Texas that SAWS selects;
   6-6.1.2. the broker or depository institution selected as described above
            arranges for the deposit of the funds in the banking deposits in one
            or more federally insured depository institutions, regardless of
            where located, for SAWS’ account;
   6-6.1.3. the full amount of the principal and accrued interest of the banking
            deposits is insured by the United States or an instrumentality of the
            United States; and
   6-6.1.4. SAWS appoints as the custodian of the banking deposits issued for
            SAWS:
           • a clearing broker dealer registered with the Securities and
             Exchange Commission and operating under Securities and
             Exchange Commission Rule 15c3-3 (17 C.F.R. Section 240.15c3-3).

6-7. Commercial paper with a stated maturity of 270 days or less from its issuance that
     either:
   6-7.1. is rated at least "A-1", or "P-1" or the equivalent by at least two nationally
         recognized credit rating agencies; or
   6-7.2. is rated at least "A-1", "P-1" or the equivalent by at least one nationally
         recognized credit rating agency and is fully secured by an irrevocable letter of
         credit issued by a bank organized and existing under the laws of the United
         States of America.

6-8. A fully collateralized repurchase agreement is an authorized investment if the
     repurchase agreement:
   6-8.1. has a defined termination date;
   6-8.2. is secured by a combination of cash and obligations, including letters of credit, of
           the United States or its agencies and instrumentalities;
   6-8.3. requires the securities being purchased by SAWS or cash held by SAWS to be
           pledged to SAWS, held in SAWS' name, and deposited at the time the investment
           is made with SAWS or with a third party selected and approved by SAWS; and
   6-8.4. is placed through a primary government securities dealer, as defined by the
           Federal Reserve, or a financial institution doing business in the State of Texas.

A repurchase agreement is a simultaneous agreement to buy, hold for a specific time,
and sell back at a future date, obligations, including letters of credit, of the United States
or its agencies and instrumentalities, at a market value at the time the funds are
 disbursed of not less than the principal amount of the funds disbursed. A repurchase
agreement includes a direct security repurchase agreement and a reverse security repurchase agreement.

Reverse repurchase agreements must not have a term to exceed 90 days. Money received under the terms of a reverse repurchase agreement may not be used to purchase any investment whose final maturity date exceeds the expiration date of the reverse.

6-9. SEC-regulated and registered, no load money market mutual fund with a dollar-weighted average stated maturity of 90 days or fewer, which includes in its investment objectives the maintenance of a stable net asset value of $1 for each share.

6-10. No-load mutual funds with a weighted average maturity of up to two years are allowable as long as they are registered with the Securities and Exchange Commission. They must be invested exclusively in obligations authorized by the Act, and are continuously rated by at least one nationally recognized investment rating firm of not less than "AAA" or its equivalent. Investments in this type of mutual fund may be no more than 15 percent of the total operating funds (excluding bond proceeds, reserves and debt service funds).

6-11. Banker’s Acceptance with a stated maturity of 270 days or less from its issuance that either:

6-11.1. will be, in accordance with its terms, liquidated in full at maturity; or
6-11.2. is eligible for collateral for borrowing from a Federal Reserve Bank; and
6-11.3. is accepted by a bank organized and existing under the laws of the United States or any state, if the short-term obligations of the bank, or of a bank holding company of which the bank is the largest subsidiary, are rated not less than A-1 or P-1 or an equivalent rating by at least one nationally recognized credit rating agency.

6-12. Investment Pools, such as:

• TexPool
• TexPool Prime
• LOGIC
• TexStar
• Texas Class

where SAWS may invest its funds and funds under its control, through an eligible investment pool if the governing body of SAWS by resolution, authorizes investment in the particular pool. An investment pool shall invest the funds it receives from SAWS in authorized investments as stated herein. An investment pool may invest its funds in money market mutual funds to the extent permitted by and consistent with the investment policies and objectives adopted by the investment pool. The investment pool shall invest funds it receives from SAWS in authorized investments as permitted by the Act and meets the following criteria:

6-12.1. An investment pool must furnish SAWS an offering circular or other similar disclosure instrument that contains, at a minimum, the following information:
6-12.1.1. the types of investments in which money is allowed to be invested;
6-12.1.2. the maximum average dollar-weighted maturity allowed, based on the stated maturity date, of the pool;
6-12.1.3. the maximum stated maturity date any investment security within the portfolio has;
6-12.1.4. the objectives of the pool;
6-12.1.5. the size of the pool;
6-12.1.6. the names of the members of the advisory board of the pool and the dates their terms expire;
6-12.1.7. the custodian bank that will safekeep the pool’s assets;
6-12.1.8. whether the intent of the pool is to maintain a net asset value of one dollar and the risk of market price fluctuation;
6-12.1.9. whether the only source of payment is the assets of the pool at market value or whether there is a secondary source of payment, such as insurance or guarantees, and a description of the secondary source of payment;
6-12.1.10. the name and address of the independent auditor of the pool;
6-12.1.11. the requirements to be satisfied for SAWS to deposit funds in and withdraw funds from the pool and any deadlines or other operating policies required for SAWS to invest funds in and withdraw funds from the pool;
6-12.1.12. the performance history of the pool, including yield, average dollar-weighted maturities, and expense ratios; and
6-12.1.13. the pool’s policy regarding holding deposits in cash.

6-12.2. An investment pool must maintain its eligibility with SAWS by furnishing the following to SAWS:

6-12.2.1. investment transaction confirmations; and
6-12.2.2. a monthly report that contains, at a minimum, the following information:

• the types and percentage breakdown of securities in which the pool is invested;
• the current average dollar-weighted maturity, based on the stated maturity date, of the pool;
• the current percentage of the pool’s portfolio in investments that have stated maturities of more than one year;
• the book value versus the market value of the pool’s portfolio, using amortized cost valuation;
• the size of the pool;
• the number of participants in the pool;
• the custodian bank that is safekeeping the assets of the pool;
• a listing of daily transaction activity of SAWS;
the yield and expense ratio of the pool, including a statement regarding how yield is calculated;
• the portfolio managers of the pool; and
• any changes or addenda to the offering circular.

6-12.3. SAWS by contract may delegate to an investment pool the authority to hold legal title as custodian of investments purchased with its funds.

6-12.4. An investment pool shall calculate "Yield" in accordance with regulations governing the registration of open-end management investment companies under the Investment Company Act of 1940, as promulgated from time to time by the federal Securities and Exchange Commission.

6-12.5. A public funds investment pool must mark its portfolio to market daily, and, to the extent reasonably possible, stabilize at a $1.00 net asset value, when rounded and expressed to two decimal places. If the ratio of the market value of the portfolio divided by the book value of the portfolio is less than 0.995 or greater than 1.005, the governing body of the public funds investment pool shall take action as the body determines necessary to eliminate or reduce to the extent reasonably practicable any dilution or unfair result to existing participants, including a sale of portfolio holdings to attempt to maintain the ratio between 0.995 and 1.005. In addition to the requirements of its investment policy and other forms of reporting, a public funds investment pool shall report yield to its investors in accordance with regulations of the federal Securities and Exchange Commission applicable to reporting by money market funds. In addition to the requirements in this policy, the public funds investment pool must follow all requirements of the Act.

6-12.6. A public funds investment pool must have an advisory board composed:

6-12.6.1. equally of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for a public funds investment pool created under Chapter 791 and managed by a state agency; or

6-12.6.2. of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool, for other investment pools.

6-12.7. An investment pool must be continuously rated no lower than AAA or AAA-m or at an equivalent rating by at least one nationally recognized rating service.

6-12.8. If the investment pool operates an Internet website it must provide all information required in the offering circular, transaction confirmations and monthly statements, mark to market data and net asset value on the website.

6-12.9. To maintain eligibility to receive funds from and invest funds on behalf of SAWS, an investment pool must make available to SAWS an annual audited financial statement of the investment pool in which SAWS has funds invested.

6-12.10. If an investment pool offers fee breakpoints based on fund balances invested, the investment pool in advertising investment rates must include either all
Exhibit A

levels of return based on the breakpoints provided or state the lowest possible level of return based on the smallest level of funds invested.

6-13. Securities Lending Program, where the program must meet the Act requirements and the following criteria:

6-13.1. the value of the securities loaned under the program must be not less than 102 percent collateralized, including accrued income;

6-13.2. a loan made under the program must allow for termination at any time;

6-13.3. a loan made under the program must be secured by:

6-13.3.1. pledged securities authorized by the Act, Section 2256.009;

6-13.3.2. pledged irrevocable letters of credit issued by a bank that is:

• organized and existing under the laws of the United States or any other state; and
• continuously rated by at least one nationally recognized investment rating firm at not less than A or its equivalent;

6-13.3.3. cash invested in accordance with the Act;

6-13.4. the terms of a loan made under the program must require that the securities being held as collateral be:

6-13.4.1. pledged to SAWS;

6-13.4.2. held in SAWS's name; and

6-13.4.3. deposited at the time the investment is made with SAWS or with a third party selected by or approved by SAWS;

6-13.5. a loan made under the program must be placed through:

6-13.5.1. a primary government securities dealer as defined by 5 C.F.R. Section 6801-102 (f), as that regulation existed on September 1, 2003; or

6-13.5.2. a financial institution doing business in the state of Texas; and

6-13.6. an agreement to lend securities is executed under this section and has a term of one year or less.

6-14. Guaranteed Investment Contract, where the guaranteed investment contract meets the Act requirements and the following criteria:

6-14.1. A guaranteed investment contract is an authorized investment for bond proceeds if the guaranteed investment contract:

6-14.1.1. has a defined termination date;

6-14.1.2. is secured by obligations described by Section 2256.009(a)(1) of the Act, excluding those obligations described by Section 2256.009(b), in an amount at least equal to the amount of bond proceeds invested under the contract; and
6-14.3. To be eligible as an authorized investment:
   6-14.3.1. the governing body of SAWS must specifically authorize guaranteed investment contracts as an eligible investment in the resolution authorizing the issuance of bonds;
   6-14.3.2. SAWS must receive bids from at least three separate providers with no material financial interest in the bonds from which proceeds were received;
   6-14.3.3. SAWS must purchase the highest yielding guaranteed investment contract for which a qualifying bid is received;
   6-14.3.4. the price of the guaranteed investment contract must take into account the reasonably expected drawdown schedule for the bond proceeds to be invested; and
   6-14.3.5. the provider must certify the administrative costs reasonably expected to be paid to third parties in connection with the guaranteed investment contract.

6-15. Overnight investment sweep products that invest in securities stated in Section 6-0, items 6-1 through 6-4.

6-16. An Investment that requires a minimum rating under this section does not qualify as an authorized investment during the period the investment does not have the minimum rating. SAWS shall take all prudent measures that are consistent with this policy to liquidate an investment that does not have the minimum rating.

7-0. **MATURITY OF INVESTMENTS**

Investments shall have maturities no longer than the date the funds can reasonably be expected to be needed for the purpose for which they are being held. Investments of the Reserve Fund shall be invested to mature no later than the final maturity date of the senior lien or junior lien obligations.

8-0. **SECURITY OF INVESTED FUNDS**

Investments in Time Deposit Accounts, Certificates of Deposit, Interest Bearing Cash Accounts, and Repurchase Agreements, along with deposits in standard bank depository accounts, shall be fully secured by insurance of the Federal Deposit Insurance Corporation, National Credit Union Share Insurance Fund or by obligations described in Section 6-0, items 6-1 through 6-4.

8-1. All such collateral must be fully documented, approved by an authorized SAWS representative and held at an authorized third party institution. An authorized System representative shall mean person(s) designated by the Board of Trustees by execution of a formal written authorizing document. With respect to certificates of deposit in
which SAWS has invested pursuant to the provisions listed above for CDARS, the depository institution selected by SAWS is an approved third party institution.

8-2. The market value of collateral shall at all times equal or exceed the principal amount plus accrued interest on all Time Deposit Accounts or Certificates of Deposit in excess of Federal Deposit Insurance Corporation or National Credit Union Share Insurance Fund coverage. Market value shall mean the bid or closing price as quoted in the most recent "The Wall Street Journal" or as quoted by another recognized pricing service.

8-3. Collateral shall either be delivered to SAWS or held in joint safekeeping at the Federal Reserve Bank or at another bank not affiliated with the depositing bank for the account and in favor of the San Antonio Water System Board of Trustees.

8-4. Substitutions and decreases in the amount or types of securities pledged as collateral or any other transaction that may decrease the value of the pledge shall have the written approval of the Senior Vice President-Chief Financial Officer, or in the event the Senior Vice President-Chief Financial Officer is not available within a reasonable time under the circumstances, either one of the following: President/Chief Executive Officer, Senior Vice President-Chief Operating Officer, Vice President-General Counsel, and the Vice President-Human Resources prior to their execution.

8-5. The type and market value of collateral shall be monitored weekly.

8-6. Collateral shall not be required with respect to purchase and investment in direct obligations of the United States of America or its instrumentalities, mutual funds, money market mutual funds, interest bearing cash accounts, commercial paper, or investment pools.

9-0. INVESTMENT TRANSACTIONS

Investment transactions stated in 6-1 through 6-4, are executed through approved Broker/Dealer Firms only, with securities delivered to the designated custodian bank. Investment transactions are settled on a delivery versus payment basis with the exception of investment transactions stated in 6-5 through 6-16. Settlement of trades may be done on a same day or subsequent day basis as the Investment Officers deem most appropriate and advantageous to SAWS.

10-0. LIMITS

There is no limit on the amount that may be invested in U.S. Treasury securities, government-guaranteed securities, or government-sponsored entity securities, with the exception of a maximum of 50% of the total investment portfolio in any one government-sponsored entity issuer. Furthermore, any other investment in non-government issues is limited to 30% of the total investment portfolio unless it is fully collateralized by securities stated in Section 6-0, items 6-1 through 6-4.

11-0. INVESTMENT STRATEGIES

In order to enhance return and fulfill all of the objectives of the Board, the portfolio may be directed toward an active versus a passive investment strategy. The risk-return relationship will be maintained and controlled through direct compliance with this policy. Risks will be minimized by adequate collateralization and delivery versus payment procedures at all times. The maximum weighted average maturity (WAM) applicable to all SAWS funds will be no more
than three (3) years. Investment strategies such as swaps and trading may be considered in order to provide incremental income. However, no strategies which will result in an accounting loss will be transacted without the approval of the Senior Vice President-Chief Financial Officer.

11-1. The following are SAWS’s investment strategies for each SAWS fund:

11-1.1. System and Operating Funds - Investments should be structured to meet the various operating expenses of SAWS and other costs associated with daily operations. Funds should be invested in instruments that are considered to be safe and short-term in nature with maturities generally no greater than one year. Additionally, these instruments should consist of a diversified group of approved investments that are intended to maximize yield. Instruments should be marketable if the need arises to liquidate them prior to maturity.

11-1.2. Debt Service Funds - Investments should be structured to mature in conjunction with SAWS debt service requirements, and to ensure compliance with any pertinent covenants and legal requirements contained in related bond ordinances. Funds should be invested in a diversified group of safe and approved instruments intended to maximize yield and liquidity. All investments must be marketable should the need arise to liquidate them prior to maturity. Due to definitive debt service schedules, the nature of these funds allows for precise forecasting of required cash flows.

11-1.3. Reserve Funds - Investments should be structured to pay the principal and interest on any senior lien and/or junior lien bonds if the amounts in the Debt Service Fund are insufficient for such purpose, and may be used for retiring the last of any outstanding senior lien and/or junior lien bonds. Funds should be invested in a diversified group of safe and approved instruments intended to maximize yield and liquidity. All investments must be marketable should the need arise to liquidate them prior to maturity. The maturity of these investments should be based on a structure to mature up to five years.

11-1.4. Project and Construction Funds - Investments should be structured to meet SAWS’s construction obligations. Funds should be invested in a diversified group of safe and approved instruments intended to maximize yield and liquidity. Investments must be marketable should the need arise to liquidate them before maturity. The maturity of these investments should be based on projections and information related to construction expenditures, with maturity terms coordinated with and timed to meet the construction draw schedule requirements.

11-1.5. Renewal & Replacement Funds - Investments should be structured to meet the various capital expenditures of SAWS, along with any unexpected or extraordinary expenses that occur where operating funds are not available. Funds should be invested in a diversified group of safe and approved instruments intended to maximize yield and liquidity. All investments must be marketable should the need arise to liquidate them. The maturity of these investments should be based on a laddered structure to mature up to two years.
Exhibit A

11-1.6. The stated investment strategies must be in accordance with the objectives stated in section 2-0.

12-0. WRITTEN CONTRACTS
Written contracts are required for Time Deposit Accounts, Certificates of Deposit, custodial undertakings, and the initial set up of investment pools and Federally Insured Cash Accounts. With respect to the purchase of direct federal or state obligations of the United States of America and its instrumentalities the interest of SAWS will be adequately protected by conditioning payment on the physical delivery of the purchased securities to SAWS or custodial bank, or in the case of book-entry transactions on the crediting of purchased securities to the custodial bank's Federal Reserve System account held in favor of SAWS. All purchases will be confirmed in writing to SAWS.

13-0. DESIGNATION OF CUSTODIAL BANK
The custodial bank shall be the bank then currently serving SAWS as its general depository bank, or another approved financial institution.

14-0. QUALIFICATIONS OF INVESTMENT PROVIDER
For purposes of this Investment Policy investment providers are defined as a banking corporation, association, individual bank, investment banker, investment advisor, primary registered securities dealer or a regional brokerage firm which underwrites U. S. Government Agency Issues. To qualify as an investment provider a bank must not be in receivership and/or be under the management and control of any Federal or State banking agency. Concentration of investments in only one financial institution should be avoided if at all possible. Securities dealers must be in good standing with the regulatory agencies.

14-1. When direct obligations of the United States of America or the State of Texas are purchased, the seller shall be required to deliver the securities to SAWS or to the custodial bank versus payment.

14-2. There should always be at least three competitive offers or bids from three different Investment Providers for all individual security purchases and sales, excluding transactions with mutual funds, money market mutual funds and investment pools.

14-3. All investment providers will provide a written acknowledgement of receipt and thorough review of SAWS's Investment Policy and will attest to having implemented reasonable procedures and controls in an effort to preclude imprudent investment activities arising from investment transactions as required by the Act.

14-4. SAWS will create an internal investment committee that shall, at least annually, review, revise, and adopt a list of qualified brokers/dealers with whom it may do business.

15-0. INVESTMENT MANAGEMENT FIRMS
SAWS may contract with an investment management firm or firms for the management of its funds. The firm must be registered under the Investment Advisers Act of 1940 (the "1940 Act") or, if the firm is not subject to the 1940 Act, it must be registered with the State Securities Board.
Exhibit A

An investment management contract may be for a term of up to two years with any renewal or extension approved by the Board. A written copy of SAWS' investment policy must be given to the investment management firm. An officer or principal of the investment management firm will serve as a qualified representative who will provide SAWS with a written instrument acknowledging receipt and compliance with the investment policy as required by the Act.

16-0. OPERATIONS AND REPORTING

The purchase and sale of securities shall be done through a competitive bid process. Certificates of Deposit may be purchased from the general depository bank. Contracts for purchase of Certificates of Deposit from banks other than the general depository banks shall be established. Deposits into Federally Insured Cash Accounts, Investment Pools, and Money Market Mutual Funds will be made at the discretion of the Investment Officers.

16-1. The Senior Vice President-Chief Financial Officer, the Treasurer, and the Manager - Treasury, are authorized to approve and award the purchase of securities and Certificates of Deposit to the best qualified bid.

16-2. The Senior Vice President-Chief Financial Officer is authorized to execute contracts for Certificates of Deposit.

16-3. The following procedure(s) will be used to monitor rating changes in investments acquired with public funds and the liquidation of such investments consistent with the provision in section 6-18.

16-3.1. SAWS will monitor market activity on a continuous basis via financial news made available over e-mail and the internet, as well as live news reports and online systems.

16-3.2. Broker/Dealers will also be utilized to provide market information and financial news updates.

16-3.3. Financial periodicals will be pursued as an additional information vehicle to broaden financial and market awareness and knowledge.

16-4. One of the following method(s) will be used to monitor the market price of acquired investments:

16-4.1. SAWS may contract with a service provider to furnish online real-time market posting of securities as needed.

16-4.2. At month end, a list of outstanding investments owned by SAWS will be sent to either one of the following entities:

16-4.2.1. SAWS' general depository bank;
16-4.2.2. one of SAWS' approved Broker/Dealer firms;
16-4.2.3. any entity contracted by SAWS to provide this service.
16-4.3. The selected entity will provide the market price of each security as of month end on the outstanding list and return it to SAWS.

16-4.4. SAWS will then use the month end outstanding list to compute the market value of each security and prepare a monthly report displaying all investment activity and balances for all securities and funds.

16-5. Not less than quarterly, the Investment Officers shall prepare and submit to the governing body of SAWS a written report of investment transactions of all funds covered by this Policy and the Act, for the preceding reporting period. The report must:

16-5.1. describe in detail the investment position of SAWS on the date of the report;

16-5.2. be prepared and signed jointly by each Investment Officer;

16-5.3. contain a summary statement of each pooled fund group that states the beginning market value for the reporting period, ending market value for the period, and fully accrued interest for the reporting period;

16-5.4. state the book value and market value of each separately invested asset at the end of the reporting period by the type of asset and fund type invested;

16-5.5. state the maturity date of each separately invested asset that has a maturity date;

16-5.6. state the account or fund or pooled group fund of SAWS for which each individual investment was acquired;

16-5.7. state the compliance of the investment portfolio of SAWS as it relates to the investment strategy expressed in SAWS’ Investment Policy and relevant provisions of the Act; and

16-5.8. the report shall be presented not less than quarterly to the governing body and the President/Chief Executive Officer of SAWS within a reasonable time after the end of the period.

17-0. INVESTMENT POLICY

The investment policy must be reviewed by the governing body of SAWS at least once a year. It will adopt a written instrument reviewing the policy and record the changes made to the policy.
TO: San Antonio Water System Board of Trustees

FROM: Sree Pulapaka, Vice President/Chief Information Officer, and Douglas P. Evanson, Senior Vice President/Chief Financial Officer

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

SUBJECT: AUTHORIZATION FOR EXTENSION AND FUNDING OF A CONTRACT WITH VARIOUS TEMPORARY EMPLOYMENT AGENCIES TO PROVIDE EMPLOYMENT SERVICES FOR INFORMATION SYSTEMS RELATED POSITIONS

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution approves the extension of the contract with various temporary employment agencies for Information Systems related positions. This resolution also authorizes funds in an amount not to exceed $2,276,320.00 with various temporary agencies for the period of January 1, 2018 through December 31, 2018 to provide employment services.

- Resolution No. 13-014, approved on January 9, 2013, accepted the proposal of and authorized the execution of a new contract with various temporary employment agencies to provide employment services for Information Systems related positions from January 1, 2013 through December 31, 2016, with two successive one-year term extensions.

- This resolution authorizes funding for the second of two one-year contract extensions with the various temporary employment agencies.

- San Antonio Water System (SAWS) currently contracts the services of about 5 to 10 workers through temporary employment agencies per year for Information Systems related positions.

- Temporary employment workers are requested on an as-needed basis from the most appropriate agency and based on the type of work required. Payment is made only upon actual use of the agencies.

Approval of Contract Extension
Temporary Employment Services for Information Systems Positions

- This resolution also authorizes funds in an amount not to exceed $2,276,320.00 to various temporary employment agencies for the period of January 1, 2018 through December 31, 2018 to provide employment services.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

Funds for the services to be provided during FY 2018 will be paid from System and Project Funds budgeted in the 2018 Budget (Company: 1000, Center Number: various, Account: 511315, Total amount: $2,276,320.00).

Each department will fund the cost of temporary employees in their cost centers as services are utilized.

**SUPPLEMENTARY COMMENTS:**

SAWS awarded from the following:

<table>
<thead>
<tr>
<th>NAME OF FIRM</th>
<th>LOCAL/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>22nd Century Technologies, Inc.</td>
<td>Non-Local/MBE-Asian</td>
</tr>
<tr>
<td>National Human Resource Group, Inc.</td>
<td>Non-Local/WBE-Caucasian</td>
</tr>
<tr>
<td>P3S Corporation</td>
<td>Local/WBE-Hispanic</td>
</tr>
<tr>
<td>RFD &amp; Associates, Inc.</td>
<td>Non-Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Sistema Technologies, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
</tbody>
</table>

* Successful Firms

If any of the agencies fail to perform to the satisfaction of management, SAWS reserves the right to replace them with the next highest ranked agency that meets the necessary requirements.

If the selected agencies cannot provide specialized temporary employee services, SAWS has the right to obtain temporary employees through other agencies.

Sree Pulapaka
Vice President/Chief Information Officer

Douglas P. Evanson
Senior Vice President/Chief Financial Officer
Approval of Contract Extension
Temporary Employment Services for Information Systems Positions

APPROVED:

[Signature]

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE SECOND OF TWO ONE-YEAR CONTRACT EXTENSIONS WITH VARIOUS TEMPORARY EMPLOYMENT AGENCIES FOR INFORMATION SYSTEMS RELATED POSITIONS IN AN AMOUNT NOT TO EXCEED $2,276,320.00 FOR TEMPORARY EMPLOYMENT SERVICES; AUTHORIZING EXPENDITURES IN AN AMOUNT NOT TO EXCEED $2,276,320.00 FOR EMPLOYMENT SERVICES FOR THE PERIOD OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2018 FROM SYSTEM AND PROJECT FUNDS; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE SECOND OF TWO ONE-YEAR CONTRACT EXTENSIONS WITH VARIOUS TEMPORARY EMPLOYMENT AGENCIES AND TO PAY VARIOUS AGENCIES AN AMOUNT NOT TO EXCEED $2,276,320.00 FOR THE PERIOD OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2018 FOR EMPLOYMENT SERVICES; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the San Antonio Water System (the “System”) currently contracts with the temporary employment agencies to provide temporary worker services for the System; and

WHEREAS, the System contracts the services of about 5 to 10 workers through various temporary employment agencies per year for Information Systems related positions; and

WHEREAS, temporary employment workers are requested on an as-needed basis from the most appropriate agency, based on the type of work required, and payment is made only upon actual use of the agencies; and

WHEREAS, the San Antonio Water system Board of Trustees desires (i) to approve the second of two one-year contract extensions with various temporary employment agencies for employment services, (ii) to authorize expenditures in an amount not to exceed $2,276,320.00 for employment services for the period of January 1, 2018 through December 31, 2018 from the System and Project Funds, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute the second of two one-year contract extensions with various temporary employment agencies, and to pay an amount not to exceed $2,276,320.00
to the temporary employment agencies for Information Systems related positions for the period of January 1, 2018 through December 31, 2018; now, therefore:

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

1. That the second of two one-year contract extensions with various temporary employment agencies for Information System related positions is hereby approved.

2. That expenditures in an amount not to exceed $2,276,320.00 for the period of January 1, 2018 through December 31, 2018 are hereby approved to be expended from the System and Project Funds.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the second of two one-year contract extensions with various temporary employment agencies for Information System related positions and to pay an amount not to exceed $2,276,320.00 to various temporary employment agencies for employment services for Information Systems related positions for the period of January 1, 2018 through December 31, 2018.

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 December, 2017.

______________________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees
FROM: Sharon De La Garza, Vice President, Human Resources
THROUGH: Robert R. Puente, President/Chief Executive Officer

SUBJECT: AUTHORIZATION FOR EXTENSION AND FUNDING OF A CONTRACT WITH VARIOUS TEMPORARY EMPLOYMENT AGENCIES TO PROVIDE EMPLOYMENT SERVICES

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution approves the extension of the contract with various temporary employment agencies. This resolution also authorizes funds in an amount not to exceed $1,224,642.00 with various temporary agencies for the period of January 1, 2018 through December 31, 2018 to provide employment services.

- Resolution No. 12-527, approved on December 4, 2012, accepted the proposal of and authorized the execution of a new contract with various temporary employment agencies to provide employment services from January 1, 2013 and running through December 31, 2016, with two successive one-year term extensions.

- This resolution authorizes funding for the second of two one-year contract extensions with the various temporary employment agencies.

- Temporary employment workers are requested on an as-needed basis from the most appropriate agency, based on the type of work required and payment is made only upon actual use of the agencies.

- LeadingEdge Personnel, Tri-Starr Employment, Hart Employment, Labor On Demand, SeeKing HR (herein “various”) were selected as having the best overall proposals for the System.

- This resolution also authorizes funds in an amount not to exceed $1,224,642.00 to various temporary employment agencies for the period of January 1, 2018 through December 31, 2018 to provide employment services.

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

Funds for the services to be provided during FY 2018 will be paid from System Funds budgeted in the 2018 Budget (Company: 1000, Center Number: various, Account: 511315, Total amount: $1,224,642.00).

Each department will fund the cost of temporary employees in their cost centers as services are utilized.

SUPPLEMENTARY COMMENTS:

SAWS awarded from the following:

<table>
<thead>
<tr>
<th>NAME OF FIRM</th>
<th>LOCAL/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hart Employment</td>
<td>Local/WBE-Caucasian</td>
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<tr>
<td>Labor on Demand</td>
<td>Local/WBE-Hispanic</td>
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<tr>
<td>LeadingEdge</td>
<td>Local/Non-SMWB</td>
</tr>
<tr>
<td>SeeKing HR</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Tri-Starr Personnel</td>
<td>Local/WBE-Caucasian</td>
</tr>
</tbody>
</table>

* Successful Firms

If any of the agencies fail to perform to the satisfaction of management, SAWS reserves the right to replace them with the next highest ranked agency that meets the necessary requirements.

If the selected agencies cannot provide specialized temporary employee services, SAWS has the right to obtain temporary employees through other agencies.

