AGENDA

JOINT SPECIAL MEETING
SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES
AND CPS ENERGY BOARD OF TRUSTEES

October 9, 2018, 9:00 A.M.
SAWS Administrative Offices
Tower II, Customer Service Building
1st Floor, Multi-Purpose Room #145
2800 U. S. Hwy 281 North, San Antonio, Texas 78212

(A quorum of the Members of both Boards may attend a breakfast beginning at 8:15 a.m. in Room #154, Tower II. No SAWS or CPS Energy business will be discussed and no action will be taken on any such business during this breakfast.)

1. Joint Call to Order
   A. Berto Guerra, Jr., Chairman, SAWS
   B. John Steen, Chairman, CPS Energy

2. Mayor's Opening Remarks
   A. The Honorable Ron Nirenberg, Mayor of the City of San Antonio

3. Chairmen's Opening Remarks
   A. Berto Guerra, Jr., Chairman, SAWS
   B. John Steen, Chairman, CPS Energy

4. Briefing Items
   B. Discussion regarding successful partnerships between SAWS and CPS Energy and potential initiatives. (Robert R. Puente – Steve Clouse)
   C. Discussion regarding CPS Energy’s Smart Grid Digital Technology. (Paula Gold-Williams – Senior Chiefs)

5. Inquiries of the Boards of Trustees for future briefings/Closing Remarks

6. Joint Adjournment
   A. Berto Guerra, Jr., Chairman, SAWS
   B. John Steen, Chairman, CPS Energy
AGENDA
MEETING OF THE
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES
October 9, 2018, 10:30 A.M.
or
upon adjournment of the
Joint Special Meeting
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 August 7, 2018.


5. Public Comment.
CONSENT AGENDA ITEMS

Items 6 – 24

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 Thermo Electron North America, LLC to provide: Inductively Coupled Plasma Mass Spectrometry System (ICP-MS) for the analysis of metals, Bid No. 18-18084, for a total of $119,495.40.

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 Jayden Graphics, Inc. to provide: annual contract for billing and return envelopes, Bid No. 18-0020A, for a total of $210,230.40.

2. Authorizing additional funds to the existing contract with Horton Horticulture, Inc. to provide: annual contract for lawn maintenance services for ASR and Wastewater Treatment Plant properties, Bid No. 16-1250, for a total of $86,539.00.

CAPITAL IMPROVEMENT CONTRACTS

PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

Developer Customer Contracts

7. A Resolution awarding a construction contract to D Guerra Construction, LLC in an amount not to exceed $1,886,442.92 in connection with the Westlakes Off-Site Water Main Extension – Segment A Project; approving a contract between the System, D Guerra Construction, LLC, and Pulte Homes of Texas, LP for the project work; authorizing the expenditure of funds in the amount of $1,273,483.65 for the System’s proportionate share of the project work payable to D Guerra Construction, LLC and the expenditure of funds in the amount of $127,348.37 for the System’s proportionate share of the engineering design fees payable to Pulte Homes of Texas, LP. (ANDREA BEYMER – TRACEY LEHMANN)
Water and Sewer Line Improvements

8. A Resolution awarding a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. in an amount not to exceed $1,643,885.50 in connection with the 2019 SMP Package I (Avenida Prima, La Aventura, & La Bahia). (ANDREA BEYMER – GAIL HAMRICK-PIGG)

9. A Resolution awarding a construction contract to Qro Mex Construction Co., Inc. in an amount not to exceed $655,300.00 in connection with the 2019 SMP Package II (Sligo St., Lyons St.). (ANDREA BEYMER – GAIL HAMRICK-PIGG)

10. A Resolution awarding a construction contract to R.L. Jones, LP in an amount not to exceed $480,103.10 in connection with the 2019 SMP Package III (Anne Lewis, Veda Mae). (ANDREA BEYMER – GAIL HAMRICK-PIGG)

11. A Resolution awarding a construction contract to R.L. Jones, LP in an amount not to exceed $773,065.30 in connection with the 2019 SMP Package IV (Santiago St., Bowdoin St.). (ANDREA BEYMER – GAIL HAMRICK-PIGG)

12. A Resolution awarding a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. in an amount not to exceed $688,677.00 in connection with the 2019 SMP Package V (Bertetti Dr., Fedora). (ANDREA BEYMER – GAIL HAMRICK-PIGG)

13. A Resolution awarding a construction contract to M5 Utilities, LLC in an amount not to exceed $1,493,397.50 in connection with the Boerne Stage Road Water Main Replacement Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

REPLACEMENT AND ADJUSTMENT PROJECTS

Governmental Relocations and Replacements

14. A Resolution approving an Interlocal Agreement with Bexar County; authorizing the expenditure of funds in an amount not to exceed $1,025,445.68 for the adjustment and replacement of water and sewer facilities by Bexar County in connection with the Candlewood Subdivision Phase II Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

EASEMENT AND REAL PROPERTY

15. A Resolution awarding a professional services contract to Hollerbach & Associates, Inc. in an amount not to exceed $300,000.00 for a five-year period to provide real estate title services in connection with the acquisition and disposition of real property and for various capital improvement projects. (NANCY BELINSKY – BRUCE HABY)

16. A Resolution approving the acquisition of a permanent water line easement being approximately 0.160 acres from Clare J. Campbell, being located on the west side of US Hwy 281 and Bitters Road, in Bexar County, Texas for the Central Water Integration Pipeline Project in an amount not to exceed $132,500.00. (NANCY BELINSKY – BRUCE HABY)
17. A Resolution authorizing the President/Chief Executive Officer or his duly appointed
designee to negotiate and execute a Joint Use Agreement with the City of San Antonio
Parks and Recreation Department in an amount not to exceed $300,000.00 for the
Central Water Integration Pipeline Project.
(NANCY BELINSKY – BRUCE HABY)

18. A Resolution accepting the bid from and approving a purchase agreement with Yancey
Water Supply Corporation for the West View Subdivision Water System located in
Medina County, Texas in the amount of $750,000.00 and additional consideration of
Certificate of Convenience and Necessity area exchange; authorizing the expenditure
of funds from the sale proceeds in an amount not to exceed $2,000.00 to Alamo Title as
escrow agent for closing costs. (NANCY BELINSKY – BRUCE HABY)

MISCELLANEOUS ITEMS

19. A Resolution awarding a construction contract to RCO Construction, LLC in an
amount not to exceed $153,950.00 in connection with the Dos Rios Concrete Drying Bed
Pilot Expansion Project. (JEFF HABY – PARVIZ CHAVOL)

20. A Resolution approving an amendment to the Fee Letter providing for certain payment
terms under the Revolving Credit Agreement with Wells Fargo Bank, N.A. relating to
the City of San Antonio, Texas Water System Commercial Paper Notes, Series B.
(DOUG EVANSON)

21. A Resolution authorizing expenditures in an amount not to exceed $978,493.80 for fiscal
year 2018 and 2019 for the third year of a three-year agreement with SHI Software in
connection with the Microsoft Enterprise Agreement and add-on software licenses.
(DOUG EVANSON – SREE PULAPAKA)

22. A Resolution approving a Joint Funding Agreement with the United States Geological
Survey in an amount not to exceed $495,487.00 for the period of January 1, 2019 to
December 31, 2019 in connection with monitoring and studying groundwater water
quality, surface/recharge water quality, and hydrogeologic studies of the Edwards
Aquifer and System’s water resource projects.
(DONOVAN BURTON – SCOTT HALTY)

23. A Resolution approving an agreement with Bluebonnet Electric Cooperative in an
amount not to exceed $706,145.71 for design and construction of electrical facilities for
the Vista Ridge Regional Supply Project Well Field Facilities 7, 8, & 9.
(DONOVAN BURTON – MARTY JONES)

24. A Resolution approving the first amendment to the Monitoring Well System
Construction, Operation and Maintenance Agreement between Gonzales County
Underground Water Conservation District, Alliance Regional Water Authority,
Canyon Regional Water Authority, Schertz-Seguin Local Government Corporation,
and the Guadalupe-Blanco River Authority; authorizing expenditures in an amount
not to exceed $192,607.50 for the System’s share of costs.
(DONOVAN BURTON – DARREN THOMPSON)
25. **PUBLIC HEARING: 2019 ANNUAL BUDGET**

A. Public Hearing Briefing (DOUG EVANSON)


**ITEMS FOR INDIVIDUAL CONSIDERATION**

**CAPITAL IMPROVEMENT CONTRACTS**

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

Developer Customer Contracts

27. 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)

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<th>CoSA / CoSA ETJ / Outside</th>
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Water and Sewer Line Improvements

28. A Resolution awarding a construction contract to SAK Construction, LLC in an amount not to exceed $21,918,562.00 in connection with the Multiple Sewershed Package 2A Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

Production, Transmission and Treatment Improvements

29. A Resolution awarding a construction contract to Archer Western Construction, LLC in an amount not to exceed $8,613,000.00 in connection with the Water Production Facilities Disinfection System Upgrades Phase II Project. (ANDREA BEYMER – MICHAEL MYERS)

30. A Resolution awarding a construction contract to PLW Waterworks, LLC in an amount not to exceed $70,724,755.00 in connection with the Central Water Integration Pipeline Terminus Treatment Facility Project. (ANDREA BEYMER – ALISSA LOCKETT)
31. A Resolution awarding a construction contract to Archer Western Construction, LLC in an amount not to exceed $11,144,100.00 in connection with the Central Water Integration Pipeline Maltsberger Pump Station Improvements Project.

(ANDREA BEYMER – ALISSA LOCKETT)

32. BRIEFING SESSION.

A. Briefing and deliberation regarding the Vista Ridge Project

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

34. The Regular Session of the October 9, 2018, 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.

35. EXECUTIVE SESSION.

A. Consultation with attorneys regarding legal matters related to (i) Renda/Southland, JV., et. al. vs San Antonio Water System, et. al., Cause No. 2018 CI 18329 in the District Court for the 150th Judicial District of Bexar County, Texas; and (ii) In Re: The City of San Antonio, Texas, acting by and through the San Antonio Water System Board of Trustees, and the City of San Antonio, Texas Water System Junior Lien Revenue and Refunding Bonds, Series 2018A (No Reserve Fund), Cause No. 2018 CI 19101 in the District Court for the 407th Judicial District of Bexar County, Texas, related to the Central Water Integration Pipeline Segment 5-1 Project pursuant to §551.071, Texas Government Code.

B. Consultation with attorneys regarding legal matters related to the Design Build Services Agreement with Teal Construction Company for the Phase II Service Center Project pursuant to §551.071, Texas Government Code.

C. 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 §551.071, Texas Government Code.

36. The Regular Session of the Regular Board Meeting of October 9, 2018, is hereby reconvened.

37. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF OCTOBER 9, 2018, IS HEREBY ADJOURNED.
MEETING OF THE
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES
August 7, 2018, 9:00 A.M.
6th Floor Board Room #609
Administrative Offices
2800 U. S. Hwy 281 North, San Antonio, Texas 78212

Board Members Present:
Berto Guerra, Jr., Chairman
Ron Nirenberg, Mayor
Pat Jasso, Vice Chair
Pat Merritt, Assistant Secretary
David P. McGee, Trustee
Eduardo Parra, Trustee

Board Members Absent:
Amy Hardberger, Secretary

1. MEETING CALLED TO ORDER.

The meeting of the San Antonio Water System Board of Trustees was held on August 7, 2018, and called to order at 9:12 a.m. by Chairman Berto Guerra.

2. Announcements.

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

3. Minutes.

A. Approval of the Minutes of the San Antonio Water System Board of Trustees Regular Board Meeting of June 5, 2018.
Chairman Guerra asked if there were any corrections to the minutes. Hearing none, he stated the minutes were approved as presented.


Lynn Christopher introduced the 2018 Summer Interns. In addition to performing a valuable service to SAWS, the interns had the opportunity to participate in Influent, a leadership development program designed and facilitated by SAWS Education Team. For six weeks, staff met with the interns every Friday during lunch to explore different topics, all the while learning what SAWS does and the important service that SAWS provided the community. One of the goals of the program was to allow interns from across the company to come together and share experiences. She introduced Zachary Segura and asked him to share a little about his experience.

Mr. Segura commented on his eye-opening experience and being able to dip his hand in different places such as permits, law, market analysis, bids, etc. He enjoyed being able to go to the Dos Rios plant and check out the whole process and transformation of the water. He stated that as an intern it could be a little nerve-wracking, but his team helped him feel like he was a part of this company and his voice was heard.

Ms. Christopher recognized Angelica Zuniga, who took the lead in this year’s Influent program as the lead facilitator. She invited the Board to join her in sending the interns back to school and to their future careers with best wishes, and maybe even returning one day as a SAWS employee.

Chairman Guerra thanked the interns for participating in the summer program. The Board appreciated the fact that the students chose SAWS to learn all about the process, even the Dos Rios transformation, and to see what SAWS does for the people in the community.

Mayor Nirenberg commented on the interns’ public service, especially in the middle of their summer break, and congratulated the interns on making that decision. He stated their voice was heard and it was glad to hear that in the organization. He hoped that the students continued to pursue public service.

5. Public Comment.

None

CONSENT AGENDA ITEMS

Items 6 – 17

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 single source purchase from Olympus Technologies, Inc. to provide: tube-in-tube heat exchangers, Bid No. 18-18065, for a total of $255,020.00.

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 Teqsys, Inc. to provide: annual contract for NetBackup Enterprise Virtual Client Veritas Resiliency Platform, (DIR-TSO-3926), Bid No. 18-15068, for a total of $110,442.16.
   2. Acceptance of the bid of Core & Main LP to provide: annual contract for meter & valve box components, Bid No. 18-0029, for a total of $864,730.60.
   3. Acceptance of the bid of Techline Pipe to provide: annual contract for miscellaneous waterworks brass goods, Bid No. 18-0028, for a total of $934,463.35.

   CAPITAL IMPROVEMENT CONTRACTS
   PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

   Developer Customer Contracts

7. A Resolution approving Change Order No. 3 in an amount not to exceed $100,666.53 to the construction contract with Pesado Construction, Inc. in connection with the Highland Estates Montana Pass Floating Ground Storage Tank Project. (ANDREA BEYMER – TRACEY LEHMANN)

Water and Sewer Line Improvements

8. A Resolution ratifying the actions of the Vice President of Engineering and Construction in approving Change Order No. 10 in an amount not to exceed $549,999.98 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)

9. A Resolution approving additional funds in an amount not to exceed $150,000.00 to the professional services contract with Construct-Ability, LLC in connection with the Construction Feasibility Review Services – Contract 1. (ANDREA BEYMER – MICHAEL MYERS)
Production, Transmission and Treatment Improvements

10. A Resolution awarding a construction contract to S.J. Louis Construction of Texas, Ltd. in an amount not to exceed $2,179,056.00 in connection with the Micron to Anderson Pump Station Phase 2 – 48-inch Water Main Project.  
   (ANDREA BEYMER – MICHAEL MYERS)

REPLACEMENT AND ADJUSTMENT PROJECTS

Governmental Relocations and Replacements

11. A Resolution ratifying the actions of the Vice President of Engineering and Construction in approving Change Order No. 1 in the amount of $494,735.34; authorizing expenditures in an amount not to exceed $439,141.84 to Bexar County in connection with the Borgfeld Road Phase II: Timberline to Blanco Road Project.  
   (ANDREA BEYMER – GAIL HAMRICK-PIGG)

EASEMENT AND REAL PROPERTY

12. A Resolution authorizing the expenditure of funds in the amount of $65,000.00 being the amount of the Special Commissioners Award in litigation between the San Antonio Water System and JFMKS Holdings, LLC for the acquisition of one temporary construction easement for the E-19 Seguin Road to Nacogdoches Road Segment 2 Project.  
   (NANCY BELINSKY – BRUCE HABY)

13. A Resolution approving the acquisition of two permanent easements being approximately 1.469 acres in the aggregate, two temporary construction easements being approximately 1.274 acres in the aggregate, and a 0.092 acre access area right of entry from Dague Ranch Limited Partnership, said easements and access area being located near the northwest corner of Hardy Oak and Huebner Road, in the northeast quadrant of Bexar County, Texas, for the Central Water Integration Pipeline Project in an amount not to exceed $43,121.00.  
   (NANCY BELINSKY – BRUCE HABY)

MISCELLANEOUS ITEMS

14. A Resolution awarding a service contract to Ace Pipe Cleaning, Inc. in an amount not to exceed $694,764.26 in connection with the Cleaning and Inspection of Sanitary Sewer Assets at the Former Salado Creek Water Recycling Center.  
   (JEFF HABY – ANNETTE DURON)

15. A Resolution approving the 2018 Water Purchase Agreement with the Guadalupe-Blanco River Authority, Canyon Regional Water Authority, City of Cibolo, City of Marion, East Central Special Utility District, Green Valley Special Utility District, and the Springs Hill Water Supply Corporation.  
   (DONOVAN BURTON – DARREN THOMPSON)

16. A Resolution authorizing the expenditure of funds in the amount of $500,000.00 to the Guadalupe Valley Electric Cooperative in connection with the design and construction
A Resolution approving additional funds in an amount not to exceed $120,000.00 to the existing marketing agreement with the San Antonio Economic Development Foundation in connection with the identification and development of potential customers for the San Antonio Water System. (GAVINO RAMOS)

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

Ms. Jasso made a motion to approve the Consent Agenda Items 6 – 17. Mr. McGee seconded the motion.

Consent Agenda Items 6 – 17, were unanimously approved. Electronic voting.

At this point in the meeting, an Executive Session was held. The time was 9:21 a.m.

The Regular Session of the August 7, 2018, 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.

EXECUTIVE SESSION.

A. Deliberation regarding the employment, evaluation and duties of the President/Chief Executive Officer and consultation with attorneys regarding any related legal matters pursuant to Texas Government Code §551.074 and §551.071.

B. Consultation with attorneys regarding pending litigation in Case No. 5:12-cv-00620-OLG in the United States District Court for the Western District of Texas - San Antonio Division; League of United Latin American Citizens, et al., vs. Edwards Aquifer Authority pursuant to §551.071, Texas Government Code.

C. Consultation with attorneys regarding legal matters related to an Interlocal Agreement and Term Wholesale Water Service Contract with the Kendall County Water Control and Improvement District No. 3 for the provision of water services in Kendall County pursuant to §551.071, Texas Government Code.

D. Consultation with attorneys regarding legal matters related to the Design Build Services Agreement with Teal Construction Company for the Phase II Service Center Project pursuant to §551.071, Texas Government Code.

The Regular Session of the Regular Board Meeting of August 7, 2018, is hereby reconvened.
The meeting reconvened at 11:54 a.m. The Chairman stated that no decisions were made in Executive Session.

**ITEMS FOR INDIVIDUAL CONSIDERATION**

21. **Deliberation and possible action regarding a Resolution approving an Interlocal Agreement and Term Wholesale Water Service Contract with the Kendall County Water Control and Improvement District No. 3.**

*(DONOVAN BURTON – DARREN THOMPSON)*

Donovan Burton presented Item 21, the Interlocal Agreement and Term Wholesale Water Service contract with Kendall County Water Control and Improvement District No. 3 (WCID #3). He reviewed the local certificates of convenience and necessity (CCN), and SAWS CCN location almost adjacent to WCID #3 in Kendall County. In March, the Board passed a Utility Service Agreement (USA) for the Beidenharn Tract. The original USA had some challenges with water supply for Canyon Lake water and Edwards Aquifer water. The USA started at about 200 equivalent dwelling units (EDU), and allowed the tract to grow in over time as some of the legal conditions with the water supply were satisfied. Ultimately, the developer was not able to move forward and re-entered discussions that would allow the developer to go forward without putting SAWS at any risk. The discussion was to change to a wholesale water contract with the WCID #3, and that would relieve the conditions obligating SAWS to retail water service.

The wholesale water contract would include a specific take. A scheduled take would start with 80 acre-feet in 2020 with some annual increases up to about 1,500 acre-feet in 2032, and go through the 2037 time-frame. WCID #3 would also pay impact fees to SAWS as each meter was connected. There were other development conditions that were also in the original USA that included impervious cover provisions, dark sky limits, tree ordinance and San Antonio drought restrictions. WCID #3 was asked to get the conditions precedent done by February 7, which would allow about six months to finalize an agreement with GBRA for long-term supply and ability to use GBRA water in area, to file declarations of restrictive covenants to make sure developers complied with the provisions, to adopt uniform service regulations with the conditions, and to get permanent approval of the WCID by January 2020.

He reviewed maps that showed an initial interconnection point off SAWS infrastructure. As the system grew, there may be a need to use Edwards water as a redundant back-up system into the area. If the legal concerns regarding the Edwards Aquifer legislation were not handled by the 2021 time-frame, WCID #3 would need to start designing and constructing a new line by 2025 off the GBRA pipeline, and would get water directly from SAWS off the Canyon Lake pipeline through 2037. Beyond 2037, WCID #3 would need to have an agreement with GBRA to provide the water.

Staff recommended approval of an Interlocal Agreement and Term Wholesale Water Service Contract between SAWS and Kendall County WCID #3.

Mr. McGee made a motion to approve Item 21. Ms. Merritt seconded the motion.
Mayor Nirenberg thanked staff for working to find a resolution on these issues. As the corridor becomes more urbanized, more of more of these kind of arrangements would be necessary. He commented on establishing a model that allowed the City of San Antonio to further its conservation and healthy development goals as development occurred. As water was supplied for the community and potential communities that developed along the IH-35 corridor, it was important as water stewards to make sure that development was healthy and sustainable for future generations.

Ms. Jasso inquired about the timeline for approval of the WCID. Mr. Burton replied the WCID was already created through legislation, and needed to get approval through the City of Boerne or potentially through TCEQ. The agreement required the approval no later than January 2020, and it required the approval through the City of Boerne within the next six months or, if that cannot be done, through the TCEQ approval process by 2020.

Ms. Jasso asked if SAWS would not start supplying water until the approval was received. Mr. Burton confirmed. The approval was a condition precedent to SAWS serving.

After no further discussion, Item 21 was unanimously approved. Electronic voting.

22. Deliberation and possible action regarding a Resolution related to pending litigation in Case No. 5:12-cv-00620-OLG in the United States District Court for the Western District of Texas - San Antonio Division; League of United Latin American Citizens, et al., vs. Edwards Aquifer Authority. (NANCY BELINSKY – STEVE KOSUB)

Nancy Belinsky presented Item 22, pending litigation in the United States District Court for the Western District of Texas – San Antonio Division, in the case styled League of United Latin American Citizens, et al., vs. the Edwards Aquifer Authority. In 2012, SAWS intervened in this case in support of LULAC’s challenge under the Fourteenth Amendment to the United States Constitution and the Voting Rights Act of 1965, alleging the current method of election of the governing body of the Edwards Aquifer Authority violated the constitutional guarantees of equal protection, equal representation, one person/one vote. United States District Judge Orlando Garcia entered an order in favor of the Edwards Aquifer Authority, dismissing SAWS and LULAC’s claims and entered final judgment on the case in accordance with those orders. At this time, SAWS had the option of appealing Judge Garcia’s decision to the United States Court of Appeals for the Fifth Circuit Court or the Board could direct staff not to file an appeal in this case, in which event Judge Garcia’s decision would become final unless it was appealed by LULAC.

Mr. McGee made a motion to approve Item 22. Mayor Nirenberg seconded the motion.

Chairman Guerra asked if the motion was to direct staff that no appeal should be filed in the LULAC case. Mr. McGee and Mayor Nirenberg confirmed.

Mayor Nirenberg commented that there would be a lot of conversation about this over the course of the next several years. The EAA was certainly not perfect but presided over a really important balance in the region to protect interest here locally with the Edwards Aquifer. He stated that he thought this was the right move.
Chairman Guerra stated he was a strong believer in the importance of the Voting Rights Act, the constitutional guarantees of equal protection. He was understanding of the long legislative and legal process to the method of electing the Board of Directors of the Edwards Aquifer Authority. SAWS had a long history of working collaboratively with the EAA, and the Edwards Aquifer Recovery Implementation Program being but one recent example. SAWS looked forward to further collaborative work on important matters for this region. He stated he did respect Judge Garcia's order, and did not think it was in the best interest of the System to further appeal the decision. He stated he would support the motion directing staff that no appeal should be filed.