Sharon De La Garza
Vice President, Human Resources

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE SECOND OF TWO ONE-YEAR CONTRACT EXTENSIONS WITH VARIOUS TEMPORARY EMPLOYMENT AGENCIES IN AN AMOUNT NOT TO EXCEED $1,224,642.00 FOR EMPLOYMENT SERVICES; AUTHORIZING EXPENDITURES IN AN AMOUNT NOT TO EXCEED $1,224,642.00 FOR EMPLOYMENT SERVICES FOR THE PERIOD OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2018 FROM THE SYSTEM FUND; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE SECOND OF TWO ONE-YEAR CONTRACT EXTENSIONS WITH VARIOUS TEMPORARY EMPLOYMENT AGENCIES AND TO PAY VARIOUS TEMPORARY EMPLOYMENT AGENCIES AN AMOUNT NOT TO EXCEED $1,224,642.00 FOR THE PERIOD OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2018 FOR EMPLOYMENT SERVICES; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the San Antonio Water System (the “System”) currently contracts with the temporary employment agencies listed in Attachment I to provide temporary worker services for the System; and

WHEREAS, temporary employment workers are requested on an as-needed basis from the most appropriate agency, based on the type of work required and payment is made only upon actual use of the agency; and

WHEREAS, temporary services and funding for such services are required for efficient operation of the System; and

WHEREAS, System funds in an amount not to exceed $1,224,642.00 are required for the second of two one-year contract extensions with various temporary employment agencies for the period of January 1, 2018 through December 31, 2018 to provide employment services; and
WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve the second of two one-year contract extensions with various temporary employment agencies for employment services, (ii) to approve the expenditures in an amount not to exceed $1,224,642.00 from the System Fund for employment services for the period of January 1, 2018 through December 31, 2018, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute the second of two one-year contract extensions with the various temporary employment agencies, and to pay an amount not to exceed $1,224,642.00 to the temporary employment agencies for employment services for the period of January 1, 2018 through December 31, 2018; now, therefore:

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

1. That the second of two one-year contract extensions with various temporary employment agencies for employment services is hereby approved.

2. That expenditures in an amount not to exceed $1,224,642.00 for the period of January 1, 2018 through December 31, 2018 are hereby approved to be expended from the System Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the second of two one-year contract extensions with the various temporary employment agencies and to pay an amount not to exceed $1,224,642.00 to various temporary employment agencies for employment services for the period of January 1, 2018 through December 31, 2018.

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 December, 2017.

____________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_____________________________
Ernesto Arrellano, Jr., Secretary
Attachment I

LeadingEdge Personnel
Tri-Starr Personnel
Hart Employment
Labor On Demand
SeeKing HR
AGENDA ITEM NO. 30

TO: San Antonio Water System Board of Trustees

FROM: Sharon M. De La Garza, Vice President, Human Resources

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

SUBJECT: APPROVAL OF RECOMMENDATION FOR THE PROVISION OF COMMERCIAL INSURANCE COVERAGE

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution approves the recommendation of Wells Fargo Insurance Service USA, Inc., the San Antonio Water System’s (the “System”) Agent of Record, for insurance coverage for the System’s comprehensive commercial insurance program for the twelve-month period commencing December 31, 2017, and authorizes the payment for the premium plus premium adjustments for said insurance coverage in an amount not to exceed $892,379.00 to Wells Fargo Insurance Service USA, Inc.

In renewing the various lines of coverage for the upcoming twelve-month period, Wells Fargo Insurance Service USA, Inc.:

- Obtained renewal quotes from the incumbent carriers on Property (Fire, Boiler and Machinery, and Electronic Data Processing), Excess Workers’ Compensation, Excess General Liability, and Fiduciary Liability;
- Solicited five carriers for quotes for Cyber Liability coverage, three carriers for quotes on Drone Liability coverage, and seven carriers for quotes on Public Officials and Employment Practices Liability coverage;
- Provided a cost summary and coverage analysis of the quotations received; and
- Provided a recommendation regarding award for coverage.

Current lines of insurance coverage are set to expire on December 31, 2017.

The attached resolution does not include agent of record fees, which are provided under separate contract with Wells Fargo Insurance Service USA, Inc., as approved by the Board of Trustees in Resolution No. 16-166, dated June 14, 2016.

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

The total cost of the System’s comprehensive commercial insurance program for the twelve-month period commencing December 31, 2017 is $892,379.00, which is comprised of the base cost of the premiums plus 5% for potential premium adjustments pending final year-end audits and/or location changes, i.e., additions/deletions during the year. The overall premiums is 14.01% less than the premiums paid in 2017 as the Environmental Pollution Liability is a two year policy that was pre-paid in full in 2017. Total 2018 renewal premium increased by 3% for the five lines of coverage marketed. Two new lines marketed, Cyber and Drone liability added 1.64% to the total premium cost. The costs of the various lines of insurance coverage including an analysis of changes from prior year premiums are shown in Attachment I.

The cost of the insurance program from December 31, 2017 through December 31, 2018 will be paid from the System Fund included in the 2018 budget (Company: 1000, Cost Center: 5020100, Account: 511570, Total 2018 Amount: $892,379.00).

Sharon M. De La Garza
Vice President, Human Resources

APPROVED:

Robert R. Puente
President/Chief Executive Officer

Attachment I: “FY 2018 Comprehensive Commercial Insurance Program Cost Summary”
# FY2018 Comprehensive Commercial Insurance Program Cost Summary

<table>
<thead>
<tr>
<th>Lines of Coverage</th>
<th>Policy Term</th>
<th>CARRIER</th>
<th>AM Best Rating*</th>
<th>Self-Insured Retention/Deductible</th>
<th>Limit</th>
<th>2017 Expiring Annual TOTAL Premium</th>
<th>2018 Proposed Annual TOTAL Premium</th>
<th>NOTES</th>
<th>Premium Increase or (Decrease)</th>
<th>Premium % Increase or Decrease</th>
<th>Premium Funding Requested</th>
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</thead>
<tbody>
<tr>
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<td>12/31/2016 - 12/31/2018</td>
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<td>A+, XV</td>
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<td>$2,000,000</td>
<td>$1,000,000 per occurrence, $3,000,000 Aggregate with Completed Operations $3,000,000 and $5,000,000 Aggregate</td>
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<tr>
<td>Public Officials Liability Employment Practices</td>
<td>12/31/2017 - 12/31/2018</td>
<td>Illinois National Insurance Company</td>
<td>A, XV</td>
<td>$500,000</td>
<td>20,000,000</td>
<td>$140,521</td>
<td>$140,521</td>
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<tr>
<td>Property</td>
<td>12/31/2017 - 12/31/2018</td>
<td>AFM</td>
<td>A+, XV</td>
<td>$250,000</td>
<td>500,000,000</td>
<td>$487,480</td>
<td>$490,201</td>
<td>5</td>
<td>$2,721</td>
<td>0.56%</td>
<td>$490,201</td>
</tr>
<tr>
<td>Environmental Pollution Remediation &amp; Legal Liability</td>
<td>12/31/2016 - 12/31/2018</td>
<td>Zurich/Steadfast Insurance Company</td>
<td>A+, XV</td>
<td>$250,000</td>
<td>$5M Occ/$10M Annual Agg</td>
<td>$156,240</td>
<td>$12,684</td>
<td>6</td>
<td>N/A</td>
<td>N/A</td>
<td>2 Yr Pre-Paid</td>
</tr>
<tr>
<td>Cyber Liability</td>
<td>12/31/2017 - 12/31/2018</td>
<td>Illinois National Insurance Company</td>
<td>A, XV</td>
<td>$25,000</td>
<td>1,000,000</td>
<td>$0</td>
<td>$12,684</td>
<td>7</td>
<td>N/A</td>
<td>$12,684</td>
<td>N/A</td>
</tr>
<tr>
<td>Drone Liability</td>
<td>12/31/2017 - 12/31/2018</td>
<td>Starr Indemnity and Liability Co</td>
<td>A, XIV</td>
<td>$0</td>
<td>1,000,000</td>
<td>$0</td>
<td>$960</td>
<td>8</td>
<td>N/A</td>
<td>$960</td>
<td>N/A</td>
</tr>
<tr>
<td>Commercial Crime</td>
<td>12/31/2016 - 12/31/2018</td>
<td>Travelers</td>
<td>A++, XV</td>
<td>$50,000</td>
<td>1,000,000</td>
<td>$4,888</td>
<td>$4,888</td>
<td>9</td>
<td>$0</td>
<td>0.00%</td>
<td>$4,888</td>
</tr>
</tbody>
</table>

Sub-total: $988,332 $849,885 $17,793 -14.01% $849,885

* SAWS minimum acceptable A.M. Best Financial Strength rating is A-, VII.

## Notes:

1. The Workers' Compensation premium is the second installment of a estimated 2 year premium of $207,153.
2. The Commercial General Liability insurance rate remained the same from 2017.
3. The Fiduciary Legal Liability policy premium increased 52% from the expiring policy premium.
4. The Public Officials' Liability policy premium remained flat from the prior year.
5. The Commercial Property premium increased 56%, while the premium basis, which is the Total Insurable Replacement Cost Value, increased 8.29%.
6. The Environmental Pollution Remediation and Legal Liability line of coverage is for a 2-year policy term (12/31/16-12/31/18). The 2-year premium was paid at policy inception in FY 2017.
7. The premium for the Commercial Crime coverage is for a 3-year policy term (12/31/16-12/31/19). The premium will be paid at policy inception.

Potential Premium Adjustments 5% $42,494

Grand Total: $892,379
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING AND APPROVING THE RECOMMENDATION OF WELLS FARGO INSURANCE SERVICE USA, INC., FOR COMMERCIAL INSURANCE COVERAGE FOR THE TWELVE MONTH PERIOD COMMENCING DECEMBER 31, 2017; AUTHORIZING EXPENDITURES IN AN AMOUNT NOT TO EXCEED $892,379.00 FOR SUCH INSURANCE FROM THE SYSTEM FUND; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THROUGH WELLS FARGO INSURANCE SERVICE USA, INC., ALL NECESSARY DOCUMENTS AND TO PAY WELLS FARGO INSURANCE SERVICE USA, INC., AN AMOUNT NOT TO EXCEED $892,379.00 FOR THE COST FOR SUCH INSURANCE COVERAGE; 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 has approved the System’s Comprehensive Commercial Insurance Program and related lines of insurance coverage as described in Attachment I to this resolution; and

WHEREAS, the System’s current contract on the various lines of insurance coverage for its Comprehensive Commercial Insurance Program will expire on December 31, 2017; and

WHEREAS, quotes were solicited, received, and compiled for the System’s Comprehensive Commercial Insurance Program through the services of an agent/broker, Wells Fargo Insurance Service USA, Inc.; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to accept and approve the recommendation of Wells Fargo Insurance Service USA, Inc., for the System’s Comprehensive Commercial Insurance Program for the twelve-month period commencing December 31, 2017 in an amount not to exceed $892,379.00, (ii) to authorize the expenditure in an amount not to exceed $892,379.00 from the System Fund for such insurance coverage, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute the necessary documents through Wells Fargo Insurance Service USA, Inc., and to pay Wells Fargo Insurance Service USA, Inc. an amount not to exceed $892,379.00 for such insurance coverage; now, therefore:
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:

1. That the recommendation of Wells Fargo Insurance Service USA, Inc., for the System’s Comprehensive Commercial Insurance Program for the twelve-month period commencing December 31, 2017 in an amount not to exceed $892,379.00 is hereby accepted and approved.

2. That expenditures in an amount not to exceed $892,379.00 for such lines of insurance coverage as detailed on Attachment I to this resolution are hereby made available and are to be expended from the System Fund.

3. That the President/Chief Executive Officer or his duly appointed designee, is hereby authorized to execute all documents necessary to carry out acceptance of this recommendation and to pay Wells Fargo Insurance Service USA, Inc. an amount not to exceed $892,379.00 for such lines of insurance coverage for the System for the twelve-month period commencing December 31, 2017.

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 December, 2017

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Ernesto Arrellano, Jr., Secretary

Attachment I: FY 2018 Comprehensive Commercial Insurance Program Cost Summary
# FY2018 Comprehensive Commercial Insurance Program Cost Summary

<table>
<thead>
<tr>
<th>Lines of Coverage</th>
<th>Policy Term</th>
<th>CARRIER</th>
<th>AM Best Rating*</th>
<th>Self-Insured Retention/ Deductible</th>
<th>2017 Expiring Annual TOTAL Premium</th>
<th>2018 Proposed Annual TOTAL Premium</th>
<th>NOTES</th>
<th>Premium Increase or Decrease</th>
<th>Premium % Increase or Decrease</th>
<th>Premium Funding Requested</th>
</tr>
</thead>
<tbody>
<tr>
<td>Workers’ Compensation &amp; Employer’s Liability</td>
<td>12/31/2016 - 12/31/2018</td>
<td>Midwest Employers Casualty Company</td>
<td>A+, XV</td>
<td>Statutory/$2,000,000</td>
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<td>$103,575</td>
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</tr>
<tr>
<td>General Liability</td>
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<td>$67,841</td>
</tr>
<tr>
<td>Fiduciary Legal Liability</td>
<td>12/31/2017 - 12/31/2018</td>
<td>National Union Fire Insurance Company of Pittsburgh</td>
<td>A, XV</td>
<td>$50,000</td>
<td>$29,063</td>
<td>$29,215</td>
<td>3</td>
<td>$152</td>
<td>0.52%</td>
<td>$29,215</td>
</tr>
<tr>
<td>Property</td>
<td>12/31/2017 - 12/31/2018</td>
<td>AFM</td>
<td>A+, XV</td>
<td>$250,000</td>
<td>$487,480</td>
<td>$490,201</td>
<td>5</td>
<td>$2,721</td>
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<td>12/31/2016 - 12/31/2018</td>
<td>Zurich/Steadfast Insurance Company</td>
<td>A+, XV</td>
<td>$250,000</td>
<td>$156,240</td>
<td>$0</td>
<td>6</td>
<td>N/A</td>
<td>N/A</td>
<td>$0</td>
</tr>
<tr>
<td>Cyber Liability</td>
<td>12/31/2017 - 12/31/2018</td>
<td>Illinois National Insurance Company</td>
<td>A, XV</td>
<td>$25,000</td>
<td>$0</td>
<td>$12,684</td>
<td>7</td>
<td>$12,684</td>
<td>N/A</td>
<td>$12,684</td>
</tr>
<tr>
<td>Drone Liability</td>
<td>12/31/2017 - 12/31/2018</td>
<td>Starr Indemnity and Liability Co</td>
<td>A, XIV</td>
<td>$0</td>
<td>$960</td>
<td>$960</td>
<td>8</td>
<td>N/A</td>
<td>N/A</td>
<td>$960</td>
</tr>
<tr>
<td>Commercial Crime</td>
<td>12/31/2016 - 12/31/2019</td>
<td>Travelers</td>
<td>A++, XV</td>
<td>$50,000</td>
<td>$4,888</td>
<td>$4,888</td>
<td>9</td>
<td>$0</td>
<td>0.00%</td>
<td>$4,888</td>
</tr>
<tr>
<td><strong>Sub-total:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>$988,332</strong></td>
<td><strong>849,885</strong></td>
<td></td>
<td><strong>$17,793</strong></td>
<td><strong>-14.01%</strong></td>
<td><strong>$849,885</strong></td>
</tr>
</tbody>
</table>

| Potential Premium Adjustments 5%               |                                       |                                        |                 |                                    | **$42,494**                        | **Grand Total:**                    |       |                            | **$892,379**                |                           |

* SAWS minimum acceptable A.M. Best Financial Strength rating is A-, VII.

## Notes:

1. The Workers’ Compensation premium is the second installment of an estimated 2-year premium of $207,153.
2. The Commercial General Liability insurance rate remained the same from 2017.
3. The Fiduciary Legal Liability policy premium increased 52% from the expiring policy premium.
4. The Public Officials’ Liability policy premium remained flat from the prior year.
5. The Commercial Property premium increased 56%, while the premium basis, which is the Total Insurable Replacement Cost Value, increased 8.29%.
6. The Environmental Pollution Remediation and Legal Liability line of coverage for a 2-year policy term (12/31/16-12/31/18). The 2-year premium was paid at policy inception in FY 2017.
7. Cyber-Network Security and privacy coverage is a new line of insurance that pays for third-party financial losses arising out of Privacy liability, Network Security, Media Liability and Regulatory action.
8. UAV hull and liability is a new line of insurance that pays for those sums that SAWS becomes legally obligated to pay as damages for bodily injury, and property damage, resulting from the ownership, maintenance or use of the insured unmanned aerial vehicle.
9. The premium for the Commercial Crime coverage is for a 3-year policy term (12/31/16-12/31/19). The premium will be paid at policy inception.

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*SAWS* minimum acceptable A.M. Best Financial Strength rating is A-, VII.
TO: San Antonio Water System Board of Trustees

FROM: Carlos R. Mendoza, Director, Fleet and Facilities Management, and Michael S. Brinkmann, Vice President, Distribution and Collection Operations

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

SUBJECT: AUTHORIZATION FOR THE EXTENSION OF A SERVICE CONTRACT IN CONNECTION WITH CAFETERIA, VENDING, AND RELATED SERVICES

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the extension of a service contract with Aramark Services, Inc. in an amount not exceed $120,000.00 for a one year period in connection with cafeteria, vending, and related services to the San Antonio Water System (SAWS).

- An on-site food service provider offers convenience and time savings for employees, individuals attending workshops, board meetings, training sessions and other organized events.

- SAWS has offered cafeteria, vending and related services to its employees and employees from adjacent office buildings through Aramark Services, Inc. since 2006.

- The Board approved Resolution No. 12-520 on December 4, 2012, which authorized a contract to Aramark Services, Inc. for a term of January 1, 2013 through December 31, 2017. The term of the contract was renewable for three additional one-year terms.

- A contract extension is required by January 1, 2018 if SAWS is to continue offering such services to employees and employees from adjacent office buildings.

- The amount shall not exceed $120,000.00 for this contract extension.

Staff recommends that the Board approve this Resolution.

FINANCIAL IMPACT:

Funds for the services to be provided during FY 2018 will be paid from System Funds budgeted in the 2018 budget (Account: 511312, Accounting Unit: 5020600, Total 2018 amount: $120,000.00).
Approval of Contract Extension
Cafeteria, Vending, and Related Services

Carlos R. Mendoza
Director
Fleet and Facilities Management

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 APPROVING A ONE-YEAR CONTRACT
EXTENSION WITH ARAMARK SERVICES, INC. IN AN
AMOUNT NOT TO EXCEED $120,000.00 IN CONNECTION
WITH CAFETERIA, VENDING, AND RELATED
SERVICES; APPROVING THE EXPENDITURE FROM THE
SYSTEM FUNDS FOR SUCH SERVICES IN AN AMOUNT
NOT TO EXCEED $120,000.00 FOR THE PERIOD OF
JANUARY 1, 2018 THROUGH DECEMBER 31, 2018;
AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE
OFFICER OR HIS DULY APPOINTED DESIGNEE TO
EXECUTE A CONTRACT WITH ARAMARK SERVICES,
INC. AND TO PAY ARAMARK SERVICES, INC. AN
AMOUNT NOT TO EXCEED $120,000.00 FOR THE PERIOD
OF JANUARY 1, 2018 THROUGH DECEMBER 31, 2018 IN
CONNECTION WITH CAFETERIA, VENDING, AND
RELATED SERVICES; FINDING THIS RESOLUTION TO
HAVE BEEN CONSIDERED PURSUANT TO THE LAWS
GOVERNING OPEN MEETINGS; PROVIDING A
SEVERABILITY CLAUSE; AND ESTABLISHING AN
EFFECTIVE DATE

WHEREAS, it is advantageous for the San Antonio Water System (the “System”)
to provide food service and dining facilities to its employees, improving productivity by allowing
employees to remain on-site during breaks and lunch, reducing tardiness and encouraging
interaction between employees; and

WHEREAS, an on-site food service provider offers convenience and time savings
for employees, and service for individuals attending workshops, Board meetings, training
sessions or other organized events and the System has observed an efficiency benefit by having
these services on site; and

WHEREAS, the System has provided this service to employees since 2006 and
wishes to continue offering such services; and

WHEREAS, the on-site food service provider will offer catering services which
will be funded through individual department catering budgets, and;

WHEREAS, the System will provide food service and vending at specified
locations, completely equipped and ready to operate and is responsible for the direct costs of
repairs or replacement of the facility in which the equipment is operated; and
WHEREAS, Aramark Services, Inc. will perform daily routine maintenance of the food preparation and service area, and is responsible for compliance with all safety and health laws and regulations regarding the food service facilities; and

WHEREAS, the operating year of the contract is for the period of January 1 to December 31; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve a one-year contract extension with Aramark Services, Inc., in an amount not exceed $120,000.00 in connection with cafeteria, vending, and related services, (ii) to authorize expenditures from the System Fund in an amount not to exceed $120,000 for the period of January 1, 2018 through December 31, 2018, (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract extension with Aramark Services, Inc. and to pay Aramark Services, Inc. an amount not to exceed $120,000.00 for the period of January 1, 2018 through December 31, 2018 in connection with cafeteria, vending, and related services; now, therefore:

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

1. That a one-year contract extension with Aramark Services, Inc. in an amount not to exceed $120,000.00 in connection with cafeteria, vending, and related services is hereby approved.

2. That expenditures in an amount not to exceed $120,000.00 for the period of January 1, 2018 through December 31, 2018 are hereby authorized to be expended from the System Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a contract extension with Aramark Services, Inc. and to pay Aramark Services, Inc. an amount not to exceed $120,000.00 for the period of January 1, 2018 through December 31, 2018 in connection with cafeteria, vending, and related services.

4. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that 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 December, 2017.

________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees
FROM: Nancy Belinsky, Vice President & General Counsel
THROUGH: Robert R. Puente, President/Chief Executive Officer
SUBJECT: AUTHORIZATION FOR THE NEGOTIATION AND SETTLEMENT OF THE LAWSUIT OF TAMMIE ENGLAND AGAINST THE SAN ANTONIO WATER SYSTEM

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the President/Chief Executive Officer and the System’s Legal Counsel to negotiate and execute a settlement agreement in connection with the lawsuit of Tammie England (the “Plaintiff”) against the San Antonio Water System (the “System”).

- Plaintiff made a claim against the System, alleging that on or about July 30, 2015, she was legally operating a 2007 Toyota Camry on Austin Highway, in San Antonio, Texas, when a 2013 Ford F-240 operated by SAWS employee Damien Salazar, struck her vehicle from behind which resulted in bodily injuries. Plaintiff subsequently filed a lawsuit seeking damages for bodily injuries sustained in the incident.

- Liability is unclear, and the amount of damages claimed by Plaintiff for past and future necessary medical expenses, past and future pain, suffering and mental anguish, past and future physical impairment, past and future disfigurement, and all other future damages is disputed by the System.

- The suit was mediated on October 31, 2017, and settled on November 9, 2017, subject to Board approval.

- Plaintiff sought an amount of damages in excess of the jurisdictional limits of the court, but agreed to settle all claims for the amount of $75,000.00.

- The System and Plaintiff desire to resolve all differences and all outstanding claims. The System recommends settlement of this lawsuit in the amount of $75,000.00.

- The System has agreed to pay $75,000.00 to Tammie England and her attorneys, O’Connor | McLin, P.C., subject to Board approval.

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

Settlement of this lawsuit is for the amount of $75,000.00, and will be paid from the System Fund. The required funding is available in FY 2017 from the System Fund budget (Company: 1000, Accounting Unit: 8111800, Account: 511510, Total 2017 amount: $75,000.00).

Nancy Belinsky
Vice President and General Counsel

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER AND THE SYSTEM'S LEGAL COUNSEL TO EXECUTE A SETTLEMENT AGREEMENT AND TO PAY $75,000.00 TO TAMMIE ENGLAND AND HER ATTORNEY, AND TO PERFORM THE SYSTEM'S OBLIGATIONS UNDER THE TERMS OF THE SETTLEMENT 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, Plaintiff Tammie England (the “Plaintiff”) filed a lawsuit against the San Antonio Water System (the “System”), seeking damages for personal injuries as a result of an incident that occurred on or about July 30, 2015, in San Antonio, Bexar County, Texas; and

WHEREAS, Plaintiff alleged she was legally operating a 2007 Toyota Camry on Austin Highway, in San Antonio, Texas, when a 2013 Ford F-240 operated by a System employee Damien Salazar, struck her vehicle from behind which resulted in bodily injuries; and

WHEREAS, the lawsuit was filed in Cause No. 2016-CI-09921, styled Tammie England v The San Antonio Water System, in the 131st Judicial District Court, Bexar County, Texas; and

WHEREAS, the liability of the System for the incident is disputed and the amount and extent of damages claimed by Plaintiff for past and future medical care expenses, past and future physical pain and mental anguish, past and future physical impairment, and all other future damages claimed by Plaintiff was disputed by the System; and

WHEREAS, Plaintiff’s claims were mediated on October 31, 2017, and settled on November 9, 2017, subject to Board approval; and

WHEREAS, Plaintiff claimed an amount of damages in excess of the jurisdictional limits of the court, and she has agreed to settle all personal injury and other claims against the System for an amount totaling $75,000.00; and

WHEREAS, the nature of the facts of this case, the avoidance of further legal expense, and other relevant circumstances favor settlement of this lawsuit; and

WHEREAS, both the System and Plaintiff now desire to resolve all differences and settle all claims against the System; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to
approve the settlement of the lawsuit of Tammie England against the System, (ii) to approve the System’s financial obligation of $75,000.00, which includes all alleged damages, fees and costs under the settlement, (iii) to authorize expenditures in the total amount of $75,000.00 from the System Fund for the purposes of the settlement, and (iv) to authorize the President/Chief Executive Officer and the System’s Legal Counsel to execute the settlement agreement and pay $75,000.00 to Plaintiff and her attorneys for obligations under the terms of the settlement agreement; now, therefore:

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

1. That the settlement of the lawsuit by Tammie England against the San Antonio Water System is hereby approved.

2. That the amount authorized to settle the lawsuit, including all alleged damages, costs and fees, shall hereby consist of $75,000.00, payable to Tammie England and her attorneys, O’Connor | McLin, P.C.

3. That the amount of $75,000.00 is hereby authorized to be expended from the System Fund for the System’s obligations under the authorized settlement agreement.

4. That the President/Chief Executive Officer and the System’s Legal Counsel are hereby authorized to execute the settlement agreement between the System and Tammie England, for the System’s obligations under the terms of the settlement agreement.

5. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and 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 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, inoperative, or invalid.
7. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 5th day of December, 2017.

______________________________  
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Ernesto Arellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Monica Dobie, Corporate Counsel, and Nancy Belinsky, Vice President and General Counsel

SUBJECT: APPROVAL OF A SUBSCRIPTION AGREEMENT IN CONNECTION WITH ONLINE LEGAL RESEARCH SERVICES

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the President/Chief Executive Officer or his designated representative to execute an agreement between the San Antonio Water System (the “System”) and West, a Thomson Reuters business (“West”), for online legal research services.

- On December 22, 2016, the System entered into a one-year subscription agreement with West for online legal research services for 2017, which will expire on December 31, 2017.

- The State of Texas Department of Information Resources Contract for Products and Related Services – DIR Contract No. DIR-LGL-CALIR-02 that commenced on May 1, 2017 (the “DIR Contract”) allows for the System to procure legal research services from West, including online legal research subscription services under the West Proflex Program (the “Online Legal Research Services”).

- West’s current proposed subscription agreement under the DIR Contract for the Online Legal Research Services has a minimum term of five years.

- The Online Legal Research Services enable the System’s in-house legal department to continue to undertake online legal research in order to provide timely and accurate legal advice to the System on a wide range of legal matters.

- Charges for the Online Legal Research Services are as follows:
  - FY 2018: $18,013.80
  - FY 2019: $18,193.92
  - FY 2020: $18,375.84
  - FY 2021: $18,559.56
  - FY 2022: $18,745.20

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

Funds for these services have been included in the FY 2018 Annual Operating Budget and will be financed with current revenues of the System Fund (Company: 1000, Accounting Unit: 5000400, Account No: 511250, Total 2018 Amount: $18,013.80).

Funds for subsequent fiscal years in the amount of $73,874.52 will be incorporated in each year’s annual budget that is presented to the Board for approval.

The total contract expense for the Online Legal Research Services for the five-year term is $91,888.32.

Monica Dobie  
Corporate Counsel

Nancy Belinsky  
Vice President and General Counsel

APPROVED:

Robert R. Puente  
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING A SUBSCRIPTION AGREEMENT WITH WEST, A THOMSON REUTERS BUSINESS (“WEST”), FOR ONLINE LEGAL RESEARCH SERVICES FOR A MINIMUM FIVE-YEAR TERM AND FOR A TOTAL AMOUNT OF $91,888.32; AUTHORIZING EXPENDITURES IN THE AMOUNT OF $91,888.32 FROM THE SYSTEM FUND, PROVIDED THAT EXPENDITURES FOR FISCAL YEARS 2019-2022 SHALL BE PURSUANT TO AND CONTINGENT UPON THE APPROPRIATIONS MADE IN THE ANNUAL BUDGETS APPROVED BY THE BOARD WITH A LINE ITEM FOR SUCH EXPENDITURES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE SUBSCRIPTION AGREEMENT AND ALL DOCUMENTS NECESSARY TO EFFECT THE SUBSCRIPTION AGREEMENT ON BEHALF OF THE SAN ANTONIO WATER SYSTEM; 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”) entered into an agreement with West for online legal research services on December 22, 2016, which will expire on December 31, 2017; and

WHEREAS, the State of Texas Department of Information Resources Contract for Products and Related Services – DIR Contract No. DIR-LGL-CALIR-02 that commenced on May 1, 2017 (the “DIR Contract”) allows for the System to procure legal research services from West, including the online legal research subscription services under the West Proflex Program (the “Online Legal Research Services”); and

WHEREAS, West’s current proposed subscription agreement under the DIR Contract for the Online Legal Research Services proposes a minimum term of five years; and

WHEREAS, a total amount of $91,888.32 is required for the Online Legal Research Services for the minimum five-year term; and

WHEREAS, the required funds in the amount of $18,013.80 are available from the System Fund for FY 2018; and

WHEREAS, expenditures for subsequent fiscal years are contingent upon approval by the Board of the budgets for such fiscal year with a line item for such expenditure; and
WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve the subscription agreement with West for the Online Legal Research Services for a five-year term for a total amount of $91,888.32, (ii) to authorize expenditures in the amount of $91,888.32 from the System Fund, provided that expenditures for fiscal years 2019 through 2022 shall be pursuant to and contingent upon the appropriations made in the annual budgets approved by the Board with a line item for such expenditures, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute the agreement with West for the Online Legal Research Services; now, therefore:

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

1. That the subscription agreement with West for the Online Legal Research Services for a five-year term is hereby approved.

2. That the funds in an amount of $91,888.32 are hereby made available from the System Fund, provided that expenditures for fiscal years 2019 through 2022 are contingent upon approval by the Board of the budgets for such fiscal years with a line item for such expenditure.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the online legal research subscription agreement with West for a total amount of $91,888.32 for the five-year term for the Online Legal Research Services.

4. It is officially found, determined and declared that the meeting at which this resolution was adopted was open to the public and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 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 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 has 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 December, 2017.

_________________________
Berto Guerra, Jr., Chairman

ATTEST:

_______________________________
Ernesto Arrellano, Jr., Secretary
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 WITH THE TRINITY GLEN ROSE GROUNDWATER CONSERVATION DISTRICT

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution approves an Interlocal Contract between the San Antonio Water System (SAWS) and the Trinity Glen Rose Groundwater Conservation District (TGR) for the purpose of sharing the cost of a hydrologic study of certain portions of the Trinity Aquifer in northern Bexar County. SAWS has an existing professional services agreement with the hydrologic services firm of LBG Guyton & Associates (Guyton) for services to be rendered on a work-order basis. Guyton will be engaged by SAWS under this contract and SAWS will be reimbursed by TGR for two thirds of the cost.

SAWS has worked for many years with TGR on the sustainable and responsible stewardship of the Trinity Aquifer in Bexar County. Similarly, SAWS has worked for many years with Guyton on advancing the science of groundwater modeling for the Trinity Aquifer in Bexar County. SAWS has shared modeling information with TGR in the past, and TGR is now interested in assuming a larger role in directing and funding some of the work. SAWS and TGR have jointly developed the scope of services to be performed by Guyton at a total cost not to exceed $56,714.00. This Interlocal Contract establishes an arrangement by which SAWS will initially pay Guyton for the work, and be reimbursed by TGR in an amount not to exceed $37,809.00.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The items/services will be paid from System Funds in 2018 budget (Company: 1000, Accounting Unit: 5006000, Account: 511312, Total 2018 amount: $56,714.00).

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<thead>
<tr>
<th>Year</th>
<th>SAWS Expenditure</th>
<th>TGR Reimbursement</th>
<th>Total SAWS Costs</th>
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<td>2018</td>
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<td>$37,809.00</td>
<td>$18,905.00</td>
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Approval of Interlocal Contract
Trinity Glen Rose Groundwater Conservation District

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 SAN ANTONIO WATER SYSTEM AND THE TRINITY GLEN ROSE GROUNDWATER CONSERVATION DISTRICT FOR THE PURPOSE OF SHARING THE COST OF A HYDROLOGIC STUDY OF CERTAIN PORTIONS OF THE TRINITY AQUIFER IN NORTHERN BEXAR COUNTY; AUTHORIZING THE EXPENDITURE OF FUNDS FOR FISCAL YEAR 2018 FROM THE SYSTEM FUND TO PAY FOR OBLIGATIONS INCURRED PURSUANT TO THE INTERLOCAL CONTRACT; 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 San Antonio Water System (the “System”) and the Trinity Glen Rose Groundwater Conservation District (the “TGR”) have worked for many years on the sustainable and responsible stewardship of the Trinity Aquifer in Bexar County; and

WHEREAS, the System and TGR share a common interest in acquiring more scientific information about the Trinity Aquifer in northern Bexar County by means of a hydrologic study; and

WHEREAS, the System and TGR desire to more efficiently and effectively undertake such a study by combining certain resources pursuant to the authority of the Texas Government Code Chapter 791 (Interlocal Cooperation Contracts); and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve an Interlocal Contract between the System and the TGR; (ii) to authorize the expenditure of funds for Fiscal Year 2018 from the System Fund to pay for obligations incurred pursuant to the Interlocal Contract; and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute the Interlocal Contract with the TGR; now, therefore

BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:
1. That the Interlocal Contract between the System and the TGR attached hereto as Attachment I is hereby approved.

2. That expenditures for Fiscal Year 2018 are hereby available and are hereby authorized to be expended from the System Fund to pay for obligations incurred pursuant to the Interlocal Contract.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the Interlocal Contract between the System and the TGR.

4. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and the 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, 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 December, 2017

__________________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Ernesto Arrellano, Jr., Secretary

Attachment I:
1. SAWS/TGR Interlocal Contract
Exhibit I

INTERLOCAL CONTRACT
Interlocal Contract

This Interlocal Contract (“Contract”) is made and entered into effective December 15, 2017 (“Effective Date”) by and between the Trinity Glen Rose Groundwater Conservation District (“District”) and the City of San Antonio acting by and through its San Antonio Water System Board of Trustees (“SAWS”).

RECITALS

1. District is a groundwater conservation district in the part of Bexar County, Texas, overlying the Trinity Aquifer created by the Texas Legislature under Section 59, Article XVI, of the Texas Constitution.

2. The purpose of the District is to develop and implement regulatory, conservation, and recharge programs that preserve and protect the underground water resources located within its jurisdiction.

3. SAWS is a municipally owned utility providing water, wastewater and reclaimed water services to approximately 1.8 million people in and around Bexar County, Texas.

4. SAWS produces or purchases groundwater from multiple wells in the Trinity Aquifer in northern Bexar County.

5. District and SAWS share a common interest in acquiring more scientific information about the Trinity Aquifer to ensure better management of that resource.

6. District and SAWS each has individual authority to undertake hydrologic studies of the Trinity Aquifer in northern Bexar County.

7. District and SAWS desire to more efficiently and effectively undertake such a study by combining certain resources.

8. SAWS has an existing professional services agreement with the hydrologic services firm of LBG Guyton & Associates (“Guyton”) for services to be rendered on a work-order basis.
9. District desires to contract with SAWS to perform the desired hydrologic study through the existing professional services agreement with Guyton.

10. This Contract is made pursuant to the authority of Texas Government Code Chapter 791.

AGREEMENT

For and in consideration of the mutual promises, covenants, obligations, and benefits described in this Contract, District and SAWS agree as follows:

SECTION 1. PURPOSE

The purpose of this Contract is to combine funding and share administrative responsibilities to more efficiently and effectively procure a hydrologic study of the Trinity Aquifer in northern Bexar County, Texas.

SECTION 2. TERMS, RIGHTS AND DUTIES

A. SAWS will engage the professional services of Guyton under the existing SAWS/Guyton Contract Number D-16-005-RA (“Guyton Contract”) to perform a hydrologic study of the Trinity Aquifer in northern Bexar County in accordance with the Scope of Services attached to this Contract as Exhibit A (“Services”).

B. SAWS will serve as the primary point of contact with Guyton for matters related to the Services.

C. SAWS will provide to District immediately upon receipt by SAWS a copy of all communications, correspondence, data, information, invoices, draft reports, reports, and work product of any kind received from or sent to/from Guyton to/from SAWS regarding the Services.

D. SAWS will timely invite District to participate in any scheduled meetings or telephone conferences with Guyton representatives regarding the Services.

E. District will cooperate with SAWS to timely review and respond to information and participate in meetings and conferences with Guyton.
F. SAWS will timely pay all invoices received from Guyton relating to the Services unless properly disputed in accordance with the terms of the Guyton Contract following consultation with District.

G. Within fifteen (15) days of payment of each invoice from Guyton, SAWS will invoice District for an amount equal to two-thirds of the amount paid by SAWS.

H. Unless payment has been previously disputed by District, District will pay SAWS the full amount of each invoice within thirty (30) days of receipt by District up to a maximum total obligation by District under this Contract of $37,809.

I. In no event shall the total obligation of District under this Contract exceed $37,809.

SECTION 3. CURRENT REVENUES

District and SAWS will pay for the performance of services described in this Contract from current revenues available to the paying party.

SECTION 4. FAIR COMPENSATION.

SAWS agrees that the payments to be made by District to SAWS under this Contract will fairly compensate SAWS for the services it will perform.

SECTION 5. TERMINATION DATE

This Contract will terminate on June 15, 2018.

SECTION 6. NOTICE.

Any notice or communication required under this Contract will be to each party as follows:

If to District, to: Trinity Glen Rose Groundwater Conservation District
6335 Camp Bullis Rd., Suite 25
San Antonio, Texas 78257
Attn: George Wissmann, General Manager
If to SAWS, to: San Antonio Water System
2800 U.S. Highway 281 N.
San Antonio, Texas 78212
Attn: Donovan Burton, Vice President, Water Resources and Governmental Relations

SECTION 7. AUTHORITY FOR EXECUTION

District and SAWS each certifies, represents and warrants that the execution of this Contract has been duly authorized and adopted by its respective governing body in accordance with all governing law.

SECTION 7. DISPUTE RESOLUTION

If a dispute arises under this Contract, the General Manager and President of the Board of Directors of District, and the President and Chairman of the Board of Trustees of SAWS, shall meet in an effort to resolve the dispute. If the dispute remains unresolved, it shall be referred to the Center for Public Policy Dispute Resolution at the University of Texas School of Law.

IN WITNESS WHEREOF, this Contract is executed as of the Effective Date.

Diffiinity Glen Rose Groundwater Conservation District

By: _________________________
George Wissmann
General Manager

City of San Antonio Acting by and Through its San Antonio Water System Board of Trustees

By: _________________________
Robert R. Puente
President/Chief Executive Officer
TO:     San Antonio Water System Board of Trustees
FROM:  Marty Jones, P.E., Manager, Water Resources, and Donovan Burton, Vice
        President, Water Resources and Governmental Relations
THROUGH:  Robert R. Puente, President/Chief Executive Officer
SUBJECT:  APPROVAL OF AN AGREEMENT WITH GUADALUPE VALLEY ELECTRIC
          COOPERATIVE IN CONNECTION WITH THE DESIGN AND
          CONSTRUCTION OF ELECTRICAL SERVICE FOR THE VISTA RIDGE
          REGIONAL SUPPLY PROJECT INTERMEDIATE PUMP STATION 2
          FACILITIES

Board Action Date:  December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution approves an agreement with Guadalupe Valley Electric Cooperative
(GVEC), a non-local, nonprofit electrical power distribution cooperative, in connection with the
San Antonio Water System’s (the “System”) obligation to provide electric power service for
project facilities to be constructed for the Vista Ridge Regional Supply Project (the “Project”).
This agreement provides initial funds in the amount not to exceed $100,000.00 for design and
construction of electrical service for the Intermediate Pump Station 2 Facilities.

- The Vista Ridge Regional Supply Project Water Transmission and Purchase Agreement
  (WTPA) places on the Vista Ridge Project Company (the “Project Company”) the
  responsibility for developing, financing, constructing, and operating the project in
  exchange for a fixed price for water delivered and reimbursement of O&M costs incurred.
  After expiration of the WTPA at the end of the 30-year term, ownership of project assets
  will transfer to the System.

- The WTPA also places on the System the responsibility for establishing electric power
  service for project facilities to be constructed by the Project Company. Electric service is
  essential for completion and operation of the Project and must be ready for performance
  testing no later than 39 months following the Financial Closing Date of the WTPA.

- The System is working with three different electrical service providers to establish
  electrical service at the five different Vista Ridge Supply Project Facilities to be
  constructed by the Project Company. Bluebonnet Electric Cooperative will design and
  construct the electrical power service for the Well Field Facilities, High Service Pump
  Station, and Intermediate Pump Station 1 Facilities, GVEC will design and construct the
  electrical power service for the Intermediate Pump Station 2 Facilities, and CPS Energy
  will design and construct the electrical power service for the Vista Ridge Regional Supply
  Project Terminus Site.
Approval of Agreement
Electrical Service with the Vista Ridge Regional Supply Project

- The amount of $100,000.00 provides initial funds to GVEC for the design and construction of the overhead electrical service feeder serving the Intermediate Pump Station 2 Facilities located near Seguin Texas in Guadalupe County. After the overhead electrical feeder is fully constructed (late 2018), staff will propose, for the Board’s approval, a subsequent agreement for funds to cover the remaining construction balance. The anticipated, full value of the two agreements to be awarded to GVEC for electrical service to Intermediate Pump Station 2 is expected to be $850,000.00 exclusive of any additional electrical easements GVEC may have to obtain.

- The Vista Ridge Regional Supply Intermediate Pump Station 2 falls within GVEC’s exclusive service area.

- The scope of services for this agreement includes the design and construction of approximately two miles of overhead electrical feeder from an existing nearby electrical sub-station, a primary service meter, and transformers at the pump station site.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

Funds for services to be expended during FY 2017 are included in the five-year Water Supply O&M Budget that was approved in conjunction with the FY 2017 Annual Operating Budget. Expenditures will be funded with revenues from the System Fund. Services will be paid from the Vista Ridge Water Supply Project (Company: 1000, Accounting Unit: 5046500, Account Code: 511312, Total 2017 amount: $100,000.00).

Marty Jones, P.E.
Manager
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 AGREEMENT WITH GUADALUPE VALLEY ELECTRIC COOPERATIVE IN AN AMOUNT NOT TO EXCEED $100,000.00 FOR DESIGN AND CONSTRUCTION OF ELECTRICAL POWER SERVICE FOR THE VISTA RIDGE REGIONAL SUPPLY PROJECT INTERMEDIATE PUMP STATION 2 FACILITIES IN FULFILLING OBLIGATIONS TO ESTABLISH ELECTRIC POWER SERVICE; AUTHORIZING AN INITIAL EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED $100,000.00 FROM THE SYSTEM FUND TO BEGIN THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE AN AGREEMENT WITH A GUADALUPE VALLEY ELECTRIC COOPERATIVE, AND TO PAY GUADALUPE VALLEY ELECTRIC COOPERATIVE AN AMOUNT NOT TO EXCEED $100,000.00 FOR INITIAL FUNDS TO BEGIN 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 Vista Ridge Regional Supply Project Water Transmission and Purchase Agreement (WTPA) places on the Vista Ridge Project Company (the “Project Company”) the responsibility for developing, financing, constructing, and operating the Vista Ridge Regional Supply Project (the “Project”) in exchange for a fixed price for water delivered and reimbursement of O&M costs incurred. After expiration of the WTPA at the end of the 30-year term, ownership of project assets will transfer to the San Antonio Water System (the “System”); and

WHEREAS, the WTPA also places on the System the responsibility for establishing electric service for project facilities to be constructed by the Project Company. Electric service is essential for completion and operation of the Project and must be ready for performance testing no later than 39 months following the Financial Closing Date of the WTPA; and

WHEREAS, the System is working with three different electrical service providers to establish electrical service at the five different Project facilities to be constructed by the Project Company. Bluebonnet Electric Cooperative will design and construct the electrical power service for the Well Field, High Service Pump Station, and Intermediate Pump Station 1 Facilities, Guadalupe Valley Electric Cooperative (GVEC) will design and construct the electrical power
service for the Intermediate Pump Station 2 Facilities, and CPS Energy will design and construct the electrical power service for the Vista RidgeRegional Supply Project Terminus Site; and

WHEREAS, the amount of $100,000.00 provides initial funds to GVEC for the design and construction of the overhead electrical service feeder serving the Intermediate Pump Station 2 Facilities located near Seguin Texas in Guadalupe County; and

WHEREAS, System staff will bring a subsequent agreement for the remaining construction balance for Intermediate Pump Station 2 for the Board’s consideration in 2018 for an anticipated, total value of $850,000.00 for the two agreement exclusive of any additional electrical easements GVEC may have to obtain; and

WHEREAS, the Vista Ridge Regional Supply Intermediate Pump Station 2 falls within GVEC’s exclusive service area; and

WHEREAS, the scope of services for this agreement includes the design and construction of approximately two miles of overhead electrical feeder from an existing nearby electrical sub-station, a primary service meter, and transformers at the pump station site; and

WHEREAS, the amount of $100,000.00 is available from the System Fund for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve the agreement with GVEC in the amount of $100,000.00 for initial funds to begin the design and construction of electrical power service in connection with the Vista Ridge Regional Supply Project, (ii) to authorize and to make available an amount not to exceed $100,000.00 from the System Fund for initial funds to begin the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute an agreement with GVEC, and to make an initial payment of the amount of $100,000.00 to GVEC to begin the project work; now, therefore:

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

1. That an agreement with GVEC in an amount not to exceed $100,000.00 for the design and construction of electrical power service in connection with the Project is hereby approved.

2. That the expenditure of System funds in the amount of $100,000.00 is hereby approved.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute an agreement with GVEC, and to pay GVEC an amount not to exceed $100,000.00 for the design and construction of electrical power service for the Intermediate Pump Station 2 Facilities in connection with the Vista Ridge Regional Supply 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 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 December, 2017.

_____________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Tracey Lehmann, P.E., Interim-Director, Development, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: UTILITY SERVICE AGREEMENT FOR WATER AND/OR WASTEWATER SERVICES TO TRACTS REQUIRING THE SAN ANTONIO WATER SYSTEM FINANCIAL PARTICIPATION IN THE DEVELOPMENT OF INFRASTRUCTURE THROUGH OVERSIZING OR IMPACT FEE CREDITS AND/OR ARE LOCATED OUTSIDE THE SAN ANTONIO WATER SYSTEM WATER AND/OR WASTEWATER CERTIFICATE OF CONVENIENCE AND NECESSITY

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution approves Utility Service Agreements (USA) to provide water and/or wastewater services to the specified tracts of land requiring San Antonio Water System’s (the “System”) financial participation in the development of infrastructure through oversizing or impact fee credits, and/or are located outside the System’s water and/or wastewater Certificate of Convenience and Necessity (CCN).

- This board item consists of two tracts, which total 53.43 acres; 562 water Equivalent Dwelling Units (EDUs); and 392 wastewater water EDUs.

- Board approval is required since the tracts require the System’s financial participation in the development of infrastructure through oversizing or impact fee credits and/or is located outside the System’s water and/or wastewater CCN.

- The Toepperwein Center Tract is located within the City of San Antonio limits, inside the System’s water CCN and outside the wastewater CCN. The USA provides 558 EDUs of water and 392 EDUs of wastewater services and consists of impact fee credit eligible infrastructure.

- The Coolcrest Addition Tract is located within the City of San Antonio Extra Territorial Jurisdiction, outside the System’s water CCN and inside the wastewater CCN. The USA provides 4 EDUs of water and 0 EDUs of wastewater services.

- The Developer is required to install all necessary on-site facilities in accordance with the Board’s regulations and at the Developer’s total cost.
The Developer is responsible for the construction and engineering costs associated with all required water and/or wastewater mains to serve the tract (on-site and off-site).

Staff recommends that the Board approve this resolution.

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<th>No.</th>
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<th>Developer</th>
<th>Acres</th>
<th>W EDUs</th>
<th>WW EDUs</th>
<th>CoSA / CoSA ETJ / Outside</th>
<th>EARZ / CZ</th>
<th>Board Reason</th>
<th>W CCN</th>
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**Acronyms:**

EARZ = Edwards Aquifer Recharge Zone  
OVR = Oversizing  
CCN = Certificate of Convenience and Necessity  
CZ = Edwards Aquifer Contributing Zone  
WW = Wastewater  
IFC = Impact Fee Credits  
CoSA = City of San Antonio limits  
ETJ = Extraterritorial Jurisdiction
EXTENT AND CONDITIONS OF UTILITY SERVICE AGREEMENT:

Upon approval by the System of this USA, the Developer Customers have 36 months to complete the required utility master plan and to start construction. If a Developer Customer fails to complete these requirements within the 36-month period, the USA will expire and a request for a new agreement must be submitted to the System. During the effective term of this USA, capacity in the System’s water and wastewater systems will be set aside. The Developer Customers are not guaranteed capacity until all required off-site infrastructure is built by the Developer, accepted by the System, and all impact fees are paid.

FINANCIAL IMPACT:

In compliance with the System’s Board of Trustees water extension policy, Developer Customer applicants are responsible for financing all required local benefit facilities and for payment of all applicable impact fees. The Developers will contribute all impact fees in effect at the time of plat recordation or the latest date allowable by law for each subdivision unit. The fees to be collected by the System will be recorded in the Service Recovery Account and are estimated as follows, based on current charges and full build out of the tracts:

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<th>No.</th>
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</tbody>
</table>

The System is responsible for providing access to existing general benefit facilities and/or financing the construction of additional general benefit facilities.

OVERSIZING AND/OR IMPACT FEE CREDITS:

The following USAs have recommendations for the System’s financial participation in the development of infrastructure through oversizing or impact fee credits and/or facilities based on the System’s Master Plan.

<table>
<thead>
<tr>
<th>No.</th>
<th>Tract Name</th>
<th>Oversize SAWS</th>
<th>Oversize Developer</th>
<th>Oversize Total</th>
<th>Oversize Developer (%)</th>
<th>Oversize System (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Toepperwein Center Tract 12-inch Water Main</td>
<td>$0</td>
<td>$499,200*</td>
<td>$499,200</td>
<td>0%</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$0</td>
<td>$499,200</td>
<td>$499,200</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
*Note: The Developer is eligible for impact fee credits for their share of the cost for the 12-inch main in either option.

The Developer is required to install all other necessary on-site facilities in accordance with the Board’s regulations at the Developer’s total cost.

Tracey Lehmann, P.E.
Interim Director
Development

Andrea L.H. Beymer, P.E.
Vice President
Engineering and Construction

Robert R. Puente
President/Chief Executive Officer

Attachments:
1. Table 1, Tract Information
<table>
<thead>
<tr>
<th>No.</th>
<th>Tract Name</th>
<th>Developer</th>
<th>Principal</th>
<th>CoSA / CoSA ETJ / Outside</th>
<th>EARZ / CZ</th>
<th>PZ</th>
<th>Acres</th>
<th>Water EDU</th>
<th>WW EDU</th>
<th>Watershed</th>
<th>Board Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Toepperwein Center Tract</td>
<td>Laredo Toepp LTD</td>
<td>Sandra Johnson</td>
<td>COSA</td>
<td>OUTSIDE</td>
<td>9</td>
<td>52.14</td>
<td>558</td>
<td>392</td>
<td>Salitrillo Creek - Martinez Creek</td>
<td>CCN/IFC</td>
</tr>
<tr>
<td>2</td>
<td>Coolcrest Addition Tract</td>
<td>Vaquero Ventures</td>
<td>W.A. Landreth</td>
<td>COSA ETJ</td>
<td>OUTSIDE</td>
<td>1080</td>
<td>1.29</td>
<td>4</td>
<td>0</td>
<td>Medio Creek</td>
<td>CCN</td>
</tr>
<tr>
<td></td>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>53.43</strong></td>
<td><strong>562.00</strong></td>
<td><strong>392.00</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Acronyms:**
EARZ = Edwards Aquifer Recharge Zone  
OVR = Oversizing  
CZ = Edwards Aquifer Contributing Zone  
WW = Wastewater  
PZ = Pressure Zone  
CoSA = City of San Antonio limits  
ETJ – Extraterritorial Jurisdiction  
IFC = Impact Fee Credits
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING A UTILITY SERVICE AGREEMENT TO PROVIDE WATER AND/OR WASTEWATER SERVICES TO THE SPECIFIED TRACTS OF LAND REQUIRING THE SAN ANTONIO WATER SYSTEM’S FINANCIAL PARTICIPATION IN THE DEVELOPMENT OF INFRASTRUCTURE THROUGH Oversizing or Impact Fee Credits AND/OR ARE LOCATED OUTSIDE THE SAN ANTONIO WATER SYSTEM’S WATER AND/OR WASTEWATER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN), SUBJECT TO THE EXPIRATION OF SUCH AGREEMENTS IF NOT EXERCISED IN THIRTY-SIX MONTHS; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the Developer Customers, specified in the table below, have requested the San Antonio Water System (the “System”) to provide water and/or wastewater service(s), and have satisfied the requirements of the Board’s Regulations for Developer Customers Applicant; and

<table>
<thead>
<tr>
<th>No.</th>
<th>Tract Name</th>
<th>Developer</th>
<th>Acres</th>
<th>W EDUs</th>
<th>WW EDUs</th>
<th>CoSA / CoSA ETJ / Outside</th>
<th>EARZ / CZ</th>
<th>Board Reason</th>
<th>W CCN</th>
<th>WW CCN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Toepperwein Center Tract</td>
<td>Laredo Toepp LTD</td>
<td>52.14</td>
<td>558</td>
<td>392</td>
<td>CoSA OUTSIDE</td>
<td>CCN/IFC</td>
<td>INSIDE</td>
<td>OUTSIDE</td>
<td>INSIDE</td>
</tr>
<tr>
<td>2</td>
<td>Coolcrest Addition Tract</td>
<td>Vaquero Ventures</td>
<td>1.29</td>
<td>4</td>
<td>0</td>
<td>COSA ETJ OUTSIDE</td>
<td>CCN</td>
<td>OUTSIDE</td>
<td>INSIDE</td>
<td>INSIDE</td>
</tr>
<tr>
<td></td>
<td>Total</td>
<td></td>
<td>53.43</td>
<td>562.00</td>
<td>392.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

WHEREAS, the Developer Customer’s provisions to acquire water and/or wastewater services within the System’s jurisdiction is generally illustrated in the attached Project Site Maps; and

WHEREAS, the Developer Customer is obligated to pay the prescribed fees and to comply with other applicable requirements as set forth in the Regulations for Water and/or Wastewater Service; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve the Utility Service Agreement and to provide water and/or wastewater services to tracts of land requiring the System’s financial participation in the development of infrastructure through oversizing or impact fee credits and/or are located outside the System’s water and/or wastewater
Certificate of Convenience and Necessity, and (ii) to provide that the Utility Service Agreement will be honored for a period of thirty-six months, and that if not exercised during this period, the Utility Service Agreements will expire; now, therefore:

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

1. That the System hereby approves the Utility Service Agreement and agrees to provide water and/or wastewater services to tracts of land requiring the System’s financial participation in the development of infrastructure through oversizing or impact fee credits and/or are located outside the System’s water and/or wastewater Certificate of Convenience and Necessity as generally illustrated in the attached Project Site Maps hereto, on a Developer Customer basis as provided for in the Board's Regulations, applicable amendments to the Regulations, and any other applicable federal, state or local regulations.

2. That the Utility Service Agreement shall be honored for a period of thirty-six months, and if not exercised during this thirty-six-month period, the Utility Service Agreement will expire.

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

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

5. This resolution shall take effect immediately from and after its passage.
PASSED AND APPROVED this 5th day of December, 2017.

_______________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_______________________________
Ernesto Arrellano, Jr., Secretary

Attachments:
1. Project Site Maps
TO: San Antonio Water System Board of Trustees

FROM: Tracey B. Lehmann, P.E., Interim-Director, Development, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: AWARD OF CONSTRUCTION CONTRACT AND APPROVAL OF EXPENDITURES IN CONNECTION WITH THE CLASSEN-STEUBING OVERSIZED SEWER MAIN PROJECT

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract in the amount of $6,335,754.55 to SpawGlass Civil Construction, Inc., a local, non-SMWVB contractor, on a Developer Customer construction contract, and authorizes the expenditures of funds in the amount of $5,223,774.97 for associated construction fees to SpawGlass Civil Construction, Inc., and reimbursements of $522,377.50 for associated design fees to XJ 1869 Development, L.P., in connection with the Classen-Steubing Oversized Sewer Main Project.

On December 14, 2016, by Resolution No. 16-281, the San Antonio Water System (the “System”) Board of Trustees approved a Utility Service Agreement (USA) to provide water and/or wastewater services to a tract of land known as the Steubing Tract, a 448.9-acre tract, being developed by XJ 1869 Development, L.P., (“Developer”), and the oversizing of approximately 140 feet of 8-inch sewer main to 30-inch sewer main, oversizing of approximately 3,420 feet of 12-inch sewer main to 30-inch sewer main, oversizing of approximately 645 feet of 12-inch sewer main to 16-inch sewer main, oversizing of approximately 3,430 feet of 10-inch sewer main to 12-inch sewer main, construction of approximately 5,110 feet of 8-inch sewer main, and the construction of approximately 4,100 feet of 30-inch sewer main, located along the western right-of-way of US Hwy 281 N, extending west to Huebner Road and Hardy Oaks, in order to conform with the Wastewater Infrastructure Master Plan.

The Developer is required to construct an 8-inch sewer main. System staff recommends oversizing approximately 140 feet of 8-inch sewer main to a 30-inch sewer main. The Developer is responsible for 8.70 percent of the oversizing of the 8-inch sewer main to a 30-inch sewer main; the Developer is responsible for an estimated $8,400.00 of the project costs. The System is responsible for 91.30 percent of the oversizing of the 8-inch sewer main to a 30-inch sewer main, for an estimated $88,147.21.

The Developer is required to construct a 12-inch sewer main. System staff recommends oversizing approximately 3,420 feet of 12-inch sewer main to a 30-inch sewer main. The
Developer is responsible for 16 percent of the oversizing of the 12-inch sewer main to a 30-inch sewer main; the Developer is responsible for an estimated $275,331.10 of the project costs. The System is responsible for 84 percent of the oversizing of the 12-inch sewer main to a 30-inch sewer main, for an estimated $1,445,488.29.

- The Developer is required to construct a 12-inch sewer main. System staff recommends oversizing approximately 645 feet of 12-inch sewer main to a 16-inch sewer main. The Developer is responsible for 56.25 percent of the oversizing of the 12-inch sewer main to a 16-inch sewer main; the Developer is responsible for an estimated $131,216.47 of the project costs. The System is responsible for 43.75 percent of the oversizing of the 12-inch sewer main to a 16-inch sewer main, for an estimated $102,057.25.

- The Developer is required to construct a 10-inch sewer main. System staff recommends oversizing approximately 3,430 feet of 10-inch sewer main to a 12-inch sewer main. The Developer is responsible for 69.44 percent of the oversizing of the 10-inch sewer main to a 12-inch sewer main; the Developer is responsible for an estimated $479,088.72 of the project costs. The System is responsible for 30.56 percent of the oversizing of the 10-inch sewer main to a 12-inch sewer main, for an estimated $210,843.19.

- The Developer is responsible for 100 percent of the construction costs of approximately 1,235 feet of 8-inch sewer main, for an estimated $217,943.29. The System is responsible for 0 percent of the construction costs of the 1,235 feet of 8-inch sewer main.

- The System is responsible for 100 percent of the construction costs of approximately 3,875 feet of 8-inch sewer main, for an estimated $648,345.32; the Developer is responsible for 0 percent of the construction costs of the 3,875 feet of 8-inch sewer main.

- The System is responsible for 100 percent of the construction costs of the approximately 4,100 feet of 30-inch sewer main, for an estimated $2,728,893.70; the Developer is responsible for 0 percent of the construction costs of the approximately 4,100 feet of 30-inch sewer main.

- The System solicited bids for the construction of the oversize wastewater main. Upon Board authorization of the construction contract, the Developer will enter into a contract with both the contractor and the System.