After no further discussion, Item 22 was approved. Guerra, Nirenberg, Merritt, McGee, Hardberger and Parra voted in favor; Jasso voted against the motion. Electronic voting.

**CAPITAL IMPROVEMENT CONTRACTS**

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

Developer Customer Contracts

23. A Resolution awarding a construction contract to R.L. Jones LP in an amount not to exceed $1,036,362.00 in connection with the Masterson Road 24-Inch Water Main Extension Project; approving a contract between the System, R.L. Jones LP, and Lennar Homes of Texas Land and Construction, LTD for the project work; authorizing the expenditure of funds in the amount of $657,157.14 for the System’s proportionate share of the project work payable to R.L. Jones LP and the expenditure of funds in the amount of $65,715.71 for the System’s proportionate share of the engineering design fees payable to Lennar Homes of Texas Land and Construction, LTD.

(ANDREA BEYMER – TRACEY LEHMANN)

Tracey Lehmann presented Item 23, award of a construction contract and approval of a tri-lateral agreement for the Masterson Road 24-Inch Water Main Extension Project. The project was located on the south side of Highway 90 on the far west side of San Antonio along Masterson Road. The project included oversizing with the developer and SAWS. Whenever SAWS Water and Wastewater Master Plan included a large oversize project and the developer had to build a main in the same area, SAWS partnered with the developer to increase the size of the main so duplicate mains were not added with redundant infrastructure to maintain. The partnership usually resulted in a lower cost for SAWS and the developer to oversize the project. In order to be eligible, the work must be part of the USA and, in this case, the developer would enter into a tri-lateral contract with SAWS and the contractor to construct the main. The developer would pay their proportionate share of the construction cost and secure the engineer services.

The Masterson Tract USA was approved by the Board in August 2017, and the USA included oversizing of the water main. The developer was required to build a 12-inch water main, and staff recommended the oversizing to a 24-inch water main. The developer for the project
was Lennar Homes of Texas Land and Construction, Ltd. The project was impact free credit eligible. Therefore, the developer’s cost for the construction would be eligible for impact fee credits. Approximately 6,320 feet of 24-inch water main would be extended from the proposed Meadow Springs facility that would come to the Board next year. The facility would add additional wells, tanks and booster pump capacity in the area.

Eleven bids were received, and R.L. Jones, LP was the lowest responsive bidder at approximately $1,036,362.00. The bid represented a 44 percent decrease from the Pape-Dawson Engineering construction estimate of $1.85 million. There were a lot of the lower bidders very close to or similar to the bid from R.L. Jones. Staff met with the contractor to discuss the bid. R.L. Jones was a local company, and there were significant savings on mobilization and site preparation as well as laying the pipe in general because the area was in open country. The contractor believed they would be able to construct very fast, and they had experienced staff on hand. The contractor had similar projects in the area, and actually two tri-lateral contracts with Harlot Farms being the most recent. Staff had confidence that R.L. Jones could do the work. In addition to the tri-lateral projects, the contractor had also done some work order contracts for SAWS. The SMWVB participation was just over 35 percent, and construction duration was 120 days. SAWS share of the construction would be $657,157.14 or roughly 63 percent of the project. SAWS would reimburse the developer up to 10 percent for engineering fees, which was $65,715.71 for a total cost of $722,872.85. There were some savings on easement expenses because all the easements fell within existing USAs, which required the developers to dedicate the easement. SAWS would recoup a portion of the costs through impact fees as new developers and new customers connect to the system over the years. The developer would be responsible for $379,204.86 of the construction cost and the remaining designing fees for the project.

Staff recommended the approval of funds for SAWS proportionate share of the project not to exceed $722,872.85, and the execution of a tri-lateral agreement with Lennar Homes of Texas Land and Construction, Ltd and R.L. Jones, LP for the Masterson Road 24-Inch Water Main Extension Project.

Ms. Jasso made a motion to approve Item 23. Mr. Parra seconded the motion.

After no further discussion, Item 23 was unanimously approved. Electronic voting. Mayor Nirenberg was not present for the vote on Item 23.

Water and Sewer Line Improvements

24. **A Resolution awarding a construction contract to R.L. Jones LP in an amount not to exceed $1,242,843.00 in connection with the Whispering Winds Dr. and Dunes Ave. from Mogford to Riptide Project.** (ANDREA BEYMER – MICHAEL MYERS)

Mike Myers presented Item 24, the award of a construction contract for the Whispering Winds Dr. and Dunes Ave. from Mogford to Riptide Project. The project was located in the southeast section of the service area and was a rural subdivision in the former BexarMet service area. The project was required due to undersized water mains, water breaks, lack of fire flow, and inadequate pressure. The construction would be open cut replacement of almost 10,000 feet of 2-inch and 3-inch water mains that would be upsized to 8-inch mains,
and included 21 fire hydrants with 500 foot separations.

Six bids were received, and R.L. Jones, LP was the low bidder with an aggressive bid of $1.2 million. The bid represented a 53 percent decrease from the engineer's estimated construction cost. Staff met with the contractor to discuss the project extensively and to make sure the contractor could do the work at the bid price. The contractor had a yard located close to the project, and had done some exploratory borings to check the soils that found more favorable soil was present than originally thought. The design engineer was RPS Klotz Associates. The construction duration would be 210 days, and the total SMWVB participation was over 56 percent.

Staff recommended the award of a construction contract to R.L. Jones, LP in the amount not to exceed $1,242,843.00 for the Whispering Winds Dr. and Dunes Ave. from Mogford to Riptide Project.

Ms. Jasso made a motion to approve Item 24. Ms. Merritt seconded the motion.

After no further discussion, Item 24 was unanimously approved. Electronic voting. Mayor Nirenberg was not present for the vote on Item 24.

25. **A Resolution awarding a construction contract to D Guerra Construction, LLC in an amount not to exceed $3,450,980.08 in connection with the Vance Jackson – IH 10 to Loop 410 Project.** (ANDREA BEYMER – MICHAEL MYERS)

Mr. Myers presented Item 25, the award of a construction contract for the Vance Jackson – IH 10 to Loop 410 Project. The project was in the northwest portion of the service area and in the commercial area of Vance Jackson Road. The work would replace approximately 11,000 feet of existing 6-inch to 16-inch water mains by open cut method and about 90 feet of existing 8-inch sewer line would be replaced. Existing mains had many breaks due to age and deterioration of the pipe.

Eleven bids were received. D Guerra Construction was the low bidder with a bid of a little over $3.4 million. The bid represented a 33 percent decrease from the engineer’s estimated construction cost. Staff met with the contractor, and the contractor was confident of the price. The contractor had their own paving division to lower cost and other creative ways to do the work under the engineer’s estimate. The design engineer was Trihydro Corporation, and the construction duration was 380 days. Total SMWVB participation was over 92 percent.

Staff recommended the award of a construction contract to D Guerra Construction for amount not to exceed $3,450,980.08 for the Vance Jackson – IH 10 to Loop 410 Project.

Mr. McGee made a motion to approve Item 25. Ms. Merritt seconded the motion.

After no further discussion, Item 25 was unanimously approved. Electronic voting. Mayor Nirenberg was not present for the vote on Item 25.
26. A Resolution approving reimbursement to the City of San Antonio in an amount not to exceed $1,500,000.00 for professional engineering services in connection with the 2017 – 2022 Bond Program; authorizing the President/Chief Executive Officer or his duly appointed designee to execute a Memorandum of Understanding with the City of San Antonio for the project engineering work.

(ANDREA BEYMER – GAIL HAMRICK-PIGG)

Nina Bittle presented Item 26, a Memorandum of Understanding with the City in connection with the 2017-2022 Bond Program. On May 6, 2017, the San Antonio voters approved the passage of an $8 million bond program, which was the largest bond program in San Antonio compared to previous bonds. The City anticipated future bond programs would continue to show an upward trend and would include impacts to SAWS. Six propositions were passed with 180 capital improvement projects. Most of SAWS participation was under the street and drainage projects. Impacts to the infrastructure and SAWS-related costs were largely unknown until after the bond program passed, which made it difficult to budget.

Upon the bond program passing, SAWS did an analysis to check for any project overlaps between the City Bond Program and SAWS CIP Program, which was based on SAWS pipe conditions and the SSO Program. This preliminary investigation revealed that there was not a significant amount of overlap. SAWS identified 40 projects in the street and drainage projects to have SAWS infrastructure that needed to be replaced, relocated or adjusted. Based on the investigation of the 40 projects, SAWS identified only six projects that had already been programmed for future improvements. The remaining 34 projects were necessary to replace or relocate SAWS infrastructure to accommodate the City's improvements. If not for the City bond program, SAWS would not have replaced infrastructure on these 34 projects.

Previously, SAWS had entered into a Memorandum of Understanding (MOU) with the City for each of the bond programs. For the 2007 Bond Program, there was $2.6 million approved by the Board, and for the 2012 Bond Program, $4.3 million was approved by the Board for design services. A new MOU for the 2017 Bond Program would need to be executed. The MOU was an agreement between the City and SAWS to coordinate projects for design services in which SAWS would utilize the City's professional services contracts and reimburse the City for design services. Staff would come back to the Board to request approval to reimburse the City for the construction of each individual project. She referenced the benefits of executing a MOU that included better coordination, and minimal disruption to residents and inconveniences to the public by minimizing closures to the city streets. There were some reductions in project costs such as pavement restoration. Design work and construction could also be expedited, since work would be done by the same selected consultant and contractors.

In June 2017, the City received 123 Statements of Qualifications and City Council approved $58 million of design services, which included the negotiation and execution of 48 engineering contracts. Both SAWS and CPS Energy participated in the selection of the
Staff requested the authorization to execute a Memorandum of Understanding and to reimburse the City in an amount not to exceed $1.5 million for engineering design services in connection with the City’s 2017-2022 Bond Program.

Ms. Merritt made a motion to approve Item 26. Mr. Parra seconded the motion.

After no further discussion, Item 26 was unanimously approved. Electronic voting. Mayor Nirenberg was not present for the vote on Item 26.

MISCELLANEOUS ITEMS

27. A Resolution awarding a construction contract to Horizon Bros. Painting Corp. in an amount not to exceed $1,687,400.00 in connection with the Central Water Integration Pipeline Project – Maltsberger Ground Storage Tank Rehabilitation.

(ANDREA BEYMER – ALISSA LOCKETT)

Alissa Lockett presented Item 27, the award of a construction contract for the Central Water Integration Pipeline Project – Maltsberger Ground Storage Tank Rehabilitation Project. The project was an early construction package that was part of the overall CWIP Program. The project was scheduled now so the construction could get underway and take the tank out of service at Maltsberger between the low demand months of October to April.

The Maltsberger Pump Station (PS) site was in the north central portion of the City near the airport, and was one of the critical drop off points for the Vista Ridge integration project. Maltsberger PS was one of three pump stations associated with the Vista Ridge integration project, the others being Bitters PS and Basin PS. Staff looked at the tanks at all three facilities. The tank at Bitters PS would be rehabilitated in 2020, Maltsberger PS would be rehabilitated under this project, and the Basin PS rehabilitation was already under contract. The Maltsberger PS had a 7.5 million gallon ground storage tank that was originally constructed in 1981. The tank was rehabilitated with interior, exterior coatings and a new geodesic dome aluminum roof in 2001. The roof was actually in good shape, based on the condition assessment that was performed in December 2016. Several condition assessments were performed at that time on the critical tanks that were part of the infrastructure to be used for the integration of Vista Ridge water.

The project scope included recoating of interior and exterior coatings, various foundation repairs, safety upgrades to the ladder and manway, and miscellaneous piping and electrical improvements. He reviewed photos of some of the needed repairs and examples of other tank rehabilitations previously done.

Eight bids were received and the low bid was from Horizon Brothers Painting Corporation
in the amount of $1,687,400.00. Horizon Brothers was a new contractor to SAWS, so staff met with the contractor to discuss the project and also the Naco Ground Storage Tank Project on the agenda. The design engineer was Tetra Tech, Inc. The low bid was 10.1 percent below the estimated construction cost. The SMWVB participation was 21.87 percent. The project had a 180-day construction duration, which was inclusive of the period from October to April to take the tank out of service.

Staff recommended the award of the construction contract to Horizon Brothers Painting Corporation from Howell, Michigan, and approval of funds in the amount of $1,687,400.00 for the Central Water Integration Pipeline Project – Maltzberger Ground Storage Tank Rehabilitation Project.

Mr. Parra made a motion to approve Item 27. Mr. McGee seconded the motion.

Mr. Parra stated he was happy to see above 20 percent minority participation on this contract. Ms. Lockett replied that the project was specialized work, so that was great participation. She stated Andy Howell was in attendance for Horizon Brothers Painting Corporation. Chairman Guerra thanked Mr. Howell for attending all the way from Howell, Michigan.

After no further discussion, Item 27 was unanimously approved. Electronic voting. Mayor Nirenberg was not present for the vote on Item 27.

28. A Resolution awarding a construction contract to Horizon Bros. Painting Corp. in an amount not to exceed $1,748,110.00 in connection with the Naco Ground Storage Tank Rehabilitation Project. (ANDREA BEYMER – TRACEY LEHMANN)

Mr. Lehmann presented Item 28, award of a construction contract for the Naco Ground Storage Tank Rehabilitation Project. The project was located adjacent to the Northeast Service Center at the intersection of Nacogdoches and O'Connor Road. The Naco Pump Station had two tanks. The steel tank would be rehabilitated under the contract and there was a new five-million gallon capacity concrete tank that was installed in 2016. Installation of that tank made it possible to take the steel tank out of service for rehabilitation. The 7.5 million gallon steel tank was critical to the northeast area. There were three pressure zones and well over 50,000 households that were served by the steel tank that was constructed in 1986.

The project scope included painting the interior and exterior of the tank. There was significant rust on the outside and inside of the tank. Lead abatement would be required for the exterior, but there was none found on the inside of the tank. There was corrosion at the joints, but actually not too bad for a 30-year-old tank. Roof rafters and girders would need to be replaced as well as updated cathodic protection. In addition, the three large valves would be replaced. The two 48-inch and one 60-inch valves controlled the water going in and out of the tank. With the change in code over the last 30 years, some minor improvements would be done to bring the tank up to code. Other work included the overflow grate and hatch, and replacement of vents.

Nine bids were received, and Horizon Brothers Painting Corporation was the lowest responsible bidder at $1.75 million. The engineer's estimate was $2 million and was done
by Kimley Horn & Associates. Horizon Brothers came in at 13 percent less than the engineer’s estimate, and they had an SMWVB participation of just over 21 percent. The construction duration was 215 days for the project and would take the Naco tank out for a significant amount of time.

Staff recommended the award of a construction contract to Horizon Brothers Painting Corporation and approval of funds in an amount not to exceed $1,748,110.00 for the Naco Ground Storage Tank Rehabilitation Project.

Mr. Parra made a motion to approve Item 28. Ms. Merritt seconded the motion.

Ms. Merritt inquired about the rust on the tank and whether it would pose any potential danger or contamination of the water. Mr. Lehmann replied that fortunately, the rust was at the top of the tank, so it was not submerged into the water.

After no further discussion, Item 28 was unanimously approved. Electronic voting. Mayor Nirenberg was not present for the vote on Item 28.

29. A Resolution approving a Feasibility Cost Sharing Agreement with the United States Department of the Army for the Mitchell Lake Aquatic Ecosystem Restoration Feasibility Study to be performed by the U.S. Army Corps of Engineers in which both parties will share costs equally and authorizing the system to commit to expending an amount not to exceed $1,500,000.00 as its share of the study costs.

(DONOVAN BURTON – SAM MILLS)

Sam Mills presented Item 29, a Feasibility Cost Sharing Agreement with the United States Department of the Army for the Mitchell Lake Aquatic Ecosystem Restoration Feasibility Study. He stated the project was directly related to SAWS federal relations efforts that included several SAWS Board Members, staff and Mr. Puente who visited Washington, D.C. to visit congressional members.

Mitchell Lake was San Antonio’s original water recycling facility and operated from when the dam was constructed in 1901 until Dos Rios was built in 1987. The body of water was about 600 acres within a 1,200 acre campus. The area was a permitted wastewater treatment facility and the permit was still active. Discharge due to stormwater that flowed into the lake, sometimes exceeded the permit limits. The EPA issued an administrative order back in August 2016. Since 2004, SAWS had a great relationship with the Audubon Center. At least 8,000 people visit the site and 338 species of migratory birds cross the potential flyway. To meet the permit, Alan Plummer and Associates was contracted to evaluate the use of downstream wetlands to achieve permit compliance. The contract included design and construction management and operations of a pilot wetlands system. Construction of the pilot wetlands would be under a separate contract and would also evaluate in-lake treatment and evaluation of the dam and spillway. Phase 1 was expected to be complete by late 2020. If Phase 1 showed that a wetlands should work, then Phase 2 would come to the Board in 2021 for approval. Phase 2 would design and construct the full scale downstream wetlands, the in-lake treatment, and the dam and spillway rehabilitation and/or reconstruction. He reviewed an aerial photograph of Mitchell Lake and the potential areas for the wetlands.
Through SAWS federal relations efforts, the U.S. Army Corps of Engineers included Mitchell Lake in their fiscal 2018 work plan. The Aquatic Ecosystem Restoration Study was based on a 50 percent cost sharing with SAWS and was a maximum three-year duration. There was also potential funding support for future capital work at Mitchell Lake. Hopefully, constructing the full scale wetlands or the dam rehab or reconstruction could be considered in the future. The Corps discussed working with nature to restore the loss or degraded ecological function and to reduce the high algae content in the water at Mitchell Lake. Potential measurers of restoration would include the removal of invasive species such as algae, reforestation, wetland plantings, water level controls, and inflow and outflow water polishing. SAWS would provide about $1.5 million matching funds, and enter a Feasibility Cost Sharing Agreement with the U.S. Department of the Army in early September 2018. Once the agreement was executed, then SAWS and the Corps would execute the scope of work. SAWS 50 percent share of the study could be in-kind services or direct payment of up to $1.5 million. Unfortunately, none of the current work with Alan Plummer could be considered under the agreement.

Staff recommended the approval of the Feasibility Cost Sharing Agreement with the U.S. Department of the Army and approval of funds in an amount not to exceed $1.5 million for SAWS share for the Mitchell Lake Aquatic Ecosystem Restoration Feasibility Study.

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

Chairman Guerra congratulated Mr. Mills on his retirement and thanked him for his commitment to the organization over the last twenty years.

Mr. McGee encouraged anybody who had not been to Mitchell Lake to go out and see what SAWS had done. Mitchell Lake was an incredible opportunity to take something that had been a challenge for the community over many, many years and turn it into a real bright spot.

Ms. Jasso commented on her excitement for this project that was in her back yard. She thanked staff for their work on the project.

Ms. Merritt also congratulated Mr. Mills on his retirement, and thanked him for his service at SAWS.

After no further discussion, Item 29 was unanimously approved. Electronic voting. Mayor Nirenberg was not present for the vote on Item 29.

30. **BRIEFING SESSION.**

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

Mr. Puente stated that Item 30A was covered under Ms. Lockett’s briefing on Item 27. He stated that staff could pull briefing Items 30B and 30C until next month. Chairman Guerra confirmed and stated Items 30B and 30C were pulled.
B. Briefing and deliberation regarding Summer Water Use Trends

No further discussion on Item 30B.

C. Briefing and deliberation regarding Quarterly Financial and Investment Reports

No further discussion on Item 30C.

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

None

32. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF AUGUST 7, 2018, IS HEREBY ADJOURNED.

The San Antonio Water System Board of Trustees Meeting of August 7, 2018, adjourned at 12:40 p.m.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

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

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

<table>
<thead>
<tr>
<th>Description</th>
<th>This Board Meeting</th>
<th>Year-to-Date</th>
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</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>
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<tr>
<td>B. Award of New and Renewal of Annual Goods &amp; Services Requirements Contracts and Maintenance Agreements</td>
<td>2</td>
<td>0</td>
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</table>

SMWB Purchasing Contracts (percentage) 0.00% 0.00% 11.67% 7.96%

*******************************************************************************************************

Approved:  
Robert R. Puente  
President/Chief Executive Officer

Reviewed:  
Marisol V. Robles  
SMWB Program Manager

Yvonne C. Torres, Director Purchasing Division

October 9, 2018
RESOLUTION NO.

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

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

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

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

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

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

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

1. That the bids are accepted and the contracts are awarded for procurement of the services, equipment, materials and supplies listed in Attachment I, as recommended by the Director of the Purchasing Division.

2. That the expenditure of the necessary funds from the appropriate budget fund of the System for the procurement of the said services, equipment, materials and supplies is hereby authorized.
3. That the Director of the Purchasing Division, or her designee, is hereby authorized to notify bidders of the acceptance of bids, to execute contracts and other documents, and to carry out all other actions necessary to procure the said services, equipment, materials and supplies.

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

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

6. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this the 9th day of October, 2018.