- This project consists of the oversize construction of approximately 5,110 feet of 8-inch sewer main, approximately 3,430 feet of 12-inch sewer main, approximately 645 feet of 16-inch sewer main, and approximately 7,660 feet of 30-inch sewer main. The Classen-Steubing Oversized Sewer Main Project is inside the City of San Antonio limits, is located within the System’s Upper Collection and Treatment Area (UCTA) and inside the System’s water and wastewater CCN. The tract is located over the Edwards Aquifer Recharge or Contributing Zone and is located within the 5-mile Awareness Zone of Camp Bullis.
SpawGlass Civil Construction, Inc., a local, non-SMWVB contractor, has submitted the low bid of $6,335,754.55 for construction of the project.

The System will pay SpawGlass Civil Construction, Inc., monthly, for the construction costs for the oversize project. The Developer will pay the System prior to the beginning construction for the Developer’s proportionate share of the construction cost for the oversize project.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

This is a Capital Improvement Project that will be funded by the Capital Improvements Plan Sewer Oversize 2017 Projects Fund, job number 16-1613. The applicable wastewater main oversize payment will be made monthly to SpawGlass Civil Construction, Inc., in accordance with the Utility Service Regulations. The applicable design fees payment will be made to the Developer. The System will pay $5,223,774.97 for construction costs and $522,377.50 for associated design fees for a total cost of $5,746,152.47. The Developer will pay $1,111,979.58 of the construction costs and the remainder of the design fees.

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

**SUPPLEMENTARY COMMENTS:**

Bids for this project were opened on November 8, 2017, at 3:00 P.M. The following bids were accepted for submittal:

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>BID AMOUNT</th>
<th>LOCAL/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>SpawGlass Civil Construction, Inc.*</td>
<td>$6,335,754.55</td>
<td>Local/Non–SMWVB</td>
</tr>
<tr>
<td>S.J. Louis Construction of Texas, Ltd.</td>
<td>$6,713,726.82</td>
<td>Local/Non–SMWVB</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$6,978,862.18</td>
<td></td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

Additionally, the overall SMWVB analysis is shown in the following table:
The Engineer’s Opinion of Probable Construction Cost Estimate for this project was $6,978,862.18. The contract provides for the completion of this project within 365 calendar days.

Tracey B. Lehmann, P.E.
Interim-Director
Development

Andrea L.H. Beymer, P.E.
Vice President
Engineering and Construction

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE BID OF SPAWGLASS CIVIL CONSTRUCTION, INC. IN THE AMOUNT OF $6,335,754.55 FOR THE CONSTRUCTION OF THE SEWER MAINS IN CONNECTION WITH CLASSEN-STEUBING OVERSIZED SEWER MAIN PROJECT; AWARDING A CONSTRUCTION CONTRACT TO SPAWGLASS CIVIL CONSTRUCTION, INC. IN THE AMOUNT OF $6,335,754.55 FOR THE PROJECT WORK; AUTHORIZING THE EXPENDITURE OF SYSTEM FUNDS IN THE AMOUNT OF $5,223,774.97 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK; AUTHORIZING THE EXPENDITURE OF SYSTEM FUNDS IN THE AMOUNT OF $522,377.50 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE ENGINEERING DESIGN FEES; AUTHORIZING A TOTAL AMOUNT NOT TO EXCEED $5,746,152.47 FROM THE SYSTEM'S CAPITAL IMPROVEMENTS PLAN SEWER MAIN OVERSIZE 2017 PROJECTS FUND FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK AND ENGINEERING FEES RELATED TO THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONTRACT WITH XJ 1869 DEVELOPMENT, L.P. AND SPAWGLASS CIVIL CONSTRUCTION, INC. AND PROVIDE PAYMENT IN AN AMOUNT NOT TO EXCEED $5,223,774.97 TO SPAWGLASS CIVIL CONSTRUCTION, INC. AND REIMBURSEMENTS OF $522,377.50 TO XJ 1869 DEVELOPMENT, L.P. FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE COST TO OVERSIZE THE PROPOSED SEWER MAINS; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, by Resolution No. 16-281, approved on December 14, 2016, the San Antonio Water System Board of Trustees approved a Utility Service Agreement (USA) to provide water and/or wastewater services to a tract of land known as Steubing Tract, a 448.9-acre tract, being developed by XJ 1869 Development, L.P. and the oversize of
approximately 5,110 feet of 8-inch sewer main, approximately 3,430 feet of 12-inch sewer main, approximately 645 feet of 16-inch sewer main, and approximately 7,660 feet of 30-inch sewer main in order to conform with the Wastewater Infrastructure Master Plan; and

WHEREAS, the Developer is required to construct an 8-inch sewer main, a 10-inch sewer main, and a 12-inch sewer main; and

WHEREAS, the System has elected to oversize a portion of the 8-inch sewer main to a 30-inch sewer main, a portion of the 12-inch sewer main to a 30-inch sewer main, a portion of the 10-inch sewer main to a 12-inch sewer main, a portion of the 12-inch sewer main to a 16-inch sewer main, as well as the construction of an 8-inch sewer main, and the construction a 30-inch sewer main; and

WHEREAS, the System has publicly solicited bids for the Classen-Steubing Oversized Sewer Main Project (the “project work”); and

WHEREAS, the project work includes the oversize construction of approximately 140 feet of 8-inch sewer main to 30-inch sewer main; and

WHEREAS, the project work includes the oversize construction of approximately 3,420 feet of 12-inch sewer main to 30-inch sewer main; and

WHEREAS, the project work includes the oversize construction of approximately 645 feet of 12-inch sewer main to 16-inch sewer main; and

WHEREAS, the project work includes the oversize construction of approximately 3,430 feet of 10-inch sewer main to 12-inch sewer main; and

WHEREAS, the project work includes the construction of approximately 5,110 feet of 8-inch sewer main; and

WHEREAS, the project work includes the construction of approximately 4,100 feet of 30-inch sewer main; and

WHEREAS, SpawGlass Civil Construction, Inc., a local, non-SMWVB contractor, submitted the bid of $6,335,754.55 for construction of the project and this bid is determined to be the lowest responsible bid; and

WHEREAS, XJ 1869 Development, L.P. is responsible for funding their proportionate share of the construction of the project; and

WHEREAS, XJ 1869 Development, L.P. is responsible for 8.70 percent of the project costs for the 8-inch sewer main oversized to a 30-inch sewer main, the System is responsible for 91.30 percent of the project costs for the 8-inch sewer main oversized to a 30-inch sewer main; and
WHEREAS, XJ 1869 Development, L.P. is responsible for 16 percent of the project costs for the 12-inch sewer main oversized to a 30-inch sewer main, the System is responsible for 84 percent of the project costs for the 12-inch sewer main oversized to a 30-inch sewer main; and

WHEREAS, XJ 1869 Development, L.P. is responsible for 56.25 percent of the project costs for the 12-inch sewer main oversized to a 16-inch sewer main, the System is responsible for 43.75 percent of the project costs for the 12-inch sewer main oversized to a 16-inch sewer main; and

WHEREAS, XJ 1869 Development, L.P. is responsible for 69.44 percent of the project costs for the 10-inch sewer main oversized to a 12-inch sewer main, the System is responsible for 30.56 percent of the project costs for the 10-inch sewer main oversized to a 12-inch sewer main; and

WHEREAS, XJ 1869 Development, L.P. is responsible for 100 percent of the project costs for 1,235 feet of the 8-inch sewer main; and the System is responsible for 0 percent of the project costs for 1,235 feet of the 8-inch sewer main; and

WHEREAS, the System is responsible for 100 percent of the project costs for 3,875 feet of the 8-inch sewer main; and XJ 1869 Development, L.P. is responsible for 0 percent of the project costs for 3,875 feet of the 8-inch sewer main; and

WHEREAS, the System is responsible for 100 percent of the project costs for approximately 4,100 feet of the 30-inch sewer main; and

WHEREAS, the System will pay to the XJ 1869 Development, L.P., monthly, for the System’s proportionate share of the cost to oversize the sewer main in accordance with the Board Regulations; and

WHEREAS, the amount of $5,746,152.47 is available in the System’s Capital Improvements Plan Sewer Oversize 2017 Projects Fund for the System’s proportionate share of the project work costs and engineering fees related to oversizing the water main extension; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to accept the bid of SpawGlass Civil Construction, Inc. in the amount of $6,335,754.55 for the project work, in connection with the Classen-Steubing Oversized Sewer Main, (ii) to award a construction contract to SpawGlass Civil Construction, Inc. in the amount of $6,335,754.55 for the project work, (iii) to authorize System funds in the amount of $5,223,774.97 for the project work, (iv) to authorize System funds in the amount of $522,377.50 for design fees, (v) to make available a total amount not to exceed $5,746,152.47 from the System’s Capital Improvements Plan Sewer Oversize 2017 Projects Fund for the System’s proportionate share of the project work and engineering fees related to oversizing the proposed off-site wastewater main, and (vi) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a
contract with XJ 1869 Development, L.P. and SpawGlass Civil Construction, Inc. for the project work and to provide payment in an amount not to exceed $5,223,774.97 to SpawGlass Civil Construction, Inc. and reimbursements in an amount not to exceed $522,377.50 to XJ 1869 Development, L.P. for the System’s cost to oversize the proposed off-site wastewater main; now, therefore:

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

1. That the bid of SpawGlass Civil Construction, Inc. in the amount of $6,335,754.55 for the project work in connection with the Classen-Steubing Oversized Sewer Main is hereby accepted.

2. That a construction contract for the project work is hereby awarded to SpawGlass Civil Construction, Inc. in the amount of $6,335,754.55.

3. That the expenditure of System funds in an amount of $5,223,774.97 for the System's proportionate share of the project work is hereby approved.

4. That the expenditure of System funds in the amount of $522,377.50 for the System’s proportionate share of engineering design fees associated with the project work is hereby authorized and approved.

5. That a total sum not to exceed $5,746,152.47 consisting of the System’s proportionate share of the project work costs and engineering fees related to the 8-inch, 10-inch, 12-inch, 16-inch, and 30-inch oversized (8-inch, 10-inch, and 12-inch required) wastewater main, is hereby made available and is to be expended from the System’s Capital Improvements Plan Sewer Oversize 2017 Projects Fund.

6. That the President/Chief Executive Officer or his duly appointed designee, is hereby authorized and directed to execute a contract with XJ 1869 Development, L.P. and SpawGlass Civil Construction, Inc. and further provide payment in an amount not to exceed $5,223,774.97 for the cost to oversize the wastewater main to SpawGlass Civil Construction, Inc. and reimbursements in an amount not to exceed $522,377.50 to XJ 1869 Development, L.P. in accordance with the Utility Service Regulations in connection with the Classen-Steubing Oversized Sewer Main.

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

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

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

    PASSED AND APPROVED on this 5th day of December, 2017.

____________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE CENTRAL SEWERSHED PACKAGE 4 PROJECT

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to Texas Pride Utilities Limited Liability Company, a non-local, MBE-Hispanic firm, in the amount of $3,028,682.00 in connection with the Central Sewershed Package 4 Project.

- The contract that is the subject of the attached resolution will, if approved, authorize work that is required by the Consent Decree, 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.

- This contract will be used to replace sewer mains in need of replacement based on condition assessment.

- This contract will be for the replacement of approximately 20,296 feet of 8-inch to 15-inch diameter sewer pipes by pipe bursting and cured-in-place pipe methods. Additionally, the manholes will be rehabilitated.

- The attached resolution therefore finds that Texas Pride Utilities Limited Liability Company has submitted the lowest responsible bid of $3,028,682.00.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2017 Capital Improvement Program. This project is included in the Wastewater Core Business budget line item. The amount is $3,028,682.00 for wastewater related construction work under job number 17-4537.
SUPPLEMENTARY COMMENTS:

Bain-Medina-Bain, Inc. dba BMB, prepared the design, bid proposal and specifications for the project. The engineer’s estimated construction cost for this project is $3,826,087.48 and the contractor’s construction cost is $3,028,682.00.

A bid opening was held on October 30, 2017, at 11:00 AM. The following bids were submitted:

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>BID AMOUNT</th>
<th>LOCAL/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Texas Pride Utilities Limited Liability Company*</td>
<td>$3,028,682.00</td>
<td>Non–Local/MBE–Hispanic</td>
</tr>
<tr>
<td>T Construction, LLC</td>
<td>$3,158,085.00</td>
<td>Non–Local /MBE–Hispanic</td>
</tr>
<tr>
<td>Pronto Sandblasting Inc.</td>
<td>$3,272,156.80</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$3,826,087.48</td>
<td></td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 20.8 percent decrease from the engineer’s estimated construction cost.

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

<table>
<thead>
<tr>
<th>CENTRAL SEWERSHED PACKAGE 4 PROJECT</th>
</tr>
</thead>
<tbody>
<tr>
<td>TEXAS PRIDE UTILITIES LIMITED LIABILITY COMPANY</td>
</tr>
</tbody>
</table>

SMWVB ANALYSIS – BOARD AWARD

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>SBE</td>
<td>3.30%</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>6.60%</td>
</tr>
<tr>
<td>MBE – Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Minority</td>
<td>1.98%</td>
</tr>
<tr>
<td>WBE – Non–Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>SMWVB Total</td>
<td>11.88%</td>
</tr>
</tbody>
</table>
Award of Construction Contract
Central Sewershed Package 4

APPROVED:

Gail Hamrick-Pigg, P.E.
Director
Pipelines

Andrea L.H. Beymer, 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 ACCEPTING THE BID OF TEXAS PRIDE
UTILITIES LIMITED LIABILITY COMPANY IN THE
AMOUNT OF $3,028,682.00 IN CONNECTION WITH THE
CENTRAL SEWERSHED PACKAGE 4 PROJECT;
AWARDING A CONSTRUCTION CONTRACT TO TEXAS
PRIDE UTILITIES LIMITED LIABILITY COMPANY IN
THE AMOUNT OF $3,028,682.00 FOR THE PROJECT
WORK; APPROVING EXPENDITURES AND MAKING
AVAILABLE AN AMOUNT NOT TO EXCEED $3,028,682.00
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 TEXAS PRIDE
UTILITIES LIMITED LIABILITY COMPANY AND TO PAY
TEXAS PRIDE UTILITIES LIMITED LIABILITY
COMPANY AN AMOUNT NOT TO EXCEED $3,028,682.00
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 be used to rehabilitate sewer mains in need of repair
based on condition assessment; and

WHEREAS, the San Antonio Water System (the “System”) has solicited bids for
the project work; and

WHEREAS, Texas Pride Utilities Limited Liability Company, a non–local, MBE–
Hispanic firm, is declared the lowest responsible bidder and has submitted the low responsible bid
of $3,028,682.00 for the project work; and

WHEREAS, System funds in the amount of $3,028,682.00 are required for the
project work; and

WHEREAS, the total amount of $3,028,682.00 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 accept
the bid of Texas Pride Utilities Limited Liability Company in the amount of $3,028,682.00 for the
project work in connection with the Central Sewershed Package 4 Project, (ii) to award a
construction contract to Texas Pride Utilities Limited Liability Company in the amount $3,028,682.00 for the project work, (iii) to approve a total expenditure and make available an amount not to exceed $3,028,682.00 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 Texas Pride Utilities Limited Liability Company and to pay Texas Pride Utilities Limited Liability Company an amount not to exceed $3,028,682.00 for the project work; now, therefore:

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

1. That the bid of Texas Pride Utilities Limited Liability Company in the amount of $3,028,682.00 for the project work in connection with the Central Sewershed Package 4 Project is hereby accepted.

2. That a construction contract in the amount of $3,028,682.00 for the project work is hereby awarded to Texas Pride Utilities Limited Liability Company.

3. That a total sum not to exceed $3,028,682.00 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 Texas Pride Utilities Limited Liability Company and to pay Texas Pride Utilities Limited Liability Company the amount not to exceed $3,028,682.00 for the project work in connection with the Central Sewershed Package 4 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 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 December, 2017.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Gail Hamrick-Pigg, P.E., Director, Pipelines, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE EAST SEwershed PACKAGE 3 – LARGE DIAMETER PROJECT

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to SAK Construction, LLC, a non-local, non-SMWVB firm, in the amount of $10,761,688.00 in connection with the East Sewershed Package 3 - Large Diameter Project.

• The contract that is the subject of the attached resolution will, if approved, authorize work that is required by the Consent Decree for the East Sewershed Package 3 – Large Diameter Project 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.

• This contract will be used to rehabilitate sewer mains based on condition assessment.

• This contract will be for the rehabilitation of approximately 29,122 feet of 30-inch to 42-inch diameter sewer pipe by cured-in-place method. Additionally, the manholes will be adjusted and/or rehabilitated.

• SAK Construction, LLC has submitted the lowest responsible bid of $10,761,688.00.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2017 Capital Improvement Program. This project is included in the Wastewater Core Business budget line item. The amount is $10,761,688.00 for wastewater related construction work under job number 16-4520.
SUPPLEMENTARY COMMENTS:

K Friese & Associates, Inc. prepared the design, bid proposal, and specifications for the project. The engineer’s estimated construction cost for this project is $16,991,810.00 and the contractor’s construction cost is $10,761,688.00.

A bid opening was held on November 6, 2017, at 2:00 PM. The following bids were submitted:

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>BID AMOUNT</th>
<th>LOCAL/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAK Construction, LLC*</td>
<td>$10,761,688.00</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>Layne Inliner, LLC</td>
<td>$11,140,642.00</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>Insituform Technologies, Inc.</td>
<td>$12,542,609.00</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>Lanzo Trenchless Technologies South</td>
<td>$15,288,973.00</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>Kenny Construction Company</td>
<td>$16,554,890.00</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$16,991,810.00</td>
<td></td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 36.6 percent decrease from the Engineer’s estimated construction cost.

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

<table>
<thead>
<tr>
<th>East Sewershed Package 3 - Large Diameter Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>SAK CONSTRUCTION, LLC</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SMWVB ANALYSIS – BOARD AWARD</th>
</tr>
</thead>
<tbody>
<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>SMWVB Total</td>
</tr>
</tbody>
</table>
Award of Construction Contract
East Sewershed Package 3 - Large Diameter Project

Gail Hamrick-Pigg, P.E.
Director
Pipelines

Andrea L.H. Beymer, 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

LEGEND

Project Site

EAST SEWERSHED PACKAGE 3
LARGE DIAMETER PROJECT
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE BID OF SAK CONSTRUCTION, LLC IN THE AMOUNT OF $10,761,688.00 IN CONNECTION WITH THE EAST SEWERSHED PACKAGE 3 – LARGE DIAMETER PROJECT; AWARDING A CONSTRUCTION CONTRACT TO SAK CONSTRUCTION, LLC, IN THE AMOUNT OF $10,761,688.00 FOR THE PROJECT WORK; APPROVING EXPENDITURES AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $10,761,688.00 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 SAK CONSTRUCTION, LLC AND TO PAY SAK CONSTRUCTION, LLC AN AMOUNT NOT TO EXCEED $10,761,688.00 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 be used to rehabilitate sewer mains based on condition assessment; and

WHEREAS, the San Antonio Water System (the “System”) has solicited bids for the project work; and

WHEREAS, SAK Construction, LLC, a non-local, non-SMWVB firm, is declared the lowest responsible bidder and has submitted the low responsible bid of $10,761,688.00 for the project work; and

WHEREAS, System funds in the amount of $10,761,688.00 are required for the project work; and

WHEREAS, the total amount of $10,761,688.00 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 accept the bid of SAK Construction, LLC in the amount of $10,761,688.00 for the project work in connection with the East Sewershed Package 3 – Large Diameter Project, (ii) to award a construction contract to SAK Construction, LLC in the amount $10,761,688.00 for the project work, (iii) to approve a total expenditure and make available an amount not to exceed
10,761,688.00 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 SAK Construction, LLC and to pay SAK Construction, LLC an amount not to exceed $10,761,688.00 for the project work; now, therefore:

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

1. That the bid of SAK Construction, LLC in the amount of $10,761,688.00 for the project work in connection with the East Sewershed Package 3 – Large Diameter Project is hereby accepted.

2. That a construction contract in the amount of $10,761,688.00 for the project work is hereby awarded to SAK Construction, LLC.

3. That a total sum not to exceed $10,761,688.00 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 SAK Construction, LLC and to pay SAK Construction, LLC the amount not to exceed $10,761,688.00 for the project work in connection with the East Sewershed Package 3 – Large Diameter 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 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 December, 2017.

__________________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Michael L. Myers, P.E., Director, Plants and Major Projects, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE ZARZAMORA PUMP STATION IMPROVEMENTS PROJECT

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to Archer Western Construction, LLC, a non-local, non-SMWVB firm, in the amount of $11,451,000.00 in connection with the Zarzamora Pump Station Improvements Project (the “project”).

• The 2017 Capital Improvement Program includes the construction funding for the Zarzamora Pump Station Improvements Project. The pump station is located at 6019 Zarzamora Street on the City of San Antonio’s southwest side just south of Southcross Rd.

• The Zaramora Pump Station was a former Bexar Met facility that is approximately 50 years old and serves customers in Pressure Zone 790. Major components include three active wells, one 2 MG ground storage tank, 3 high service pumps with a capacity of 15 million gallons per day in a building, chlorine disinfection system, and original electrical equipment.

• On December 1, 2015, the San Antonio Water System’s (the “System”) Board of Trustees adopted Resolution No. 15-279, which authorized a professional services contract with Tetra Tech, Inc., in the amount of $1,475,000.00 to provide professional engineering design services in connection with the project.

• The project includes the replacement of all electrical equipment in a new electrical building; replacement of low and medium voltage wiring, electrical duct banks, Supervisory Control and Data Acquisition (SCADA) controls; replacement of existing chlorine gas disinfection system with on-site generated sodium hypochlorite in a new building; new fluoride feed facilities; rehabilitation of existing wells and pumps, plugging of a well no longer in use; replacement of yard piping, control valves, flow meters, fencing, site security, lighting, and related appurtenances;

• Bids for the construction of this project have been solicited and Archer Western Construction, LLC has submitted the lowest responsible bid of $11,451,000.00.
Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this expenditure included in the 2017 Capital Improvements Program. This work is included in the Water Delivery Core Business, Zarzamora Pump Station Improvements Project. The total amount is $11,451,000.00 for water related work under job number 15-6103.

**SUPPLEMENTARY COMMENTS:**

Tetra Tech, Inc. prepared the plans and specifications for this project under their professional services contract. The engineer’s estimated construction cost was $14,000,000.00.

A bid opening was held on November 10, 2017. The following bids were submitted.

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>BID AMOUNT</th>
<th>LOCAL/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Archer Western Construction, LLC*</td>
<td>$11,451,000.00</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>Shannon Monk, Inc</td>
<td>$12,172,250.00</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>*Lowest Responsible Bidder</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$14,000,000.00</td>
<td></td>
</tr>
</tbody>
</table>

The bid amount represents an 18.2 percent decrease from the estimated construction cost. This contract has 428 calendar days for construction completion.

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

<table>
<thead>
<tr>
<th>Zarzamora Pump Station Improvements Project</th>
<th>SMWVB ANALYSIS – BOARD AWARD</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARCHER WESTERN CONSTRUCTION, LLC</td>
<td></td>
</tr>
<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>2.63%</td>
</tr>
<tr>
<td>MBE–Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE–Minority</td>
<td>8.73%</td>
</tr>
<tr>
<td>WBE–Non–Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>SMWVB Total</td>
<td>11.36%</td>
</tr>
</tbody>
</table>
Award of a Construction Contract
Zarzamora Pump Station Improvements Project

Michael L. Myers, P.E.
Director
Plants and Major Projects

APPROVED:

Andrea L.H. Beymer, P.E.
Vice President
Engineering and Construction

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

ZARZAMORA PUMP STATION IMPROVEMENTS PROJECT

LEGEND
★ PROJECT SITE
Edward's Aquifer Recharge Zone
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE BID OF ARCHER WESTERN CONSTRUCTION, LLC IN THE AMOUNT OF $11,451,000.00 IN CONNECTION WITH THE ZARZAMORA PUMP STATION IMPROVEMENTS PROJECT; AWARDING A CONSTRUCTION CONTRACT TO ARCHER WESTERN CONSTRUCTION, LLC IN THE AMOUNT OF $11,451,000.00 FOR THE PROJECT WORK; APPROVING EXPENDITURES AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $11,451,000.00 FROM THE SYSTEM'S PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DUTY APPOINTED DESIGNEE TO EXECUTE A CONSTRUCTION CONTRACT WITH ARCHER WESTERN CONSTRUCTION, LLC, AND TO PAY ARCHER WESTERN CONSTRUCTION, LLC AN AMOUNT NOT TO EXCEED $11,451,000.00 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, the 2017 Capital Improvement Program includes the construction funding for the Zarzamora Pump Station Improvements Project; and

WHEREAS, the pump station is located at 6019 Zarzamora Street on the City of San Antonio’s southwest side just south of Southcross Rd.; and

WHEREAS, the station is a former Bexar Met facility that is approximately 50 years old and serves customers in Pressure Zone 790; and

WHEREAS, the San Antonio Water System (the “System”) has solicited bids for the project work; and

WHEREAS, Archer Western Construction, LLC, a non-local, non-SMWVB firm, has submitted a bid of $11,451,000.00 for the project work and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $11,451,000.00 are required for the project work; and

WHEREAS, the total amount of $11,451,000.00 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 accept the bid of Archer Western Construction, LLC in the amount of $11,451,000.00 in connection with the Zarzamora Pump Station Improvements Project, (ii) to award a construction contract to Archer Western Construction, LLC in the amount of $11,451,000.00 for the project work, (iii) to approve a total expenditure and make available an amount not to exceed $11,451,000.00 from the System’s Project Fund for the project work, (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Archer Western Construction, LLC, and to pay Archer Western Construction, LLC an amount not to exceed $11,451,000.00 for the project work; now, therefore:

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

1. That the bid of Archer Western Construction, LLC in the amount of $11,451,000.00 in connection with the Zarzamora Pump Station Improvements Project is hereby accepted.

2. That a construction contract in the amount of $11,451,000.00 for the project work is hereby awarded to Archer Western Construction, LLC.

3. That a sum not to exceed $11,451,000.00 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 contract with Archer Western Construction, LLC, and to pay Archer Western Construction, LLC an amount not to exceed $11,451,000.00 in connection with the Zarzamora Pump Station Improvements 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 December, 2017.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Karen L. Guz, Director, Conservation, and Gavino R. Ramos, Vice President, Communication & External Relations

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

SUBJECT: APPROVAL OF A CONSULTING AGREEMENT WITH THE ALLIANCE FOR WATER EFFICIENCY IN CONNECTION WITH PREDICTIVE DATA ANALYTIC SERVICES

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution approves a consulting agreement with the Alliance for Water Efficiency (the “Alliance”) in an amount not to exceed $75,000.00 in connection with Predictive Data Analytic Services.

- The 2017 Water Management Plan identifies reductions of water during dry periods of peak demand as a San Antonio Water Systems (SAWS) priority.

- Conserving water in the San Antonio region has been identified by SAWS as a cost-effective approach to managing water resources.

- Under the agreement, the intent is to develop best practices and methodologies that becomes a leading, definitive resource to industry and water efficiency professionals.

- The study will employ predictive analysis of the behavioral responses of water customers in relation to the known household characteristics of water customers.

- The study will determine how predictive analysis of those characteristics may be employed to predict customer response to conservation opportunities thereby enabling programs to be more effective.

- The scope of work will include market research analysis to develop customer profiles and determine the most suitable tools to engage variable segments of customers in water conservation programs.

- As this is a national project, SAWS will not be the only source of funding for the study. The anticipated budget is $150,000.00.

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

Conservation funds will be made available from the System Fund. The total amount is not to exceed $75,000.00. The item will be paid from System Funds budgeted in the 2017 budget (Company: 1000, Accounting Unit: 5010000, Account: 511219, Total 2017 amount: $75,000.00).

Karen L. Guz  
Director  
Conservation

Gavino R. Ramos  
Vice President  
Communications & External Relations

APPROVED:

Robert R. Puente  
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING A CONSULTING AGREEMENT WITH THE ALLIANCE FOR WATER EFFICIENCY (“ALLIANCE”) IN AN AMOUNT NOT TO EXCEED $75,000.00 IN CONNECTION WITH PREDICTIVE DATA ANALYTIC SERVICES; APPROVING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED $75,000.00 FROM THE SYSTEM FUND FOR THE REQUIRED SERVICES UNDER THE AGREEMENT; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE CONSULTING AGREEMENT WITH THE ALLIANCE AND TO PAY THE ALLIANCE AN AMOUNT NOT TO EXCEED $75,000.00 FOR THE REQUIRED SERVICES UNDER THE 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, conserving water in the San Antonio region has been identified by the San Antonio Water System (the “System”) as a cost effective approach to managing water resources; and

WHEREAS, the System goal is to reduce per capita water consumption; and

WHEREAS, the effectiveness of conservation programming can be increased through partnerships with community organizations; and

WHEREAS, the System’s intent is to be one participant in a national study funded through a variety of utility partners; and

WHEREAS, pursuant to the Agreement, the Alliance will be conducting research regarding marketing to utility customers based on social and economic indicators, to develop target specific tools for customers and determining whether there are identifiable groups of customers that may be defined for marketing purposes; and

WHEREAS, the Alliance will develop best practices and methodologies for predicting behavioral responses of customers given known and available household characteristics including how variables such as weather, drought, and season may inform changes in customer behavior and/or customer response to programmatic offerings; and
WHEREAS, the Alliance will produce, distribute and promote an Executive Summary and a Full Report, including the literature review, capturing the findings of the research; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve a consulting agreement with the Alliance for Water Efficiency in an amount not to exceed $75,000.00 in connection with Predictive Data Analytic Services, (ii) to approve the expenditure of funds in an amount not to exceed $75,000.00 from the System fund for the required services under the agreement, (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute the consulting agreement with the Alliance and in substantially the form attached to this resolution as Attachment I, and to pay the Alliance an amount not to exceed $75,000.00 for the required services under the agreement; now, therefore:

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

1. That a consulting agreement with the Alliance in an amount not to exceed $75,000.00 in connection with Predictive Data Analytic Services is hereby approved.

2. That a total amount not to exceed $75,000.00 is hereby made available and is to be expended from the System Fund for the required services under the agreement.

3. That the System’s President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the consulting agreement with the Alliance and to pay the Alliance an amount not to exceed $75,000.00 for the required services under the agreement.

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 December, 2017.

_____________________________
Berto Guerra, Jr., Chairman

ATTEST:

_______________________________
Ernesto Arrellano, Jr., Secretary

Attachment I: Consulting Agreement for Predictive Analytic Data Services
SAN ANTONIO WATER SYSTEM
CONSULTING AGREEMENT

 AGREEMENT FOR

Predictive Data Analytic Services
(the “Project” or “Research”)

Contract No. S-17-018-PC

THIS IS A CONSULTING AGREEMENT (this “Agreement”) by and between

Alliance for Water Efficiency
33 N LaSalle St., Suite 2275
Chicago, IL 60602

The Alliance for Water Efficiency, a non-profit corporation registered in the State of Illinois (the “Consultant” or “AWE”), and San Antonio Water System, municipally-owned utility of the City of San Antonio in the State of Texas (the “Water System” or “SAWS”), and by which parties to this Agreement, in consideration of the mutual covenants set forth below and other good and valuable consideration (the mutuality, adequacy and sufficiency of which are hereby acknowledged), hereby agree as follows:

1. Consulting.

(a) Consulting and Advisory Services. During the term of this Agreement, the Consultant will provide consulting and advisory services to the Water System in accordance with the highest professional standards. Consultant shall perform the services described on Exhibit B attached hereto and incorporated herein. The Consultant shall perform such duties in accordance with the time schedule attached hereto as Exhibit D and comply with the Security Procedures attached as Exhibit E. Acceptance of work of the Consultant by the Water System shall not constitute or be deemed a release of the responsibility, obligations or liability of the Consultant under this Agreement for any errors, omissions, defect in the design, drawings, specifications, documents, reports and work performed by the Consultant. Consultant will utilize only qualified personnel to perform the work under this Agreement. All of such work shall be under the direct supervision of properly licensed professionals as appropriate for the Project and work.

(b) Compensation and Expenses. The Water System shall pay Consultant as set forth on the attached Exhibit A. If Consultant's services do not conform to the specifications stated on Exhibit B, as determined by Water System, Consultant shall promptly re-perform such services to the satisfaction of Water System at no additional charge to Water System.

(c) Independent Contractor. It is acknowledged and agreed that the Consultant is an independent contractor of the Water System and not an employee or agent or fiduciary of
Water System, and each of the parties to this Agreement agrees to take actions consistent with the foregoing. Consultant is not being engaged to perform any fiduciary functions of Water System. Further, nothing in this Agreement shall be construed to create a partnership, joint venture, or other association between the parties.

(d) **Water System's Responsibilities.** Water System will use its reasonable best efforts to provide Consultant with all documentation and information in the possession of the Water System required to enable Consultant to provide the services, and will cause its employees and agents to cooperate with Consultant's reasonable requests in order to assist Consultant in providing the services.

(e) **Intellectual Property and Public Information Act.** Water System is a governmental entity subject to Texas Public Information Act, and Consultant acknowledges that Water System is required to comply with Texas Attorney General rulings and court orders regarding requests under the Texas Public Information Act. In the event Consultant is subject to the Texas Public Information Act, upon receipt of a request for any information obtained by Consultant in the performance of this Agreement, Consultant shall provide written notice to Water System of the request along with a copy of the request, and give Water System the opportunity to respond to the request prior to its release by Consultant. The respective rights in and to the intellectual property generated under this Agreement are set forth in Exhibit E attached hereto and incorporated herein.

(f) **Compliance with Law.** In performing this Agreement, the Consultant agrees to comply with applicable laws and regulations, and to secure, pay for and comply with all permits, governmental fees, licenses, inspections, bonds, security or deposits necessary for proper execution and completion of the services. Consultant agrees to not make or permit to be made any improper payments, or to perform any unlawful acts.

(g) **Insurance.** Consultant shall maintain and keep in force for the duration of this Agreement such insurance as set forth on Exhibit C of this Agreement, which is attached hereto and incorporated herein for all purposes as if fully set forth herein. Approval of insurance by the Water System shall not relieve or decrease the liability of the Consultant hereunder and shall not be construed to be a limitation of liability on the part of the Consultant. Consultant shall be responsible for all premiums, deductibles and self-insured retentions, if any, stated in the policies. All deductibles or self-insured retentions shall be disclosed on the Certificate of Insurance. All endorsements naming the Water System and the City of San Antonio (the "City") as additional insureds, waivers, and notices of cancellation endorsements as well as the Certificates of Insurance shall indicate: San Antonio Water System, c/o Ebix BPO, P.O. Box 12085-ZD, Duluth, GA 30096.

(h) **Right To Audit.** Consultant agrees to maintain appropriate accounting records of costs, expenses, and payrolls of its employees and agents working on the Project for a period of three years after final payment for completed work has been made and all other pending matters concerning the Agreement have been closed. Consultant agrees that the Water System or its authorized representative shall have access during normal business hours to any and all books,
documents, papers, and records of the Consultant which are directly pertinent to the services to be performed under this Agreement for the purposes of making audits and examinations.

The Consultant further agrees to make the above requirement apply to any and all sub-consultant agreements in which the Consultant has a contractual relationship for the services to be performed under the Agreement. All sub-consultants shall agree that the Water System or its authorized representatives shall have access during normal business hours to any and all books, documents, papers, and records of the sub-consultant which are directly pertinent to the services to be performed under the Agreement for the purposes of making audits and examinations.

(i) Equal Employment Opportunity/Minority Business Enterprise. The Consultant agrees not to engage in employment practices which have the effect of discriminating against any employee or applicant for employment; and, will take affirmative steps to ensure that applicants are employed and employees are treated during employment without regard to their race, color, religion, national origin, sex, age, disability, genetic information or political belief or affiliation.

(j) Consultant's Warranty. The Consultant warrants that it has not employed or retained any company or person other than a bona fide employee working solely for the Consultant, to solicit or secure this Agreement, and that it has not for the purpose of soliciting or securing this Agreement paid or agreed to pay any company or person, other than a bona fide employee working solely for the Consultant, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of this Agreement. For breach of this warranty, the Water System shall have the right to terminate this Agreement under the provisions of Section 2 below.

(k) Indemnification. Consultant agrees to and does hereby fully indemnify, defend, and hold harmless Water System and the City of San Antonio, and their respective members, agents, employees, officers, directors, trustees and representatives (collectively, “Indemnitees”), individually or collectively, from and against any and all costs, claims, liens, damages, losses, expenses, fees (including, without limitation, attorneys’ fees), fines, penalties, proceedings, actions, demands, causes of action, liability, and suits of any kind and nature, including, without limitation, personal injury or death and property damage, incurred by, asserted against or made upon any of the Indemnitees arising out of, resulting from or related to the acts, commissions or omissions of Consultant, any agent, officer, director, representative, employee, consultant, contractor or sub-consultant or subcontractor of Consultant, and their respective officers, agents, employees, directors, and representatives, while in the exercise or performance of the rights or duties under this Agreement. Consultant shall promptly advise the Water System in writing of any claim or demand against the Consultant or any of the Indemnitees which relates to or arises out of the Consultant’s activities under this Agreement at Consultant's cost. Any of the Indemnitees shall have the right, at their option and at their own expense, to participate in such defense without relieving Consultant of any of its obligations under this paragraph. The terms and provisions of this Section 1(m) shall survive the expiration of the term or earlier termination of this Agreement. Nothing in this Section 1(m) shall be interpreted to constitute a waiver of any governmental immunity available under Texas law or any available defenses under Texas law.
(l) **Default.** In the event Consultant fails to perform its duties or obligations under this Agreement, Water System shall be entitled to any and all remedies available at law or in equity (including, without limitation, the recovery from Consultant of all losses and damages, whether actual, direct, consequential, liquidated or otherwise, and all reasonable attorneys’ and other professional fees and costs suffered or incurred by the Water System arising from such default), and, in addition, the Water System shall have the right to terminate this Agreement by written notice as provided in Section 2 below. The Water System shall be entitled to recover reasonable attorneys’ fees and costs of dispute resolution incurred in connection with enforcement of this Agreement.

2. **Term, Termination and Suspension.**

   (a) **Term.** The term of this Agreement shall be for the period provided in Exhibit D attached hereto and incorporated herein, beginning and ending on the dates provided in Exhibit D. In the event that Consultant has not completed the work specified on Exhibit B prior to the end of the term of this Agreement, and that no amendment extending the term in Exhibit B has been executed, in addition to any other remedies to which the Water System may be entitled, at law or in equity, Consultant shall pay to Water System, or the Water System may withhold from sums then due and owing the Consultant.

   (b) **Termination for Cause.** Water System may terminate this Agreement at any time for “Cause” in accordance with the procedures provided below. Termination by Water System of this Agreement for “Cause” shall mean termination upon (i) the neglect, breach or inattention by Consultant of its duties hereunder and such neglect, breach or inattention has not been cured within five (5) days after written notice thereof given by Water System to Consultant, (ii) the engaging by Consultant in willful or fraudulent conduct that is injurious to Water System, monetarily or otherwise, (iii) the failure by Consultant to otherwise perform its duties hereunder and such failure has not been cured within five (5) days after written notice thereof given by Water System to Consultant. Notice shall be deemed given as provided in Section 3(a) of this Agreement. Upon such termination for cause, the Consultant shall not be entitled to any further compensation under this Agreement, except for the compensation which has been earned for services rendered by Consultant in accordance with this Agreement through the date of notice of such termination, subject to offset for damages as set forth in Section 1(n) above, and which shall be paid only after final completion of the work provided for under this Agreement by the Water System.

   In the event termination for cause is not proper under this Section, the termination shall be deemed to constitute a termination for convenience as set forth in Section 2(c) below.

   (c) **Other Termination.** The Water System may terminate this Agreement at any time for any reason upon thirty (30) days written notice to the Consultant. Upon termination of this Agreement, the Consultant will be entitled only to the compensation and expenses which have been earned for services rendered in accordance with this Agreement through the date of such termination. No termination of this Agreement shall impair or defeat those obligations set forth elsewhere in this Agreement which require either party to do or refrain from doing any specified act or acts after termination of this Agreement, or to perform any obligation which by its terms or normal meaning survives termination of this Agreement.
(d) **Suspension.** The Water System reserves the right to suspend work under this Agreement at any time and from time-to-time work for the convenience of the Water System by issuing a written notice of suspension, which notice outlines the reasons for the suspension and the then estimated duration of the suspension, but in no way will guarantee the total number of days of suspension. Such suspension shall take effect immediately upon the date specified in the notice and if no date is specified, the date of delivery of the notice of suspension to the Consultant. Upon receipt of a notice of suspension in excess of one hundred eighty (180) days, the Consultant shall have the right to terminate this Agreement by written notice to the Water System. Consultant may exercise this right to terminate any time after a suspension has continued for more than one hundred eighty (180) days, but before the Water System gives Consultant written notice to resume the work. Termination (under this paragraph) by Consultant shall be effective immediately upon the Water System’s receipt of said written notice from Consultant.

(e) **Termination by Consultant.** The Consultant may terminate this Agreement if either of the following instances occur:
   i. The Water System fails to make the $75,000 payment as stated in Exhibit A; or
   ii. The Consultant fails to secure the total funding stated in Exhibit B which is necessary to conduct the research required for this study.
Under either of these scenarios, termination of the Agreement is accomplished within sixty (60) days prior written notice from the party initiating termination to the other. In the event of a termination pursuant to (e)(ii) above, Consultant shall immediately refund all amounts paid to Consultant by the Water System. Notice of termination shall be delivered by certified mail with receipt for delivery returned to the sender.

(f) **Winding Up.** Upon receipt of a written notice of suspension or termination, or if terminated under (e)(ii), Consultant shall immediately phase-out and discontinue all services in connection with the performance of this Agreement as they pertain to the Water System. Any elements of Work Product pertaining to or derived from the Water System’s participation will be returned in whatever state it is in at the time of such termination or suspension.

(g) **Project Completion.** The Consultant shall have full authority and rights to proceed with completion of this research project without the Water System’s participation, and without any data or information provided by or pertaining to the Water System. The Water System may not represent any work materials returned to it at the time of a termination or suspension pursuant to subsection (f) above as being part of the project covered by this Agreement without the permission of Consultant.

3. **Miscellaneous.**
(a) Notices. Any notice, communication or request under this Agreement to any of the parties shall be in writing and shall be effectively delivered if delivered personally or sent by overnight courier service (with all fees prepaid), or by facsimile as follows:

If to Water System:  
San Antonio Water System  
Conservation Department  
2800 US Hwy 281 North  
San Antonio, Texas 78212  
Attn: Karen Guz, Director of Conservation  
Email: Karen.Guz@saws.org

With copy to:  
San Antonio Water System  
2800 U.S. Hwy. 281 North  
San Antonio, Texas 78212  
Attn: Nancy Belinsky, Vice President & General Counsel  
Email: Nancy.Belinsky@saws.org

If to Consultant:  
Alliance for Water Efficiency  
Attn: Mary Ann Dickinson  
33 N. La Salle St., Suite 2275  
Chicago, Illinois 60602  
Email: MaryAnn@a4we.org

Any such notice, request, demand or other communication shall be deemed to be given if delivered in person, on the date delivered, if made by facsimile, on the date transmitted, or, if sent by overnight courier service, on the date sent as evidenced by the date of the bill of lading; and shall be deemed received if delivered in person, on the date of personal delivery, if made by facsimile, upon confirmation of receipt (including electronic confirmation), or if sent by overnight courier service, on the first business day after the date sent.

(b) Interest in Water System Agreements Prohibited. No officer or employee of the City shall have a financial interest, direct or indirect, in any Agreement with the Water System, or shall be financially interested, directly or indirectly, in the sale to the Water System of any land, materials, supplies or service, except on behalf of the City or Water System as an officer or employee. Any violation of this Section, with the knowledge, expressed or implied, of Consultant contracting with Water System shall render this Agreement voidable by the Board of Trustees or the President/Chief Executive Officer of the Water System.

To report suspected ethics violations impacting the San Antonio Water System, please call 1-800-687-1918.

(c) Gift Policy. Water System employees are prohibited from soliciting, accepting or agreeing to accept any gifts from outside sources; please see Section M. – Gifts or Benefits of the Water System’s Code of Ethical Standards. Section M of the Water System’s Code
of Ethical Standards regarding Gifts or Benefits is available on the SAWS Business Center website.

(d) **Tax Matters.** Consultant shall be solely responsible for payment of all taxes related to Consultant's provision of the services. A tax exempt certificate is available upon request for the purchase of materials and goods only with regards to the contracted services of this Agreement.

(e) **Assignment; Binding Effect.** No assignment, transfer, or delegation of any rights or obligations under this Agreement by Consultant shall be made without the prior written consent of the Water System, which may be withheld in the sole and absolute discretion of the Water System. This Agreement shall be binding upon the parties to this Agreement and their respective legal representatives, heirs, devisees, legatees, or other successors and permitted assigns, and shall inure to the benefit of the parties to this Agreement and their respective legal representatives, heirs, devisees, legatees, or other permitted successors and permitted assigns.

(f) **Interpretation; Captions.** Whenever the context so requires, the singular number shall include the plural and the plural shall include the singular, and the gender of any pronoun shall include the other genders. Titles and captions of or in this Agreement are inserted only as a matter of convenience and for reference and in no way affect the scope for this Agreement or the intent of its provisions.

(g) **Entire Agreement.** This Agreement constitutes the entire agreement of the parties to this Agreement with respect to its subject matter, supersedes all prior agreements, if any, of the parties to this Agreement with respect to its subject matter, and may not be amended except in writing signed by the party to this Agreement against whom the change is being asserted. This Agreement consists of this document and attached Exhibits A, B, C, D and E, all of which are incorporated herein by reference for all purposes. Should any conflict arise between the terms of this document and the attached Exhibits, this document shall be controlling.

(h) **No Waiver.** The failure of any party to this Agreement at any time or times to require the performance of any provisions of this Agreement shall in no manner affect the right to enforce the same; and no waiver by any party to this Agreement of any provision (or of a breach of any provision) of this Agreement, whether by conduct or otherwise, in any one or more instances, shall be deemed or construed either as a further or continuing waiver of any such provision or breach or as a waiver of any other provision (or of a breach of any other provision) of this Agreement.

(i) **Governing Law; Jurisdiction.** This Agreement has been entered in, and shall be governed by and construed in accordance with the laws of the State of Texas, without regard to principles of conflict or choice of law. This Agreement is performable in Bexar County and sole venue shall be in the courts of Bexar County, Texas.

(j) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and it shall not be necessary in making proof of this Agreement or its terms to produce or account for more than one of such counterparts.
(k) **Non-Appropriation.** Consultant agrees that the Water System has projected costs for this Agreement and Water System expects to pay all obligations of this Agreement from projected revenues of the Water System. All obligations of the Water System are subject to annual appropriations by its Board of Trustees. Accordingly, notwithstanding anything in this Agreement to the contrary, in the event that the Water System should fail to appropriate funds to pay any of Water System’s obligations under the terms of this Agreement, then the Water System’s obligations under this Agreement shall terminate, and the Consultant’s sole option and remedy shall be to terminate this Agreement by written notice to Water System, and neither the Water System nor the Consultant shall have any further duties or obligations hereunder, except those which expressly survive.
DULY EXECUTED and delivered by the parties to this Agreement, effective on the date counter signed by the Water System.

THE WATER SYSTEM:   San Antonio Water System

By:___________________________________
Philip C. Campos, Jr., CPA
Director – Contracting

_____________________________________
Date

CONSULTANT:   Alliance for Water Efficiency, an Illinois Non-Profit Corporation

By:_________________________________
Signature

___________________________________
Title

___________________________________
Date

LIST OF EXHIBITS:

Exhibit A: Compensation for Consulting Agreement
Exhibit B: Scope of Services
Exhibit C: Standard Insurance Specifications
Exhibit D: Term and Timeframe for Deliverables
Exhibit E: Intellectual Property and Rights of Use
EXHIBIT A
COMPENSATION FOR CONSULTING AGREEMENT
LUMP SUM PAYMENT METHOD

Section 1 - Basis of Compensation

1.1 Contract Price for all services defined by this contract is to be a lump sum amount of $75,000.00 - dollars and no cents and it is agreed and understood that this amount will constitute full compensation to the Consultant. This amount has been approved and appropriated by the San Antonio Water System for expenditure under this agreement.

1.2 For the purpose of establishing costs to the Water System for any additional services payable on an hourly rate basis authorized in writing by the Water System. An Hourly Billing Rate Table of the fees must be submitted to, and approved by, the Water System via Amendment to this Agreement.

Section 2 - Changes

The Consultant and the Water System acknowledge the fact that the Lump Sum Amount contained in paragraph 1.1 above has been established on the scope of work outlined in Exhibit B. For additional services beyond the scope defined in Exhibit B or optional services set forth in section 1.2 above, compensation shall be subject to renegotiation and/or Section 1.2 above respectively.

Section 3 - Method of Payments

Payment may be made to the Consultant based upon the following:

Lump Sum

Section 4 - Reimbursable Expenses

There are no reimbursable expenses allowed under this contract. All expenses are included in the fee set forth in section 1 above.

Section 5 - Payment for Services

5.1 Payment to be made in accordance with Exhibit B. For any payments issued pursuant to Section 1.2 of this Exhibit A, the remaining provisions apply:

5.2 Invoices shall be submitted separately for each individual project assignment on a monthly basis to the Project Manager identified in Section 3.a.

5.3 For all services rendered, payment by the Water System is due within thirty (30) days after receipt of invoice. If payment of the amounts due, or any portion thereof, is not made as described above, interest on the unpaid balance thereof will accrue at the lesser rate of 6 percent per annum (0.5 percent per month) or the maximum lawful rate under Section 271.005 (c) of the Texas Local Government Code until such payment is made, unless delay in payment is due to improper invoicing procedures followed by the Consultant.
5.4 For all services rendered, Consultant's payment to sub-consultant is due within ten calendar days after receipt of payment from the Water System.

5.5 For services that are to be compensated on an hourly rate basis, the Consultant's invoice shall show the name of all Consultant, employees, titles, charging time to the project, the amount of time billed, the hourly rates, and the activity or activities performed by all Consultants and employees. Payroll time sheets shall be provided on request of the Water System.

5.6 For services that are to be compensated on a lump sum basis, the Consultant’s invoice shall include a detailed summary of the progress and completion of tasks to substantiate the percentage of completion of services as rendered during the previous month.

Section 6 - Payment for Additional Services

Payments for Consultant’s additional services shall show the same information required in subparagraphs 5.2 through 5.6 dependent upon the type of compensation and other evidence of expenses.

Section 7 - Payments Withheld

The Water System may withhold, amend, or reject any request for payment by the Consultant under conditions that include those described below:

1.1 Consultant's failure to provide adequate documentation for reimbursable expenses.
1.2 Consultant's failure to invoice as required in subparagraphs 5.2 through 5.6.
7.3 Errors or mistakes in the Consultant’s invoice and/or defects, errors and omissions in the documents prepared by the Consultant/Contractor or Consultant’s sub-consultants which are the basis for the payment request.
7.4 Water System's receipt of evidence that the Consultant's sub-consultants have not been duly paid for the services in connection with this project subsequent to the Water System having disbursed compensation to the Consultant in consideration of and stemming from the efforts extended by the sub-consultant.
7.5 Failure of the Consultant to render any service as stipulated by this Agreement.

If any of these conditions exist, then interest charges will not be applicable. The Water System shall provide the Consultant with written notice of its intention to withhold, amend, or reject any request for payment by the Consultant. Upon written request by the Consultant to the Water System made within ten (10) days after the date of notice sent by the Water System, representatives of the Water System will meet with representatives of the Consultant at a mutually agreed time to discuss the circumstances surrounding the determination to withhold, amend, or reject any request for payment by the Consultant.
EXHIBIT B
SCOPE OF SERVICE

The Water System’s intent is to produce materials that become leading, definitive resources within the water utility industry and the water efficiency community regarding predictive analysis of the behavioral responses of water customers in relation to the known household characteristics of water customers, and how predictive analysis of those characteristics may be employed to achieve demand reduction through conservation and efficiency programs, thereby enabling programs to be more effective.

The Water System will provide seventy-five thousand dollars ($75,000) to AWE to be paid within 60 days of the execution of this Agreement. In exchange for the Water System’s payment of $75,000, AWE shall be responsible for the following:

(a) Identify and recruit relevant and compatible utilities to participate and contribute additional funding.

(b) Secure, at minimum, additional contributions in the total amount of $75,000 within 180 days of execution of this Agreement.
   i. In the event AWE is unable to meet the additional funding requirement within 180 days of execution of this Agreement, this Agreement will be terminated and the Water System will be released from all obligations under it. The Water System’s $75,000 will be returned within 60 days of termination.

(c) Facilitate a research design scoping process in which the Water System will be a primary stakeholder and Project Advisory Committee Member.

(d) Identify and hire qualified subcontractors to conduct research activities.

(e) Ensure the final scope of work meets the following objectives of the Water System:
   i. Conduct research regarding marketing to utility customers based on social and economic indicators, to be compiled as a literature review.
   ii. Determine whether there are identifiable groups of customers that may be defined for marketing purposes.
   iii. Develop best practices and methodologies for predicting behavioral responses of customers given known and available household characteristics.
   iv. Explore how variables such as weather, drought, and season may inform changes in customer behavior and/or customer response to programmatic offerings.

(f) At minimum, produce, distribute and promote an Executive Summary and a Full Report, including the literature review, capturing the findings of the research. These deliverables should be in an electronic format.

(g) This project shall be fully completed within the timeline agreed upon during the project scoping process, and in accordance with Exhibit D.
EXHIBIT C
SAWS STANDARD INSURANCE SPECIFICATIONS

Consultant shall, at its own expense, purchase, maintain, and keep in force for the duration of this Contract, the following insurance. The minimum policy limits of liability for this line of insurance coverage shall be:

**Workers Compensation and Employers’ Liability**

- Each Accident $500,000
- Disease/Employee $500,000
- Disease Policy Limit $500,000

**Director and Officers’ Liability** $1,000,000

The Consultant shall provide certificates of insurance to the Water System not later than the date of this Contract. Each certificate shall specifically identify the Project, the name of the Consultant and any other information reasonably requested by the Water System. Approval of insurance by the Water System shall not relieve or decrease the liability of the Consultant hereunder and shall not be construed to be a limitation of liability on the part of the Consultant.

The Consultant shall be responsible for all premiums, deductibles and self-insured retention's, if any, stated in the policies. All deductibles or self-insured retention's shall be disclosed on the Certificate of Insurance.

All endorsements naming the San Antonio Water System as additional insured, waivers, and notices of cancellation endorsements, as well as the Certificate of Insurance, shall indicate: San Antonio Water System c/o Ebix BPO, P.O. Box 100085-ZD, Duluth, GA 30096.

Consultant shall, upon request of the Water System, provide copies of all insurance policies and endorsements required under this Contract.
2. Certificate(s) of Liability Insurance ("Certificate") Requirements

Prior to the commencement of any Services under this Contract and once notified by SAWS Contracting Official that your Company has been selected as the apparent successful CONSULTANT pursuant to an Informal Request for Proposal, RFP selection process, pending Board final approval, and, a request is made for you to submit your Company’s Certificate of Liability Insurance, that Certificate must meet all of the following requirements:

a. The CONSULTANT shall have completed by its insurance agent(s), and submitted to SAWS Contracting Department within 5 business days, a Certificate(s) of Liability Insurance ("Certificate(s)") providing evidence of the lines of insurance coverage pursuant to Section 1.a.1) through 1.a.2) above.

b. The original Certificate(s) or form must include the agent's original signature (stamped or typed is acceptable), including the signer's company affiliation, mailing address, Office and FAX phone numbers, email address, and contact person's name; and, be mailed, with copies of all applicable endorsements, directly from the insurer's authorized representative in strictly compliance with sections 2.g. (Certificate Holder) and 2.h. (Distribution of Completed Certificates) below.

c. SAWS will not accept Memorandum of Insurance or Binders as proof of insurance.

d. SAWS shall have no duty to pay or perform under Consulting Services Agreement until such certificate(s) and applicable endorsements have been received, reviewed and deemed 100% compliant with the Insurance Specifications (contained herein) by SAWS’ Risk Management/Contract Services Department. No one other than SAWS Risk Manager shall have authority to waive any part of these requirements.

e. The SAWS Project/Contract number(s) along with its Descriptor Caption must be included in the Description of Operations section located in the bottom half of the standard ACORD Certificate forms.

f. Certificate Holder - SAWS shall be shown as the Certificate Holder in the Certificate Holder section located in the bottom half of the standard ACORD Certificate forms and formatted as follows:

San Antonio Water System
c/o Ebix BPO
PO Box 12085-ZD
Ref. # S-17-017-PC
Duluth, GA 30096

g. Distribution of Completed Certificates - Completed Certificates shall be distributed by the Consultant as follows:

1) Send Original:
a) By Mail:

San Antonio Water System
c/o Ebix BPO
PO Box 12085-ZD
Ref. # S-17-017-PC
Duluth, GA 30096

b) By Fax: 1-770-325-6502

c) To Upload Online: http://www.ebixcerts.com (preferred method)

2) Send Copy to the following:

San Antonio Water System
Attention: Contract Administration
P.O. Box 2449
San Antonio, TX 78298-2449

h. CONSULTANT shall be responsible for obtaining Certificates of Insurance from the first tier Sub-consultant, and upon request furnish copies to SAWS.

3. SURVIVAL

Any and all representations, conditions and warranties made by Consultant under this Contract including, without limitation, the provisions of Section 1.a.1) of these Commercial Insurance Specifications and Certificates of Liability Insurance Requirements are of the essence of this Contract and shall survive the execution and delivery of it, and all statements contained in any document required by SAWS whether delivered at the time of the execution, or at a later date, shall constitute representations and warranties hereunder.
EXHIBIT D
TIME FRAME FOR DELIVERABLES

The Term of this Agreement shall commence upon signing by both parties, and shall run for not longer than thirty (30) months from the date of execution unless terminated under the provisions of 1(n) or in accordance with provision (b)(1) of Exhibit B, or extended by amendment to this Agreement.
EXHIBIT E
INTELLECTUAL PROPERTY AND RIGHTS OF USE

For purposes of this agreement and the research it represents, the Consultant and the Water System agree to the following terms regarding intellectual property rights and the right to use work products derived from this research endeavor:

(a) For purposes of this Exhibit G, “Work Product” shall mean all deliverables that may be outlined in Exhibit B, as well as the scope of work to be defined during the scoping process described in Exhibit B, provision (c). Work Product may ultimately include, but is not limited to, Primary Items such as, but not limited to final report(s) and literature reviews, as well as Secondary Items such as, but not limited to, executive report(s), fact sheets, frequently-asked-questions sheets, charts, graphs, and maps, glossaries, appendices, reference lists, and also outreach, promotional, advertising and marketing materials.

(b) The Water System is entitled to copies of all Work Product.

(c) The Consultant shall own all rights, title, and interest, without limitation, including all copyrights and other intellectual property right, title, and interest in and to Work Product, and to any and all Work Product designed, developed, or created by the Consultant, its employees, associates, and sub-consultants or otherwise arising out of the Consultant’s services or work and related content.

(d) The Consultant shall have exclusive rights to promote and distribute Work Product, including giving public presentations and preparing and/or presenting any papers, articles and webinars for public dissemination concerning the research. Notwithstanding the foregoing, the Water System may freely promote and distribute Secondary Items without further authorization, and may promote and distribute Work Product, or select items of Work Product, with authorization from the Consultant. Additionally, notwithstanding the foregoing, Consultant grants to the Water System a license to use the report, make presentations regarding the report, and make limited distributions of the report to its commercial customers. This licensure is qualified in that the Water System may do none of the aforementioned prior to Consultant’s official launch of the final report.

(e) Consultant agrees to make the Executive Summary, as described in Exhibit B, publically available, free of charge.

(f) Consultant agrees to acknowledge the Water System’s funding contribution on the final Work Product by naming the Water System in the substantive portions of the Work Product, namely the executive summary and full report. Additionally, the Water System agrees to grant Consultant a license to use the Water System’s logo on the substantive portions of the Work Product. Such license is limited only to purposes of acknowledging funding contributions.

(g) Consultant agrees not to sell Work Product.
TO: San Antonio Water System Board of Trustees

FROM: Parviz Chavol, Director, Production and Treatment Operations, and Jeff Haby, Vice President, Production and Treatment Operations

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

SUBJECT: AWARD OF CONTRACT IN CONNECTION WITH COMPOSTING AND MARKETING OF BIOSOLIDS

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution awards a contract to Texas Landfill Management, LLC, a non-minority business enterprise, in an amount not to exceed $4,520,000.00 for a two-year period in connection with composting and marketing of biosolids.