Berto Guerra, Jr., Chairman

ATTEST:

Patricia E. Merritt, Assistant 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>1. Thermo Electron North America, LLC</td>
<td>Purchase of Inductively Coupled Plasma Mass Spectrometry System (ICP-MS) Bid No. 18-18084</td>
<td>All</td>
<td>$ 119,495.40</td>
<td>This is a one time purchase of an Inductively Coupled Plasma Mass Spectrometry (ICP-MS) system for the analysis of metals by EPA 200.8. The ICP-MS system is a benchtop quadrupole Ion Detector that has the capability of Kinetic Energy Discrimination and Collision Cell Technology.</td>
</tr>
</tbody>
</table>

*Indicates vendor is an SMWB, unless otherwise noted vendor is non minority.  Board Date: October 9, 2018
**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>Jayden Graphics, Inc.</td>
<td>Annual Contract for Billing and Return Envelopes</td>
<td>All</td>
<td>$210,230.40</td>
<td>This is a new contract. This contract will be utilized by System for supply and delivery of billing and return envelopes to SAWS Customer Service. These envelopes are used to issue bills to SAWS customers. This contract will be effective Date of Award (October 9, 2018) through September 30, 2019. If determined that an extension is favorable to the System, price and service considered, the award includes the availability of five (5) additional one-year options to extend as provided for, and approved for in future years budgets.</td>
</tr>
<tr>
<td>Horton Horticulture, Inc.</td>
<td>Annual Contract for Lawn Maintenance Services for ASR and Waste Water Treatment Plant Properties</td>
<td>All</td>
<td>$86,539.00</td>
<td>This is an existing contract. Board award in the amount of $346,156.00 at the April 5, 2016 Board Meeting. This contract is utilized for lawn maintenance services for ASR and wastewater treatment plant properties. Properties such as Desal, West Side, BGD Wells have since been added and additional funds are needed to provide Lawn Maintenance Services for these and other properties as they come up. Additional funds in the amount of 25% or $86,539.00 are requested to be added to this extension through December 31, 2018, as well as, to the last available extension.</td>
</tr>
</tbody>
</table>

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

Board Date: October 9, 2018
### SAN ANTONIO WATER SYSTEM

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

**PROPOSAL:** Purchase of Inductively Coupled Plasma Mass Spectrometry System (ICP-MS)

**FOR:** Thermo Fisher Scientific

**DATE:** 3:00 p.m., August 13, 2018

**DESCRIPTION AND APPROXIMATE QUANTITY:**

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Quantity</th>
<th>Price</th>
<th>Total</th>
</tr>
</thead>
</table>
| 1 ea. | **INDUCTIVELY COUPLED PLASMA MASS SPECTROMETRY-ICP-MS**  
Manufacturer: Thermo Fisher Scientific  
Description: iCAP RQ ICP-MS  
Part No.: 3Q1AAAGAAQFAQKMBIT or approved equal  
1.2 BRE0004797 Pre-inst. Kit iCAP Qnova series-HazMat  
1.3 BRE0006798 iCAP Qnova Country Kit NA_Type K  
1.6 1324690 Online Internal Standard Kit iCAP Qnova  
Freight | | | 88,662.53 | 91,480.12 |
| 1 ea. | **AUTOMATIC LIQUID SAMPLER**  
Manufacturer: CETAC  
Description: CETAC ASX-560  
Part No.: ENC-560DC or approved equal (4 ea.)  
3.0 942347003931 Cetac Rack 60 Positions ($60.5075 ea.) | | | 5,797.53 | 6,209.42 |
| 1 ea. | **CHILLER**  
Manufacturer: Thermo Fisher Scientific  
Description: ThermoFlex 2500  
Part No.: TF2500 or approved equal | | | 5,473.71 | 2,955.81 |
| 1 ea. | **SOFTWARE BUNDLE THAT INCLUDES THE DATA MANAGEMENT SYSTEM, METHOD AND WORKSTATION**  
Manufacturer: Thermo Fisher Scientific  
Description: Ortega Software  
Part No.: SP43397-EN0117 | | | 341.10 | 0.00 |
| 1 ea. | **COMPUTER BUNDLE:** To include CPU, Monitor, Keyboard, Mouse and Printer (Include all hardware necessary to communicate with the entire ICP/MS system) | | | 341.10 | 0.00 |
| 1 ea. | **REMOVAL OF OLD ICP/MS**  
Price to dismantle old equipment | | | 0.00 | 0.00 |
| 1 ea. | **REMOVAL OF OLD ICP/MS AND DISPOSAL** | | | 0.00 | 0.00 |
| 1 ea. | **INSTALLATION**  
Manufacturer: Thermo Fisher Scientific  
Description: ICP-MS Certified Installation Service or approved equal  
6 days/5 staff  
**ON-SITE TRAINING AFTER INSTALLATION AND FULL COMPLETION OF MANUFACTURER CHECK OUT PROCESS**  
Manufacturer: Thermo Fisher Scientific  
Description: On site Training | | | 7,040.00 | 7,828.00 |
| 1 ea. | **TRAVEL**  
Travel arrangements shall be in accordance to the SAWS Reimbursable Expense Policy | | | 0.00 | 0.00 |
| 1 Year | **WARRANTY AND SERVICE SUPPORT INITIAL YEAR**  
Manufacturer: Thermo Fisher Scientific  
Description: Total Care for ICP-MS Syst | | | 0.00 | 0.00 |
| 1 Year | **WARRANTY AND SERVICE SUPPORT EXTENDED YEAR WARRANTY**  
Manufacturer: Thermo Fisher Scientific  
Description: Total Care for ICP-MS Syst | | | 0.00 | 32,191.00 |
| 1 ea. | **Response from vendor: The trade-in instrument has no dollar value to Thermo Fisher Scientific. It is our desire to remove this instrument from the field and dispose of it - it has no residual value. Therefore we are placing a zero value on the trade-in discount. The overall discount ($62,745.53) offered is our best offer and includes the trade-in. We are also disposing of your old ICP-MS/Chiller** | | | 0.00 | TBD |
| 14. | **Recommended Service Plan** | | | 8,692.48 | N/A |

**GRAND TOTAL:** | | | 119,495.40 | 149,259.36 |
SAN ANTONIO WATER SYSTEM  
P. O. BOX 2449  
SAN ANTONIO, TEXAS 78298-2449  
TABULATION OF BIDS

PROPOSAL: Purchase of Inductively Coupled Plasma Mass Spectrometry System (ICP-MS)

DATE: 3:00 p.m., August 13, 2018

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<tr>
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<th>Thermo Electron North America, LLC</th>
<th>Agilent Technologies, Inc.</th>
<th>PerkinElmer Health Sciences, Inc.</th>
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<td>Delivery Days</td>
<td>30 days</td>
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<td>30 days</td>
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*LOW BIDDER

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

- Agilent
- Analytik
- Perkin Elmer
- Thermo Electron North America LLC
### SAN ANTONIO WATER SYSTEM

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

**TABULATION OF BIDS**

**PROPOSAL**  
Annual Contract for Billing and Return Envelopes

**FOR**  
SAN ANTONIO WATER SYSTEM

**TIME & DATE**  
(October 1, 2018 through September 30, 2019)  
3:00 p.m., September 4, 2018

**ITEM NO:**  
DEscription and APPROXIMATE QUANTITY

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<tr>
<th>Item</th>
<th>Description</th>
<th>PRICE</th>
<th>TOTAL</th>
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<td>Extension 1: October 1, 2019 - September 30, 2020</td>
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<td>Extension 2: October 1, 2020 - September 30, 2021</td>
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<td>Extension 3: October 1, 2021 - September 30, 2022</td>
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<td>Extension 4: October 1, 2022 - September 30, 2023</td>
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**BRAND**  
International Paper

**PRICE**  
0.0167

**TOTAL**  
285,369.60
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<th>DATES</th>
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<td>1</td>
<td>Return Envelopes #9, 24 lb White wove/Two Side Seam or Diagonal Seam, Item #36053 Brand</td>
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<td>0.0136</td>
<td>100,531.20</td>
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<td>Extension 5: October 1, 2023- September 30, 2024</td>
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<td>3</td>
<td>Return Envelopes #10, 24 lb White wove/Two Side Seam, Item #11804 Brand</td>
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### SAN ANTONIO WATER SYSTEM
P. O. BOX 2449
SAN ANTONIO, TEXAS 78298-2449

#### TABULATION OF BIDS

**GROUP I**

**AQUIFER STORAGE AND RECOVERY**

<table>
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<th>ASR - Twin Oaks</th>
<th><strong>SERVICE</strong></th>
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**TOTAL**

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<tr>
<th><strong>PRICE</strong></th>
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<tbody>
<tr>
<td>1.153.80</td>
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<tr>
<td>600.00</td>
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**NOTE:**

- **DESCRIPTION AND APPROPRIATE QUANTITY**
- **Annual Contract for Lawn Maintenance Services for ASR and Wastewater Treatment Plant Properties**
- **(April 1, 2016 through December 31, 2016)**
- **3:00 p.m., February 5, 2016**
## SAN ANTONIO WATER SYSTEM

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

### TABULATION OF BIDS

**PROPOSAL:** Annual Contract for Lawn Maintenance Services for ASR and Wastewater Treatment Plant Properties  
**FOR:** (April 1, 2016 through December 31, 2016)  
**DATE:** 3:00 p.m., February 5, 2016

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE (QUANTITY)</th>
<th>SERVICE</th>
<th>PRICE</th>
<th>TOTAL</th>
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</table>
| ASR 15 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 16 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 17 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 19 | Non Routine Shredding  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 20 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 21 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 23 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 24 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 25 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 26 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 29 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 30 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 32 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 33 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |
| ASR 34 | Lawn Maintenance  
12 mows / contract | SERVICE | 25.00 | 45.00 | 35.00 | 96.15 | 50.00 | 600.00 |

**BID NOT TABULATED INCOMPLETE BID**

**BID NOT TABULATED INCOMPLETE BID**
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**SAN ANTONIO WATER SYSTEM**

**P. O. BOX 2449**

**SAN ANTONIO, TEXAS 78298-2449**

**TABULATION OF BIDS**

**PROPOSAL:** Annual Contract for Lawn Maintenance Services for ASR and Wastewater Treatment Plant Properties

**FOR:** (April 1, 2016 through December 31, 2016)

**DATE:** 3:00 p.m., February 5, 2016

**SAN ANTONIO, TEXAS**

**TABULATION OF BIDS**

**FOR:** Annual Contract for Lawn Maintenance Services for ASR and Wastewater Treatment Plant Properties

**FOR:** (April 1, 2016 through December 31, 2016)

**DATE:** 3:00 p.m., February 5, 2016

**ITEM NO | DESCRIPTION AND APPROPRIATE QUANTITY | SERVICE | PRICE | PRICE | PRICE | PRICE |**

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<th>ITEM NO</th>
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<td>168.00</td>
<td>360.00</td>
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<td>TOTAL</td>
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<td>360.00</td>
<td>240.00</td>
<td>384.60</td>
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<td>TOTAL</td>
<td>PRICE</td>
<td>TOTAL</td>
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**GROUP 2 WASTEWATER TREATMENT PLANTS**

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<td>and negotiate $15,000 worth of additional services annually</td>
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<td>Labor Rate for additional services per man hour</td>
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<td>Material markup for additional services cost</td>
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<td>IMMEDIATE SERVICE RATE</td>
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<td>Monthly Proper Cost</td>
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<td>SAWs may have the need to include additional unforeseen properties</td>
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<td>on this contract via change order throughout the contract period.</td>
<td>+5%</td>
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<td>SAWs estimating the additional properties will add $25,000 on this</td>
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<td>contract</td>
<td>+10%</td>
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<td>762,099.18</td>
<td>1,523,359.92</td>
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## SAN ANTONIO WATER SYSTEM

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

**TABULATION OF BIDS**

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**PROPOSAL**: Annual Contract for Lawn Maintenance Services for ASR and Wastewater Treatment Plant Properties  
**FOR**: Lawn Maintenance Services  
**ITEM NO.**: 16-1250  
**SAN ANTONIO WATER SYSTEM**: P.O. BOX 2449  
**SAN ANTONIO, TEXAS 78298-2449**

**Deadline**: (April 1, 2016 through December 31, 2016)  
**DATE**: 3:00 p.m., February 5, 2016

### ADDITIONAL SERVICES

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<th>Net</th>
<th>Net</th>
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### NEW PROPERTIES

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### ANNUAL SCHEDULED MOWING TOTAL GROUP 6

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### GRAND TOTAL

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## BID INFORMATION

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<td>San Antonio, TX 78209</td>
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<td>A Cut Above Tree and Landscaping</td>
<td>3301 Ravel Rd.</td>
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<td>Above All Landscaping</td>
<td>2520 Goodnight Blvd.</td>
<td>Boerne, TX 78006</td>
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<td>Bonita Landscapes</td>
<td>406 W. Commerce</td>
<td>San Antonio, TX 78207</td>
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<tr>
<td>Cantu</td>
<td>1648 Nacogdoches Rd.</td>
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<td>Cut Rite</td>
<td>3555 Bat Cave Rd.</td>
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<td>J&amp;Sawn Service</td>
<td>La Med Facility Maintenance</td>
<td>Louisiana Crane and Construction</td>
<td>Maldonado Nursery and Landscape</td>
<td>MLC Landscaping</td>
</tr>
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</table>

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<sup>*LOW BIDDER</sup>

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

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TO: San Antonio Water System Board of Trustees

FROM: Tracey B. Lehmann, P.E., 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 IN CONNECTION WITH THE WESTLAKES OFF-SITE WATER MAIN EXTENSION – SEGMENT A PROJECT

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract in the amount of $1,886,442.92 to D Guerra Construction, LLC, a local, MBE-Hispanic contractor, on a Developer Customer construction contract, and authorizes the expenditure of funds in the amount of $1,273,483.65 for associated construction fees to D Guerra Construction, LLC, and reimbursements of $127,348.37 for associated design fees to Pulte Homes of Texas, LP, in connection with the Westlakes Off-Site Water Main Extension – Segment A Project.

- On November 7, 2017, by Resolution No. 17-246, the San Antonio Water System’s (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 Westlakes 1604 Tract, a 493.71-acre tract, being developed by Pulte Homes of Texas, L.P., (“Developer”), and the oversizing of approximately 7,720 feet of 12-inch water main to 16-inch water main from the existing 12-inch water main that is near the intersection of FM 143 and W Loop 1604 S, in order to conform with the Water Infrastructure Master Plan. The Developer will also be constructing approximately 780 feet of 30-inch High Density Polyethylene water main, and approximately 90 feet of 12-inch water main.

- The Developer is required to construct a 12-inch water main. System staff recommends oversizing approximately 7,720 feet of 12-inch water main to a 16-inch water main. The Developer is responsible for 56.25 percent of the oversizing of the 12-inch water main to a 16-inch water main for an estimated $565,792.74 of the project costs. The System is responsible for 43.75 percent of the oversizing of the 12-inch water main to a 16-inch water main for an estimated amount of $440,061.02.

- The Developer will construct approximately 780 feet of 30-inch High Density Polyethylene water main. The Developer is responsible for 0 percent of the construction of the 30-inch High Density Polyethylene water main for an estimated $0.00 of the project costs. The System is responsible for 100 percent of the construction of the 30-inch High Density Polyethylene water main for an estimated amount of $455,520.00.
The Developer will construct approximately 90 feet of 12-inch water main. The Developer is responsible for 100 percent of the construction of the 12-inch water main for an estimated $42,566.00 of the project costs. The System is responsible for 0 percent of the construction of the 12-inch water main for an estimated amount of $0.00.

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 7,720 feet of 16-inch water main, the construction of approximately 780 feet of 30-inch High Density Polyethylene water main, and the construction of approximately 90 feet of 12-inch water main. The Westlakes Off-Site Water Main Extension – Segment A Project is inside the City of San Antonio limits and is located within the System’s water and wastewater CCN.

D Guerra Construction, LLC, a local, SBE contractor, has submitted the lowest responsible bid of $1,886,442.92 for construction of the project.

The System will pay Pulte Homes of Texas, LP monthly, for the construction costs for the oversize project. The Developer will pay the System prior to 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:

The project will finance this expenditure included in the Water Main Oversizing, Mains New Category, Water Delivery Core Business. This project is included in the Water Main Oversizing, Mains New Category, Water Delivery Core Business budget line item under job number 18-1022. The applicable water main oversize payment will be made monthly to D Guerra Construction, LLC, in accordance with the Utility Service Regulations. The applicable design fees payment will be made to the Developer. The System will pay $1,273,483.65 for construction costs and $127,348.37 for associated design fees for a total cost of $1,400,832.02. The Developer will pay $612,959.27 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 September 13, 2018 at 9 A.M. The following bids were accepted for submittal:
The bid amount represents a 21.42 percent decrease from the Engineer’s estimated construction cost. The contract provides for the completion of this project within 120 calendar days.

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

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Bid Amount</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>D Guerra Construction, LLC</strong>*</td>
<td>$1,886,442.92</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Wauters Engineering, LLC</td>
<td>$2,145,832.44</td>
<td>Local/SBE</td>
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<tr>
<td>Nerie Construction, LLC</td>
<td>$2,269,811.16</td>
<td>Local/MBE–Hispanic</td>
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<tr>
<td><strong>Engineer’s Estimate</strong></td>
<td>$2,400,550.60</td>
<td></td>
</tr>
<tr>
<td>E-Z Bel Construction, LLC</td>
<td>$3,244,057.22</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Pronto Sandblasting &amp; Coating &amp; Oil-Field Services, Co., Inc.</td>
<td>$3,984,377.60</td>
<td>Local/MBE–Hispanic</td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

<table>
<thead>
<tr>
<th>Westlakes Off-Site Water Main Extension – Segment A Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>D Guerra Construction, LLC</strong></td>
</tr>
<tr>
<td><strong>SMWVB Analysis – Board Award</strong></td>
</tr>
<tr>
<td>SBE</td>
</tr>
<tr>
<td>MBE – African American</td>
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<tr>
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<td>MBE – Other</td>
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<tr>
<td>WBE – Minority</td>
</tr>
<tr>
<td>WBE – Non–Minority</td>
</tr>
<tr>
<td><strong>SMWVB Total</strong></td>
</tr>
</tbody>
</table>
Award of Construction Contract
Westlakes Off-Site Water Main Extension – Segment A Project

Tracey B. Lehmann, P.E.
Director
Development

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 AWARDING A CONSTRUCTION CONTRACT TO D GUERRA CONSTRUCTION, LLC IN THE AMOUNT OF $1,886,442.92 IN CONNECTION WITH THE WESTLAKES OFF-SITE WATER MAIN EXTENSION – SEGMENT A PROJECT; AUTHORIZING THE EXPENDITURE OF SYSTEM FUNDS IN THE AMOUNT OF $1,273,483.65 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK; AUTHORIZING THE EXPENDITURE OF SYSTEM FUNDS IN THE AMOUNT OF $127,348.37 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE ENGINEERING DESIGN FEES; AUTHORIZING A TOTAL AMOUNT NOT TO EXCEED $1,400,832.02 FROM SYSTEM'S WATER MAIN OVERSIZING, MAINS NEW CATEGORY, WATER DELIVERY CORE BUSINESS CAPITAL IMPROVEMENT PROGRAM 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 PULTE HOMES OF TEXAS, LP AND D GUERRA CONSTRUCTION, LLC AND PROVIDE PAYMENT IN AN AMOUNT NOT TO EXCEED $1,273,483.65 TO D GUERRA CONSTRUCTION, LLC AND REIMBURSEMENTS OF $127,348.37 TO PULTE HOMES OF TEXAS, LP FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE COST TO OVERSIZE THE PROPOSED WATER 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. 17-246, approved on November 7, 2017, 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 Westlakes 1604 Tract, a 493.71-acre tract, being developed by Pulte Homes of Texas, LP and the oversize of approximately 7,720 feet of 16-inch water main, the construction of approximately 780 feet of 30-inch High Density Polyethylene water main, and the construction of approximately 90 feet of 12-inch water main in order to conform with the Water Infrastructure Master Plan; and
WHEREAS, the Developer is required to construct an 12-inch water main; and

WHEREAS, the System has elected to oversize the 12-inch water main to a 16-inch water main; and

WHEREAS, the System has elected to construct approximately 780 feet of 30-inch High Density Polyethylene water main; and

WHEREAS, the System has elected to construct approximately 90 feet of 12-inch water main; and

WHEREAS, the System has solicited bids for the Westlakes Off-Site Water Main Extension – Segment A Project (the “project work”); and

WHEREAS, the project work includes the oversize construction of approximately 7,720 feet of 12-inch water main to 16-inch water main; and

WHEREAS, the project work includes the construction of approximately 780 feet of 30-inch High Density Polyethylene water main; and

WHEREAS, the project work includes the construction of approximately 90 feet of 12-inch water main; and

WHEREAS, D Guerra Construction, LLC, a local, MBE-Hispanic contractor, submitted the bid of $1,886,442.92 for construction of the project and this bid is determined to be the lowest responsible bid; and

WHEREAS, Pulte Homes of Texas, LP responsible for funding their proportionate share of the construction of the project; and

WHEREAS, Pulte Homes of Texas, LP is responsible for 56.25 percent of the project costs for approximately 7,720 feet of 12-inch water main oversized to a 16-inch water main; the System is responsible for 43.75 percent of the project costs for approximately 7,720 feet of 12-inch water main oversized to a 16-inch water main; and

WHEREAS, Pulte Homes of Texas, LP is responsible for 0 percent of the project costs for approximately 780 feet of 30-inch High Density Polyethylene water main; the System is responsible for 100 percent of the project costs for approximately 780 feet of 30-inch High Density Polyethylene water main; and

WHEREAS, Pulte Homes of Texas, LP is responsible for 100 percent of the project costs for approximately 90 feet of 12-inch water main; the System is responsible for 0 percent of the project costs for approximately 90 feet of 12-inch water main; and
WHEREAS, the System will pay to Pulte Homes of Texas, L.P, monthly, for the System’s proportionate share of the cost to oversize the water main in accordance with the Board Regulations; and

WHEREAS, the amount of $1,400,832.02 is available in the System’s Water Main Oversizing, Mains New Category, Water Delivery Core Business Program 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 award a construction contract to D Guerra Construction, LLC in the amount of $1,886,442.92 in connection with the Westlakes Off-Site Water Main Extension – Segment A Project, (ii) to authorize System funds in the amount of $1,273,483.65 for the project work, (iii) to authorize System funds in the amount of $127,348.37 for design fees, (iv) to make available a total amount not to exceed $1,400,832.02 from the System’s Water Main Oversizing, Mains New Category, Water Delivery Core Business Program for the System’s proportionate share of the project work and engineering fees related to oversizing the proposed off-site water main, and (v) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Pulte Homes of Texas, LP and D Guerra Construction, LLC for the project work and to provide payment in an amount not to exceed $1,273,483.65 to D Guerra Construction, LLC and reimbursements in an amount not to exceed $127,348.37 to Pulte Homes of Texas, LP 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 a construction contract in the amount of $1,886,442.92 hereby awarded to D Guerra Construction, LLC who is determined to be the lowest responsible bidder in connection with the Westlakes Off-Site Water Main Extension – Segment A Project.

2. That the expenditure of System funds in the amount of $1,273,483.65 for the System's proportionate share of the project work is hereby approved.

3. That the expenditure of System funds in the amount of $127,348.37 for the System’s proportionate share of engineering design fees associated with the project work is hereby authorized and approved.

4. That a total amount not to exceed $1,400,832.02 consisting of the System’s proportionate share of the project work costs and engineering fees related to the 12-inch oversized (16-inch required) water main, the construction of the 30-inch High Density Polyethylene water main, and the construction of the 12-inch water main is hereby made available and is to be expended from the System’s Water Main Oversizing, Mains New Category, Water Delivery Core Business Program.

5. That the President/Chief Executive Officer or his duly appointed designee, is hereby authorized to execute a contract with to Pulte Homes of Texas, LP and D Guerra Construction,
LLC and to further provide payment in an amount not to exceed $1,273,483.65 for the cost to oversize and construct the water main to D Guerra Construction, LLC and reimbursements in an amount not to exceed $127,348.37 to Pulte Homes of Texas, LP in accordance with the Utility Service Regulations in connection with the Westlakes Off-Site Water Main Extension – Segment A Project.

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

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

8. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED on this 9th day of October 2018.

____________________________
Berto Guerra, Jr., Chairman

ATTEST:

____________________________
Patricia E. Merritt, Assistant 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: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE 2019 SMP PACKAGE I (AVENIDA PRIMA, LA AVENTURA, & LA BAHIA)

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., a local, MBE–Hispanic contractor, in the amount of $1,643,885.50 in connection with the 2019 SMP Package I (Avenida Prima, La Aventura, & La Bahia).

- The City of San Antonio (the “City”) proposes to construct street improvements as part of the 2019 Street Maintenance Program (SMP) as illustrated on the attached maps.

- The 2019 SMP Package I (Avenida Prima, La Aventura, & La Bahia) is required to ensure that the San Antonio Water System (the “System”) is able to meet the construction schedules of other agencies.

- The contract will construct projects that include the replacement, adjustment, or installation of water and sewer facilities.

- The water work will include approximately 5,900 feet of 6-inch to 12-inch water main.

- The sewer work will include approximately 2,000 feet of 8-inch to 10-inch sewer main.

- Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. has submitted the lowest responsible bid of $1,643,885.50.

- The design of projects assigned to this contract were done under current Engineering Design Services contracts, also known as Work Order Engineering Design Services contracts.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2018 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 $1,092,145.40 for water related work. The job number is 18-5008.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $551,740.10 for sewer related work. The job number is 18-5508.

SUPPLEMENTARY COMMENTS:

Brown & Gay Engineers, Inc. prepared the bid proposal and specifications for this project. The engineer’s estimated construction cost for this project is $2,381,225.00.

A bid opening was held on August 20, 2018 at 10:00 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>Pronto Sandblasting &amp; Coating &amp; Oil-Field Services Co., Inc.*</td>
<td>$1,643,885.50</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>E-Z Bel Construction, LLC</td>
<td>$1,835,732.67</td>
<td>Local/MBE–Hispanic</td>
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<tr>
<td>Qro Mex Construction Co., Inc.</td>
<td>$1,894,618.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Atlas Construction, Corp.</td>
<td>$1,949,205.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>T-Construction, LLC</td>
<td>$1,988,958.50</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>D Guerra Construction, LLC</td>
<td>$1,995,523.15</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Facilities Rehabilitation, Inc.</td>
<td>$2,121,535.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$2,381,225.00</td>
<td></td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 30.96 percent decrease from the estimated construction cost.

Additionally, the overall SMWVB analysis is shown in the following 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>
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</tr>
<tr>
<td>MBE – Other</td>
</tr>
<tr>
<td>WBE – Minority</td>
</tr>
<tr>
<td>WBE – Non–Minority</td>
</tr>
<tr>
<td><strong>Total SMWVB</strong></td>
</tr>
</tbody>
</table>
Award of Construction Contract
2019 SMP Package I (Avenida Prima, La Aventura, & La Bahia)

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

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

2019 SMP PACKAGE I (AVENIDA PRIMA, LA AVENTURA, & LA BAHIA)

LEGEND
★ PROJECT SITE
[ ] EDWARDS AQUIFER RECHARGE ZONE
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC. IN THE AMOUNT OF $1,643,885.50 IN CONNECTION WITH THE 2019 SMP PACKAGE I (AVENIDA PRIMA, LA AVENTURA, & LA BAHIA); APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $1,643,885.50 FROM THE SYSTEM’S PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSTRUCTION CONTRACT WITH PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC., AND TO PAY PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC. AN AMOUNT NOT TO EXCEED $1,643,885.50 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 construction projects of other governmental agencies may require the replacement, adjustment or installation of certain water and sewer facilities (the “project work”) of the San Antonio Water System (the “System”); and

WHEREAS, the 2019 SMP Package I (Avenida Prima, La Aventura, & La Bahia) provides an alternate to conventional design-bid-build construction of individual projects in order to expedite project completion; and

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

WHEREAS, Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., a local, MBE–Hispanic contractor, has submitted a bid in the amount of $1,643,885.50 for the project work and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $1,643,885.50 are required for the project work; and

WHEREAS, the amount of $1,643,885.50 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 award a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. in the amount of $1,643,885.50 in connection with the 2019 SMP Package I (Avenida Prima, La
Aventura, & La Bahia), (ii) to approve the expenditure of funds and make available an amount not to exceed $1,643,885.50 from the System’s Project Fund for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., and to pay Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. an amount not to exceed $1,643,885.50 for the project work; now, therefore:

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

1. That a construction contract in the amount of $1,643,885.50 is hereby awarded to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. who is determined to be the lowest responsible bidder in connection with the 2019 SMP Package I (Avenida Prima, La Aventura, & La Bahia).

2. That the expenditure of funds in an amount not to exceed $1,643,885.50 for the project work is hereby approved and made available from the System’s Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., and to pay Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. an amount not to exceed $1,643,885.50 in connection with the 2019 SMP Package I (Avenida Prima, La Aventura, & La Bahia).

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 9th day of October, 2018.

__________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________
Patricia E. Merritt, Assistant 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: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE 2019 SMP PACKAGE II (SLIGO ST., LYONS ST.)

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to Qro Mex Construction Co., Inc., a local, MBE-Hispanic contractor, in the amount of $655,300.00 in connection with the 2019 SMP Package II (Sligo St., Lyons St.).

- The City of San Antonio (the “City”) proposes to construct street improvements as part of the 2019 Street Maintenance Program (SMP) as illustrated on the attached maps.

- The 2019 SMP Package II (Sligo St., Lyons St.) is required to ensure that the San Antonio Water System (the “System”) is able to meet the construction schedules of other agencies.

- The contract will construct projects that include the replacement, adjustment, or installation of water and sewer facilities.

- The water work will include approximately 1,901 feet of 8-inch water main.

- The sewer work will include approximately 855 feet of 8-inch sewer main.

- Qro Mex Construction Co., Inc. has submitted the lowest responsible bid of $655,300.00.

- The design of projects assigned to this contract were done under current Engineering Design Services contracts, also known as Work Order Engineering Design Services contracts.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2018 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 $416,257.00
for water related work. The job number is 18-5009.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $239,043.00 for sewer related work. The job number is 18-5509.

SUPPLEMENTARY COMMENTS:

Unintech Consulting Engineers, Inc. prepared the bid proposal and specifications for this project. The engineer’s estimated construction cost for this project is $898,196.00.

A bid opening was held on August 20, 2018 at 1:00 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>Qro Mex Construction Co., Inc.*</td>
<td>$655,300.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Pronto Sandblasting &amp; Coating &amp; Oil-Field Services Co., Inc.</td>
<td>$664,975.00</td>
<td>Local/MBE–Hispanic</td>
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<td>R.L. Jones, LP</td>
<td>$764,485.00</td>
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<td>T-Construction, LLC</td>
<td>$772,255.50</td>
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<tr>
<td>QA Construction Services, Inc.</td>
<td>$800,400.00</td>
<td>Non–Local/MBE–Hispanic</td>
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<tr>
<td>D Guerra Construction, LLC</td>
<td>$836,644.00</td>
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</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$898,196.00</td>
<td></td>
</tr>
<tr>
<td>E-Z Bel Construction, LLC</td>
<td>$911,162.05</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Atlas Construction, Corp.</td>
<td>$919,593.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Texas Pride Utilities, LLC</td>
<td>$966,938.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Facilities Rehabilitation, Inc.</td>
<td>$1,187,896.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 27.04 percent decrease from the estimated construction cost.

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

<table>
<thead>
<tr>
<th>2019 SMP Package II (Sligo St., Lyons St.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qro Mex Construction Co., Inc.</td>
</tr>
<tr>
<td>SMWVB Analysis – Board Award</td>
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<tr>
<td>WBE – Non–Minority</td>
</tr>
<tr>
<td>Total SMWVB</td>
</tr>
</tbody>
</table>
Award of Construction Contract
2019 SMP Package II (Sligo St., Lyons St.)

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

Approving Official:

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
2019 SMP PACKAGE II
(SLIGO ST., LYONS ST.)
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDSING A CONSTRUCTION CONTRACT TO QRO MEX CONSTRUCTION CO., INC. IN THE AMOUNT OF $655,300.00 IN CONNECTION WITH THE 2019 SMP PACKAGE II (SLIGO ST., LYONS ST.); APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $655,300.00 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 QRO MEX CONSTRUCTION CO., INC., AND TO PAY QRO MEX CONSTRUCTION CO., INC. AN AMOUNT NOT TO EXCEED $655,300.00 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 construction projects of other governmental agencies may require the replacement, adjustment or installation of certain water and sewer facilities (the “project work”) of the San Antonio Water System (the “System”); and

WHEREAS, the 2019 SMP Package II (Sligo St., Lyons St.) provides an alternate to conventional design-bid-build construction of individual projects in order to expedite project completion; and

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

WHEREAS, Qro Mex Construction Co., Inc., a local, MBE-Hispanic contractor, has submitted a bid in the amount of $655,300.00 for the project work and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $655,300.00 are required for the project work; and

WHEREAS, the amount of $655,300.00 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 award a construction contract to Qro Mex Construction Co., Inc. in the amount of $655,300.00 in connection with the 2019 SMP Package II (Sligo St., Lyons St.), (ii) to approve the expenditure of
funds and make available an amount not to exceed $655,300.00 from the System’s Project Fund for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with Qro Mex Construction Co., Inc., and to pay Qro Mex Construction Co., Inc. an amount not to exceed $655,300.00 for the project work; now, therefore:

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

1. That a construction contract in the amount of $655,300.00 is hereby awarded to Qro Mex Construction Co., Inc. who is determined to be the lowest responsible bidder in connection with the 2019 SMP II (Sligo St., Lyons St.).

2. That the expenditure of funds in an amount not to exceed $655,300.00 for the project work is hereby approved and made available from the System’s Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with Qro Mex Construction Co., Inc., and to pay Qro Mex Construction Co., Inc. an amount not to exceed $655,300.00 in connection with the 2019 SMP Package II (Sligo St., Lyons St.).

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 9th day of October, 2018.

Berto Guerra, Jr., Chairman

ATTEST:

Patricia E. Merritt, Assistant 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: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE 2019 SMP PACKAGE III (ANNE LEWIS, VEDA MAE)

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to R.L. Jones, LP, a local, SBE contractor, in the amount of $480,103.10 in connection with the 2019 SMP Package III (Anne Lewis, Veda Mae).

- The City of San Antonio (the “City”) proposes to construct street improvements as part of the 2019 Street Maintenance Program (SMP) as illustrated on the attached maps.

- The 2019 SMP Package III (Anne Lewis, Veda Mae) is required to ensure that the San Antonio Water System (the “System”) is able to meet the construction schedules of other agencies.

- The contract will construct projects that include the replacement, adjustment, or installation of water and sewer facilities.

- The water work will include approximately 1,670 feet of 6-inch to 8-inch water main.

- The sewer work will include approximately 1,130 feet of 8-inch sewer main.

- R.L. Jones, LP has submitted the lowest responsible bid of $480,103.10.

- The design of projects assigned to this contract will be done under current Engineering Design Services contracts, also known as Work Order Engineering Design Services contracts.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2018 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 $195,319.00 for water related work. The job number is 18-5010.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $284,784.10 for sewer related work. The job number is 18-5510.

**SUPPLEMENTARY COMMENTS:**

K-Friese & Associates, Inc. prepared the bid proposal and specifications for this project. The engineer’s estimated construction cost for this project is $712,580.00.

A bid opening was held on August 20, 2018 at 3:00 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>R.L. Jones, LP*</td>
<td>$480,103.10</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Pronto Sandblasting &amp; Coating &amp; Oil-</td>
<td>$546,042.70</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Field Services Co., Inc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>D Guerra Construction, LLC</td>
<td>$564,147.95</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>QA Construction Services, LLC</td>
<td>$616,318.00</td>
<td>Non–Local/MBE–Hispanic</td>
</tr>
<tr>
<td>E-Z Bel Construction, LLC</td>
<td>$627,108.30</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>T-Construction, LLC</td>
<td>$709,622.60</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>Facilities Rehabilitation, Inc.</td>
<td>$711,463.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$712,580.00</td>
<td></td>
</tr>
<tr>
<td>Atlas Construction, Corp.</td>
<td>$764,022.20</td>
<td>Local/MBE–Hispanic</td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 32.62 percent decrease from the estimated construction cost.

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

| 2019 SMP Package III                      |
| (Anne Lewis, Veda Mae)                    |
| **R.L. Jones, LP**                        |

| SMWVB Analysis – Board Award              |
| SBE                                      | 58.55%          |
| MBE – African American                   | 0.00%           |
| MBE – Asian                              | 0.00%           |
| MBE – Hispanic                           | 6.25%           |
| MBE – Other                              | 0.00%           |
| WBE – Minority                           | 0.00%           |
| WBE – Non–Minority                       | 2.92%           |
| **Total SMWVB**                          | **67.72%**      |
Gail A. Hamrick-Pigg, P.E.
Director
Pipelines Engineering

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
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO R.L. JONES, LP IN THE AMOUNT OF $480,103.10 IN CONNECTION WITH THE 2019 SMP PACKAGE III (ANNE LEWIS, VEDA MAE); APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $480,103.10 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 R.L. JONES, LP, AND TO PAY R.L. JONES, LP AN AMOUNT NOT TO EXCEED $480,103.10 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 construction projects of other governmental agencies may require the replacement, adjustment or installation of certain water and sewer facilities (the “project work”) of the San Antonio Water System (the “System”); and

WHEREAS, the 2019 SMP Package III (Anne Lewis, Veda Mae) provides an alternate to conventional design-bid-build construction of individual projects in order to expedite project completion; and

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

WHEREAS, R.L. Jones, LP, a local, SBE contractor, has submitted a bid in the amount of $480,103.10 for the project work and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $480,103.10 are required for the project work; and

WHEREAS, the amount of $480,103.10 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 award a construction contract to R.L. Jones, LP in the amount of $480,103.10 in connection with the 2019 SMP Package III (Anne Lewis, Veda Mae), (ii) to approve the expenditure of funds and make available an amount not to exceed $480,103.10 from the System’s Project Fund for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee
to execute a construction contract with R.L. Jones, LP, and to pay R.L. Jones, L. an amount not to exceed $480,103.10 for the project work; now, therefore:

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

1. That a construction contract in the amount of $480,103.10 is hereby awarded to R.L. Jones, LP who is the lowest responsible bidder in connection with the 2019 SMP Package III (Anne Lewis, Veda Mae).

2. That the expenditure of funds in an amount not to exceed $480,103.10 for the project work is hereby approved and made available from the System’s Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with R.L. Jones, LP, and to pay R.L. Jones, LP an amount not to exceed $480,103.10 in connection with the 2019 SMP Package III (Anne Lewis, Veda Mae).

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 9th day of October, 2018.

Berto Guerra, Jr., Chairman

ATTEST:

Patricia E. Merritt, Assistant 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: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE 2019 SMP PACKAGE IV (SANTIAGO ST., BOWDOIN ST.)

Board Action Date:  October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to R.L. Jones, LP, a local, SBE contractor, in the amount of $773,065.30 in connection with the 2019 SMP Package IV (Santiago St., Bowdoin St.).

• The City of San Antonio (the “City”) proposes to construct street improvements as part of the 2019 Street Maintenance Program (SMP) as illustrated on the attached maps.

• The 2019 SMP Package IV (Santiago St., Bowdoin St.) is required to ensure that the San Antonio Water System (the “System”) is able to meet the construction schedules of other agencies.

• The contract will construct projects that include the replacement, adjustment, or installation of water and sewer facilities.

• The water work will include approximately 1,822 feet of 8-inch water main.

• The sewer work will include approximately 1,360 feet of 8-inch sewer main.

• R.L. Jones, LP has submitted the lowest responsible bid of $773,065.30.

• The design of projects assigned to this contract will be done under current Engineering Design Services contracts, also known as Work Order Engineering Design Services contracts.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2018 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 $368,547.30 for water related work. The job number is 18-5011.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $404,518.00 for sewer related work. The job number is 18-5511.

SUPPLEMENTARY COMMENTS:

S&GE, LLC prepared the bid proposal and specifications for this project. The engineer’s estimated construction cost for this project is $1,375,717.00.

A bid opening was held on August 21, 2018 at 10:00 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>R.L. Jones, LP*</td>
<td>$773,065.30</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Pronto Sandblasting &amp; Coating &amp; Oil-Field Services Co., Inc.</td>
<td>$809,316.05</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Qro Mex Construction Co., Inc.</td>
<td>$849,309.50</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>D Guerra Construction, LLC</td>
<td>$890,823.96</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Facilities Rehabilitation, Inc.</td>
<td>$962,524.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Atlas Construction, Corp.</td>
<td>$1,031,706.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$1,375,717.00</td>
<td></td>
</tr>
<tr>
<td>E-Z Bel Construction, LLC</td>
<td>$1,421,858.05</td>
<td>Local/MBE–Hispanic</td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 43.81 percent decrease from the estimated construction cost.

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

<table>
<thead>
<tr>
<th>2019 SMP Package IV (Santiago St., Bowdoin St.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>R.L. Jones, LP</td>
</tr>
<tr>
<td>SMWVB Analysis – Board Award</td>
</tr>
<tr>
<td>SBE</td>
</tr>
<tr>
<td>MBE – African American</td>
</tr>
<tr>
<td>MBE – Asian</td>
</tr>
<tr>
<td>MBE – Hispanic</td>
</tr>
<tr>
<td>MBE – Other</td>
</tr>
<tr>
<td>WBE – Minority</td>
</tr>
<tr>
<td>WBE – Non–Minority</td>
</tr>
<tr>
<td>Total SMWVB</td>
</tr>
</tbody>
</table>
Award of Construction Contract
2019 SMP Package IV (Santiago St., Bowdoin St.)

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

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
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO R.L. JONES, LP IN THE AMOUNT OF $773,065.30 IN CONNECTION WITH THE 2019 SMP PACKAGE IV (SANTIAGO ST., BOWDOIN ST.); APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $773,065.30 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 R.L. JONES, LP, AND TO PAY R.L. JONES, LP AN AMOUNT NOT TO EXCEED $773,065.30 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 construction projects of other governmental agencies may require the replacement, adjustment or installation of certain water and sewer facilities (the “project work”) of the San Antonio Water System (the “System”); and

WHEREAS, the 2019 SMP Package IV (Santiago St., Bowdoin St.) provides an alternate to conventional design-bid-build construction of individual projects in order to expedite project completion; and

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

WHEREAS, R.L. Jones, LP, a local, SBE contractor, has submitted a bid in the amount of $773,065.30 for the project work and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $773,065.30 are required for the project work; and

WHEREAS, the amount of $773,065.30 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 award a construction contract to R.L. Jones, LP in the amount of $773,065.30 in connection with the 2019 SMP Package IV (Santiago St., Bowdoin St.), (ii) to approve the expenditure of funds and make available an amount not to exceed $773,065.30 from the System’s Project Fund for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed
designee to execute a construction contract with R.L. Jones, LP, and to pay R.L. Jones, LP an amount not to exceed $773,065.30 for the project work; now, therefore:

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

1. That a construction contract in the amount of $773,065.30 is hereby awarded to R.L. Jones, L.P. who is determined to be the lowest responsible bidder in connection with the 2019 SMP Package IV (Santiago St., Bowdoin St.).

2. That the expenditure of funds in an amount not to exceed $773,065.30 for the project work is hereby approved and made available from the System’s Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with R.L. Jones, LP, and to pay R.L. Jones, LP an amount not to exceed $773,065.30 in connection with the 2019 SMP Package IV (Santiago St., Bowdoin St.).

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 ADOPTED this 9th day of October, 2018.

________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________________________
Patricia E. Merritt, Assistant 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: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE 2019 SMP PACKAGE V (BERTETTI DR., FEDORA)

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., a local, MBE-Hispanic contractor, in the amount of $688,677.00 in connection with the 2019 SMP Package V (Bertetti Dr., Fedora).

- The City of San Antonio (the “City”) proposes to construct street improvements as part of the 2019 Street Maintenance Program (SMP) as illustrated on the attached maps.
- The 2019 SMP Package V (Bertetti Dr., Fedora) is required to ensure that the San Antonio Water System (the “System”) is able to meet the construction schedules of other agencies.
- The contract will construct projects that include the replacement, adjustment, or installation of water facilities.
- The water work will include approximately 3,275 feet of 6-inch and 8-inch water main.
- There are no sewer facilities within the project limits that require adjustment or replacement; therefore, there is no sewer work on this project.
- Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. has submitted the lowest responsible bid of $688,677.00.
- The design of projects assigned to this contract will be done under current Engineering Design Services contracts, also known as Work Order Engineering Design Services contracts.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2018 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 $688,677.00 for water related work. The job number is 18-5015.

SUPPLEMENTARY COMMENTS:

Lockwood, Andrews & Newnam, Inc. prepared the bid proposal and specifications for this project. The engineer’s estimated construction cost for this project is $1,295,396.00.

A bid opening was held on August 21, 2018 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>Pronto Sandblasting &amp; Coating &amp; Oil-Field Services Co., Inc.*</td>
<td>$688,677.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Qro Mex Construction Co., Inc.</td>
<td>$751,186.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>D Guerra Construction, LLC</td>
<td>$794,664.96</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>R.L. Jones, LP</td>
<td>$843,258.25</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>T-Construction, LLC</td>
<td>$982,945.00</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>E-Z Bel Construction, LLC</td>
<td>$987,227.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Atlas Construction, Corp.</td>
<td>$1,039,845.00</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Wauters Engineering, LLC</td>
<td>$1,176,330.56</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$1,295,396.00</td>
<td></td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 46.84 percent decrease from the estimated construction cost.

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

<table>
<thead>
<tr>
<th>SMWVB Analysis – Board Award</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SBE</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE – African American</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE – Asian</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE – Hispanic</td>
<td>100.00%</td>
</tr>
<tr>
<td>MBE – Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Non–Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total SMWVB</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>
Award of Construction Contract
2019 SMP Package V (Bertetti Dr., Fedora)

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

APPROVED:

Robert R. Puente
President/Chief Executive Officer

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

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC. IN THE AMOUNT OF $688,677.00 IN CONNECTION WITH THE 2019 SMP PACKAGE V (BERTETTI DR., FEDORA); APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $688,677.00 FROM THE SYSTEM’S PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSTRUCTION CONTRACT WITH PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC., AND TO PAY PRONTO SANDBLASTING & COATING & OIL-FIELD SERVICES CO., INC. AN AMOUNT NOT TO EXCEED $688,677.00 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 construction projects of other governmental agencies may require the replacement, adjustment or installation of certain water and sewer facilities (the “project work”) of the San Antonio Water System (the “System”); and

WHEREAS, the 2019 SMP Package V (Bertetti Dr., Fedora) provides an alternate to conventional design-bid-build construction of individual projects in order to expedite project completion; and

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

WHEREAS, Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., a local, MBE–Hispanic contractor, has submitted a bid in the amount of $688,677.00 for the project work and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $688,677.00 are required for the project work; and

WHEREAS, the amount of $688,677.00 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 award a construction contract to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. in the amount of $688,677.00 in connection with the 2019 SMP Package V (Bertetti Dr., Fedora), (ii) to approve the expenditure of funds and make available an amount not to exceed $688,677.00 from
the System’s Project Fund for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., and to pay Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. an amount not to exceed $688,677.00 for the project work; now, therefore:

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

1. That a construction contract in the amount of $688,677.00 is hereby awarded to Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. who is determined to be the lowest responsible bidder in connection with the 2019 SMP Package V (Bertetti Dr., Fedora).

2. That the expenditure of funds in an amount not to exceed $688,677.00 for the project work is hereby approved and made available from the System’s Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with Pronto Sandblasting & Coating & Oil-Field Services Co., Inc., and to pay Pronto Sandblasting & Coating & Oil-Field Services Co., Inc. an amount not to exceed $688,677.00 in connection with the 2019 SMP Package V (Bertetti Dr., Fedora).

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 9th day of October, 2018.

____________________________
Berto Guerra, Jr., Chairman

ATTEST:

____________________________
Patricia E. Merritt, Assistant 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 BOERNE STAGE ROAD WATER MAIN REPLACEMENT PROJECT

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to M5 Utilities, LLC, a local, non-SMWVB, in the amount of $1,493,397.50 in connection with the Boerne Stage Road Water Main Replacement Project.

- This contract will be used to replace 2,500 feet of existing 24-inch PVC water main with ductile iron water main due to the condition of the pipe.
- M5 Utilities, LLC has submitted the lowest responsible bid of $1,493,397.50.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2018 Capital Improvement Program. This project is included in the Water Delivery Core Business, Main Replacements – Water Category budget line item. The amount is $1,493,397.50 for water related construction work under job number 18-4006.

SUPPLEMENTARY COMMENTS:

K Friese & Associates, Inc. prepared the bid proposal and specifications for the project. The engineer’s estimated construction cost was $2,003,231.53.

A bid opening was held on September 27, 2018. The following bids were submitted:
The bid amount represents a 25.45 percent decrease from the Engineer’s estimated construction cost.

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

<table>
<thead>
<tr>
<th>Bidder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bidder</td>
</tr>
<tr>
<td>Bid Amount</td>
</tr>
<tr>
<td>Local/SMWVB</td>
</tr>
<tr>
<td>M5 Utilities, LLC*</td>
</tr>
<tr>
<td>Wauters Engineering, LLC</td>
</tr>
<tr>
<td>D Guerra Construction, LLC</td>
</tr>
<tr>
<td>Nerie Construction LLC</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
</tr>
<tr>
<td>Pronto Sandblasting &amp; Coating &amp; Oil-Field Services, Co., Inc.</td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 25.45 percent decrease from the Engineer’s estimated construction cost.

Additionally, the overall SMWVB analysis is shown in the following table:
Award of Construction Contract
Boerne Stage Road Water Main Replacement Project

APPROVED:

[Signature]
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 AWARDING A CONSTRUCTION CONTRACT TO M5 UTILITIES, LLC IN THE AMOUNT OF $1,493,397.50 IN CONNECTION WITH THE BOERNE STAGE ROAD WATER MAIN REPLACEMENT PROJECT; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $1,493,397.50 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 M5 UTILITIES, LLC, AND TO PAY M5 UTILITIES, LLC AN AMOUNT NOT TO EXCEED $1,493,397.50 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 replace approximately 2,500 feet of 24-inch water main; and

WHEREAS, the San Antonio Water System (the “System”) has solicited bids for the project work; and

WHEREAS, M5 Utilities, LLC, a local, non-SMWVB firm, is declared the lowest responsible bidder and has submitted the low responsible bid of $1,493,397.50 for the project work; and

WHEREAS, System funds in the amount of $1,493,397.50 are required for the project work; and

WHEREAS, the total amount of $1,493,397.50 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 award a construction contract to M5 Utilities, LLC in the amount of $1,493,397.50 in connection with the Boerne Stage Road Water Main Replacement Project, (ii) to approve the expenditure of funds and make available an amount not to exceed $1,493,397.50 from the System’s Project Fund for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with M5 Utilities, LLC, and to pay M5 Utilities, LLC an amount not to exceed $1,493,397.50 for the project work; now, therefore:
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:

1. That a construction contract in the amount of $1,493,397.50 is hereby awarded to M5 Utilities, LLC who is determined to be the lowest responsible bidder in connection with the Boerne Stage Road Water Main Replacement Project.