- The San Antonio Water System (SAWS) Water Recycling Centers (WRC) produce approximately 165,000 tons of biosolids annually. Biosolids may be disposed of in a municipal landfill or composted.

- Currently 65,000 tons of the biosolids generated at SAWS WRCs is composted under an existing composting contract with New Earth, Inc. for beneficial reuse and the remaining 100,000 tons is hauled to the landfill for disposal under a separate contract with Republic Services.

- Under this new composting contract, SAWS will increase the composting quantity of biosolids by a minimum of 80,000 tons to 145,000 tons or approximately 80 percent of biosolids production while reducing the landfill quantity by the same amount.

- Compost is a valuable horticultural product that protects the environment by diverting recyclable materials away from landfilling. Compost products improve soil quality and support SAWS water conservation programs.

- Formal invitation for bids were distributed for composting and marketing of biosolids. Only one bid was received and evaluated. Staff has recommended an award to Texas Landfill Management, LLC.

- Texas Landfill Management, LLC will compost a minimum of 80,000 wet tons of biosolids material per year. SAWS will pay Texas Landfill Management, LLC $27.56 per wet ton of biosolids taken each month. The contract will commence January 1, 2018
and unit pricing may be adjusted annually on January 1 thereafter, based upon a calculation of the Consumer Price Index, not to exceed five percent in any given year.

- Texas Landfill Management, LLC will be responsible for loading, transporting and processing of biosolids into compost at their registered composting facility. Texas Landfill Management, LLC will be responsible for all marketing and sales of the finished compost product.

- Texas Landfill Management, LLC will commence operation under this contract after SAWS Board of Trustees approval.

- Contract term with Texas Landfill Management, LLC will begin January 1, 2018 and end December 31, 2019 with the option of three one-year extensions for composting and marketing of biosolids.

Staff recommends that the Board approved this resolution.

**FINANCIAL IMPACT:**

The services will be paid from the System Fund budgeted in the 2018 budget (Company: 1000, Accounting Unit: 5037600, Account: 511312, Total 2018 amount: $2,204,800.00).

Funds for these services to be provided in subsequent years will be paid from System funds, pursuant to and contingent upon the Board’s approval of subsequent year’s budgets with a line item for such expenditures. (Company: 1000, Accounting Unit: 5037600, Account: 511312)

<table>
<thead>
<tr>
<th>Year</th>
<th>Quantity</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 2018 – Dec 2018</td>
<td>80,000 tons</td>
<td>$27.56</td>
<td>$2,204,800.00</td>
</tr>
<tr>
<td>January 2019 – Dec 2019</td>
<td>80,000 tons</td>
<td>$28.94*</td>
<td>$2,315,500.00</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td><strong>$4,520,000.00</strong></td>
</tr>
</tbody>
</table>

*Unit prices reflect maximum price escalation of 5% allowed per year.

**SUPPLEMENTARY COMMENTS:**

SAWS currently has two pathways for disposal of biosolids materials:

- New Earth Inc. Composting Contract minimum of 65,000 tons
- Republic Services Landfill up to 100,000 tons

SAWS goal is to continue and maximize reuse of all biosolids produced at the water recycling centers. The quantity of biosolids produced annually is dependent on weather and amount of rainfall.
Texas Landfill Management, LLC project will provide for reuse of more than 50 percent of biosolids produced at SAWS WRCs and will increase the total composting effort to over 80 percent of total biosolids produced.

Parviz Chavol, P.E.
Director
Production and Treatment

APPROVED:

Robert R. Puente
President/Chief Executive Officer
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES ACCEPTING THE BID AND AWARDING A CONTRACT TO TEXAS LANDFILL MANAGEMENT, LLC, IN AN AMOUNT NOT TO EXCEED $4,520,000.00 FOR A TWO-YEAR PERIOD ENDING DECEMBER 31, 2019 IN CONNECTION WITH COMPOSTING AND MARKETING OF BIOSOLIDS; AUTHORIZING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED $4,520,000.00 BE MADE AVAILABLE AND EXPENDED FROM THE SYSTEM FUND, AND THE EXPENDITURE OF FUNDS FOR SUBSEQUENT FISCAL YEARS ARE PURSUANT TO AND CONTINGENT UPON BOARD APPROVAL OF BUDGETS FOR THE SUBSEQUENT FISCAL YEAR, WITH A LINE ITEM FOR SUCH EXPENDITURES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONTRACT WITH TEXAS LANDFILL MANAGEMENT, LLC FOR A TWO-YEAR PERIOD ENDING DECEMBER 31, 2019, AND TO PAY TEXAS LANDFILL MANAGEMENT, LLC AN AMOUNT NOT TO EXCEED $4,520,000.00 FOR THE TERM OF 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”) Water Recycling Centers produce approximately 165,000 tons of biosolids annually; and

WHEREAS, compost is a valuable product that complements water conservation efforts and provides a more environmentally-conscious method of disposing of biosolids as opposed to landfilling; and

WHEREAS, due to the mutually beneficial nature of this contract Texas Landfill Management, LLC and the System made every effort to arrive at a dollar amount that is highly competitive with the cost of landfilling and other biosolids disposal enterprises; and

WHEREAS, Texas Landfill Management, LLC will compost a minimum of 80,000 wet tons of biosolids material per year, and

WHEREAS, the System will pay Texas Landfill Management, LLC $27.56 per wet ton of biosolids taken each month for composting; and
WHEREAS, the contract will commence January 1, 2018 and unit pricing may be adjusted annually on January 1 thereafter, based upon a calculation of the Consumer Price Index, not to exceed five percent in any given year, and

WHEREAS, the contract price will make the composting of biosolids a cost competitive method of biosolids management; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to accept the bid and award a contract to Texas Landfill Management, LLC in an amount not to exceed $4,520,000.00 for a two-year period ending December 31, 2019 in connection with composting and marketing of biosolids, (ii) to authorize the expenditure of funds in an amount not to exceed $4,520,000.00 from the System Fund, and that the expenditure of funds for subsequent fiscal years are pursuant to and contingent upon Board approval of the budgets for the subsequent fiscal years with a line item for such expenditures, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Texas Landfill Management, LLC and to pay Texas Landfill Management, LLC an amount not to exceed $4,520,000.00 for the term of the contract; now, therefore:

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

1. That the contract to Texas Landfill Management, LLC in an amount not to exceed $4,520,000.00 for a two-year period ending December 31, 2019 in connection with the composting and marketing of biosolids is hereby approved.

2. That expenditures in an amount not to exceed $4,520,000.00 are hereby made available and to be expended from the System Fund, and that the expenditure of funds for subsequent fiscal years are pursuant to and contingent upon Board approval of budgets for subsequent fiscal years with a line item for such expenditures.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a contract with Texas Landfill Management, LLC and to pay Texas Landfill Management, LLC an amount not to exceed $4,520,000.00 for the term of 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 December, 2017.

_______________________________
Berto Guerra, Jr., Chairman

ATTEST:

_______________________________
Ernesto Arrellano, Jr., Secretary
AGENDA ITEM NO. 45

TO: San Antonio Water System Board of Trustees

FROM: Alissa R. Lockett, Director, Construction and Maintenance, and Michael S. Brinkmann, Vice President, Distribution and Collection Operations

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

SUBJECT: AWARD OF A CONSTRUCTION CONTRACT IN CONNECTION WITH THE 2017 BI-ANNUAL ASPHALT OVERLAY WORK ORDER CONSTRUCTION CONTRACT, PACKAGE 1

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to J&P Paving Co., Inc., a local, MBE-Hispanic contractor, in the amount of $4,746,880.60, in connection with the 2017 Bi-Annual Asphalt Overlay Work Order Construction Contract, Package 1.

- Following the repair or replacement of San Antonio Water System (SAWS) buried infrastructure, restoration of asphalt paving may be required. The City of San Antonio requires curb to curb mill and overlay of asphalt roadways that were previously in good condition prior to SAWS repair work. This type of restoration cannot be completed by SAWS forces due to equipment requirements and workload; therefore, this contract provides contractor support to assist Distribution and Collection Operations with asphalt construction activities.

- This type of annual contract, which has unit prices for various predefined line items, has been in place since 2003, increasing available resources and reducing cycle times, thus providing our customers with improved service.

- Work orders will be issued and managed by SAWS maintenance staff and will be charged against the contract as executed for a time period of up to two years or until funds have been exhausted.

- Funds have been exhausted from the 2015 Bi-Annual Asphalt Overlay Work Order Construction Contract, and the work for 2017 and 2018 was split into two packages to facilitate increased participation by small businesses. The 2017 Bi-Annual Asphalt Overlay Work Order Construction Contract, Package 2 was awarded to J&P Paving Co., Inc., by Resolution No. 17-184, adopted on August 1, 2017.

- The standard construction bidding process was used for this contract.

- J&P Paving Co., Inc., has submitted the lowest responsible bid of $4,746,880.60.
Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The cost will be paid from System funds in the 2017 and 2018 Distribution and Collection Operations budget (Company: 1000, Accounting Unit: 5029000, Account: 511222, Total amount: $4,746,880.60). The SAWS job number for this project is 17-0114.

**SUPPLEMENTARY COMMENTS:**

SAWS staff prepared the specifications for this project. The bid opening was held on October 13, 2017 at 10:00 a.m. The following bids were submitted:

<table>
<thead>
<tr>
<th>BIDDER</th>
<th>BID AMOUNT</th>
<th>LOCAL/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>J&amp;P Paving Co., Inc.*</td>
<td>$4,746,880.60</td>
<td>Local / MBE-Hispanic</td>
</tr>
<tr>
<td>Asphalt Inc. LLC dba Lone Star Paving</td>
<td>$4,913,834.50</td>
<td>Local / Non-SMWVB</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$5,250,000.00</td>
<td></td>
</tr>
<tr>
<td>Clark Construction of Texas, Inc.</td>
<td>$6,018,510.05</td>
<td>Local / Non-SMWVB</td>
</tr>
</tbody>
</table>

* Lowest Responsible Bidder

The bid amount is 9.58 percent under the estimated construction cost. This contract provides for seven to fourteen calendar days for completion of each individual work order issued.

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

<table>
<thead>
<tr>
<th>2017 Bi-Annual Asphalt Overlay Work Order Construction Contract, Package 1</th>
<th>J&amp;P PAVING CO., INC.</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMWVB ANALYSIS – BOARD AWARD</td>
<td></td>
</tr>
<tr>
<td>SBE</td>
<td>2.20%</td>
</tr>
<tr>
<td>MBE – African American</td>
<td>9.00%</td>
</tr>
<tr>
<td>MBE – Asian</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE – Hispanic</td>
<td>79.80%</td>
</tr>
<tr>
<td>MBE – Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Minority</td>
<td>9.00%</td>
</tr>
<tr>
<td>WBE – Non-Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>SMWVB Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>
A ward of Construction Contract
2017 Bi-Annual Asphalt Overlay Work Order
Construction Contract, Package 1

Alissa R. Lockett, P.E.
Director
Construction and Maintenance

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 ACCEPTING THE BID OF J&P PAVING CO., INC., IN THE AMOUNT OF $4,746,880.60 IN CONNECTION WITH THE 2017 BI-ANNUAL ASPHALT OVERLAY WORK ORDER CONSTRUCTION CONTRACT, PACKAGE 1; AWARDING A CONSTRUCTION CONTRACT TO J&P PAVING CO., INC. IN THE AMOUNT OF $4,746,880.60 FOR PROJECT WORK; APPROVING THE EXPENDITURE OF FUNDS AND TO MAKE AVAILABLE AN AMOUNT NOT TO EXCEED $4,746,880.60 FROM THE SYSTEM FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSTRUCTION CONTRACT WITH J&P PAVING CO., INC., AND TO PAY J&P PAVING CO., INC. AN AMOUNT NOT TO EXCEED $4,746,880.60 FOR THE SYSTEM’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, following the repair or replacement of the San Antonio Water System’s (the “System”) buried infrastructure, restoration of asphalt paving may be required; this contract provides contractor support to assist Distribution and Collection Operations with asphalt construction activities (the “project work”) that cannot be completed in-house due to equipment requirements and workload; and

WHEREAS, annual asphalt overlay work order contracts have been successfully implemented in the past; and

WHEREAS, this contract will allow for work orders with defined scopes and schedules to be issued to a contractor, increasing available resources, allowing for a quicker response time, and reducing cycle times, thus providing our customers with improved service; and

WHEREAS, J&P Paving Co., Inc., a local, MBE-Hispanic contractor, has submitted a bid in the amount of $4,746,880.60 for the project work, and this bid has been determined to be the lowest responsible bid; and

WHEREAS, System funds in the not to exceed amount of $4,746,880.60 are required for the project work; and
WHEREAS, the total amount of $4,746,880.60 is available from the System Fund for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to accept the bid of J&P Paving Co., Inc in the amount of $4,746,880.60 in connection with the 2017 Bi-Annual Asphalt Overlay Work Order Construction Contract, Package 1, (ii) to award a construction contract to J&P Paving Co., Inc. in the amount of $4,746,880.60 for the project work, (iii) to approve the expenditure of funds and make available an amount not to exceed $4,746,880.60 from the System Fund for the project work, and (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with J&P Paving Co., Inc., and to pay J&P Paving Co., Inc., an amount not to exceed $4,746,880.60 for the System’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:

1. That the bid of J&P Paving Co., Inc., in the amount of $4,746,880.60 in connection with the 2017 Bi-Annual Asphalt Overlay Work Order Construction Contract, Package 1 is hereby accepted.

2. That the contract is hereby awarded to J&P Paving Co., Inc., in the amount of $4,746,880.60 for the project work.

3. That the expenditure of funds in the not to exceed amount of $4,746,880.60 for the project work is hereby approved and made available from the System Fund.

4. That the System’s President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a contract with J&P Paving Co., Inc. and to pay J&P Paving Co., Inc. an amount not to exceed $4,746,880.60 for the System’s obligations under the terms of the contract for 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 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 December, 2017.

_______________________________
Berto Guerra, Jr., Chairman

ATTEST:

_______________________________
Ernesto Arrellano, Jr., Secretary
1. MEETING CALLED TO ORDER.

The meeting of the San Antonio Water System Board of Trustees was held on October 10, 2017, and called to order at 9:33 a.m. by Chairman Berto Guerra.

Chairman Guerra welcomed former City Councilman Robert Marbut and his students from Alamo College, who were there to observe the board meeting.

2. Announcements.

A. The San Antonio Water System Board of Trustees will, during the Meeting, close the Meeting and hold an Executive Session pursuant to and in accordance with Chapter 551 of the Texas Open Meetings Act. The Board of Trustees may, at any time during the Meeting, close the Meeting and hold an Executive Session for consultation with its attorneys concerning any of the matters to be considered during the Meeting pursuant to Chapter 551 of the Texas Open Meetings Act.
3. Minutes.
   A. Approval of the Minutes of the San Antonio Water System Board of Trustees
      Regular Board Meeting of August 1, 2017.

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


      None

5. Public Comment.

      Stephanie Reyes, Vice President of Public Affairs for the San Antonio Chamber of
      Commerce, stated she was there on behalf of the Chamber’s Chairman Rad Weaver,
      President/CEO Richard Perez, and the 2,100 business members. The Chamber had
      advocated for long-term solutions to ensure adequate, affordable and quality water supply
      for San Antonio and the surrounding region. She stated the Chamber believed the proposed
      Water Management Plan continued to build on the successes to date and helped reach
      admirable community goals of visionary planning, water conservation, diversifying the water
      supply, and wise investments in necessary infrastructure. The Chamber supported the Water
      Management Plan, and the Chamber understood the plan was a living document that could
      and should change depending on assumptions, the economy, and real world events.

      Alan Montemayor discussed an opportunity for SAWS to put in a solar panel system at the
      new H₂Oaks facility. The facility embodied the future of San Antonio and sustainability,
      and the solar panel system would enhance the environmental and educational aspects. This
      would benefit San Antonio from a consumer standpoint by lowering water rates and energy
      rates and for cleaner air quality. He also asked the Board to consider exiting from the Vista
      Ridge water contract for cause.

      Meredith McGuire of the Sierra Club commented on the proposed Water Management Plan.
      She discussed the demand projections used for the per gallons per person per day usage, the
      increase rather than decrease of energy used to produce water supplies, and becoming a water
      purveyor instead of providing water services. She stated San Antonio needed drought
      preparedness, and the most resilient cities were focusing on capturing rainwater and carefully
      managing stormwater as a valued resource. San Antonio needed smart growth to make
      San Antonio more resilient. She stated San Antonio could get the gallons per person per day
      residential rates down to less than 50 gallons per person per day within 10 years. She urged
      the Board to seriously consider the alternative water management plan of the Sierra Club.

      Linda Curtis of Independent Texans thanked Mayor Nirenberg for taking the time to meet
      with landowners in Burleson County in January 2016. She discussed the leases gathered for
      the Vista Ridge contract and stated the source communities of Bastrop, Lee, Burleson and
      Milam Counties wanted out of the project. She discussed details of a meeting last week for
      the Post Oak Savannah Groundwater District and a request to extend a transfer permit for
Vista Ridge without proper notice and public hearing. She referenced letters sent to the district by State Representatives, John Cyrier, Leighton Schubert, and Terry Wilson, and by State Senator Lois Kolkhorst, as well as in-person testimony from Lee County Judge Paul Fischer. The state officials and judge cited Greg Abbott's veto of a bill that would have allowed for automatic renewals of transfer permits, and pointed out the need for public participation and transparency. She asked the Board to get out of the contract and requested a meeting with Mayor Nierenberg on behalf of the landowners and Judge Fischer.

Lauren Ice stated she was there on behalf of Save Our Springs Alliance in Austin and expressed their opposition to the Vista Ridge Project. The Alliance had raised concerns over the past years especially with the amendments to the contract made that could put ratepayers at risk and could increase the cost of the project. She stated the community deserved a public discussion about the $120 million bridge loan of Abengoa, amendments to the contact to change the responsibility of water quality treatment, and increases in operating costs to SAWS to fully understand before SAWS recommended another rate increase to help pay for Vista Ridge.

**CONSENT AGENDA ITEMS**

**Items 6 – 15**

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

6. A Resolution accepting recommendations regarding the contracting for certain services, equipment, materials, and supplies, and authorizing the acceptance of bids as follows: (DOUG EVANSON – YVONNE TORRES)

A. Award of New One Time Purchases of Materials, Equipment and Services.

1. Approving a one-time purchase from Alsay, Incorporated to provide: well plugging services of saline monitor wells, Bid No. 17-17080, for a total of $61,750.00.

2. Approving a one-time purchase from Dealers Electrical Supply to provide: SCADA equipment, Bid No. 17-17084, for a total of $94,513.80.

3. Approving a one-time purchase from Saitech, Inc. to provide: VMware equipment and support, Bid No. 17-17052, for a total of $96,192.00.

4. Approving a one-time purchase from Valve Industries, Inc. to provide: automatic valve shutoff control panels and chlorine cylinder shutoff valves phase 2, Bid No. 17-17093, for a total of $236,725.00.

5. Approving a one-time purchase from Grainger to provide: generators, BuyBoard S01-15, Bid No. 17-17102, for a total of $82,560.00.
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. Acceptance of the bid of Safety Supply, Inc. to provide: annual contract for plastic barricades & traffic control devices, Bid No. 17-0009, for a total of $99,514.20.

2. Acceptance of the bid of Jet-Vac Equipment Co., LLC to provide: annual contract for sewer cleaning tools, Bid No. 17-1034, for a total of $52,843.00.

3. Acceptance of the bid of Fortiline to provide: annual contract for reduced-wall resilient seated gate and tapping valves, Bid No. 17-0013, for a total of $575,112.00.

4. Acceptance of the single source bid of Shelton Presort, Inc. to provide: annual contract for presort mail service, Bid No. 17-0366, for a total of $69,380.36.

5. Acceptance of the single source bid of Environmental Options, Inc. to provide: annual contract for Hazardous waste operations and emergency response (Hazwoper) training, Bid No. 17-17015, for a total of $150,000.00.

6. Acceptance of the single source bid of Ancira Motor Co., Inc. to provide: annual contract for Chrysler, Dodge, Plymouth and Jeep light duty vehicle parts and service, Bid No. 17-0194, for a total of $88,125.00.

7. Acceptance of the single source bid of Freedom Chevrolet to provide: Annual contract for GM and Chevrolet cars and light duty vehicle parts and service, Bid No. 17-1057, for a total of $79,200.00.

CAPITAL IMPROVEMENT CONTRACTS
PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

Water and Sewer Line Improvements

7. A Resolution approving Recapitulation Change Order No. 3 in the decreased amount of $107,369.88 to be credited to the construction contract with Atlas Construction Corporation in connection with the 2015 Governmental Water and Sewer Construction Package II Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

Production, Transmission and Treatment Improvements
8. A Resolution awarding a construction contract to Archer Western Construction, LLC in an amount not to exceed $1,139,900.00 in connection with the Naco Lime Slurry System Project. (ANDREA BEYMER – MICHAEL MYERS)

MISCELLANEOUS ITEMS

9. A Resolution approving certain actions relating to outstanding obligations designated as City of San Antonio, Texas Water System Commercial Paper Notes, Series B, including authorization of a Second Amendment to the Revolving Credit Agreement relating to the Series B Notes; an amendment to the related fee agreement; approval of an updated offering memorandum relating to the commercial paper notes. (DOUG EVANSON)

10. A Resolution awarding a service contract to CEB, Inc. in an amount not to exceed $136,000.00 for a four-year period in connection with Contact Center Best Practices and Improvement Subscription Services. (AGNES BARARD – EMMA BRIDGES)

11. A Resolution awarding a service contract to Burgess & Niple, Inc. in an amount not to exceed $70,762.36 in connection with the Sanitary Sewer Smoke Testing in the CS38 Sub-Basin Contract. (JEFF HABY – TAMSEN MCNARIE)

12. A Resolution approving the filing of a lawsuit against JT Underground & Utility Construction, Inc. in connection with its damage to SAWS infrastructure; and further authorizing the System’s General Counsel to take all necessary action relating to such lawsuit. (NANCY BELINSKY)

13. A Resolution approving the filing of a lawsuit against K-Bar Services, Inc. in connection with its damage to SAWS infrastructure; and further authorizing the System’s General Counsel to take all necessary action relating to such lawsuit. (NANCY BELINSKY)

14. A Resolution approving the filing of a lawsuit against Signal Service Group, Inc. and CATO Drilling Company in connection with their damage to SAWS infrastructure; and further authorizing the System’s General Counsel to take all necessary action relating to such lawsuit. (NANCY BELINSKY)

15. A Resolution authorizing the intervention of the System in a lawsuit filed by Jesus Mendez-Monita against Juan Gonzalez, Epifania Gonzalez and Omar Soto in connection with damages and worker’s compensation benefits paid to SAWS employee Jesus Mendez; and further authorizing the System’s General Counsel to take all necessary action relating to such lawsuit. (NANCY BELINSKY)

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

Mr. Rowe made a motion to approve the Consent Agenda Items, Nos. 6 – 15. Mr. McGee seconded the motion.

Mayor Nirenberg asked whether it was necessary for Items 12 – 14 to be approved by the
Board for fairly low dollar damage claims against particular contractors. Ms. Belinsky replied SAWS Creation Ordinance required the consent and approval of the Board of Trustees before a lawsuit could be initiated of any amount. Mr. Puente added that the specific item appearing on the agenda actually helped in the negotiations. The company would see that we are serious, but sometimes it did slow things down. Ms. Belinsky stated this was something that could be done more efficiently. The most efficient thing was to have contractors respond and pay for the damages caused when the contractors hit a SAWS line. In the instance where a lawsuit had to be filed, certainly it was an extra step to bring the item to the Board.

Consent Agenda Items, Nos. 6 – 15, were unanimously approved. Verbal voting.

ITEMS FOR INDIVIDUAL CONSIDERATION

CAPITAL IMPROVEMENT CONTRACTS
PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY


Donovan Burton presented Item 16, the 2017 Water Management Plan. He reviewed the planning effort and some of the previously planned water projects that ended in a zero yield. SAWS was leading the nation in a lot of different areas with the largest groundwater based Aquifer Storage & Recovery (ASR), a state of the art Brackish Desal Plant, internationally recognized Conservation Programs, and the largest direct Recycled System. Planning and implementation was important to protect things like the military bases and the local economy, and SAWS had been recognized for these efforts.

He discussed planning for the future and tackling the issue of bringing on another million people into the community. The link between water and the City’s economy was something staff took seriously. San Antonio was one of the fastest growing cities in Texas and expected an 80 percent population increase of over 800,000 people by 2040. The plan also aligned the population numbers with the City. The five-year plan included variables such as population, firm yield, the Drought of Record, and timing of supplies.

He reviewed the four guiding principles of the Water Management Plan: conservation, diversification, technology and regional partnerships. Conservation was essential to the reduction in water consumption over the past four decades. Had conservation not been in place, an additional 215,000 acre-feet of water would be needed. This was about four Vista Ridge projects that would have been needed. Conservation was important from a business perspective as well. It saved not only in water, but also on wastewater treatment. The less water used, the less wastewater that had to be treated. Going forward on water conservation, the plan was to reduce the GPCD another 30 percent by 2070. This was actually a little ahead of the 110 GPCD number in the SA Tomorrow Plan. The use of technology would
help to drive down those numbers. Some of the tools included automated metering, a smart phone app, personalized computer reports, infrastructure assessment, and data analysis. Addressing times of extreme climatic conditions and how these could affect the available sources was also part of the Water Management Plan. More rising temperatures and flashing rainfall events were expected going forward. Through planning, SAWS had developed more resiliency through diversification efforts and having more diversified water supply helped.

When Vista Ridge comes online by 2020, SAWS would have 16 different projects from nine different sources. For the long term, SAWS would develop more brackish groundwater and expand the Local Carrizo Project in the 2050 time frame. He discussed SAWS reliance on the Edwards Aquifer in an average year compared to a drought year. Leveraging regional partnerships was critical, since SAWS was a regional economy and a regional entity, particularly water. Water did not recognize city limits or any kind of boundaries. SAWS planned for local management of groundwater sources, and supported the local management of the water for the Vista Ridge Project. SAWS was commitment to the Edwards Habitat Conservation Plan and protecting instream flows through the Bed and Banks Project that would ensure flows in the rivers all the way down to the basins and estuaries. There were also wholesale water opportunities with the Vista Ridge Project to partner with other communities along the pipeline.

He discussed the outreach in the community and some of the comments received on the plan. Mayor Nirenberg had asked that the assumptions and data be included in the plan, to build a culture of conservation to decrease the GPCD, adopt once per week watering, include projections for using Stages 3 and 4 restrictions, brief the Board and City on the outcome of the groundwater model recalibration specifically any impacts on the Vista Ridge Project, continue with exploration of innovative technologies, and incorporate input received from the community, particularly alignment with the SA Tomorrow Plan and water quality. Councilwoman Sandoval wanted more context and summary into the plan, differentiation better between residential, commercial, and industrial growth and demand figures, and present authorized uses separately from real or apparent water losses. The Greater Edwards Aquifer Alliance commented that the Water Management Plan should address water quality and strategy for dealing with Vista Ridge excess water, include risk avoidance and mitigation strategy, appendices should be made available, and more about drought restrictions. The Alamo Sierra Club commented to supply more data, include scenarios that reflect population decrease and economic decline, the goal of 110 GPCD could be surpassed before 2020, the only true diverse resources would be water that falls from the sky, basically as a stormwater capture, and to prepare for much longer droughts. Other comments regarding the plan were supportive, and one commented that the plan demonstrated a strong commitment to conservation and diversification.

He discussed how staff addressed some of the comments and added new sections to the plan. Two of the new sections include information regarding risk management and appendices of the plan’s assumptions and supporting data. The conservation and demand section were expanded to be more descriptive on the programs, demand projections, growth, development, and drought restrictions. Other sections were incorporated or expanded such as water quality, new technology, regional responsibility, and additional detail regarding affordability, rates and stormwater.
He reviewed a summary of the plan to bring on three additional supplies, which were the Vista Ridge Project, additional Brackish Groundwater Desalination, and Expanded Carrizo. Total GPCD was expected to get to 88 by 2070, and residential GPCD was more in the 55 range. Nonrevenue water would be reduced by 14 percent total volume. Population was expected to increase by about 800,000 by 2040, and demand was expected to increase only 25 percent, despite an 80 percent increase in population. Without any additional supplies and just continued conservation, there would still be a gap in supply in 2024 of about 13,000 acre-feet. Conservation alone was not enough; a dual approach was needed. With the additional supplies and continued aggressive conservation efforts, there would not be a gap in supply until the 2070 timeframe. SAWS was committed to conservation and a diversified water supply. SAWS would continue to leverage regional responsibility and continue to progress in technology to bring water security for decades to come. Staff recommended the approval of the 2017 Water Management Plan.

Mr. Rowe made a motion to approve Item 16. Mr. McGee seconded the motion.

Ms. Merritt inquired about automated metering. Mr. Burton described how the automated meter transmitted data and provided real time water use. For SAWS, the purpose was that the technology allowed more accurate and immediate information on water consumption for billing and planning purposes. For the customers, the benefit was that the customer had access to data that could be used to find leaks or adjust usage. For example, a spike in use could be seen by the customer and allow a leak to be stopped before it had a bill impact bill.

Ms. Merritt asked about the difference between real water loss and apparent water loss. Mr. Burton replied that real water loss would be seen when a pipe broke and water was seen leaking. Apparent water loss could be data issues such as a sick meter that did not accurately record consumption.

Chairman Guerra inquired about the progressive conservation to get to 88 GPCD by 2070 and 55 GPCD residential. Mr. Burton replied staff expected to get to 88 GPCD by 2070. This was an aggregate of residential and businesses into one number. Businesses used water differently than residents. In order to target specific conservation programs to drive those numbers down, the individual classes needed to be separated out.

Chairman Guerra commented on questions from the community regarding conservation, and SAWS work to diversify the water supply. He asked how the work on diversifying the water supply had been parallel with work on conservation. Mr. Burton stated conservation was absolutely critical to the Water Management Plan. The plan was not just for new water supplies, but included a plan for conservation. SAWS had a track record and people talked about San Antonio’s successes in conservation, nationally and internationally. SAWS reduction of almost 50 percent over 40 years continued to be our business model. Staff looked for new programs like the rain barrels, and was committed to technology such as driving down nonrevenue water with an automated metering system. The plan included another section about conservation that described precisely how to get a 30 percent reduction in GPCD going forward.
Chairman Guerra asked if the tiered water rates helped customers to conserve water. Mr. Burton replied he believed so. The tiered grade system sent a price signal sooner to customers, and a definite impact had been seen.