2. That the expenditure of funds in an amount not to exceed $1,493,397.50 for the project work is hereby approved and made available from the System’s Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with M5 Utilities, LLC, and to pay M5 Utilities, LLC an amount not to exceed $1,493,397.50 in connection with the Boerne Stage Road Water Main Replacement 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 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 9th day of October, 2018.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Patricia E. Merritt, Assistant 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: APPROVING AN INTERLOCAL AGREEMENT AND AUTHORIZING EXPENDITURES TO BEXAR COUNTY IN CONNECTION WITH THE CANDLEWOOD SUBDIVISION PHASE II PROJECT

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the President/Chief Executive Officer to execute an Interlocal Agreement with Bexar County through the Bexar County Public Works Program (the “County”) and authorizes expenditures to the County in an amount not to exceed $1,025,445.68 for the joint construction of water and sewer facility adjustments and replacements in connection with the Candlewood Subdivision Phase II Project.

- The County proposes to construct street and drainage improvements in the area illustrated on the attached maps. The County’s improvement work is estimated to cost $3,071,864.20.

- Due to the reconstruction and improvements within the Candlewood Subdivision Phase II Project, the existing water mains that were installed from 1986 through 2000 require replacement to meet current San Antonio Water System (the “System”) standards.

- Existing sewer mains that were installed from 1986 through 2000 require adjustment to avoid conflicts with the County’s street and drainage improvements.

- The water work will consist of the replacement of approximately 5,810 feet of 6-inch and 8-inch water main.

- The sewer work will consist of the adjustment of approximately 19 manholes and reconstruction of three manholes.

- The County approved the bid of EZ-Bel Construction, LLC for construction of this project on October, 2018. As part of joint bidding, advanced approval for funding and for the execution of an Interlocal Agreement is required by the County prior to issuing a notice to proceed on construction.

- Funds as determined by the amount bid will be transferred to the County following the execution of the Interlocal Agreement.
Approval of an Interlocal Agreement and Authorization for Expenditure of Funds to Bexar County for the Candlewood Subdivision Phase II Project

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this expenditure included in the CY 2018 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 $894,497.06 for water work. The job number is 17-5099.

The sewer work is included in the Wastewater Core Business, Governmental – Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $130,948.62 for sewer work. The job number is 17-5583.

---

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
SAN ANTONIO WATER SYSTEM
PROJECT AREA MAP
ATTACHMENT I

LEGEND
★ PROJECT SITE

EDWARDS AQUIFER RECHARGE ZONE

CANDLEWOOD SUBDIVISION PHASE II
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING AN INTERLOCAL AGREEMENT WITH BEXAR COUNTY AND AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE INTERLOCAL AGREEMENT FOR THE ADJUSTMENT AND REPLACEMENT OF WATER AND SEWER FACILITIES BY BEXAR COUNTY IN CONNECTION WITH THE CANDLEWOOD SUBDIVISION PHASE II PROJECT; AUTHORIZING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED $1,025,445.68 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, Bexar County through the Bexar County Public Works Program (the “County”) proposes to construct the Candlewood Subdivision Phase II Project; and

WHEREAS, the Candlewood Subdivision Phase II Project will require the adjustment and replacement of certain water and sewer facilities (the “project work”) of the San Antonio Water System (the “System”); and

WHEREAS, the County has requested that the System execute an Interlocal Agreement and pay for the System’s share of the project work costs; and

WHEREAS, System funds in an amount not to exceed $1,025,445.68 are required for the project work; and

WHEREAS, the total amount of $1,025,445.68 is available from the System’s Project Fund for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve an Interlocal Agreement with the County for the adjustment and replacement of water and sewer facilities by the County in connection with the Candlewood Subdivision Phase II Project and to authorize the President/Chief Executive Officer or his duly appointed designee to execute the Interlocal Agreement, and (ii) to authorize the expenditure of funds in an amount not to exceed $1,025,445.68 for the System’s share of the project work; now, therefore:
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:

1. That an Interlocal Agreement with the County substantially in the form of the agreement attached hereto is hereby approved and the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the Interlocal Agreement with the County in connection with the Candlewood Subdivision Phase II Project.

2. That the expenditure of funds in an amount not to exceed $1,025,445.68 for the adjustment and replacement of water and sewer facilities by the County in connection with the Candlewood Subdivision Phase II Project is hereby approved.

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

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

5. This resolution becomes effective immediately upon its passage.

   PASSED AND APPROVED this 9th day of October, 2018.

___________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

___________________________________________
Patricia E. Merritt, Assistant Secretary
This Interlocal Agreement (the “Agreement”) is made and entered into this __________ day of ____, 2018, by and between the COUNTY OF BEXAR, a political subdivision of the State of Texas (“COUNTY”), and SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES, a political subdivision of the State of Texas (“SAWS”) (also, individually, a “Party” or, collectively, the “Parties), pursuant to the Interlocal Cooperation Act, Chapter 791 of the Government Code.

PURPOSE

1.01 The purpose of this Agreement is to facilitate the COUNTY’s improvement of the Candlewood Subdivision Phase II (the “Project”) by including certain necessary SAWS adjustments and replacements in COUNTY’s Specifications for the Project, thus assuring the coordination of COUNTY’s road and drainage improvements with SAWS’s adjustments and replacements.

SERVICES

2.01 COUNTY agrees to include in the Bexar County Public Works Specifications for the Project the plans and specifications for SAWS Water Job No. 17-5099 and SAWS Sewer Job No. 17-5583 (the “SAWS Work”) which SAWS shall prepare and deliver to COUNTY and is incorporated by reference herein, and to contract for the performance of the SAWS Work.

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

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

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

FEE

3.01 COUNTY acknowledges that SAWS has provided the COUNTY with two (2) signed copies of this Interlocal Agreement. COUNTY will return one fully executed original to SAWS upon COUNTY’s approval. Additionally, COUNTY acknowledges that SAWS has conditionally delivered to COUNTY good and sufficient funds (the “Funds”) for the bid amount (See Exhibit A) plus two percent (2%) contingency. Any and all control and beneficial use of the funds by the COUNTY, will be contingent on SAWS receiving a fully executed original of this Interlocal Agreement from the COUNTY.
3.02 For materials and construction used in the SAWS Work, SAWS agrees to pay to COUNTY the amount of One Million, Twenty-Five Thousand, Four Hundred Forty-Five Dollars and Sixty-Eight Cents ($1,025,445.68), which includes the Original Bid amount and a two percent (2%) contingency.

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

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

   (b) Change Orders. If change orders are requested by SAWS or required for SAWS Work under this Agreement, SAWS will make a change order request and SAWS staff or SAWS’s Consultant shall prepare the change order. If COUNTY requires a change order that affects the SAWS Work, the change order will be submitted to SAWS staff for approval. SAWS staff agrees to use good faith efforts to respond to change orders within five business days after SAWS staff’s receipt of request, or such additional period of time as may be reasonably necessary under the circumstances based on the complexity of the change order. In no event will SAWS’s deliberative process be allowed to jeopardize COUNTY’s timely completion of COUNTY’s Project, as determined by COUNTY. SAWS staff is under no obligation to approve any change orders, and in no event shall SAWS be responsible for costs or expenses under change orders that are not approved by SAWS staff.

   (c) If a change order results in total costs exceeding the amount stated in §3.02, COUNTY will send copies of invoices covering the additional amounts authorized by a change order approved by SAWS staff, and SAWS shall pay COUNTY the additional amounts in the approved change order within fifteen (15) days, unless further time is required for Board action to appropriate funds.

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

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

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

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

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

ENTIRE AGREEMENT

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

ATTORNEY’S FEES

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

TEXAS LAW TO APPLY

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

SEVERABILITY

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

AMENDMENT

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

THIRD PARTY BENEFICIARY

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

**INDEMNIFICATION**

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

**INSURANCE**

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

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

(b) COUNTY shall require all contractors and service providers to maintain statutory worker’s compensation insurance for all of their employees with a waiver of subrogation in favor of COUNTY and SAWS.

(c) COUNTY will require the consultants, contractors, and any subcontractors to provide all statutorily-required payment and performance bonds at no additional cost to the Parties. On services for which performance bonds are not statutorily required, COUNTY shall determine whether to require performance bonds.
CURRENT REVENUES

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

EXECUTED IN DUPLICATE ORIGINALS, EACH OF WHICH WILL HAVE FULL FORCE AND EFFECT ON THIS _______ DAY OF __________________, 2018.

BEXAR COUNTY, TEXAS

By: ____________________________
Nelson W. Wolff
County Judge

ATTEST:
By: ____________________________
Gerard C. Rickhoff
County Clerk

SAN ANTONIO WATER SYSTEM

By: ____________________________
Robert R. Puente
President/Chief Executive Officer
APPROVED AS TO LEGAL FORM:

Nicholas “Nico” LaHood
Criminal District Attorney
Bexar County, Texas

By: __________________________

Katherine Ramos
Assistant Criminal District Attorney
-Civil Section

APPROVED AS TO FINANCIAL FORM:

By: __________________________

Susan Yeatts
County Auditor

By: __________________________

David Smith
County Manager

APPROVED:

By: __________________________

Renee D. Green, PE
Director of Public Works/County Engineer
Exhibit “A”
Bid Amount and Funds Committed by SAWS

<table>
<thead>
<tr>
<th>Cost Category</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Water Main Replacement¹</td>
<td>$876,957.90</td>
</tr>
<tr>
<td>Sanitary Sewer Adjustments²</td>
<td>$128,381.00</td>
</tr>
<tr>
<td>Contingency (2% of Construction)</td>
<td>$20,106.78</td>
</tr>
<tr>
<td><strong>Total SAWS Contribution =</strong></td>
<td><strong>$1,025,445.68</strong></td>
</tr>
</tbody>
</table>

1. Approx. 5666 feet of 6-inch and 8-inch AC water main
2. Approx. 19 manhole adjustments and 3 manhole reconstructions
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 PROFESSIONAL SERVICES CONTRACT FOR REAL ESTATE TITLE SERVICES IN CONNECTION WITH VARIOUS CAPITAL IMPROVEMENT PROJECTS

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached Resolution awards a contract for real estate title services to Hollerbach & Associates, Inc., a local SBE firm, on an “as-required basis” in a total aggregate amount not to exceed $300,000.00 for a five-year contract period.

- San Antonio Water System (SAWS) requires real estate title services for various projects related to the acquisition and disposition of real property and for various capital improvement projects.

- SAWS issued a Request for Qualifications (RFQ) to provide real estate title services on July 12, 2018, in which five Qualification Statements were received. The Technical Evaluation Committee reviewed, evaluated and ranked each of the Statements of Qualifications according to a numerical scoring system and submitted them to the Selection Evaluation Committee for review and final selection.

- The scope of the contract is for real estate title services on an “as-required basis” for an aggregate amount not to exceed $300,000.00 over a five-year contract period.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The funding for the unspecified contracts will only be spent contingent on the requirement for the service. Expenditures related to capital projects are included in the Capital Improvement Program Budgets as line items in the individual project budgets. These expenditures will be paid for from the SAWS Project Fund and charged to the capital project requiring the services. O&M expenditures will be paid from the SAWS System Fund (Company: 1000, Accounting Code: 511312, Accounting Unit: 5020000).

The amount not to exceed $300,000.00 will be paid over a five-year period. Future years’ expenditures are pursuant to and contingent upon Board approval of each year’s budgets with a line item for such expenditures.
SUPPLEMENTARY COMMENTS:

The five firms listed below responded to the RFQ:

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hollerbach &amp; Associates, Inc.*</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>O'Brien Engineering, Inc.</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td>Pescador Land &amp; Minerals, LLC</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Texas Lone Star Title, LLC</td>
<td>Local/MBE-Asian</td>
</tr>
<tr>
<td>TriState Paralegal Service</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
</tbody>
</table>

*Selected Firm

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

<table>
<thead>
<tr>
<th>Real Estate Title Services</th>
<th>Hollerbach &amp; Associates, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMWVB Analysis – Board Award</td>
<td></td>
</tr>
<tr>
<td>SBE</td>
<td>100.00%</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>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>SMWVB Total</td>
<td>100.00%</td>
</tr>
</tbody>
</table>

Nancy Belinsky
Vice President and General Counsel

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

OF THE SAN ANTONIO WATER SYSTEM (THE “SYSTEM”) BOARD OF TRUSTEES AWARDING A SERVICES CONTRACT TO HOLLERBACH & ASSOCIATES, INC. IN AN AMOUNT NOT TO EXCEED $300,000.00 TO PROVIDE REAL ESTATE TITLE SERVICES IN CONNECTION WITH THE ACQUISITION AND DISPOSITION OF REAL PROPERTY AND FOR VARIOUS CAPITAL IMPROVEMENT PROJECTS OVER A FIVE-YEAR PERIOD; FINDING THIS RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the System requires real estate title services related to the acquisition and disposition of real property and for various capital improvement projects; and

WHEREAS, the System previously issued a Request for Qualifications on July 12, 2018, to provide real estate title services in which five Statements of Qualifications were received; and

WHEREAS, Hollerbach & Associates, Inc., a local, SBE firm, submitted a Statement of Qualifications to provide real estate title services; and

WHEREAS, Hollerbach & Associates, Inc. has been determined to be a qualified provider of real estate title services on the basis of demonstrated competence and qualifications; and

WHEREAS, the amount of $300,000.00 is available from the Project Fund and System Fund for real estate title services; and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) award a services contract to Hollerbach & Associates, Inc. in an amount not to exceed $300,000.00 to provide real estate title services over a five-year period, (ii) authorize total expenditures in an amount not to exceed $300,000.00 from the Project Fund and System Fund over a five-year period with the expenditure of funds in each year pursuant to and contingent upon Board approval of the budgets for those years and a line item for such expenditures, and (iii) authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Hollerbach & Associates, Inc., and to pay the Hollerbach & Associates, Inc. an amount not to exceed $300,000.00 to provide real estate title services for a five-year period if it is in the best interest of the System; now, therefore:

BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:
1. That a services contract in an amount not to exceed $300,000.00 is hereby awarded to Hollerbach & Associates, Inc., who is determined to be the offeror that submitted the best qualified proposal to provide real estate title services over a five-year period.

2. That total expenditures in an amount not to exceed $300,000.00 from the Project Fund and System Fund for the five-year period is hereby authorized pursuant to and contingent upon the Board’s approval of the budgets for those years and 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 Hollerbach & Associates, Inc. in substantially the form attached hereto as Attachment I, and to pay Hollerbach & Associates, Inc. an aggregate amount not to exceed $300,000.00 to provide real estate title services over a five-year period if it 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 9th day of October, 2018.

Berto Guerra, Jr., Chairman

ATTEST:

__________________________
Patricia E. Merritt, Assistant Secretary

Attachment:
I   Form of Real Estate Title Services Contract
THIS IS A CONSULTING AGREEMENT (this "Agreement") by and between

INSERT CONSULTANT NAME

ADDRESS 1

ADDRESS 2

(the "Consultant"), 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) **Work Papers.** All final work product and work papers directly relating thereto delivered to Water System by the Consultant in connection with the performance of services pursuant to this Agreement, including public records obtained by the Consultant, shall be the property of the Water System whether or not in the possession of the Consultant, for use and re-use by the Water System, its agents, employees, contractors and consultants, as needed from time-to-time.

(f) **Nondisclosure.** The Water System has a proprietary interest in this Agreement and in the advisory and consulting services provided by Consultant. Accordingly, this Agreement, the services, and any information obtained by Consultant through Water System in connection with the performance of the services, shall not be disclosed by Consultant to any third party. 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. In no event shall Consultant or any of its sub-consultants provide or participate in any public presentations or prepare or present any papers for public dissemination concerning the Project, or with information obtained in connection with the Project, without receiving the prior written approval from the Water System, which approval may be withheld in the sole and absolute discretion of the Water System.

(g) **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.

(h) **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 100085-ZD, Duluth, GA 30096.

Upon request of SAWS, Consultant shall cause its Automobile and/or Commercial General Liability lines of coverage to be endorsed to include an owner of or tenant upon the property being surveyed as an Additional Insured, and providing a certificate of insurance or other documentation satisfactory to SAWS evidencing such compliance.

(i) **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 that all 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.

(j) **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.

(k) **Sub-consultants.** The Consultant acknowledges that the SAWS Board of Trustees has adopted a Small, Minority, Woman, and Veteran-owned Business (SMWVB) Policy to establish and oversee a program that will support the inclusion of local small, minority, woman, and veteran-owned businesses (SMWVB). It is the policy of SAWS that it will ensure that local small, minority, woman, and veteran-owned businesses have an equal opportunity to compete for, receive and participate in SAWS contracts. Consultant agrees to complete and submit a Good Faith Effort Plan as part of its response to the Water System’s request for a proposal. Consultant shall take all reasonable steps to maintain compliance with at least the minimum percentage of participation for SMWBs set out in Consultant’s proposal to the Water System. Consultant shall be required to electronically report the actual payments to all subcontractors, whether SMWVB or
non-SMWVB, using the Subcontractor Payment and Utilization Reporting (S.P.U.R.) System, beginning with the first SAWS payment for services under the contract, and with every payment thereafter (for the duration of the contract). After Consultant receives payment from SAWS, electronic submittals will require data entry of the amount paid to each subcontractor, whether SMWB or non-SMWB, listed on the Contractor’s Good Faith Effort Plan. Data entry is required even if the actual payment amount is zero dollars and zero cents ($0.00). This information will be used for subcontractor utilization tracking purposes. Any unjustified failure to comply with the committed SMWVB levels may be considered breach of contract.

Electronic submittal of subcontractor payment information will be accessed through a link on SAWS’ “Business Center” web page. Consultant and all subcontractors will be provided a unique log-in credential and password to access the SAWS subcontractor payment reporting system. The link may also be accessed through the following internet address: https://saws.smwbe.com.

Respondents and/or their agents may contact the SMWVB Program Manager at 210-233-3420 for assistance or clarification with issues specifically related to the Small, Minority, Woman, and Veteran-owned Business (SMWVB) Program, and S.P.U.R. System reporting.

By entering into this Contract, the Water System approves the use of subcontractors and sub-consultants identified in Exhibit F (attached).

(l) Consultant's Warranty. The Consultant warrants that he 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, nor 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 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.

(m) 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.

(n) 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. In addition, the Water System shall have the right to (1) take possession of all materials and work completed under this Agreement, (2) accept assignment of any sub-consultant agreements relating to this Agreement on terms and conditions acceptable to the Water System, and (3) recover from the Consultant and/or deduct from any sums then owed to the Consultant, all losses, damages, penalties and fines, whether actual or liquidated, direct, consequential and/or exemplary, and all reasonable attorneys’ and other professional fees and costs suffered or incurred by the Water System by reason of or as a result of Consultant’s default. Such amounts, together with interest on same at the highest rate allowed by law until paid in full, shall be binding on Consultant and are due upon demand. No action by the Water System shall constitute an election of remedies.

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, 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 the 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) Winding Up. Upon receipt of a written notice of suspension or termination, unless the notice otherwise directs, Consultant shall immediately phase-out and discontinue all services in connection with the performance of this Agreement and shall proceed to promptly cancel all existing orders and contracts insofar as such orders and contracts are chargeable to the Water System under this Agreement.

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  
Real Estate  
2800 U.S. Hwy. 281 North  
San Antonio, Texas 78212  
Attn: Bruce Haby, Manager, Corporate Real Estate  
Email: Bruce.Haby@saws.org
With copy to: San Antonio Water System
2800 U.S. Hwy. 281 North
San Antonio, Texas 78212
Attn: Mark Brewton, Corporate Counsel
Email: Mark.Brewton@saws.org

If to Consultant: (Consultant Name)
(Address)
(City, State, Zip)
Attn: (Insert Name)
Email: ________________

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, E, F, and G, 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.

SAN ANTONIO WATER SYSTEM:

By:___________________________________

Philip C. Campos, Jr., CPA
Director, Contracting

___________________________________
Date

CONSULTANT:

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: Security Procedures
Exhibit F: List of Sub-Consultants
Exhibit G: No Boycotting Israel Verification
EXHIBIT A
COMPENSATION FOR CONSULTING AGREEMENT
TASK BASED PAYMENT METHOD

Section 1 - Basis of Compensation

The total fee for all services as defined herein and that may be earned through the issuance of Task Orders under this contract is a not to exceed amount of $ – and $ cents, including expenses (the “Total Fee”) and it is agreed and understood that when earned 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. Notwithstanding anything herein to the contrary, as this is an unspecified, task order based contract, there is no assurance or guaranty that Consultant will earn the Total Fee prior to the expiration of the Term.

As outlined in Exhibit B, the Consultant shall perform scope of work Real Estate Title Services on a lump sum basis for each task as outlined herein:

Task 1 - Title Run Services
Platted Properties $ 
Un Platted Properties $ 

Task 2 - Title Search Services
Basic Premium Rate
Currently $ 

Task 3 - Title Insurance
Premium Promulgated by Texas Department of Insurance Actual 
Cost Escrow Fee $ 
Courier Fee $ 

Third party fees for allowable expenses such as, but not limited to; tax certificates, premium promulgated by TDI, e-filing fees and/or recording fees shall be reimbursed at cost at the time invoiced. Consultant shall provide evidence of these third party fees as listed in subparagraphs 5.2 through 5.8.

Section 2 - Changes

The Consultant and the Water System acknowledge the fact that the Total Fee Amount contained in paragraph 1.1 above has been established predicated upon the total estimated cost of services to be rendered under the contract. For additional services or if the scope of services are changed materially, compensation shall be re-negotiated.

Section 3 – Method of Payments

Payment may be made to the Consultant based upon the following:

By Task Order
Section 4 - Reimbursable Expenses

Reimbursable expenses are not authorized under this contract.

Section 5 - Payment for Services

5.1 No initial payment shall be paid to the Consultant prior to rendering services.
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. – Notices.
5.3 Cost of services furnished by subconsultants on Federally Funded projects shall be reimbursed at invoice cost with no markup. Cost of services furnished by subconsultants as proposed from the Consultant's submittal from the request of proposal or request of interest statement shall be reimbursed at invoice cost with no markup.
5.4 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 procedure followed by the Consultant.
5.5 For all services rendered, Consultant’s payment to sub-consultant is due within ten (10) calendar days after receipt of payment from the Water System.
5.6 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.
5.7 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.
5.8 Payment for title policy premiums shall represent payment in full for all title services, including title search and analysis, made pursuant to the applicable Title Commitment.

Section 6 - Payment for Additional Services

Payments for Consultant’s additional services shall show the same information required in subparagraphs 5.2 through 5.8 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:

7.1 Consultant's failure to invoice as required in subparagraphs 5.2 through 5.8.
7.2 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.

7.3 Water System's receipt of evidence that the Consultant's sub-consultants have not been duly paid for their 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.

7.4 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
(Tasks below may apply to respondents as applicable)

Upon the issuance of a task order (the “Task Order”) providing written authorization to proceed the following services shall be performed by the Consultant in accordance with the Contract:

a. Title Run Services – Provide all inclusive reports of all instruments filed in the public records in the office of the Secretary of State of Texas and/or county in which the land is located over a designated period of time.

b. Title Search Services – Provide all inclusive investigation of public records in the office of the Secretary of State of Texas and/or the county where the land is located to determine, among other things which may be requested from time to time, the name and address of the current owner of the property, a list and copy of all liens, claims, encumbrances, easements, rights-of-way, reservations, restrictions, covenants and other conditions affecting title to the land and/or improvements thereon and a confirmation of the status of tax payments on the property, which investigation shall be summarized in a report that is signed by the Consultant or its authorized agent.

c. Commitment of Title Insurance – Provide a signed and binding commitment of title insurance in the form promulgated by the Texas Department of Insurance, committing your firm to issue to the named insured, a policy of title insurance, in the form promulgated by the Texas Department of Insurance, upon the payment of the premium and other charges due and compliance with the requirements on Schedule B and Schedule C thereof, and providing a copy of all documents listed in Schedules B and C thereof.

d. Policy of Title Insurance – Issue a policy of Title Insurance in the form promulgated by the Texas Department of Insurance in accordance with the Title Commitment prepared by Consultant.

e. Escrow Services – Provide general escrow services, including without limitation, receipt of contracts and purchase and sale agreements; receipt and deposit (in an interest bearing account) of all earnest money and other deposits payable under the agreements; receipt and disbursement of all earnest money and other sums in the manner provided for in the agreements; provide general and customary closing services, including, without limitation, preparation of settlement statements, notarizing and recording documents and performing services set forth in closing instruction letters prepared by SAWS or its agents or authorized representatives.


g. Recordings – Provide service of recording legal documents pertinent to each transaction.

h. Courier – Provide courier service of documents pertinent to each transaction, if necessary.
EXHIBIT D
TIME FRAME FOR DELIVERABLES

I. TERM: The Term of this Agreement shall be negotiated.
II. TIME FRAME FOR DELIVERABLES: Contract will be Task Order based. Therefore deliverables will be addressed in the Task Order.
EXHIBIT E
SECURITY PROCEDURES

If work will be conducted on SAWS property, on a SAWS customer’s property, involve any SAWS networks or any SAWS facility the Consultant shall ensure a Prime Contractor Data Form (PCDF) and a Background Screening Letter (provided by SAWS Security) is properly completed for all employees performing work under this Agreement and is on file with SAWS Security prior to work commencement. Any person found to have an unacceptable background check will not be allowed to perform work under this Agreement (A waiver may be given by SAWS Security for an unacceptable finding but must be signed off by the Director of SAWS Security). Sub-Consultants performing work must be listed on the PCDF and the Background Screening Letter. Consultant shall be responsible for the accuracy of information on the PCDF and the Background Screening Letter, and for obtaining any and all required items (badges and parking tags) necessary to fulfilling the work under this Agreement. The PCDF and Background Screening Letter must be sent electronically to securitygroup@saws.org. Consultant shall advise the SAWS Project Manager/Inspector of any employee terminations or changes to personnel performing work under this Agreement and the Consultant shall immediately turn in any and all badges and/or parking tags of employees who are terminated or no longer performing work under this Agreement. If there are any changes in the information contained in the PCDF or the Background Screening Letters, Consultant shall immediately notify the SAWS Project Manager/Inspector and provide updated PCDF and Background Screening Letters, with copies to securitygroup@saws.org.

Consultant, its employees, and agents shall obtain a SAWS photo identification badge (Consultant's Badge) and parking tag, prior to any work on SAWS property, which shall be used only for purposes necessary to perform the work under this Agreement. SAWS Badge Office hours are Monday, Wednesday and Friday 8:00am to 12:00pm excluding SAWS holidays (hours are subject to change). Security staff can be contacted at (210) 233-3177 or (210) 233-3338. A replacement fee may be charged for lost or damaged badges or parking tags. As a condition of final payment, Consultant shall return all badges and parking tags to the Security Office. In the event Consultant fails to return all security badges and parking tags, in addition to any other rights or remedies to which SAWS may be entitled at law or in equity, SAWS may withhold from payment to the Consultant the sum of $500.00 dollars per badge or parking tag as liquidated damages. Consultant agrees that the actual amount of damages for failure to return the badges and/or parking tags is difficult to determine, and the liquidated damages herein are not a penalty, but are a reasonable estimate of the costs and expenses that may be incurred by SAWS for failure to return the badges or parking tags.

SAWS facilities require a SAWS employee to physically escort Consultant at all times. SAWS may, in its sole discretion, waive the escort requirement if the PCDF and a “clean” Background Screening Letter, signed by an authorized representative of Consultant are approved by SAWS Security.

Sub-Consultants must always be under escort of the Consultant while performing work on any SAWS property. Sub-Consultants must display either a company photo badge, with name, or a valid driver’s license at all times while working on any SAWS property. Consultant is solely responsible for the actions of its employees, agents, Sub-Consultants and Consultants.

Consultant MUST be prepared for additional security requirements at its expense if violations of SAWS Security procedures are noted. Some examples of additional requirements include hiring of SAWS approved security guards, temporary fencing, mobile Closed Circuit Television Monitoring trailer(s), or extra lighting. Notwithstanding anything herein to the contrary, any provisions in these Security Procedures that may appear to give SAWS the right to direct Consultant as to details of doing any work under this Agreement or to exercise a measure of control over any security measures or such work shall be deemed to mean that Consultant shall follow the desires of SAWS in the results of the work or security measures only.

Advance coordination by Consultant with SAWS Security for these security requirements is necessary to ensure no delays with timely performance of the work. In the event Consultant fails to comply with SAWS Security requirements, SAWS may, with no penalty or claim against SAWS:

- Issue a Work Stoppage Order until the security violation(s) are remedied
- Ask any unidentified or improperly identified person or equipment to leave SAWS site immediately and not return until items are remedied.
EXHIBIT G

NO BOYCOTTING ISRAEL VERIFICATION

Consultant agrees that it does not boycott Israel and will not do so during the term of this Contract. This provision is in compliance with §2270.001 of the Texas Government Code. SAWS agrees to comply with the United States and Texas Constitutions in consideration of whether to enforce this provision.
TO: San Antonio Water System Board of Trustees
FROM: Bruce A. Haby, Manager, Corporate Real Estate, and Nancy Belinsky, Vice President and General Counsel
THROUGH: Robert R. Puente, President/Chief Executive Officer
SUBJECT: AUTHORIZATION TO PURCHASE A PERMANENT WATER LINE EASEMENT FOR THE CENTRAL WATER INTEGRATION PIPELINE PROJECT

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the purchase of one permanent water line easement containing approximately 0.160 acres (the “Easement”) for the Central Water Integration Pipeline Project (the “Project”). It also authorizes the expenditure of $132,500.00 for the Easement.

- San Antonio Water System (SAWS) has entered into the Water Transmission and Purchase Agreement with Vista Ridge, LLC to provide and deliver an alternate water supply to the System through the Vista Ridge Regional Supply Project. The Project will deliver water from the Vista Ridge Regional Supply Project to integration points within the distribution system.

- The Project consists of approximately 15 miles of new and existing transmission main beginning at the proposed pump station located at the Agua Vista Treatment Facility in north central Bexar County to the Basin Pump Station with intermediate drop-off points at the Bitters and Maltsberger Pump Stations.

- Pipeline Segment 5-3, one of the portions of new transmission main, consists of approximately 2,000 feet of 48-inch welded steel pipeline that will connect the existing 48-inch main near the Aspen Wellfield to the Bitters Pump Station.

- The property on which the Easement is located is owned by Clare J. Campbell (the “Owner”).

- SAWS’ offer of $132,500.00 was based on an appraisal from Eckmann Groll, Inc., dated June 12, 2018. SAWS and the Owner have agreed on a purchase amount of $132,500.00 for the Easement.

Staff recommends that the Board approve this resolution.
Authorization to Purchase an Easement
Central Water Integration Pipeline Project

FINANCIAL IMPACT:

The Project Fund will incur acquisition costs and possible legal fees associated with the acquisition of the land rights necessary for this Project. Funding for these land rights are found in the CY 2016 Capital Improvement Program. The project work is included in the Water Delivery Core Business, Central Water Integration Pipeline Project budget line.

The total amount is $132,500.00 for the acquisition of the Easement.

Bruce A. Haby
Manager
Corporate Real Estate

APPROVED:

Robert R. Puente
President/Chief Executive Officer

Nancy Belinsky
Vice President and General Counsel
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM (THE “SYSTEM”) BOARD OF TRUSTEES APPROVING THE ACQUISITION OF A PERMANENT WATER LINE EASEMENT BEING APPROXIMATELY 0.160 ACRES (THE “EASEMENT”) FROM CLARE J. CAMPBELL, BEING LOCATED ON THE WEST SIDE OF US HWY 281 AND BITTERS ROAD, IN BEXAR COUNTY, TEXAS, FOR THE CENTRAL WATER INTEGRATION PIPELINE PROJECT (THE “PROJECT”) IN AN AMOUNT NOT TO EXCEED $132,500.00; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE AND ESTABLISHING AN EFFECTIVE DATE

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

WHEREAS, the property on which the Easement is located is owned by Clare J. Campbell (the “Owner”); and

WHEREAS, the Owner has agreed to grant the Easement to the System for the sum of $132,500.00; and

WHEREAS, funds in an amount not to exceed $132,500.00 are available in the Project Fund for the purchase of the Easement; and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) approve the acquisition of the Easement for the Project, and (ii) authorize the expenditure of funds in an amount not to exceed $132,500.00 for the acquisition of the Easement; now, therefore:

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

1. That the acquisition of the Easement, in substantially the form attached as Attachment II, for the Project, is hereby approved.

2. That the expenditure from the Project Fund in the CY 2016 Capital Improvement Program, Water Delivery Core Business, Central Water Integration Pipeline Project budget line item in a total amount not to exceed $132,500.00 for the acquisition of the Easement is hereby approved, made available and is to be expended from the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute all documents necessary to effectuate the acquisition of the Easement and to
pay an amount not to exceed $132,500.00 to the Owner (or any other party shown on a title report or commitment as having an interest in the real property) for the acquisition of the Easement.

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 9th day of October, 2018.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Patricia E. Merritt, Assistant Secretary

Attachments:
I Aerial Map
II Permanent Easement Agreement
PERMANENT EASEMENT - WATER

STATE OF TEXAS §

COUNTY OF BEXAR §

THAT, CLARE J. CAMPBELL, hereinafter referred to as "Grantor", whether one or more, for and in consideration of the amount of Ten Dollars ($10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to Grantor in hand paid by the SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES, Bexar County, Texas, has given, granted, sold, conveyed, and dedicated, and by these presents, does give, grant, sell, convey, and dedicate unto the CITY OF SAN ANTONIO, a Texas Municipal Corporation for the use, benefit and control of the said SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES, hereinafter referred to as "Grantee", as such and their successors in office appointed by the City Council of the said City of San Antonio as provided in Ordinance No. 75686, adopted at a regular meeting of said council, April 30, 1992, and subject to the terms and provisions of said ordinance, a non-exclusive easement to construct, reconstruct, realign, inspect, patrol, maintain, operate, repair, add, remove and replace underground water lines and underground or at-grade facilities, and appurtenances thereto, in, on and under the lands located in Bexar County, Texas as follows:

Being a 0.160 of an acre tract of land located in the City of San Antonio, Bexar County, Texas, being a portion of Lot 184, Hill County Estates Unit 4 as recorded in Volume 3025, Page 123 of the Deed and Plat Records of Bexar County, Texas, and being a part of the remainder of Lot 184 described in deed to Clare J. Campbell as recorded in Volume 4675, Page 1698, Official Public Records of Real Property of Bexar County Texas, and being more particularly described and depicted in Exhibits "A" and "B" attached hereto and made a part hereof (the "Easement Area");

For the purpose of using said Easement Area for any and all things necessary for the construction, reconstruction, realignment, inspection, patrol, maintenance, operation, repair, addition, removal and/or replacement of the lines, facilities and appurtenances to be placed within the above described permanent Easement Area, provided that all such lines, facilities and appurtenances are located below-grade or at-grade (e.g. manholes). The Grantee expressly agrees that it will remove from said land all surplus material, and will, except for the presence of any at-grade facilities and appurtenances constructed by Grantee, cause said land to be left as nearly as possible in the condition as it existed prior to the construction, repair, replacement, or maintenance of said improvements, and will not unreasonably interfere with the operations of Grantor or any other party on Grantor’s adjacent lands.

Together with the right of ingress and egress over said Easement Area and over Grantor's adjoining lands for the purpose of constructing, reconstructing, realigning inspecting, patrolling, maintaining, operating, repairing, adding and removing said lines, facilities and appurtenances; the right to
relocate said lines, facilities and appurtenances within said Easement Area; the right to remove from
said lands all trees and parts thereof, or other obstructions, which may interfere with the exercise of
the rights granted hereunder; and the right of exercise of all other rights hereby granted; and Grantor
expressly covenants and agrees for itself, its legal representatives, successors and/or assigns, that (i)
no building or structure of any kind will be placed on said Easement Area and that removal of any
building or structure placed on said Easement Area shall be at Grantor expense and (ii) Grantor will
not change, or cause to be changed, the grade of the Easement Area, by fill or excavation, by more
than two (2) feet without the prior written consent of Grantee, and that the removal and/or correction
of such grade change made without Grantee's consent shall be at Grantor expense; provided,
however, that notwithstanding the foregoing, Grantor shall have the right to place surfacing materials,
parking lots, and landscaping over, across and along the Easement Area.

TO HAVE AND TO HOLD the above described easement and rights unto the said Grantee, its
successors and assigns, until the use of said easement shall be abandoned.

And Grantor does hereby bind itself, its legal representatives, successors and/or assigns to warrant
and forever defend all and singular the above described easement and rights unto the said Grantee,
its successors and assigns, against every person whomsoever lawfully claiming or to claim the same
or any part thereof by, through or under Grantor, but not otherwise, subject to the matters set forth
in this Easement, all validly existing leases, easements, rights-of-way, and prescriptive rights of
record, all presently recorded and validly existing restrictions, reservations, covenants, conditions,
oil and gas leases, mineral interests, and water interests outstanding in persons other than Grantor,
and other instruments of record in Bexar County, Texas, affecting the easement.

This Easement may be executed in one or more counterparts, each of which shall be deemed an
original, but all of which shall constitute one and the same instrument.

Signature on following page
EXECUTED effective this 18th day of September, 2018.

GRANTOR:

[Signature]
Clare J. Campbell

STATE OF Texas
COUNTY OF Bexar

This instrument was acknowledged before me on this 18th day of September, 2018, by Clare J. Campbell.

[Signature]
JOHNNA D. NIETO
Notary ID #124319692
My Commission Expires August 30, 2022

[Notary Seal]

Notary Public in and for the state of Texas
My Commission Expires: 08-30-22
METES AND BOUNDS DESCRIPTION
OF
PARCEL NO. 17-243

Being a 0.160 acre tract of land, located in the City of San Antonio, Bexar County, Texas, being a portion of Lot 184, Hill Country Estates Unit 4 as recorded in volume 3025, page 123 of the Deed and Plat Records of Bexar County, Texas (D.P.R.B.C.T.) and being a part of the remainder of Lot 184 described in deed to Clare J. Campbell as recorded in volume 4675, page 1698 of the Official Public Records of Real Property of Bexar County Texas (O.P.R.R.P.B.C.T.);

COMMENCING, at a TxDOT Type 2 Monument found in the western right-of-way line of US Highway 281 (ROW VARIES), being the northeasterly corner of Lot 179 of said Hill Country Estates Unit 4 and being the northeasterly corner of that certain tract of land described in deed to Lafreeda Family Partnership LTD. As recorded in volume 13967, page 1324, O.P.R.R.P.B.C.T.; THENCE, with northerly line of said Lot 179 and the northerly line of said Lafreeda Family Partnership LTD. tract, North 73 degrees 06 minutes 59 seconds West 177.41 feet to the northwesterly corner of said Lot 179 and being in the easterly line of the Lot 184 of said Hill Country Estates Unit 4 and being the easterly line of the said remainder of the Campbell tract; THENCE, with easterly line of said lot 184 and the easterly line of the said remainder of the Campbell tract and also being the westerly line of said Lot 179, and a westerly line of the said Lafreeda Family Partnership LTD., South 16 degrees 50 minutes 34 seconds West 56.50 feet to a set ½ inch Iron Rod with a GD Plastic Cap and being the Point of Beginning of herein described tract;

THENCE, continuing with easterly line of said Lot 184 and the easterly line of the said remainder of the Campbell tract and also being the western boundary of said Lot 179, and a westerly line of the said Lafreeda Family Partnership LTD., South 16 degrees 50 minutes 34 seconds West, passing the southwesterly corner of said Lot 179 and being the northwesterly corner of Lot 180 of said Hill Country Estates Unit 4 at approximately 40 feet and continuing a total distance of 54.95 feet to a set ½ inch Iron Rod with a GD Plastic Cap at the northwesterly corner of Lot 197 as recorded AFC Subdivision as recorded in volume 9527, page 157, D.P.R.B.C.T. and a southeasterly corner of said Lot 184;

THENCE, with the northerly line of said AFC Subdivision and a northerly line of the said Lafreeda Family Partnership LTD. tract, and also being the southerly line of said Lot 184, North 48 degrees 40 minutes 26 seconds West passing a southerly northwest corner of the Lafreeda Family Partnership LTD. at approximately 45 feet and continuing a total distance of 139.77 feet to a found ½ inch Iron Rod at a northern southeast corner that certain tract described in deed to Donald E. Ghidoni as recorded in volume 3891, page 532, O.P.R.R.P.B.C.T.;

THENCE, with the easterly line of said Donald E. Ghidoni tract, North 16 degrees 50 minutes 34 seconds East 54.95 feet to a set ½ inch Iron Rod with a GD Plastic Cap;
THENCE, through said Lot 184 and being said Campbell tract, South 48 degrees 40 minutes 26 seconds East 139.77 feet to the POINT OF BEGINNING containing 0.160 of an acre of land. Survey plat of same date and parcel number accompanies and is a part of this description. Bearings are based on the Texas Coordinate System, South Central Zone, North American Datum of 1983, 2011 adjustment.

This the 15th day of June 2018

Ray D. Wagar
Registered Professional Land Surveyor No. 4711
Rev. 1 08/16/2018
Rev. 2 09/13/2018
**HILL COUNTRY ESTATES
UNIT-4
VOLUME 3025, PAGE 123
D.P.R.B.C.T.**

**PROJECT LOCATION**

**LOCATION MAP**

NOTES:
2. Metes and Bounds description of same date and parcel number accompanies and is a part of this plat.

- Set 1/2 inch Iron Rod with a G.P. Plastic Cap
- Found 1/2 inch Iron Rod unless otherwise noted
- Found Right of Way Type 2 Monument

D.P.R.B.C.T. Deed and Plat Records Bexar County Texas

D.P.R.B.C.T. Official Public Records of Real Property Bexar County Texas

**PROJECT: CENTRAL WATER INTEGRATION PIPELINE PROJECT
SAWS PARCEL NO.: P17-243
PAGE 3 OF 3**

**GRAPHIC SCALE**

1 IN FEET 1
1 inch = 100 ft

**LINES MEASUREMENTS**

<table>
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<th>BEARING</th>
<th>DISTANCE</th>
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</tr>
<tr>
<td>2</td>
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<td>56.50’</td>
</tr>
<tr>
<td>3</td>
<td>S16°50’34”W</td>
<td>54.95’</td>
</tr>
<tr>
<td>4</td>
<td>N48°40’26”W</td>
<td>139.77’</td>
</tr>
<tr>
<td>5</td>
<td>N16°50’34”E</td>
<td>54.95’</td>
</tr>
<tr>
<td>6</td>
<td>S48°40’26”E</td>
<td>139.77’</td>
</tr>
</tbody>
</table>

4800 FREDERICKSBURG ROAD
SUITE 200SL
SAN ANTONIO, TX 78229
p:210.208.9400 f:210.208.9401
TBPE FIRM#: 10015
TBPLS FIRM#: 10193922

GONZALEZ DE LA GARZA

CENTRAL WATER INTEGRATION PIPELINE PROJECT
SHOWING REMAINING PARCEL 50’ PERMANENT EASEMENT
REV. 2
AUGUST 16, 2018

RAY D. WEBER, RPL
LAND SURVEYOR
#10721
06/15/2018

EXHIBIT "B"
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: AUTHORIZING THE PRESIDENT CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO NEGOTIATE AND EXECUTE A JOINT USE AGREEMENT WITH THE CITY OF SAN ANTONIO PARKS & RECREATION DEPARTMENT

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the President/Chief Executive officer or his duly appointed designee to negotiate and execute a Joint Use Agreement (the “Agreement”) with the City of San Antonio Parks and Recreation Department (“COSA Parks”) for a staging area for the construction of the Central Water Integration Pipeline Project. It also authorizes the expenditure of funds in an amount not to exceed $300,000.00 for the Agreement.

- San Antonio Water System (SAWS) entered into a Water Transmission and Purchase Agreement on November 4, 2014 with Vista Ridge, LLC to provide and deliver an alternate water supply to the System through the Vista Ridge Regional Supply Project. The Central Water Integration Pipeline Project (“Project”) will deliver water from the Vista Ridge Regional Supply Project to the water distribution system.

- The Agua Vista Treatment Facility in north Bexar County is a 25.3 acre tract that will be congested with the construction activities of multiple contractors working concurrently on the Project and does not have sufficient area for contractor laydown or staging.

- The Project work at the Agua Vista Treatment Facility includes construction of a 10 million gallon ground storage tank, a 45 million gallons per day (MGD) water treatment plant, a 20 MGD high service pump station, the tunnel entry shaft and first 100-feet of the Segment 5-1, 54-inch water transmission main, and the first 400-feet of the Segment 5-2, 36-inch water transmission main.

- COSA Parks owns land across Hardy Oak Blvd from the Agua Vista Treatment Facility. SAWS is in discussion with COSA Parks to allow SAWS temporary joint use of approximately 5.9 acres of this land (the “Joint Use Area”) depicted in Attachment I of the Resolution in exchange for consideration of the cost of impact fees for water and sewer service for the future park property, and in-kind consideration of construction of utilities to the site, a concrete driveway approach, and a concrete pad for playground equipment. Utilities are needed by SAWS for construction trailers, which includes office space for the construction management team.
SAWS staff intends to negotiate an Agreement, for consideration of an amount (including the cost of impact fees and value of in-kind work) not to exceed $300,000.00, with COSA Parks staff for the Joint Use Area to be used from October 2018 to June 2020 for construction trailers, contractor staging, and storage of materials to complete the construction of the Project.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will incur costs associated with the acquisition of the land rights necessary for this Project. The Project Fund will finance this expenditure included in the CY 2017 Capital Improvement Program. This Project is included in the Water Delivery Core Business, Central Water Integration Pipeline project budget line.

The cost of the in-kind consideration is budgeted for in the Central Water Integration Pipeline Project – Agua Vista Treatment Facility construction contract to be considered for Board approval on October 2, 2018. The total value payable under the Agreement will not exceed $300,000.00.

---

Bruce A. Haby  
Manager  
Corporate Real Estate

Nancy Belinsky  
Vice President and General Counsel

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

OF THE SAN ANTONIO WATER SYSTEM (THE “SYSTEM”) BOARD OF TRUSTEES AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO NEGOTIATE AND EXECUTE A JOINT USE AGREEMENT (THE “AGREEMENT”) WITH THE CITY OF SAN ANTONIO PARKS & RECREATION DEPARTMENT (“COSA PARKS”), FOR THE CENTRAL WATER INTEGRATION PIPELINE PROJECT (THE “PROJECT”) WITH CONSIDERATION NOT TO EXCEED $300,000.00 IN COST; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, System staff desires to enter into an Agreement between the System and COSA Parks Department to provide for the System and its contractors the use of a certain approximately 5.9 acre property owned by COSA Parks, depicted in Attachment I attached hereto, being out of COSA Parks property along Hardy Oaks Road near the Agua Vista Treatment Facility, for construction trailers, contractor staging, storage of materials, and other related activities for the construction of the Project; and

WHEREAS, funds in an amount not to exceed $300,000.00 are available in the Project Fund for the Agreement; and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) authorize the President/Chief Executive Officer or his duly appointed designee to negotiate and execute an Agreement with the COSA Parks for the Project, and (ii) authorize the expenditure of funds in an amount not to exceed $300,000.00 in consideration for the Agreement; now, therefore:

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

1. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to negotiate and execute an Agreement with COSA Parks for contractor laydown and staging in connection with the Central Water Integration Pipeline Project.