Chairman Guerra asked how the public would be educated on the tiered rates. Mr. Burton replied the automated metering system would be able to give real time data versus the bill at the end of the month that showed how much water was used. San Antonio as a community had a conservation mindset and some of that came from SAWS continued outreach on conservation. SAWS would continue to put out that message and to listen and incorporate input received from the community.

Chairman Guerra inquired about securing the future for water quality and availability without wasting water. Mr. Burton responded that San Antonio had been branded with not having enough water, which could have an impact on business development. Mr. Puente made sure that as the community grew and as businesses came in that there was no worry about an inadequate water supply. The chambers of commerce had been involved in that process as well. The Vista Ridge Project would bring that security and abundance of water. It would take some time to get over what was 40 years in the making of an inadequate water supply in San Antonio. Staff wanted to make sure there would be enough water, and that SAWS was not hindering economic growth through the management of water resources.

Chairman Guerra commented on how San Antonio had worked hard as a community to diversify our water supply and never wanted to seem like a community that would waste water. He asked how staff would focus efforts to keep that mindset. Mr. Burton stated that he hoped the community would be elated as the water came on because of the effort to bring Vista Ridge Project online to secure the water future. Staff would need to make sure the outreach was done to make sure people understood the water planning future required conservation as well. Conservation was absolutely essential to the plan, and staff would work to make sure that San Antonio remained a leader in water conservation.

Chairman Guerra asked about the AMI program. Mr. Burton replied a business case analysis was underway to ensure that AMI would work for SAWS. There were a lot of components to an AMI system. Customer alerts were one of those options that could be added at a cost to the program. Staff had to prove out the business case and what the benefits were for our customers and what the impacts were for SAWS, the actual cost of those impacts. This would lead to possibly a pilot study over the next couple of years, and ultimately into a full-blown system over the next several years. There were significant costs impacts as an AMI system was a costly program.

Chairman Guerra asked how much CPS Energy was using AMI. Mr. Evanson responded CPS Energy had roughly 85 percent deployment rolled out across the City over the last five plus years. Obviously, CPS Energy did not have some of the battery issues SAWS would have with a water meter. An electric meter had a power source right there at the meter, so there were some differences. The technology was much more developed on the electric side than it was on the water side. There was some money set aside to do a pilot program in 2018.
If everything proved out, the program would start rolling out in 2019 and could take almost five years to fully deploy meters across the entire service territory.

Chairman Guerra inquired about the cost and timeline for the implementation. Mr. Evanson responded that the program would be costly and would exceed $100 million over the five year implementation. The business case would consider the reduction in operating costs compared to the capital investment as well as the benefits to conservation and being able to communicate with customers.

Mr. Rowe commented on how AMI would help identify a problem with a leak that now would go on for a long period of time before the customer ever noticed.

Mr. McGee inquired about BexarMet’s GPCD. Mr. Burton replied it was higher, but he did not remember the number. BexarMet’s GPCD was significantly higher, but they had more of a residential base than SAWS. SAWS also had a lot of other conservation programs in place and a lot more outreach to the community.

Mayor Nirenberg commended the team for working to incorporate the community comments in the Water Management Plan, and for finally answering the question that we will have enough water in the future. He pointed out that the risk management mitigation section was a very good addition to the plan. He asked about the population assumption of 800,000 in the plan and the 1.1 million from the City’s SA Tomorrow Plan. Mr. Burton confirmed the plan expected a doubling by 2070. He did not know the difference between the 1.1 million versus the 800,000 over that time frame.

Mayor Nirenberg asked to get a handle on that number because it looked like population growth was still underestimated. This was crucial because that would influence demand. Darren Thompson responded the SAWS service area was not the same as the City of San Antonio. The growth rate that was incorporated in the SA Tomorrow Plan was used on top of what staff based for current population, which would go from 1.8 million people to 3.3 million people by 2070. The growth rates were the full migration of the state, which was incorporated in the SA Tomorrow Plan through 2040, so those matched. Beyond that, staff then tied into the half migration, which was in the presentation.

Mayor Nirenberg asked if the SA Tomorrow Planning Team at the City had been briefed on the Water Management Plan. Mr. Thompson stated the Planning Department and the City’s representative had been briefed.

Mayor Nirenberg discussed building a culture of conservation. He stated it was important to include more data regarding Stage 1 in the plan, even if it was counter indicative. Mr. Burton responded that those studies could be put in the appendices.

Mayor Nirenberg commented on the indication of a single and multifamily household dwelling GPCD. He stated he would be interested in a conversation with the environmental groups about the GPCD numbers. He inquired about the phasing of brackish desal through 2070 and bringing that sooner rather than later, and the use of the grounds that was mentioned.
by Mr. Montemayor. He stated he would like to have a discussion, if there was an opportunity to work together with other agencies like CPS Energy to produce benefits for the System that might also have an impact on rates. He asked for more information on the issue with the groundwater district regarding the transportation permits. Mr. Burton replied Bluewater brought an issue to the groundwater district. Bluewater saw the ten-year extension of their permit as a non-substantive change. The groundwater district board members wanted to know why the issue was brought to the board, since this was not an issue until 2020 or 2034. Ultimately the groundwater district said it did not need to be done that day, but an extension would be a substantive change to the permit. Bluewater was directed to go back and submit a permit, and go through the application process. He stated the intention would be to go back to the legislature as well in the next session. SAWS had put into the contract that in 2031 if this wasn't resolved and the banks had been paid back, SAWS would get a $50 million credit for water payments. He stated he thought the banks had also addressed this issue with the project company. The project company had incentives to get it done before commercial operation, and so they were working together to get it done. This was obviously an issue, and was something that staff would continue to monitor.

Mayor Nirenberg commented on the options available with the Water Management Plan, if there were problems. He was not sure a water purchase credit would be enough because there were a lot of costs involved right now with the project to ensure water was received from Vista Ridge when it was needed in the future. He stated he did not have a high confidence in solutions to be generated by the legislature right now. He asked staff to keep him updated on the issue. Mr. Burton confirmed.

Mayor Nirenberg inquired about the revised groundwater availability model for the Vista Ridge Project to be completed by the Texas Water Development Board by 2018. Mr. Burton responded the model was under development now. The Texas Water Development Board hired a firm to recalibrate the model. The model did not recognize fault lines as drawdown was measured, and it was right on a fault line. This would change some assumptions within the model. It also did not adequately measure the impacts of the stream interaction. A draft might be available by the end of the year so impacts could be discussed. The whole process would be completed probably mid-2018. Mayor Nirenberg stated that was also one of the planning risks that needed to be mitigated. He asked to be updated on this as well because it was a high priority for him. Mr. Burton confirmed.

Mayor Nirenberg asked what were those significant changes and assumptions that would trigger a faster revision to the Water Management Plan. Mr. Burton replied that monumental events that changed the fundamental assumptions of the plan would go through that process. Staff was managing the water supplies, managing risks, and things that might impact the plan on a daily basis. The Vista Ridge Project was a fundamental project that was happening over the next couple of years. If something were to happen with the project that would change those assumptions, this would be a significant change to be considered. There would be a lot of discussion with the Board and with City Council before a change was made in the Water Management Plan. In the past, things like the incorporation of BexarMet and census population data were fundamental changes in the assumptions. Going forward, there would be new census data by 2021 timeframe and was right in line with the next planning period.
Mayor Nirenberg inquired about the storage capacity of the ASR and how the ASR would be used in terms of drought management. Mr. Burton replied that the ASR had over 140,000 acre-feet at the facility, which was probably over half of the annual demand of about 235,000 acre-feet. The ASR was also used for the Habitat Conservation Program. From a planning scenario, the ASR was planned for 200,000 acre-feet of storage. There was an ability to expand the storage in the future, if more land was purchased for wells, etc. The ASR would be used to offset the Edwards Aquifer cutbacks, primarily through the EARIP process.

Mayor Nirenberg thanked the teams that worked on the plan and the community for providing input. He said he wanted to have some fundamental discussions about some of the numbers to make sure that the numbers were absolutely right and aligned, but the plan was much stronger than the first version presented.

Chairman Guerra thanked Mr. Puente and Mr. Burton for their hard work on the Water Management Plan and the staff involved in its development. He knew that so many people had worked to make sure that the plan was in step with our community goals and inclusive of our Mayor and City Council that were so engaged in the plan. He stated the plan offered the most promising path forward to securing our water future. He commented on SAWS role as a regional partner to secure access to the Edwards Aquifer, ensure flows in the rivers, and offer to partner with others on future water supply efforts. He said he realized that the plan would require continued dedication from our Conservation and Water Resources Departments, our CEO, our staff, our Board, our City, our City Council, and all of the employees. He stated this Board and staff and City continued to ensure the foundation of a thriving economy through our focus on water management.

After no further discussion, Item 16 was unanimously approved. Electronic voting.

**Developer Customer Contracts**

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

   (ANDREA BEYMER – SAM MILLS)
<table>
<thead>
<tr>
<th>No.</th>
<th>Tract Name</th>
<th>Developer</th>
<th>Acres</th>
<th>W EDUs</th>
<th>WW EDUs</th>
<th>CoSA / CoSA ETJ / Outside</th>
<th>EARZ / CZ</th>
<th>Board Reason</th>
<th>W CCN</th>
<th>WW CCN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Yates Property Bulverde RD Tract</td>
<td>John O. Yates Trust</td>
<td>907.36</td>
<td>2,610</td>
<td>2,320</td>
<td>COSA INSIDE OVR</td>
<td>INSIDE</td>
<td>INSIDE INSIDE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Davita Judson Tract</td>
<td>SAKDC Judson Dialysis, LLC</td>
<td>1.397</td>
<td>16</td>
<td>7</td>
<td>COSA OUTSIDE CCN</td>
<td>INSIDE</td>
<td>INSIDE OUTSIDE</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Fountain Oaks Professional Park Tract</td>
<td>BDDFLT BLD, LLC</td>
<td>0.33</td>
<td>3</td>
<td>2</td>
<td>Hollywood Park INSIDE CCN</td>
<td>INSIDE</td>
<td>INSIDE OUTSIDE</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total 909.09 2,629 2,329

Sam Mills presented Item 17, approval of Utility Service Agreements (USA) for the Yates Property Bulverde RD Tract, the Davita Judson Tract, and the Fountain Oaks Professional Park Tract.

He reviewed the background for the USAs that were the agreement between SAWS and the developer, and described the infrastructure required to serve the tract. USAs were based on the number of equivalent dwelling units (EDU) requested by the developer. The infrastructure was sized to serve the number of EDUs for the development. USAs that required oversizing or were outside SAWS certificates of convenience and necessity (CCN) were approved by the Board. Once a USA was executed, it was good for three years. The developer had to build something in that three-year period in order to exercise the USA. Then the USA would be extended to seven years. At the end of the seven years, the developer had to submit an updated master plan to extend the USA for 15 years. Occasionally, some of the USAs could go to 20 years for some of the larger tracts in order to fully develop. After 15 or 20 years of the USA, the developer had the option to pay the remaining impact fees for the USA to extend beyond the period. Normally, the developer would ask for a new USA that would update the requirements for the tract of land. The EDU was a standard measure of water consumption and wastewater discharge attributable to a single family residence. In the Impact Fee Report, the EDUs were re-evaluated to make sure the numbers had not changed significantly. For wastewater, an EDU equated to average discharge of 240 gallons per day for a single family residence, and water would be 330 gallons a day.

He reviewed maps of the water and wastewater CCNs as well as the City’s ETJ and the Edwards recharge and contributing zone. In 2004, SAWS worked with the development community to come up with an impact fee structure for the far west area to cover some of the sewer infrastructure and actually size outfalls large enough to plan for development in that area. He reviewed the overall growth trend for the past several years through the tracking of general construction permits. The Medina River Sewer Outfall was the sewer infrastructure built in the far west area through a public private partnership between SAWS and the development community. The project would have a lot of benefits for SAWS and the development community, and would help facilitate growth on the south side as well.

He discussed other examples of past USAs that were brought to the board for approval. The
Alamo Ranch development was about 3,500 acres with about 13,000 EDUs. The USA was first approved in 2007 and another in 2017. The development was about 60 percent built out and was south of the recharge zone at Culebra and Loop 1604. This example was a large tract that would be subdivided into probably 200 or 300 plats, and would take the next 10 to 20 years to actually build out the development. Another example was the Mission Del Lago tract that was comprised of a couple of USAs issued in 2008 and 2016. The tract was about 2,600 EDUs over 812 acres and was about 35 percent built out. The Pearl was a little more than 400 EDUs on 15 acres, so it was a fairly high density tract, and the USA was in 2011. The USA for Microsoft was approved in 2014 for 1,100 EDUs for the 26-acre tract. The developer asked for water, but a lot of this demand was actually on the recycled system.

The Yates Property Bulverde RD Tract was a mixed used development of about 907 acres. The developer was asking for 2,610 water EDUs and 2,320 wastewater EDUs. The tract was inside San Antonio city limits, and inside both the water and wastewater CCNs. The tract was coming to the Board for approval due to oversizing of the wastewater main. SAWS share was about $3.6 million and the developers' share was $2.3 million. The tract was over the recharge zone and the oversizing would eliminate the Encino Park Lift Station. He reviewed project maps and proposed infrastructure options for the tract.

The next tract was the Davita Judson Tract, a 1.4 acre tract. The developer was requesting 16 water EDUs and 7 wastewater EDUs. The tract was inside the city limits, inside the water CCN, but outside the wastewater CCN. There was no oversizing required and the tract was not over the recharge zone. He reviewed project maps and proposed infrastructure options for the tract.

The Fountain Oaks Professional Office Park Tract was about a third of an acre, and the developer was asking for three water and two wastewater EDUs. The tract was inside the Town of Hollywood Park, inside the water CCN, but outside the wastewater CCN. There was no oversizing required, and the tract was over the recharge zone. Hollywood Park was not in SAWS CCN, but they were a wholesale provider. In this case, Hollywood Park wanted SAWS to provide service to this customer. He reviewed project maps and proposed infrastructure options for the tract.

Staff recommended the approval of the USAs for the Yates Property Bulverde RD Tract, the Davita Judson Tract, and the Fountain Oaks Professional Park Tract.

Mr. Rowe made a motion to approve Item 17. Ms. Merritt seconded the motion.

Mayor Nirenberg commented on the critical link of the USAs to the growth pattern of the City, and the USAs deserved consideration in that respect. He asked that staff make sure the backup documents were available on the website for City growth folks to be able to access and discuss these issues in depth. The USA issue became important during the Bracken Bat Cave issue. SAWS had extended the CCN over that area, and anybody inside that CCN who wanted service by virtue of the CCN was able to get service. This was more of an administrative action on the Board’s part of where the CCN was absolutely critical. Any move to expand or contract the CCN should be fully vetted within this body but also at City
Council. He stated the filter he used on the wastewater CCN especially over the recharge zone was any infrastructure that could be built he wanted to protect the water supply. He stated he wanted to get a sense from staff of what filter to use when a tract was outside the CCN or when there was oversizing on the water side. He wanted to encourage growth inside the boundaries and not aid sprawl that may not necessarily happen.

Mr. Mills reflected on the position taken by the Board in its growth policy and how to deal with contiguous growth. He commented on the conversations around the water and wastewater CCN for the Hills of Castle Rock on Bandera Road. Mayor Hardberger actually declined that USA because it was outside SAWS CCN. SAWS withdrew the CCN application for that particular area, and the Board could decline any of USAs in that area. Obviously, SAWS had an obligation to serve inside the CCN if the developer met SAWS requirements in the Utility Service Regulations, but the Board had discretion on the others. Staff had conversations with the developers and encouraged contiguous development to the system. There have not been any developments in recent years that have tried to extend out three or four miles other than the Crescent Hills development. He discussed SAWS position to serve development in the City’s ETJ and not acquire failing systems in the future. San Antonio Ranch was an example where Texas Commission on Environmental Quality asked SAWS to take over the system, and then the commission gave SAWS a notice of violation the next week.

Mayor Nirenberg stated there was a fine line between SAWS serving development that would eventually happen and SAWS accelerating development. As with the alignment of numbers, projections and assumptions for the Water Management Plan, he stated he would like to get in sync the City’s planners with SAWS on how the USAs were treated and how the CCN was viewed. One of the goals and missions of the SA Tomorrow Plan was how to build to accommodate what was going to happen within the City. Mr. Mills responded that the 13 growth areas in the SA Tomorrow Plan were already in SAWS master plan. Growth was assumed within those areas, and infrastructure was already planned out. As projections from the SA Tomorrow Plan on the actual growth patterns were received, staff could update the master plan even further to accommodate that growth.

After no further discussion, Item 17 was approved with four votes in favor and one abstention for Trustee McGee. Electronic voting.

Production, Transmission and Treatment Improvements

18. A Resolution awarding a professional services contract to Alan Plummer Associates, Inc. in an amount not to exceed $1,321,490.00 for the period of October 16, 2017 to December 31, 2020 in connection with the Mitchell Lake Wetlands Water Quality Treatment Initiatives. (ANDREA BEYMER – SAM MILLS)

Gregg Eckhardt provided some background information on the Mitchell Lake Wetlands Water Quality Treatment Initiative. This was a unique opportunity to both improve Mitchell Lake and create a new community amenity as well. He reviewed the location of Mitchell Lake on the City’s south side. The goals of the project were to ensure permit compliance
with the discharge permit for Mitchell Lake. There were also opportunities to continue to build Mitchell Lake into a valuable community resource.

Mitchell Lake was an open body of water, but was also a permitted wastewater treatment facility. The early description of Mitchell Lake was of a wetlands and was a popular spot for hunting of game. In 1899, the City Council Committee identified a natural basin, Mitchell Lake, to store wastewater for reuse. A dam was built in 1901, and the area around Mitchell Lake became known as Shavano Gardens. For many decades, there were thousands of acres around Mitchell Lake under irrigation. The dam structure was about 3,200 feet and most of it was the original 1901 construction. In 1946, another flood took out about 300 feet of the dam and washed away a schoolhouse downstream. Over time, the main function of the lake became disposal of sludge. This created what the Attorney General of Texas in a lawsuit called "Nuance Conditions." A permit was issued in 1974 that ordered the City to dike the northern portion of the lake for sludge disposal, and the main body of the lake was permitted to be used for wastewater treatment in emergency situations. Disposal of sludge ended in 1987, when Dos Rios Water Recycling Center (WRC) came online.

Meanwhile, the City and area residents saw great potential to develop Mitchell Lake into a bird sanctuary. The lake was designated as a refuge in 1973 by City Council. In 1986, the City reaffirmed its commitment to Mitchell Lake. SAWS had an allocation of about 3,600 acre-feet per year of recycled water from Mitchell Lake. Mitchell Lake was bird heaven, and was one of the few places migrating birds could stop, feed and rest. According to the Audubon Society, 338 species of migratory birds had been seen and all were protected under the Migratory Bird Treaty Act. The yellow-billed cuckoo was listed as threatened under the Endangered Species List. He recognized former Trustee Roberto Anguiano for his support of Mitchell Lake.

He reviewed the discharge from the Leon Creek WRC to Mitchell Lake. During summer months, it was not unusual to release 10 or 12 million gallons of water a day to Mitchell Lake to make up for evaporation and provide enough water to maintain the bird habitat. During wet periods, Mitchell Lake would collect stormwater and water would leave the lake through the original 1901 spillway to go downstream. The amount of algae in the lake was the reason the water did not comply with the discharge permit limits, and was the purpose for the initiative. The Mitchell Lake watershed was about 90 square miles. Stormwater runoff was expected to increase. Under current conditions, growth around the lake meant more flow to the lake and, in turn, meant more permit violations. Runoff controls required by developers became more expensive, and potentially prohibitively expensive.

In 2016, SAWS received an Administrative Order from the Environmental Protection Agency (EPA) and was required to provide a plan to end the permit violations from Mitchell Lake. One option would be to drain the lake and remove the sludge, but this would destroy the features needed by the birds. Also the degree of treatment would need to be increased at Leon Creek WRC to remove nutrients from that water that contributed to growing algae. The second option would be a massive treatment plant for the infrequent times that the lake discharged. The third option would be the use of natural processes, more specifically, a constructed wetlands to treat the water leaving the lake and possibly natural processes in the
Staff believed the natural processes were the best alternative. SAWS response to EPA was that staff would conduct the appropriate studies to provide a realistic means of achieving permit compliance, while preserving the unique environment of Mitchell Lake.

By October 2016, an initial feasibility study was completed that looked at the potential for a constructed wetlands to treat the water leaving Mitchell Lake. The Army Corps of Engineers had been engaged to assist with some of the studies and work that would be required. This was not the first time that the idea of a constructed wetlands had been studied or considered. A lot of studies had been done over the years. There had also been a lot of investment by the community in Mitchell Lake with moving the Leaper House from the McNay Art Museum to the grounds and refurbishing into a wetlands center. In the early 2000's, work was done on the roads, bridges and infrastructure around Mitchell Lake. In 2004, SAWS partnered with the National Audubon Society to create their first nature center in Texas. This allowed the public to have access to the site. Some statistis from the Audubon Society, stated people from more than 28 countries have visited Mitchell Lake. They have provided field and classroom education to over 30,000 students since 2004, more than 70 bird tours a year, and at least 48 other programs on site every year. In March, the Board amended and extended that agreement to create even more opportunity for public involvement and education.

He showed some examples of full-scale constructed wetlands. The John Sands Wetland Center in Seagoville, Texas, provided treatment and polishing for water before it became drinking water for the City of Dallas. By contrast, the Florida Everglades was a true wetlands that functioned by providing shade and limited the growth of algae. Mitchell Lake had excess algae and lacked shade. Right now, Mitchell Lake did not function as a wetlands. There was so much algae in the water, that it changed the chemistry of the water such that aquatic plants just could not get started.

Mr. Mills reviewed the scope for Phase 1 of the project. The first thing would be to evaluate regulatory issues associated with building a downstream wetlands, and whether the downstream wetlands would affect permits for existing treatment plants at Dos Rios, Leon Creek and Medio Creek WRCs. Next would be an actual desktop wetlands feasibility study and collection of additional field data to see if the wetlands was a viable option for SAWS to treat the water to the permit requirements. In-lake treatment options would be reviewed to see if there was a way to economically and environmentally treat the algae. If the studies indicate that a downstream wetlands would work, then the consultant would do the design and construction management of the pilot wetlands system. The construction of the project would come back to the Board under a separate contract for approval. Dam improvements would also be evaluated. During the project, the consultant would work with public relations for funding opportunities to build the downstream wetlands.

He discussed the existing dam structure improvements. The plan was to lower the operating level of the lake, and modify the dam and spillway so major stormwater events could flow into the lake and slowly be released to the downstream wetlands. If the level of the lake was raised so the dam was able to hold back all the water, the structural integrity of the dam would need to be confirmed. There was a possibility the entire dam may need to be rebuilt.
If the results of the Phase 1 studies and the pilot wetlands indicated that that the third option would work, then staff would return to the Board and ask for the full-scale wetlands downstream. The full-scale wetlands would be expensive, and any treatment for the lake was going to be expensive. If Phase 2 was warranted, comparative alternatives for the cost would be provided. The wetlands was really the only option that improved the water quality of the lake, still provided a wildlife refuge, and provided educational opportunities. Staff was optimistic the option would be attractive for grants and for federal funding opportunities.

He reviewed the overall project schedule. The first year would be the feasibility studies, the treatment options, the pilot study, as well as the actual design of the pilot wetlands. Staff hoped to advertise in the fourth quarter of 2018 and start construction in December of next year to be complete by the summer of 2019. The wetlands would need to operate for a full year to see how the seasons affect the water quality of the system. At the end of that time, the consultant would present a report on whether this would be a viable option for downstream wetlands. During this process, the regulatory requirements to build a downstream wetlands would be reviewed as well as the opportunity for public and private funding of the project. Staff anticipated to bring back Phase 2 of the project to the Board in late 2020 or early 2021.

Five consultants submitted for the Request For Qualifications. Alan Plummer Associates, Inc. was selected to have the best qualifications as well as project approach. Alan Plummer Associates, Inc. had seven subconsultants on the project for a total of 28.9 percent SMWVB participation. Staff recommended the award of an engineering contract to Alan Plummer Associates, Inc. and the approval of funds in an amount not to exceed $1,321,490.00 for the period of October 16, 2017 through December 31, 2020 for Phase 1.

Mr. McGee made a motion to approve Item 18. Ms. Merritt seconded the motion.

Mr. Rowe inquired about where Alan Plummer was located and their experience with wetlands type work. Mr. Mills replied Alan Plummer had a local office, but were out of Dallas. Alan Plummer was the engineer of record for two of the major wetlands in Texas. He introduced Tim Noack, the project manager from Alan Plummer Associates, Inc. Mr. Noack stated the two projects were the Tarrant Regional Water District located near Richland Chambers Reservoir, and the B4 Wetlands that was the John Bunker Sands Wetlands Center near Seagoville, Texas.

After no further discussion, Item 18 was unanimously approved. Electronic voting. Mayor Nirenberg was not present for the vote on Item 18.

19. **BRIEFING SESSION.**

B. Briefing and deliberation regarding 2018 Proposed Budget Follow-up

Mr. Evanson reviewed a breakdown of the water and sewer utilities rated by Standard & Poor’s (S&P) as of December 31, 2016. SAWS AA+ Senior Lien rating from S&P was among the best in this sector with only seven percent of such credits receiving an AAA.
Moody's outlook expected stability within the water and sewer sector and the median debt service coverage to be two times. SAWS was at 1.7, 1.75 times. Moody’s talked about how liquidity levels were high and getting higher, with median levels of cash on hand exceeding 300 days for combined water and sewer systems. Moody’s was seeing slightly higher levels of debt issuance. This was attributed to the low interest rate environment, but the debt service coverage was anticipated to remain sound due to the ability to raise rates. He discussed Moody’s statements regarding the ongoing under-investment of infrastructure. Moody's called for extreme weather conditions to continue, which would present obstacles and challenges for utilities, including drought management and exposure to tropical storms. However, these extreme weather risks were likely mitigated by the strong cash reserve. He stated Moody's representatives inquired about what an event like Hurricane Harvey would have on SAWS in terms of billing and bill collections. Obviously, having a lot of days cash on hand would give the agencies a lot of comfort that the utility could continue to operate as a business in the event of such an event.

Fitch viewed the sector to have a stable outlook. Fitch also projected that the revenues for the sector as a whole to continue to either be flat or decline. Cash reserves were anticipated to stay strong and provide flexibility. Fitch pointed out that the age of facility assets had increased the highest observed level since Fitch began publications over a decade ago, and the regulatory environment was expected to remain uncertain in wake of the election.

S&P cited the overall stability with upgrades outpacing downgrades. Decisions on rates and charges would be the primary determinant of credit quality stability. S&P did point out that water and sewer utilities had the capacity to implement rate increases. However, S&P did express some concern about the willingness to raise rates. He discussed the example of Oxnard, California whereby voters repealed a wastewater rate increase that had been passed, and an example in Texas whereby four member cities asked the Texas PUC to review rates of wholesale treated water provided by North Texas Municipal Water District. S&P outlined credit risks and opportunities, and SAWS had taken proactive steps to deal with each of the risks outlined, while also taking advantage of certain available opportunities. Part of the presentation to the rating agencies was to report SAWS had projects online, in progress, or currently available that would provide water security to this community through 2070. SAWS received high marks on each of those items outlined by S&P.

He reviewed the rating methodologies of each of the three agencies. Both S&P and Moody's used kind of a formulaic approach. S&P focused on two primary areas of risk, enterprise risk and financial risk. These two areas were further broken down into four subcategories, which were weighted. He discussed each of the areas and the driver for each. Similarly, Moody's was a prescriptive, formulaic approach. Moody’s evaluated ten subcategories on a scale of 1 to 5. And similar to S&P, the two most significantly weighted categories were the annual debt service coverage and days cash on hand. Fitch's rating methodology was a bit less prescriptive and formulaic. The topics analyzed were quite similar to those reviewed by both S&P and Moody's.

He compared debt metrics for some of the water and wastewater utilities from across the
state and across the nation. For the large providers in Texas that serve populations in excess of 850,000, SAWS debt coverage of 1.74 was slightly lower than most of the other entities. In total, days cash on hand for the Texas utilities was roughly 208 days compared to SAWS, which was roughly 400. The unrestricted cash balance was to assist with cash funding in 2020 to mitigate the rate adjustment required to bring online the Vista Ridge water as well as prepare for the significant increase in O&M and the impact on the ratio at that time. On the two debt metrics, SAWS slightly lower than the average in terms of debt per connection and slightly higher than average of the other five for debt to operating revenues.

Next, SAWS was compared to five other large water and wastewater providers across the nation. He pointed out that both Phoenix and San Diego issued water and sewer bonds separately, which made comparisons a bit more challenging. The others were all combined water and sewer credits. Another point was this group had a bit more rating diversity, with Atlanta being somewhat lower rated than SAWS and Charlotte being AAA rated across all three agencies. Atlanta had high debt levels and maintained a lot of liquidity. Charlotte had extremely strong ratios across the board. Relative to this group, SAWS coverage was slightly less than average.

He discussed the commentary received from the rating agencies. The most recent report from S&P talked about how significant portions of SAWS water and sewer rates had been pre-approved through 2020. The pre-approved water supply increases brought comfort to S&P and the rating agencies in general. Financial risk focused on SAWS good financial capacity and strong liquidity. The rating outlook was dependent on sustaining a strong financial risk profile. The outlook also stated that upward rating movement was “predicated on even stronger all-in coverage through and beyond upcoming period of capital investments,” and any downward rating action would require “significant deterioration in coverage or especially liquidity.” Moody’s cited the history of Board and City Council rate support to be a credit strength and one of the reasons SAWS had the highest rating ever. He quoted Moody’s rating outlook, “The stable outlook reflects the system’s large and diverse service area and prudent financial management that should continue to complement strong operating performance. Additional considerations include extensive financial and capital planning that should offset some of the challenges typically associated with the implementation of a consent decree.” Fitch did not feel a remarketing of bonds was a reason to issue a brand new rating report. Fitch’s latest rating report was back in January. Fitch cited SAWS maintains strong management practices, including a 20-year financial and rate forecast model that incorporated future capital investment and related rising operating expenditures. Fitch also reported on SAWS competitive rates and rating sensitivities.