2. That the expenditure of funds in an amount not to exceed $300,000.00 for the Agreement is hereby approved, made available and is to be expended from the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to incur costs and provide value to COSA Parks in an amount not to exceed $300,000.00.
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 9th day of October, 2018.

Berto Guerra, Jr., Chairman

ATTEST:

Patricia E. Merritt, Assistant Secretary

Attachment:

1  Project Area Map
TO: San Antonio Water System Board of Trustees

FROM: Bruce A. Haby, Manager, Corporate Real Estate, Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction, and Nancy Belinsky, Vice President and General Counsel

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

SUBJECT: ACCEPTING THE BID OF YANCEY WATER SUPPLY CORPORATION FOR THE SALE OF THE WEST VIEW SYSTEM LOCATED IN MEDINA COUNTY, TEXAS

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution accepts the bid from Yancey Water Supply Corporation (the “Buyer”) and approves the Purchase Agreement with the Buyer for the sale of the West View Subdivision water system (the “West View System”), which includes a 0.579 acre tract (the “Property”) and all facilities, easements, and other improvements and real property interest serving the West View Subdivision (the “Operating Infrastructure”), transferring that portion of San Antonio Water System’s (the “System”) Certificate of Convenience and Necessity (“CCN”) located in Medina County, Texas which covers the West View System, and authorizes the expenditure of funds in an amount not to exceed $2,000.00 to Alamo Title as escrow agent for closing costs and associated filing fees. This transaction also includes a swap between the System and Buyer of certain, currently unserved CCN areas in Medina County.

- The System acquired the West View System, which includes an Edwards Aquifer water well, ground storage tank, approximately 0.11 miles of 2-inch mains, 5.3 miles of 6-inch mains, and 0.5 miles of 8-inch mains, as part of the System’s assumption and integration of the Bexar Metropolitan Water District in 2012.

- On March 6, 2018, the System’s Board of Trustees declared the West View System surplus pursuant to Board Resolution No. 18-077.

- On June 14, 2018, by Ordinance No. 2018-06-14-0437, the City Council of San Antonio declared the West View System surplus, and authorized the System to sell the West View System.

- On July 9, 2018 the System issued a bid solicitation No. RE-18-001-JAM requesting offers to purchase the West View System.
The solicitation required the successful bidder to be an existing retail water utility and demonstrate the capability to operate the West View System. The contract would be awarded to the bidder offering the best value to the System based on the following selection criteria:

- Bid Price (65%)
- Demonstrated Capability to Perform (20%)
- Additional Consideration (15%)

Pursuant to Texas Local Government Code Chapter 272, a public bidding process was held and one sealed bid was received on August 15, 2018. The scoring results are included in the following table:

<table>
<thead>
<tr>
<th>Name of Bidder</th>
<th>Net $ Bid* Bid (65%)</th>
<th>Demonstrate Capability to Perform (20%)</th>
<th>Additional Consideration (15%)</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yancey Water Supply Corporation</td>
<td>$750,000 (60)</td>
<td>20</td>
<td>12</td>
<td>92</td>
</tr>
</tbody>
</table>

The terms and conditions of the purchase agreement are as follows:

- The purchase price for the West View System is $750,000.00.
- The Buyer shall deliver $10,000.00 in earnest money to Alamo Title Company.
- The Buyer is responsible for all title insurance premiums for the Property.
- As additional consideration, the Buyer will transfer 1,289 acres of the Buyer’s CCN to the System, and the System will transfer 1,882 acres of the System’s CCN to the Buyer (the “CCN Swap”). Neither area being transferred currently has active, served customers.
- System staff will prepare the applicable Application for Sale, Transfer, or Merger of a Retail Public Utility (STM) form for submittal to the Public Utility Commission of Texas (PUC) for the applicable CCN transfers.
- Closing to occur within 45 days following the approval of the PUC but no later than August 15, 2019.

Staff recommends that the bid offering the best value to SAWS in accordance with the selection criteria published in the request for bids be accepted and that the President/Chief Executive Officer or his duly appointed designee be authorized to execute the Purchase Agreement with the Buyer for the sale of the West View System.

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

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

Bruce A. Haby
Manager
Corporate Real Estate

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 (THE “SYSTEM”) BOARD OF TRUSTEES ACCEPTING THE BID FROM YANCEY WATER SUPPLY CORPORATION (THE “BUYER”) IN THE AMOUNT OF $750,000.00 AND ADDITIONAL CONSIDERATION OF A CERTIFICATE OF CONVENIENCE AND NECESSITY EXCHANGE, AND APPROVING THE PURCHASE AGREEMENT WITH THE BUYER FOR THE SALE OF THE WEST VIEW SUBDIVISION PROPERTY AND OPERATING INFRASTRUCTURE (THE “WEST VIEW SYSTEM”), LOCATED IN MEDINA COUNTY, TEXAS; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE ALL DOCUMENTS NECESSARY TO COMPLETE THE SALE OF THE WEST VIEW SYSTEM AND PERFORM ALL THE DUTIES AND OBLIGATIONS OF THE SELLER IN THE PURCHASE AGREEMENT, INCLUDING ALL NECESSARY FILINGS WITH THE PUBLIC UTILITIES COMMISSION; AUTHORIZING THE EXPENDITURE OF FUNDS FROM THE SALE PROCEEDS IN AN AMOUNT NOT TO EXCEED $2,000.00 TO ALAMO TITLE AS ESCROW AGENT FOR CLOSING COSTS; 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 real property and operating infrastructure, known as West View System, located in Medina County, Texas, the general location of the primary production facility as shown on the map attached hereto as Attachment I, and consisting of a 0.579 acre tract, an Edwards Aquifer water well, ground storage tank, approximately 0.11 miles of 2-inch mains, 5.3 miles of 6-inch mains, and 0.5 miles of 8-inch mains, was acquired from the acquisition and assumption of the Bexar Metropolitan Water District in 2012; and

WHEREAS, the West View System was declared surplus to the System pursuant to Resolution No. 18-077, approved on March 6, 2018; and

WHEREAS, the City Ordinance No. 2018-06-14-0437, approved on June 14, 2018 declared the West View System surplus to the City of San Antonio; and

WHEREAS, pursuant to Local Government Code Chapter 272, a public bidding process was held and sealed bids were opened on August 15, 2018, and staff evaluated the proposal based on the evaluation criteria noted in the bid documents and deemed Buyer as the offeror providing the best value to the System; and
WHEREAS, the San Antonio Water System Board of Trustees desires to (i) accept the bid of Buyer in the amount of $750,000.00 and additional consideration, being a Certificate of Convenience and Necessity (“CCN”) exchange between the System and Buyer in which Buyer would transfer 1,289 unserved acres of the Buyer’s CCN in Medina County to the System, and the System would transfer 1,882 unserved acres of the System’s CCN in Medina County (the “CCN Exchange”), and approve a purchase agreement (“Purchase Agreement”) with the Buyer for the sale of the Property and Operating Infrastructure, (ii) authorize the President/Chief Executive Officer or his duly appointed designee to execute all documents and take all actions necessary to complete the sale of the West View System and CCN Exchange, including all necessary filings with the Public Utility Commission (“PUC”), and perform all the duties and obligations of the seller in said Purchase Agreement, and (iii) authorize the expenditure of funds from the sales proceeds in an amount not to exceed $2,000.00 to Alamo Title Company as escrow agent for closing costs, now, therefore:

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

1. That the bid of Buyer in the amount of $750,000.00 and the CCN Exchange for the West View System is hereby accepted and a Purchase Agreement with the Buyer is hereby approved. Such Purchase Agreement is attached hereto as Attachment II and incorporated herein for all purposes.

2. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute all documents, including the Purchase Agreement, and take all actions necessary to complete the sale of the West View System and the CCN Exchange, including all necessary filings with the PUC, and perform all duties of the seller under said Purchase Agreement, and to pay the total amount not to exceed $2,000.00 to Alamo Title Company as escrow agent for closing costs.

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

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

PASSED AND APPROVED this 9th day of October, 2018.

______________________________  
Berto Guerra, Jr., Chairman

ATTEST:

______________________________  
Patricia E. Merritt, Assistant Secretary

Attachments:
I  Depiction of West View System
II  Purchase Agreement
PURCHASE AGREEMENT
Westview Water System

This Purchase Agreement (the “Agreement”) is made by and between City of San Antonio, acting by and through its San Antonio Water System, hereinafter called “Seller”, and Yancey Water Supply Corporation, a non-profit corporation organized under Chapter 67 of the Texas Water Code, hereinafter called "Buyer", and constitutes a contract for the purchase and sale of the described property, as follows:

1. System. Subject to the terms and conditions of this Agreement, Seller agrees to convey to Buyer (i) the approximately 0.579 acre tract of real property located in Medina County, Texas, being described in Exhibit A attached hereto and incorporated herein (the “Land”), together with Seller’s right, title and interest in all appurtenances thereto and (ii) the Westview operating infrastructure, including one Edwards well, one 200,000 gallon welded steel ground storage tank, approximately 5.9 miles of water mains, the 462 acre Certificate of Convenience and Necessity (CCN) encompassing Westview, and retail service to the Westview subdivision’s approximately 335 lots with 269 existing customers, including the personal property, equipment and fixtures described in Exhibit A-1 attached hereto and incorporated herein (all of the foregoing being the “System”). Notwithstanding any of the foregoing, the Land and System does not include any Edwards Aquifer water rights, which shall be reserved by Seller in the Deed (hereinafter defined) and transferred to other points in the Seller’s water system, and Buyer must transfer their own water rights onto the point of withdrawal on the Land.

2. Consideration. The consideration for the conveyance shall be as follows:

   a. Purchase Price. The cash purchase price (“Purchase Price”) for the System shall SEVEN HUNDRED FIFTY THOUSAND AND NO/100 DOLLARS ($750,000.00).

   b. Earnest Money. Buyer shall deposit TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) with Alamo Title Company, Attn: Chris Varley, Senior Vice President, 1861 Tuscany Stone Suite 240, San Antonio, TX 78258, San Antonio, Texas 78257 (“Title Company”), as earnest money (“Earnest Money”). The Earnest Money shall be credited toward the Purchase Price at closing if the conveyance of the System is closed or otherwise held and disbursed in accordance with the terms and provisions hereof. Title Company shall, immediately following receipt, deposit the Earnest Money in an interest bearing account and maintain such account until the Earnest Money is disbursed in accordance herewith.

   c. Other Consideration. Seller and Buyer shall exchange certain (presently unserved to any customers) water service areas currently covered by Certificates of Convenience and Necessity (each, a “CCN”), as shown on Exhibit D attached hereto, such that at Closing (hereinafter defined), Seller will transfer and/or relinquish the “SAWS Service Area” to Buyer, and Buyer will transfer and/or relinquish the “Yancey Area A” to Seller, all as more particularly depicted on Exhibit D (the “CNN Exchange”).

3. Date of this Agreement. The Date of this Agreement shall be the date when a fully executed copy of this Agreement together with Buyer’s deposit of the Earnest Money is delivered to the Title Company, as evidenced by the date inserted by Title Company beneath its signature of receipt.

4. Title Commitment. Within fifteen ten (15) days following the Date of this Agreement, Title Company shall issue to Buyer a commitment for an Owner’s Policy Title Insurance for the Land (“Title Policy”) in the amount of fifty percent (50%) of the Purchase Price.
5. **Survey.** Any survey that Buyer wishes to obtain shall be at Buyer’s sole expense.

6. **System Information Documents.** Any documents provided by Seller concerning the System shall be referred to as “System Information Documents.” If the System Information Documents include a Phase I environmental assessment, Seller does not warrant whether it will qualify Buyer as an "innocent Buyer" under CERCLA, 42 USC 9601 et seq. and the Texas Solid Waste Disposal Act, Texas Health and Safety Code Chapter 361 et seq., and Seller recommends that the Buyer conduct its own environmental assessment of the System. Further, Seller does not represent or warrant that the System Information Documents constitute all of the documents in Seller’s possession related to the System. **NOTWITHSTANDING ANYTHING IN THIS PARAGRAPH TO THE CONTRARY, BUYER ACKNOWLEDGES AND UNDERSTANDS THAT SOME OR ALL OF THE SYSTEM INFORMATION DOCUMENTS HAVE BEEN PREPARED BY PARTIES OTHER THAN SELLER. SELLER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AS TO THE QUALITY, COMPLETENESS, CONTENT OR ACCURACY OF THE DELIVERED MATERIALS.**

7. **Exceptions, Reservations, Platting.** The System will be conveyed without warranty of title and subject to (i) all visible and apparent easements (ii) all matters of record relating to the Land as shown in the Real Property Records of Medina County, Texas and (iii) all applicable zoning, platting and other governmental ordinances, laws, rules and regulations.

8. **Inspections.** Prior to the Closing Date, Buyer shall conduct, at the Buyer’s sole cost, any inspections and environmental assessments on the System that the Buyer may elect, subject to the indemnity and other provisions of Section 8 of this Agreement. If an Environmental Professional (as defined in 40 CFR Part 312.10(b)) desires to communicate with Seller, the communication must be in writing and delivered to Seller at the address stated in Section 14 below. The Buyer may not conduct invasive tests, including boring and drilling upon the Land, without Seller’s prior written consent, a condition of which shall be Seller’s approval, in Seller’s reasonable discretion, of Buyer’s plan for conducting such invasive tests on the Land. Buyer shall promptly restore the System to its original condition following any such invasive tests, which obligation shall survive termination of this Agreement. Buyer shall cause all third party surveyors, inspectors and Environmental Professionals to submit to Seller an insurance certificate evidencing commercial general liability coverage in not less than $500,000 prior to and as a condition to entry upon the System.

**TO THE EXTENT ALLOWED BY LAW, BUYER SHALL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE CITY OF SAN ANTONIO ("COSA"), THE SAN ANTONIO WATER SYSTEM AND THEIR OFFICERS, EMPLOYEES, AGENTS, OFFICIALS AND FIDUCIARIES (COLLECTIVELY THE “INDEMNIFIED PARTIES”) FROM ANY AND ALL DAMAGES, CLAIMS AND LOSSES OF ANY NATURE, INCLUDING THOSE ASSOCIATED WITH PROPERTY DAMAGE, PERSONAL INJURY, BODILY INJURY, OR DEATH, ATTORNEY’S FEES AND COURT COSTS, ARISING FROM THE BUYER’S OR THE BUYER’S AGENTS OR CONTRACTORS PRESENCE ON OR USE OR INSPECTION OF THE SYSTEM (INCLUDING ANY ENVIRONMENTAL ASSESSMENTS PERFORMED ON THE SYSTEM) OR THE CONDITION OF THE SYSTEM. IT IS THE EXPRESS INTENT OF THE PARTIES HERETO THAT THIS INDEMNITY SHALL APPLY TO AND PROTECT THE INDEMNIFIED PARTIES FROM DAMAGES CAUSED BY THE INDEMNIFIED PARTIES’ SOLE AND/OR CONCURRENT NEGLIGENCE AND/OR STRICT LIABILITY. THE PROVISIONS OF THIS PARAGRAPH SHALL OVERRIDE AND CONTROL ANY CONTRARY
9. **As-Is.** The system will be conveyed in its present “as is” condition. If the purchase agreement closes, buyer accepts the system in its present condition. As a material part of the consideration for the sale of the system, buyer acknowledges that it is not relying upon the accuracy or completeness of any representation, brochure, rendering, promise, statement or other assertion or information (including the system information documents) with respect to the system made or furnished by or on behalf of, or otherwise attributed to, seller or any of its agents, employees, brokers, trustees, officials or representatives, any and all such reliance being hereby expressly and unequivocally disclaimed, but is relying solely and exclusively upon its own experience and its independent judgment, evaluation and examination of the system. Buyer further unequivocally disclaims (i) the existence of any duty to disclose on the part of seller or any of its agents, employees, brokers, trustees, officials or representatives and hereby releases seller and its agents, employees, brokers, trustees, officials or representatives from any claim, demand or cause of action based in whole or in part upon any reliance upon any alleged silence, representation or non-disclosure by seller or any of its agents, employees, brokers, trustees, officials or representatives. Buyer takes the system under the express understanding that there are no express or implied warranties. Buyer expressly warrants and represents that no promise or agreement which is not herein expressed has been made to it and hereby disclaims any reliance upon any such alleged promise or agreement. This agreement constitutes the entire agreement between the parties. Buyer has agreed to disclaim reliance on seller and to accept the system “as-is” with full awareness that the system's prior uses or other matters could affect its condition, value, suitability or fitness; and buyer confirms that buyer is hereby assuming all risk associated therewith. Buyer understands that the disclaimers of reliance and other provisions contained herein could limit any legal recourse or remedy buyer otherwise might have. Buyer acknowledges that it has sought and has relied upon the advice of its own legal counsel concerning this provision. The provisions of this paragraph shall survive closing and shall not merge, and are also included in the deed without warranty.

10. **Conditions to Closing.** This Agreement is subject to the approval of the Public Utility Commission (“PUC”) of Texas. In the event that the transfer of the System to Buyer or the CCN Exchange is rejected by the PUC, or is not approved by the PUC on or before the Outside Closing Date (defined in Section 11 hereinafter), then, notwithstanding any provision herein to the contrary, this Agreement shall automatically terminate and the Earnest Money shall be returned to Buyer, and neither party shall have any further rights or duties hereunder other than those rights or duties that expressly survive termination of this Agreement. Buyer and Seller shall cooperate to facilitate the
transfer of the System and the CCN Exchange. Each party shall be primarily responsible for applications (or portions thereof) that relate to such party or its capacity to perform, and shall similarly be primarily responsible for responding to protests or PUC inquiry relation to such party or its capacity to perform.

11. Closing. The conveyance of the System to Buyer shall be closed ("Closing") at the office of the Title Company on or before a date that is forty five (45) days following PUC approval of the later of (i) the sale of the System or (ii) the CCN Exchange (the “Closing Date”), but in no event later than August 15, 2019 (the “Outside Closing Date”).

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

   a. Deed. Seller and Buyer shall execute and acknowledge a deed without warranty conveying title to the Land to Buyer, substantially in the form of Exhibit B attached hereto (the “Deed”).

   b. Bill of Sale. Seller and Buyer shall execute and acknowledge a no warranty bill of sale conveying the System personal property, equipment and fixtures (set forth in Exhibit A-1) substantially in the form of Exhibit C attached hereto (the “Bill of Sale”).

   c. PUC Documents. Buyer shall provide documents demonstrating PUC approval of Buyer’s authority to provide retail water utility service to the System.

   d. Settlement Statements. Buyer and Seller shall execute customary settlement statements reflecting the Purchase Price, closing costs, prorations, credits and Commissions under this Agreement.

   e. Other Documents. Seller shall provide its most current customer list for the System and all plans and specifications in its possession for the System. Buyer and Seller shall execute all documents necessary to effectuate the CCN Exchange.

   f. Customer Deposits. Seller shall transfer to Buyer all deposits held by Seller, if any, of customers of the System.

   g. Customer Account Balances. Seller shall provide a spreadsheet showing the current account balances (debits and credits) to as close to the Closing Date as is reasonably possible. Seller shall be credited the net amount of such customer balances on the settlement statement, provided, however, negative account balances older than thirty days shall not be included in such calculation, but, to the extent collected by Buyer post-Closing, shall be remitted to Seller on a monthly basis.

13. Closing Costs and Prorations. Closing costs and prorations shall be allocated as follows:

   a. Taxes. Seller is a tax-exempt entity. Buyer agrees that it shall be solely responsible for all ad valorem real property taxes assessed against the System for periods from and after the Closing Date. If this sale or Buyer’s use of the System after Closing results in the assessment of additional taxes, penalties or interest, including without limitation “rollback taxes” (the “Assessments”) for periods prior to Closing, the Assessments will be the obligation of the Buyer. To the extent allowed by law, Buyer shall indemnify, defend and hold Seller harmless from and against any loss, cost, cause of action or claim related to the Assessments and all ad valorem real property taxes assessed against the System for periods from and after Closing. All provisions and obligations of this section shall survive Closing.
b. **Title Insurance Premium.** Buyer shall be responsible at its sole cost for the Title Insurance policy premium and any deletions or endorsements Buyer elects to obtain.

c. **Fees.** Any escrow fee charged by Title Company shall be divided equally between Seller and Buyer. Buyer shall pay the recording and/or filing fees for the Deed. Each party will pay its own attorney's fees and the costs of recording each party’s updated CCN maps. In the event of any PUC hearing on the transfer of the System or CCN Exchange, Seller and Buyer shall split equally all costs thereof, except each side shall pay their own attorneys’ fees.

14. **Notices.** Any notice to be given hereunder shall be given by placing the notice or designation in the United States mail, certified or registered, properly stamped and addressed to the address shown below or such other address as the respective party may direct in writing to the other, or by personal delivery to such address by a party, by email, or by a delivery service which documents delivery, and such notice or designation shall be deemed to be received upon such placing in the mails, emailing or such delivery:

**Seller:**
San Antonio Water System  
Attn: Manager, Corporate Real Estate  
2800 US 281 North  
San Antonio, Texas 78212  
Bruce.Haby@saws.org

**With a copy to:**
San Antonio Water System  
Attn: Mark E. Brewton, Corporate Counsel  
2800 US 281 North  
San Antonio, Texas 78212  
Mark.Brewton@saws.org

**Buyer:**
Yancey Water Supply Corporation  
Attn: Steve Hackebiel, President  
P.O. Box 127  
Yancey, Texas 78886  
Email: yanceewater@yahoo.com

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

In the event Buyer should fail to close upon the purchase of the System or otherwise fail to materially perform its obligations as required under this Agreement, Seller shall, as its sole and exclusive remedy, be entitled to terminate this Agreement and receive the Earnest Money whereupon neither party shall have any obligations hereunder other than those obligations in this Agreement that expressly survive termination, such sum being agreed upon as liquidated damages.
for the failure of Buyer to close as required by the terms and provisions of this Agreement and because of the difficulty, inconvenience and uncertainty of ascertaining actual damages. Notwithstanding the foregoing, these provisions shall not be deemed to limit Seller’s remedies for indemnification under this Agreement, and Seller retains all remedies at law or in equity in such event. In the event that Seller is entitled to receive the Earnest Money under this Section 15, and Buyer fails to cooperate with the release of the Earnest Money to Seller, Seller shall be entitled to recovery from Buyer of Seller’s attorneys’ fees in any suit to receive the Earnest Money. In no event shall any trustee, officer, employee, agent or broker of Buyer shall be liable, in any manner whatsoever, for any act, omission or obligation of Buyer or its agents.

16. Entire Agreement. This Agreement contains all agreements between the parties regarding the System, and no agreement not contained herein shall be recognized by the parties.

17. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective legal representatives, successors and permitted assigns.

18. Assignability. Buyer shall have no right to assign this Agreement or any of its rights hereunder to any person or entity without the prior written consent of Seller, which consent may be given or withheld in Seller’s sole and absolute discretion.

19. Time of Essence. Time is of the essence of this Agreement.

20. Legal Holidays. Notwithstanding anything herein to the contrary, if the final date of any period, any date of performance or any deadline date which is set forth in this Agreement falls on a Saturday, Sunday, federal legal holiday or day in which Seller is closed for business, then such date shall be extended to the next following date which is not a Saturday, Sunday, federal legal holiday or day in which Seller is closed for business.

21. Counterparts. This Agreement may be executed in one (1) or more counterparts, each of which when taken together shall constitute but one and the same Agreement. Pdf or electronically transmitted signatures shall constitute originals signatures.