Mary Bailey reviewed the rate request for 2018 and 2019 and the impact on various customer classes. In order to balance the needs of the System over the next two years, staff was requesting a 5.8 percent rate adjustment for 2018 and 4.7 percent in 2019. In 2018, the rate request was entirely driven by the capital program and more than half of the rate adjustment was driven by water delivery and infrastructure improvements. About two-thirds of the 2019 rate request was related to the capital program. Other rate drivers in 2019 assumed a phased rollout of AMI as well as to provide some funding related to the operating reserve on the Vista Ridge water payments that would begin in 2020.
She reviewed the impact to the average residential customer and other customer classes. The average residential water customer was assumed to use 7,092 gallons of water and had an average winter consumption of 5,668 gallons for sewer. The rate request was made up of different adjustments for the water supply fee, the water delivery rate, and the wastewater rate. These adjustments were applied across classes at the same rate. However, depending on the ratio of water to sewer used, the impact could vary by customer. With the proposed rate adjustments, the average residential customer would see an increase in their monthly bill of $3.45 in 2018 and $2.94 in 2019. The general class included commercial, industrial, and multifamily customers. Unlike residential customers who established a winter average for sewer charges, general class customers paid sewer charge on 100 percent of non-irrigation water use. While general class usage averaged approximately 70,000 gallons per month per customer over the last four years, there was a significant range in use among the different types of customers. Also, the rates paid by general class customers were dependent on prior year average usage. As long as the general class customer did not exceed prior year average usage, the customer would pay the lowest tiered rate. As consumption exceeded the prior year average, the entire tiered rates would apply. She reviewed examples of general class customer bills in 2018 with impacts between 5.2 and 5.4 percent. In 2019, the impact for the general class customers ranged from 4.6 to 4.8 percent. The irrigation class customers did not pay any sewer produced because it was assumed that none of that water was flowing into the sewer system. Therefore, the rate impact for these customers would be 7.3 percent in 2018 and 1.9 percent in 2019.

She discussed the impact to recycled water customers. When SAWS went through the last rate study in 2015, the Rate Advisory Committee recommended that recycled water rates be changed annually based upon the weighted average increase in both the water supply fee and water delivery rate as it impacts the average residential customer. The thought process behind this recommendation was to keep the percentage differential between potable water and recycled water the same. As potable water rates increased, the recycled rates would also increase proportionately. If the commercial customer didn't use recycled water, they would either pay general class rates or irrigation class rates. Recycled water customers would see similar increases in water charges at general class and irrigation class.

In addition to rate adjustments to water and sewers rates, SAWS also proposed changes to certain miscellaneous fees. SAWS charged a number of miscellaneous fees in order to recover the costs of providing specific services. In 2015, City Council approved an ordinance allowing for automatic adjustments to certain fees based on changes in the consumer price index, and these fees would automatically be adjusted 1.73 percent due to the changes from last year. Other fees were periodically reviewed by SAWS staff to determine if there had been a change in the costs to provide that service. Most of these fees were last adjusted in 2012. Any changes in those fees represent the updated cost to provide those specific services. There were also a number of new proposed fees. In total, all of these changes in fees were expected to generate about $580,000.00 in 2018. The additional funds had been programmed to provide additional funds for customer assistance programs.

SAWS had a number of programs to help customers that were economically disadvantaged
keep their water service active. A lifeline rates was offered not just to affordability customers but to all customers, if the water use was kept under 2,982 gallons. There was also assistance based on income eligibility that included monthly bill discounts, Project Agua, and Plumbers and Laterals to People programs. Seniors, disabled and domestic violence survivors were offered late fee waivers and payment extension. Payment plans were also offered to help customers get caught up and avoid turnoff. A number of articles had been written in the last year regarding the challenge of balancing the needs of water and sewer infrastructure improvements with the impact of increasing rates, particularly on low-income customers. SAWS customer assistance programs had been highlighted in these articles. The cornerstone of our assistant programs was the bill discount program. Depending on a customer's level of income, a discount was available that could significantly reduce the average monthly bill. SAWS had more than 25,000 customers enrolled in the discount program, which was up nearly 50 percent from a few years ago. The 2018 Proposed Budget added $1 million to the funding, to bring the total to $4.5 million.

She reviewed the outreach efforts related to the proposed budget and rate request. A rate notice was mailed in each customer bill in October and discussed the reasons for the proposed rate request and the impact to each customer as required by state law. The rate notice advised the customers to visit SAWS website and use the rate calculator to find out how their bill would be impacted. Staff individually met with approximately half of the council members to go over the rate request. Staff attended meetings with San Antonio chambers and a number of homeowner association groups, and staff would continue to meet with the remaining members of City Council and other local chambers and community groups throughout October. A Facebook Live event would be held in the next week to reach a broad audience on social media. Some of the feedback received from council members included an appreciation of improvements in our Affordability Program. One council member suggested that the rate for 2018 should not be more than what had previously been suggested. The capital program could be adjusted, if necessary, but this would move some of the capital into 2019 or beyond in order to reduce the 5.8 percent to 5.3 percent. Another suggestion included impact fee waivers to customers outside of the ICRIP area, particularly small to medium business customers. The waiver program was entirely up to City Council in terms of how to administer impact fee waivers. There were about $9 million in waivers planned from 2018 to 2020, and it was the City Council's purview as to how those waivers were administered.

She reviewed the next steps to brief City Council in B Session on October 18. At that time, the City Public Utilities Office would present the results of their review of the rate request and make a recommendation to City Council. Staff would bring the 2018 Budget and Rate Request for both 2018 and 2019 to the Board at the November meeting, and City Council would consider the rate adjustments at the November 9 council meeting.

Mr. McGee commented on the impact of the rating agencies on SAWS. He discussed the importance to continue to educate the Board on SAWS peer group, operating efficiencies and borrowing capacity, and how that would affect SAWS ability to serve the community.

Mayor Nirenberg commented on the rating agency comparisons. He asked that staff look
into what the City of Charlotte was doing in terms of management of the entire system and incorporate some of those best practices.

A. Briefing and deliberation regarding Vista Ridge

Mr. Burton presented an update on the Vista Ridge Project, specifically the electrical service for the project. SAWS was responsible for establishing electric power to the sites and to pay for the electrical usage directly. Staff was working primarily with three different electrical entities, CPS Energy for Bexar County and the terminus site, Guadalupe Valley Electric Co-op (GVEC) for the Intermediate Pump Station No. 2 and some of the cathodic protection, and Bluebonnet for the well field, all of the high service pump stations, and Intermediate Pump Station No. 1. He reviewed an aerial photo of the well field and the high service pump station through Bluebonnet.

He discussed the estimated installation cost for the electrical services over the next three years. The well field, the high service pump station, and the Intermediate Pump Station No. 1 with Bluebonnet was expected to be about $4.8 million. There was about seven miles of overhead feed, transformers and service drops in the Bluebonnet area. Staff was talking to Bluebonnet about potential discounts on the rate and on the capital costs so some of the costs were expected to go down. One of the things being discussed was working with CPS Energy to provide power on the grid and Bluebonnet would pick that up at a reduced cost. If CPS Energy could offer a rate at a very low price, then all of the members would benefit from the lower rate. There was still a possibility that it could be a potential rate discount should CPS Energy come in with a lower rate to Bluebonnet. The Intermediate Pump Station No. 2 was estimated at a little over $800,000.00 for two miles of overhead feeder line, transformers, and service drops. The terminus site was expected to be about $500,000.00 to get power onto the site. The cathodic protection program also had an electrical requirement, and that cost was still pending.

He discussed the easement requirement that the project company must have possession of all the easements by October 13. The project company had done an outstanding job of getting possession of over 500 parcels with the exception of six parcels. There were six variances granted. Three were citation by publication, which essentially meant the exact landowner needed to be found. The others were pending a hearing set with the Special Commissioners in December 2017. The project company was working through that whole process.

Chairman Guerra commented on the discussions back during the negotiations with Abengoa regarding CPS Energy providing cheaper rates. Mr. Burton confirmed and stated staff was still talking to CPS Energy about that possibility. Bluebonnet was a co-op and generally did not do a special rate for one entity. Bluebonnet also wanted to bid it out to provide other electric entities the opportunity to bid.

Chairman Guerra asked if there were other providers along the project besides Bluebonnet. Mr. Burton confirmed and stated Bluebonnet, GVEC, and CPS Energy were within the project area.
Chairman Guerra inquired about how CPS Energy could be competitive with Bluebonnet. Mr. Burton replied Bluebonnet would bid out their power needs on a three-year or five-year scenario. Bluebonnet would open the invitation to CPS Energy and other entities basically for five percent of the power needs.

Mayor Nirenberg thanked Mr. Burton for answering his questions about the electrical component. He asked how possession of easements was defined. Nancy Belinsky responded that the contract required possession as having filed a domain lawsuit at the Commissioners Hearing, or to have actually acquired the easements.

Mayor Nirenberg asked what percentage of the right-of-way had been acquired between the storage and San Antonio. Mr. Burton stated he thought there were about 511 parcels total. There were about 20 open cases, but the project company had possession. There were the six variances and a couple of court cases that would need to go through the process. Mayor Nirenberg commented on being a good neighbor with regard to eminent domain for a utility easement. He asked that he be kept updated about this issue. Mr. Burton confirmed.

20. President/Chief Executive Officer’s Report.

A. Mitchell Lake

Mr. Puente commented on Item 18, the Mitchell Lake wetlands initiative. During certain periods of the time, the lake was covered white with birds. People came from all over the United States to look at these birds. SAWS leased the property to the National Audubon Society to manage the lake and the program for school children to visit the lake and learn about science. There was a great opportunity to fix the discharge permits and, at the same time, create an amenity for the entire San Antonio region. The San Antonio River Authority, Texas A&M University, Brooks City-Base, the City, the County all have invested money in that area. The pilot study approved with Alan Plummer and Associates, Inc. would hopefully show the wetlands could work to further showcase the area for the entire community.

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

Mayor Nirenberg asked for a point of personal privilege. He recognized a great number of community partners at the West Side Chamber of Commerce meeting last week that had been involved with clean-up efforts for the coastal communities as a result of Hurricane Harvey. He stated he failed to mention SAWS and wanted to recognize the great work of this organization with the coastal community. He commented on the impact staff had on so many lives on the coastal bend and thanked Mr. Puente and SAWS team for all their work.

Mr. Rowe requested an overall report of the spending over the next five years to meet the Consent Decree to reduce sanitary sewer overflows and some of the projects during that same period. Mr. Puente replied that Jeff Haby would provide the information as part of the regular quarterly update on the Consent Decree.
The Chairman stated that an Executive Session would not be held and moved to Item 25, Adjournment.

22. The Regular Session of the October 10, 2017, Regular Board Meeting is hereby recessed to hold an Executive Session and discuss the matters listed pursuant to Sections §551.071 and §551.074 of the Texas Open Meetings Act.

23. EXECUTIVE SESSION.
   A. Consultation with attorneys regarding legal matters related to the sewer line project and road collapse on Quintana Road in Bexar County, Texas, pursuant to Tex. Gov’t Code §551.071.
   B. Deliberation regarding the employment, evaluation and duties of the President/Chief Executive Officer and consultation with attorneys regarding any related legal matters pursuant to Tex. Gov’t Code §551.074 and §551.071.

24. The Regular Session of the Regular Board Meeting of October 10, 2017, is hereby reconvened.


The San Antonio Water System Board of Trustees Meeting of October 10, 2017, adjourned at 12:42 p.m.

________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees

FROM: Berto Guerra, Jr., Chairman, San Antonio Water System Board of Trustees

SUBJECT: DELEGATION OF AUTHORITY TO THE PRESIDENT/CHIEF EXECUTIVE OFFICER TO INITIATE CERTAIN LITIGATION ON BEHALF OF THE SYSTEM

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution delegates the authority of the San Antonio Water System (the “System”) Board of Trustees to initiate certain matters of litigation on behalf of the System to the President/Chief Executive Officer.

- By City Ordinance No. 75686 adopted April 30, 1992 (the “Ordinance”), the City Council of the City of San Antonio, Texas (the “City”) consolidated the City’s then existing waterworks, sanitary sewer, and water reuse systems and established the San Antonio Water System Board of Trustees (the “Board”) to provide for more complete and consistent planning and development of water resources in the City.

- The Ordinance establishes certain express provisions related to the management of the System, including complete management and control of the System being vested in the Board, the Board’s ability to appoint and employ officers and professional consultants which it may deem advisable, including, without limitation, a chief executive officer of the System, and the Board’s ability to delegate administrative duties and authorities to its employees and consultants.

- The Ordinance provides that certain matters of litigation may initiated by the Board without approval of City Council.

- In order to increase effectiveness and efficiency of managing the System, it is in the best interest of the System to delegate the authority to and authorize the President/Chief Executive Officer to initiate such matters of litigation which may be undertaken on behalf of the Board without the approval of City Council.

- The resolution does not change the obligation of the Board to obtain the approval of City Council to initiate matters of litigation when required by the Ordinance.

FINANCIAL IMPACT:

There is no financial impact for this action.
APPROVED:

____________________________________
Berto Guerra, Jr., Chairman
San Antonio Water System Board of Trustees
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES DELEGATING THE AUTHORITY TO AND AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER TO INITIATE CERTAIN LITIGATION ON BEHALF OF THE SAN ANTONIO WATER SYSTEM (THE “SYSTEM”); 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 City Ordinance No. 75686 adopted April 30, 1992 (the “Ordinance”), the City Council of the City of San Antonio, Texas (the “City”) consolidated the City’s then existing waterworks, sanitary sewer, and water reuse systems and established the San Antonio Water System Board of Trustees (the “Board”) to provide for more complete and consistent planning and development of water resources in the City; and

WHEREAS, the Ordinance establishes certain express provisions related to the management of the System, including complete management and control of the System being vested in the Board, the Board’s ability to appoint and employ officers and professional consultants which it may deem desirable, including without limitation, a chief executive officer of the System, and the Board’s ability to delegate administrative duties and authorities to its employees and consultants; and

WHEREAS, the Ordinance provides that certain matters of litigation may be initiated by the Board without approval of City Council; and

WHEREAS, in order to increase effectiveness and efficiency of managing the System, it is in the best interest of the System to delegate the authority to and authorize the President/Chief Executive Officer to initiate such matters of litigation which may be undertaken on behalf of the Board without the approval of City Council; and

WHEREAS, this resolution does not change the obligation of the Board to obtain the approval of City Council to initiate matters of litigation when required by the Ordinance; now, therefore:

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

1. That the Board does hereby delegate the authority to and authorize the President/Chief Executive Officer to initiate such matters of litigation which may be undertaken by the Board without the approval of City Council.
2. It is officially found, determined and declared that the meeting at which this resolution was adopted was open to the public, and that public notice of the time, place and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended, Title 5 Chapter 551 Government Code.

3. If any part, section paragraph, sentence, phrase or word of this resolution is for any reason held to be unconstitutional, illegal 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 has 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 December, 2017.

___________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________
Ernesto Arrellano, Jr., Secretary
TO: San Antonio Water System Board of Trustees
FROM: Berto Guerra, Jr., Chairman, San Antonio Water System Board of Trustees
CC: Robert R. Puente, President/Chief Executive Officer

SUBJECT: APPROVAL OF ENGAGEMENT LETTER WITH THE LAW FIRM OF LANGLEY & BANACK, INC. FOR RUBEN BARRERA TO ACT AS SPECIAL COUNSEL TO THE BOARD FOR CALENDAR YEAR 2018

Board Action Date: December 5, 2017

SUMMARY AND RECOMMENDATION:

The attached resolution approves an Engagement Letter with the law firm of Langley & Banack, Inc. for Ruben Barrera to act as Special Counsel to the San Antonio Water System Board of Trustees (the “Board”) for calendar year 2018, authorizes expenditure of an amount not to exceed $73,100.00 for the legal services, and grants authority to the Board Chairman to execute the Engagement Letter for the legal services.

• Mr. Barrera has previous experience acting in a capacity as Special Counsel to the Board.

• The Board has been satisfied with the quality of the legal services it has been receiving from Mr. Barrera and wishes to continue an engagement for the legal services.

• The expenditure of funds for Mr. Barrera’s legal services for calendar year 2018 is not anticipated to exceed $73,100.00.

• Mr. Barrera has agreed to the terms of an Engagement Letter in substantially the form of Attachment I to the Resolution.

FINANCIAL IMPACT:

Funds for these services were included in the 2018 Annual Operating Budget and will be financed with revenues from the System Fund (Company: 1000, Accounting Unit: 5000300, Account: 511320, Total 2018 amount: $73,100.00).

APPROVED:

____________________________________
Berto Guerra, Jr., Chairman
San Antonio Water System Board of Trustees
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING AN ENGAGEMENT LETTER FOR LEGAL SERVICES WITH THE LAW FIRM OF LANGLEY & BANACK, INC. FOR RUBEN BARRERA TO ACT AS SPECIAL COUNSEL TO THE BOARD OF TRUSTEES FOR CALENDAR YEAR 2018; AUTHORIZING THE EXPENDITURE IN AN AMOUNT NOT TO EXCEED $73,100.00 FROM THE SYSTEM FUND FOR SUCH LEGAL SERVICES; AUTHORIZING THE BOARD CHAIRMAN TO EXECUTE SAID ENGAGEMENT LETTER; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, Ruben Barrera has acted in the capacity as Special Counsel to the San Antonio Water System Board of Trustees (the “Board”) for several years; and

WHEREAS, the Board has been satisfied with the quality of the legal services it has been receiving from Mr. Barrera and wishes to continue a letter of engagement for his legal services; and

WHEREAS, the expenditure of funds for Mr. Barrera’s legal services for calendar year 2018 is not anticipated to exceed $73,100.00; and

WHEREAS, Mr. Barrera has agreed to the terms of an engagement letter in substantially the form attached hereto as Attachment I and made a part hereof (the “Engagement Letter”) for legal services for calendar year 2018; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve an Engagement Letter with the law firm of Langley & Banack, Inc. for Ruben Barrera to act as Special Counsel to the Board for calendar year 2018; (ii) to authorize the expenditure of an amount not to exceed $73,100.00 from the System Fund for said legal services; and (iii) to authorize the Board Chairman to execute the Engagement Letter; now, therefore:

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

1. That the Engagement Letter with the law firm of Langley & Banack, Inc. for Ruben Barrera to act as Special Counsel to the Board for calendar year 2018 is hereby approved.

2. That the expenditure of an amount not to exceed $73,100.00 from the System Fund for legal services under the Engagement Letter for calendar year 2018 is hereby authorized.
3. That the Board Chairman is hereby authorized to execute an Engagement Letter in substantially the form set forth in Attachment I hereto.

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 shall become effective immediately upon its passage.

PASSED AND APPROVED this 5th day of December, 2017.

________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_____________________________
Ernesto Arrellano, Jr., Secretary

Attachment I – Engagement Letter
Mr. Berto Guerra, Jr., Chairman
San Antonio Water System Board of Trustees
2800 U.S. Hwy 281 North
San Antonio, Texas 78212

Re: Legal Representation of San Antonio Water System Board of Trustees

Dear Mr. Guerra:

We appreciate being given the opportunity to represent the San Antonio Water System Board of Trustees ("SAWS Board") in connection with its legal matters (the "Engagement"). We believe the SAWS Board will find it helpful for us to set forth the role and responsibilities of both our law firm and the SAWS Board and that is the purpose of this letter.

1) **SCOPE OF ENGAGEMENT**

As Counsel for the SAWS Board, we will provide the legal services requested in connection with the Engagement and more specifically described in Exhibit "A" attached to and made a part of this letter. The "basic legal services" to be provided are outlined in Section I of Exhibit "A" while "additional legal services" that may be provided are outlined in Section II of Exhibit "A."

The scope of basic legal services outlined in Section I of Exhibit "A" will be provided based on billing the actual time spent at the hourly rates specified in Section I of Exhibit "A", up to the retainer cap amount specified in Section I of Exhibit "A."

The additional legal services outlined in Section II of Exhibit "A" will be provided based on billing the actual time spent at the hourly rates specified in Section II of Exhibit "A." Additional legal services must be pre-approved by the Chairman of the Board.

All Firm statements for legal services whether for basic or additional legal services provided shall be submitted to the Board for payment. Invoices shall be submitted by the 20th day of each month for the services provided in the preceding month.

This letter of engagement shall be effective for services provided and expenses incurred as of January 1, 2018.

2) **WORK ASSIGNMENTS**

I will be your primary contact for all aspects of the firm's representation of the SAWS Board with respect to the Engagement. From time to time, parts of the SAWS Board's work may be assigned to other lawyers or other personnel within the firm when deemed necessary, and other firm lawyers may be used where specialized help is needed and subject to the approval of the
Chairman of the Board. It is our practice to assign tasks among lawyers, legal assistants, law clerks, document clerks and other staff in such a way as to produce quality work at a reasonable expense to the SAWS Board. However, I will be responsible to the SAWS Board for the entire assignment.

3) **FEES**

Our fees are based on the time spent by the lawyers and legal assistants who work on the matter. We will charge (in accordance with the provisions of paragraph 1 of this letter) for the time spent in representing the SAWS Board's interests, including, by way of illustration, attendance at meetings, telephone and office conferences with SAWS Board members and other representatives, SAWS employees, consultants (if any), and opposing counsel; drafting letters, pleadings, agreements and other necessary documents; actual investigation or due diligence; legal research; and responding to the SAWS Board's requests for us to provide information to the SAWS Board's auditors in connection with reviews or audits of financial statements. Any meetings, telephone or office conferences related to work for additional services with SAWS staff other than the President/CEO or the Vice-President and General Counsel require the approval of the Chairman or SAWS President/CEO or SAWS Vice-President and General Counsel.

Billing rates for our attorneys vary according to the experience of the individuals. My current billing rate is $275.00 per hour. In an effort to reduce overall legal costs, we utilize legal assistants whenever appropriate. Time devoted by legal assistants to client matters is currently charged at billing rates generally ranging from $75.00 to $130.00 per hour. Any additional personnel assigned to SAWS Board matters must be pre-approved by the Chairman and the billing rates must be limited to the range reflected in this paragraph.

4) **BILLING**

We will submit statements to the SAWS Board on a monthly basis for our unpaid fees and expenses. The statements will have detailed itemization of tasks performed. Each task will be billed separately stating the subject matter and the time spent on each task and SAWS Board member or employee involved, if any. A series of tasks will not be grouped together and billed as one total. If determined to be necessary, prior to approval of the firm’s invoice, Board Counsel and the Vice President and General Counsel will meet and review the monthly invoice. The SAWS Board agrees to pay these statements within thirty days after receipt; however, if any statements, or parts thereof, are questioned or disputed by the SAWS Board, then a reasonable amount of time will be allowed to resolve that particular statement or itemization. The SAWS Board is encouraged to review our statements and discuss any questions with me it may have concerning the level of activities and the nature of services rendered. One of the reasons we submit statements to the SAWS Board on a monthly basis is so that the SAWS Board will have a ready means of monitoring and controlling the expenses it is incurring. If
the SAWS Board believes the expenses are mounting too rapidly, the SAWS Board should contact us immediately so that we can assist the SAWS Board in evaluating future alternatives.

SAWS shall not pay for the following:

1. Additional legal services that have not been authorized by the SAWS Chairman of the Board of Trustees.

2. Conferences involving attorneys, paralegals, and other personnel from the firm which involve routine administrative, coordinating and/or assignment-related matters.

3. Time spent communicating matters of a non-substantive nature, such as communicating or leaving messages or voice mail to “return call” or “ask someone to call me,” or accepting appointments or responding routine, non-legal correspondence.

4. Time spent, upon reassignment of a matter to another attorney, in familiarizing that attorney with the file, unless the SAWS Board Chairman has requested or approved the reassignment.

5. General overhead items, such as the fixed costs associated with computers, fax machines and other equipment, publications, continuing legal education, word processing charges, secretarial services, librarian services, printer tending, services by messengers employed by the firm, and faxes.

6. Charges for normal overhead and expenses, such as charges for incoming and outgoing faxes, computerized research, telephone calls, conference calls, photocopying expenses, and postage, except that the SAWS Board will pay for extraordinary costs in this regard at the discretion of the SAWS Board Chairman.


8. Time charges for preparation of bills.

9. Photocopying costs in excess of ten cents (10¢) per page.

10. Travel other than coach class.

5) **OUT-OF-TOWN TRAVEL**

Travel shall be on System business only when necessary and authorized by the Chairman. Travel time shall be billed at one-half (1/2) the hourly rate, except that time spent working on the System’s matters while traveling may be billed at the full hourly rate.
For travel expenses, the rate shall be the same as those set for State employees by the State Legislature in the General Appropriation Act.

Travel time to and from SAWS events, meetings, conferences, etc., that take place in Bexar County will not be charged, unless it is pre-approved by the Chairman. Time spent during any meals prior to, during or after an event, meeting or conference shall not be charged.

6) **COOPERATION**

In order to enable us to render effective legal services, the SAWS Board agrees to advise us of all facts and to keep us informed of all developments relating to any legal matter. We necessarily must rely on the accuracy and completeness of the facts and information the SAWS Board and its representatives, employees, and consultants, if any, provide to us. To the extent it is necessary for the SAWS Board members and representatives as well as SAWS employees, and consultants, if any, to attend meetings in connection with any legal matter, we will attempt to schedule them so that the convenience of the SAWS Board members and representatives, SAWS employees and consultants, if any, can be served.

7) **CONFLICTS OF INTEREST**

Conflict of interest is a concern for lawyers and their clients. Rules concerning conflicts of interest vary with the jurisdiction. In order to avoid any uncertainty, the SAWS Board and the Firm agree that Rule 1.05 (Confidentiality) and 1.06 (Conflicts of Interest) of the Texas Disciplinary Rules of Professional Conduct will be applicable to the representation and will be the basis by which conflicts of interest will be resolved.

8) **WITHDRAWAL OR TERMINATION**

Our relationship may be terminated by either of us at any time by written notice to the other party. The SAWS Board shall pay the Firm for those services rendered on or before the date of termination.

9) **CLIENT DOCUMENTS**

We will maintain any documents SAWS and the SAWS Board furnishes us in our client files for this matter. At the conclusion of the Engagement (or earlier, if appropriate), we will return any documents in our files that you request be returned to you. We will retain any remaining documents in our files for a limited period before ultimately destroying them in accordance with our record retention policy then in effect. The Firm will retain SAWS records in accordance with any retention laws or rules related to a municipally-owned water and sewer utility service provider.
10) **CLOSING**

If the foregoing correctly reflects the SAWS Board's understanding of the terms and conditions of our representation, please execute this engagement letter in the space provided below and return it to the undersigned.

Please contact me if the SAWS Board has any questions. We are pleased to have this opportunity to be of service and to work with the SAWS Board, and we look forward to a materially beneficial relationship in the future.

Very truly yours,

Langley & Banack, Inc.

Ruben R. Barrera

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Berto Guerra, Jr., Chairman
Chairman, Board of Trustees
San Antonio Water System
LANGLEY & BANACK, INC.
(SCOPE OF SERVICES)

Scope of Services of Counsel to the San Antonio Water System Board of Trustees

1. Advise Board on legal matters relating to Board's oversight of the System;

2. Review, revise and comment on contracts and agreements between the Board/System and other parties prior to consideration by Board;

3. Perform research and draft memoranda and opinions on legal matters relating to Board's oversight of the System;

4. Attend regular and special Board and other meetings;

5. Advise Board Members regarding ethics and conflicts of interest issues;

6. Advise Board on parliamentary procedure, Open Meetings and Public Information Acts, Indenture Ordinance, City Charter, and other applicable local ordinances and federal/state statutes, codes and regulations; and

7. Advise Board Members on their status, rights, duties, obligations and limitations as public officers.

Section I - Retainer

The total 12-month budget for monthly retainer services is $23,100.00. The monthly retainer cap for (i) attendance at one regular Board meeting per month, and (ii) related Board meeting preparation, including review and/or proposed revision of agenda materials and related telephone conferences (collectively, "Meeting Preparation"), is $1,925.00; provided, however, that Meeting Preparation shall not exceed 2 hours of time ($550.00) per month unless pre-approved by the Chairman or General Counsel. Therefore, the Firm will not bill the SAWS Board more than $1,925.00 per month for services covered by the retainer.

Section II - Additional Services

The total 12-month budget for additional services is $50,000.00. Any services that may be required above this amount must be approved by the Board. Ruben Barrera (primary lawyer) will bill for additional services at $275.00 per hour. From time to time, parts of the SAWS Board's work may be assigned with the Chairman’s approval to other lawyers or other personnel within the firm when deemed necessary, and other firm lawyers may be used where specialized help is needed. It is our practice to assign tasks among lawyers, legal assistants, law clerks, document clerks and other staff in such a way as to produce quality work at a reasonable expense to the SAWS Board. Hourly rates for such additional lawyers and personnel shall be approved in advance by the Vice-President and General Counsel.

The Firm will provide and bill for additional services outlined below as follows:
A. Telephone conferences with Trustees as pre-approved by the Chairman.

B. Prepare, review, revise and comment on certain contracts/agreements and related documents between the Board/System and other parties prior to consideration by Board as pre-approved by the Chairman.

C. Conduct legal research and render oral and written opinions on legal matters affecting the Board and the System as pre-approved by the Chairman.

D. Attendance at other meetings as pre-approved by the Chairman.
   1. Special/Emergency Meetings.
   2. Additional Workshop Meetings.
   3. Joint Meetings with other agencies.
   4. Committee Meetings.
   5. City Council Meetings.
   6. Individual Trustee/Staff Meetings.
   7. Additional monthly Board meeting
   8. Attendance at regular Board and Policy and Planning Meetings that go beyond time allocated in retainer.

E. Preparation for other meetings as pre-approved by the Chairman.

F. Preparation of memorandums, resolutions and other documents necessary for other meetings as pre-approved by the Chairman.

G. Preparation of the annual audit letter for the Firm.

H. Any other legal work including, but not limited to, policy input and recommendations, drafting of policies and regulations, as well as labor and employment work requested by the Board and the System. In the event Counsel is requested to look into a matter being handled by outside counsel specifically hired for that purpose, Counsel will examine the work of outside counsel in so far as it relates to the Board and its individual members – (potential for conflict of interest, ultra vires act of the Board and or its members, etc.). All work must be pre-approved by the Chairman.

I. Legal Work related to and in support of the Vista Ridge Regional Water Supply Project, including preparation of legal opinions, memorandum of law and other transactional matters.