22. Disclosures.

a. Notice Regarding Title. THE TEXAS REAL ESTATE LICENSE ACT REQUIRES A REAL ESTATE AGENT TO ADVISE A BUYER THAT BUYER SHOULD HAVE AN ATTORNEY EXAMINE AN ABSTRACT OF TITLE TO THE PROPERTY BEING PURCHASED; OR A TITLE INSURANCE POLICY SHOULD BE OBTAINED. NOTICE TO THAT EFFECT IS HEREBY GIVEN TO BUYER.

b. Notice Regarding Possible Liability for Additional Taxes (Texas Property Code - Section 5.010). If for the current ad valorem tax year the taxable value of the property that is the subject of this Agreement is determined by a special appraisal method that allows for appraisal of the property at less than its market value, the person to whom the property is transferred may not be allowed to qualify the property for that special appraisal in a subsequent tax year and the property may then be appraised at its full market value. In addition, the transfer of the property or a subsequent change in the use of the property may result in the imposition of an additional tax plus interest as a penalty for the transfer or the change in the use of the property. The taxable value of the property and the applicable method of appraisal for the current tax year is
public information and may be obtained from the tax appraisal district established for the county in which the property is located.

c. **Annexation Disclosures.** If the property that is the subject of this Agreement is located outside the limits of a municipality, the property may now or later be included in the extraterritorial jurisdiction of a municipality and may now or later be subject to annexation by the municipality. Each municipality maintains a map that depicts its boundaries and extraterritorial jurisdiction. To determine if the property is located within a municipality's extraterritorial jurisdiction or is likely to be located within a municipality's extraterritorial jurisdiction, contact all municipalities located in the general proximity of the property for further information.

d. **Utility District.** Buyer agrees that if the System is situated in any utility district, Buyer will sign and acknowledge at or prior to the Closing, a statutory notice as required under Section 49.452 of the Texas Water Code.

e. **Notice of Water and Sewer Service.** The real property, described below, that you are about to purchase may be located in a certificated water or sewer service area, which is authorized by law to provide water or sewer service to the properties in the certificated area. There may be special costs or charges that you will be required to pay before you can receive water or sewer service. There may be a period required to construct lines or other facilities necessary to provide water or sewer service to the property. You are advised to contact the applicable utility service provider to determine the cost that you will be required to pay and the period, if any, that is required to provide water or sewer service to the property.

23. **No Prohibited Persons/Entities.** Buyer represents and warrants to Seller that Buyer is not (i) an employee of the San Antonio Water System, (ii) the spouse or domestic partner of an employee of the San Antonio Water System, or (iii) an entity in which an employee of the San Antonio System or spouse or domestic partner of an employee of the San Antonio Water System owns ten percent (10%) or more of the voting stock or fair market value of the entity. The violation of this provision or determination by Seller that the Buyer is a prohibited person/entity as set forth hereinabove shall render this Agreement voidable at the President/CEO or Board of Trustees of the San Antonio Water System.

24. **Form 1295.** On or before the Date of this Agreement, Buyer shall submit to Seller a completed Texas Ethics Commission Form 1295 Certificate of Interested Parties.

(SIGNATURE PAGEFollows)
EXECUTED by Seller on ______________, 2018.

Seller:

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

BY: __________________________
    Nancy Belinsky, Vice President and General Counsel

EXECUTED by Buyer on ______________, 2018.

Buyer:

SAN ANTONIO WATER SUPPLY CORPORATION, a Texas water supply corporation

By: __________________________
    Steve Hackebiel, President

Exhibits:
Exhibit A: Legal description of Land
Exhibit A-1: List of System personal property, equipment and fixtures
Exhibit B: Form of Deed
Exhibit C: Form of Bill of Sale
Exhibit D: Depiction of CCN exchange areas
Alamo Title Company ("Title Company") acknowledges receipt of $10,000.00 as Earnest Money under the foregoing Purchase Agreement. Title Company will promptly deposit the Earnest Money in an interest bearing account and hold the Earnest Money in escrow in accordance with the terms of the Purchase Agreement. The undersigned will promptly notify the parties if these instructions are for any reason not carried out.

Alamo Title Company

By: ____________________________
Date: __________________________
GF#: __________________________
EXHIBIT A

Legal Description of Land

See following page
THE STATE OF TEXAS  
COUNTY OF MEDINA

PREPARED FOR: Van's Development Co., Inc.

FIELD NOTES TO DESCRIBE

A survey of 0.579 acres of land situated about 20.6 miles N 66°30' E of Hondo, in Medina County, Texas, out of Survey No. 13, Abstract No. 380, John Fitzgerald, original Grantor, being a portion of that certain 333.712 acre tract of land described in a deed to Mark and Sandra, Ltd. from Istancia Enterprises, Ltd., dated March 10, 1999, as recorded in Volume 744 on Page 757 of the Official Public Records of Medina County, Texas, and being more particularly described by metes and bounds as follows:

BEGINNING: At a 5/8" iron pin set in fence on the Southeast line of said 333.712 acre tract of land and the Northwest line of that certain 56 acre tract of land described as part of a certain 293 3/5 acre tract of land in a deed to Patrick J. Wurzbach from Herbert E. Wurzbach, et ux., dated January 3, 1988, as recorded in Volume 733 on Page 614 of the aforementioned Official Public Records, for the South corner of this survey from which a 5/8" iron pin found by an 8 inch diameter wood corner post for the Southeast corner of said 333.712 acre tract of land bears S 23°41'-45" W 699.02 feet and a point on the North line of said Survey No. 33 for the recognized Northeast corner of Survey No. 34, Abstract No. 533, Moses G. Shipman, original Grantee, and the recognized Northwest corner of Survey No. 34 3/4, Abstract No. 1264, Ed DeMonte, original Grantor, bears S 23°41'-46" W 897.02 feet and S 00°41'-39" W 131.16 feet:

THENCE: Along the Southwest line of this tract, N 66°18'-14" W 200.00 feet to a 5/8" iron pin set for the lower West corner of this survey:

THENCE: Along a Northeast line of this tract, N 23°41'-46" W 70.00 feet to a 5/8" iron pin set for an interior corner of this survey:

THENCE: Along the inner Southwest line of this tract, N 66°18'-14" W 173.50 feet to a 5/8" iron pin set on the proposed Southeast line of a certain 60-foot-wide roadway to be dedicated to the County for the West corner of this survey:

THENCE: Along the Southeast line of said 60-foot-wide roadway, N 23°41'-46" W 30.00 feet to a 5/8" iron pin set for the North corner of this survey:

THENCE: Along the Northeast line of this tract, S 66°18'-14" E 373.50 feet to a 5/8" iron pin set in fence on the Southeast line of said 333.712 acre tract of land and the Northwest line of said 56 acre tract of land and the Northwest line of said 333.712 acre tract of land, S 23°41'-46" W 100.00 feet to the POINT OF BEGINNING.

The bearings are relative to the bearing along the Southeast line of said 333.712 acre tract of land between two found 5/8" iron pins having a bearing and distance of S 23°41'-46" W 2243.02 feet.
EXHIBIT A-1

System personal property, equipment and fixtures

- Production facility:
  - 12” diameter, 912 foot deep Edwards well (constructed in 1999)
  - 200,000 gallon welded steel ground storage tank (constructed in 2017)
  - All related fixtures and appurtenances

- Approximately 5.9 miles of mains (constructed between 1999 and 2004):
  - 0.11 miles of 2-inch mains,
  - 5.3 miles of 6-inch mains, and
  - 0.5 miles of 8-inch mains
  - All related valves, fire hydrants, service lines, meters, and related appurtenances
EXHIBIT B

Form of Deed

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

STATE OF TEXAS

COUNTY OF MEDINA

DEED WITHOUT WARRANTY

Effective Date:

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

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

Grantee:

Grantee’s Mailing Address:

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

Property: An approximately 0.579 acre tract in Medina County, Texas described more particularly in Exhibit A attached hereto and incorporated herein, together with all improvements thereon and Grantor’s right, title and interest in all rights and appurtenances thereto.

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

Reservations from Conveyance: Grantor reserves for the use, benefit and control of the San Antonio Water System all Edwards Aquifer Authority permitted water rights associated with withdrawal point W100-463 located on the Property, including but not limited to all rights under that certain Edwards Aquifer Authority Regular Permit No. 100-536 (BE00227) recorded as document No. 20120083049 in the Official Public Records of Real Property, Bexar County, Texas.

Grantor, for the Consideration, grants, sells, and conveys to Grantee the Property, subject to the Exceptions to Conveyance and Reservations from Conveyance, to have and to hold it to Grantee and Grantee’s successors and assigns forever, but without warranty of title or any other warranty of any kind or nature, and without limitation on such disclaimer of warranties, including but not limited to any warranties under Section 5.023 of the Texas Property Code.
By accepting this deed, Grantee acknowledges that the **PROPERTY IS BEING CONVEYED IN ITS PRESENT “AS IS” CONDITION AND GRANTEE ACCEPTS THE PROPERTY IN ITS PRESENT CONDITION. GRANTEE ACKNOWLEDGES THAT IT IS NOT RELYING UPON THE ACCURACY OR COMPLETENESS OF ANY REPRESENTATION, BROCHURE, RENDERING, PROMISE, STATEMENT OR OTHER ASSERTION OR INFORMATION WITH RESPECT TO THE PROPERTY MADE OR FURNISHED BY OR ON BEHALF OF, OR OTHERWISE ATTRIBUTED TO, GRANTOR OR ANY OF ITS AGENTS, EMPLOYEES, OFFICIALS, BROKERS OR REPRESENTATIVES, ANY AND ALL SUCH RELIANCE BEING HEREBY EXPRESSLY AND UNEQUIVOCALLY DISCLAIMED, BUT IS RELYING SOLELY AND EXCLUSIVELY UPON ITS OWN EXPERIENCE AND ITS INDEPENDENT JUDGMENT, EVALUATION AND EXAMINATION OF THE PROPERTY. GRANTEE FURTHER UNEQUIVOCALLY DISCLAIMS (I) THE EXISTENCE OF ANY DUTY TO DISCLOSE ON THE PART OF GRANTOR OR ANY OF ITS AGENTS, EMPLOYEES, OFFICIALS, BROKERS OR REPRESENTATIVES AND (II) ANY RELIANCE BY GRANTEE ON THE SILENCE OR ANY ALLEGED NONDISCLOSURE OF GRANTOR OR ANY OF ITS AGENTS, EMPLOYEES, OFFICIALS, BROKERS OR REPRESENTATIVES. GRANTEE TAKES THE PROPERTY UNDER THE EXPRESS UNDERSTANDING THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES. GRANTEE EXPRESSLY WARRANTS AND REPRESENTS THAT NO PROMISE OR AGREEMENT WHICH IS NOT HEREIN EXPRESSED HAS BEEN MADE TO IT AND HEREBY DISCLAIMS ANY RELIANCE UPON ANY SUCH ALLEGED PROMISE OR AGREEMENT. GRANTEE HAS AGREED TO DISCLAIM RELIANCE ON GRANTOR AND TO ACCEPT THE PROPERTY “AS-IS” WITH FULL AWARENESS THAT THE PROPERTY’S PRIOR USES OR OTHER MATTERS COULD AFFECT ITS CONDITION, VALUE, SUITABILITY OR FITNESS; AND GRANTEE CONFIRMS THAT GRANTEE IS HEREBY ASSUMING ALL RISK ASSOCIATED THEREWITH. GRANTEE UNDERSTANDS THAT THE DISCLAIMERS OF RELIANCE AND OTHER PROVISIONS CONTAINED HEREIN COULD LIMIT ANY LEGAL RECURS CE OR REMEDY GRANTEE OTHERWISE MIGHT HAVE. GRANTEE ACKNOWLEDGES THAT IT HAS SOUGHT AND HAS RELIED UPON THE ADVICE OF ITS OWN LEGAL COUNSEL CONCERNING THIS PROVISION.

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

This conveyance is being made subject to ad valorem taxes for the year 20__ [insert year of conveyance] and all subsequent years, which are assumed by Grantee. Any “rollback” taxes assessed against the Property are hereby assumed by Grantee.

*Signatures on following pages*
GRANTOR:

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

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

STATE OF TEXAS $§$
COUNTY OF BEXAR $§$

This instrument was acknowledged before me on this __________ day of ____________, 2018, by Nancy Belinsky, Vice President and General Counsel of the San Antonio Water System, a municipal utility of the City of the San Antonio, on behalf of said municipal utility.

[Seal]

Notary Public, State of Texas
STATE OF TEXAS

COUNTY OF ______

This instrument was acknowledged before me on this ______ day of ____________, 2018 by ________________________________.

[Seal]

Notary Public, State of Texas

After recording, return to:
EXHIBIT C

Form of Bill of Sale

NO WARRANTY BILL OF SALE

Effective Date:

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

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

Purchaser:

Purchaser’s Mailing Address:

Transferred Property: See Exhibit A attached hereto

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

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

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

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

Signatures on following page
SELLER:

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

BY: __________________________________
    Nancy Belinsky, Vice President and General Counsel

ACCEPTED BY PURCHASER:

____________________________________
In addition to Bid Price of $750,000.00 we would like to trade Yancey Area "A" for SAWS Area "B"
TO: San Antonio Water System Board of Trustees

FROM: Parviz Chavol, P.E., Senior Director, Production and Treatment Operations, and Jeffrey J. Haby, P.E., Vice President, Production and Treatment

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

SUBJECT: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE DOS RIOS CONCRETE DRYING BED PILOT PROJECT

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to RCO Construction, LLC, a local, MBE-Hispanic contractor, in the amount of $153,950.00 in connection with the Dos Rios Concrete Drying Bed Pilot Expansion Project (the “Project”).

- Dos Rios Water Recycling Center was commissioned in 1987 and continues to operate with much of its original equipment, including the current sand sludge drying beds.

- The sludge drying beds currently in use are made with a sand filter to allow for a large surface area into which water can drain from the sludge. When the dried sludge is removed, some of the sand is removed with it. Since the dried sludge is hauled off and charged by weight, the sand that is removed increases hauling costs. Further, sand that was removed from the drying bed must be replaced before each use, creating additional costs.

- The Project will enable staff to determine how well a drying bed made of concrete will work compared to the sand drying beds. If the concrete drying bed can provide acceptable water removal from the sludge, it will drastically reduce the operating costs associated with sand removal and replacement.

- RCO Construction, LLC submitted the low responsible bid of $153,950.00.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

System Funds will finance this expenditure included in the 2018 Capital Outlay Program. The construction cost is included in the Treatment Maintenance budget line item. The amount is $153,950.00 for related construction costs. The job number is B-18-015-JAM.
SUPPLEMENTARY COMMENTS:

An Invitation for Bid was issued on August 27, 2018. A bid opening was held on September 12, 2018 at 1:00 P.M. The following bids were received:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Bid Amount</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineer's Estimate</td>
<td>$150,000.00</td>
<td></td>
</tr>
<tr>
<td>RCO Construction, LLC*</td>
<td>$153,950.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Shannon-Monk, Inc.</td>
<td>$266,000.00</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>E.J. Smith Construction Company, LLC</td>
<td>$270,000.00</td>
<td>Local/MBE-AABE</td>
</tr>
<tr>
<td>Industrial Construction Co.</td>
<td>$275,394.00</td>
<td>Local/MBE-AABE</td>
</tr>
<tr>
<td>Associated Construction Partners, Ltd.</td>
<td>$295,000.00</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Archer Western Construction, LLC</td>
<td>$413,000.00</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td>Pronto Sandblasting &amp; Coating &amp; Oil Field Services Co., Inc.</td>
<td>$521,633.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 2.6 percent increase from the estimated construction cost. The contract allows 60 calendar days for the completion of the work.

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

<table>
<thead>
<tr>
<th>Dos Rios Concrete Drying Bed Pilot Project</th>
<th>RCO Construction, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SMWVB Analysis – Board Award</strong></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>100.00%</td>
</tr>
<tr>
<td>MBE – Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Non-Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>SMWB Total</strong></td>
<td><strong>100.00%</strong></td>
</tr>
</tbody>
</table>
Award of Construction Contract
Dos Rios Concrete Drying Bed Pilot Project

Parviz Chavol, P.E.
Senior Director
Production and Treatment Operations

APPROVED:

Robert R. Puente
President/Chief Executive Officer

Jeffrey J. Haby, P.E.
Vice President
Production and Treatment
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO RCO CONSTRUCTION, LLC IN AN AMOUNT NOT TO EXCEED $153,950.00 IN CONNECTION WITH THE DOS RIOS CONCRETE DRYING BED PILOT PROJECT; AUTHORIZING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $153,950.00 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 RCO CONSTRUCTION, LLC, AND TO PAY RCO CONSTRUCTION, LLC AN AMOUNT NOT TO EXCEED $153,950.00 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the San Antonio Water System’s (the “System”) Dos Rios Water Recycling Center was commissioned in 1987 and continues to operate with much of its original equipment, including the current sand sludge drying beds; and

WHEREAS, the sludge drying beds currently in use are made with a sand filter to allow for a large surface area into which water can drain out of the sludge. When the dried sludge is removed, some of the sand is removed with it. Since the dried sludge is hauled off and the System is charged by weight, the sand that is removed increases hauling costs. Further, sand that was removed from the drying bed must be replaced before each use, creating additional costs; and

WHEREAS, the Dos Rios Concrete Drying Bed Pilot Project will enable System staff to determine how well a drying bed made of concrete will work compared to the sand drying beds. If the concrete drying bed can provide acceptable water removal from the sludge, it will drastically reduce the operating costs associated with sand removal and replacement; and

WHEREAS, the System solicited bids for the project work by advertising for bids on August 27, 2018, with sealed bids returned on September 12, 2018; and

WHEREAS, RCO Construction, LLC, a local, MBE-Hispanic contractor, has submitted a bid of $153,950.00 for the project work, and this bid is determined to be the lowest responsible bid; and

WHEREAS, the total amount not to exceed $153,950.00 is available from the System's Capital Outlay for the project work; and
WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a construction contract to RCO, LLC in the amount of $153,950.00 in connection with the Dos Rios Concrete Drying Bed Pilot Project, (ii) to approve the expenditure of funds and make available an amount not to exceed $153,950.00 from the System Fund for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with RCO Construction, LLC, and to pay RCO Construction, LLC an amount not to exceed $153,950.00 to for the project work; now, therefore:

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

1. That a construction contract in the amount of $153,950.00 is hereby awarded to RCO Construction, LLC who is determined to be the lowest responsible bidder in connection with the Dos Rios Concrete Drying Bed Pilot Project.

2. That the expenditure of funds in an amount not to exceed $153,950.00 for the project work is hereby approved and made available from the System Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with RCO Construction, LLC, and to pay RCO Construction, LLC an amount not to exceed $153,950.00 for the project 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 9th day of October, 2018.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Patricia E. Merritt, Assistant 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 AN AMENDMENT TO THE FEE LETTER FOR THE REVOLVING CREDIT AGREEMENT

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes an amendment to the fee letter associated with the Wells Fargo Bank, N.A. (“Wells Fargo”) Revolving Credit Agreement supporting the City of San Antonio, Texas Water System Commercial Paper Notes, Series B (“Series B Notes”).

1. The San Antonio Water System’s (“System”) capital financing structure includes authorization for up to $500,000,000.00 commercial paper notes (“CP”), which provides short-term, variable rate financing for capital projects. The CP program provides interim financing and allows the System the flexibility of issuing debt on an as needed basis, matching construction funding with construction expenditures.

2. To support the CP program, a revolving credit agreement is required by investors to ensure liquidity of the CP notes. A revolving credit agreement is an agreement, typically entered into with a bank, to provide liquidity support for short-term debt instruments. The bank agrees to purchase any outstanding CP notes should the remarketing dealers be unable to find buyers in the financial markets, thus providing liquidity to the investor.

3. Through Resolution No. 15-135 approved June 2, 2015, and Resolution No. 17-214, approved October 10, 2017, the System’s Board of Trustees authorized a Revolving Credit Agreement with Wells Fargo to provide credit and liquidity support for $100,000,000.00 of Series B Notes through January 15, 2021, at a rate of 40 basis points or $400,000.00 annually.

4. Market conditions in the liquidity market have improved since the last amendment in 2017, and Wells Fargo has agreed to modify the current rate for the Revolving Credit Agreement, reducing the fee from 40 basis points to 35 basis points through the end of the current agreement, January 15, 2021.

Staff, in coordination with the System’s Co-Financial Advisors, recommends that the Board approve this resolution.
FINANCIAL IMPACT:

The annual cost for the Revolving Credit Agreement with Wells Fargo will be reduced from $400,000.00 to $350,000.00.

One time fees associated with the amendment to the agreement include bank counsel fees to Chapman & Cutler in the amount of $5,000.00.

Fees for these services are included in the Other Debt Service Requirement Budget (Company: 1000; Accounting Unit: 1000001, 1000002, 1000005, 1000006, and 1000007; Account: 534400). Funds for each subsequent year will be appropriated based on the approval of the annual budget.

Douglas P. Evanson
Senior Vice President/Chief Financial Officer

APPROVED:

Robert R. Puente
President/Chief Executive Officer
A RESOLUTION BY THE BOARD OF TRUSTEES OF THE SAN ANTONIO WATER SYSTEM APPROVING AN AMENDMENT TO THE FEE AGREEMENT PROVIDING FOR CERTAIN PAYMENT TERMS UNDER THE REVOLVING CREDIT AGREEMENT RELATING TO THE CITY OF SAN ANTONIO, TEXAS WATER SYSTEM COMMERCIAL PAPER NOTES, SERIES B; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; ESTABLISHING AN EFFECTIVE DATE; AND RESOLVING OTHER MATTERS IN CONNECTION WITH THE FOREGOING

WHEREAS, pursuant to the authority contained in (i) Chapter 1502, as amended, Texas Government Code, (ii) certain ordinances previously adopted by the City Council (the City Council) of the City of San Antonio, Texas (the City) authorizing the issuance of the currently outstanding senior lien revenue bonds (the Previously Issued Senior Lien Bonds), (iii) certain ordinances previously adopted by the City Council authorizing the issuance of the currently outstanding junior lien revenue bonds (the Previously Issued Junior Lien Bonds), (iv) certain ordinances previously adopted by the City Council authorizing the issuance of the currently outstanding subordinate lien revenue obligations (the Previously Issued Subordinate Lien Obligations) (collectively, the Previously Issued Senior Lien Bonds, the Previously Issued Junior Lien Bonds, and the Previously Issued Subordinate Lien Obligations are referred to herein as the Bonds), and (v) an amended and restated ordinance adopted by the City Council of the City on September 20, 2012 (as amended on June 18, 2015 and anticipated to be updated and amended and restated by the City Council on September 13, 2018) relating to the implementation of a commercial paper program (collectively, the Commercial Paper Ordinance) authorizing the issuance of certain currently outstanding inferior lien obligations (hereinafter defined and referred to as the Commercial Paper Notes) the complete management and control of the water system (the System) of the City is vested in the San Antonio Water System (SAWS) and its Board of Trustees, as the governing body thereof (the Board), during the period of time any of the Bonds are outstanding and unpaid; and

WHEREAS, pursuant to Texas law, the City Council has heretofore issued, and there are currently outstanding, two series of revenue Commercial Paper Notes designated as “City of San Antonio, Texas Water System Commercial Paper Notes, Series A” (the Series A Notes) and “City of San Antonio, Texas Water System Commercial Paper Notes, Series B” (the Series B Notes and, together with the Series A Notes, the Commercial Paper Notes); and

WHEREAS, the Commercial Paper Ordinance currently authorizes Commercial Paper Notes to be issued in an amount not to exceed $500,000,000, provided, however, the amount outstanding at any one time cannot exceed the amount of credit and liquidity support provided for the Commercial Paper Notes; and

WHEREAS, in order to provide certain credit and liquidity support for the Series B Notes, the City Council previously entered into a revolving credit agreement and associated fee letter (as amended, the Fee Letter) in connection with the issuance of the Series B Notes with Wells Fargo Bank, National Association (Wells Fargo); and
WHEREAS, representatives of the System previously negotiated and obtained reduced interest rates from Wells Fargo compared to the rates provided under the current Fee Letter, of which such updated lower rates are evidenced in an amendment to the Fee Letter, to be entered into between the City and Wells Fargo (the Fee Letter Amendment), as set forth in Exhibit A hereto; and

WHEREAS, the Commercial Paper Program has served, and continues to serve, as a beneficial financial tool by providing the City with ready access to capital as necessary to improve, operate, and maintain the System; and

WHEREAS, the Board hereby finds and determines that entering into the Fee Letter Amendment, as heretofore described, represents an action that is in the best interest of the System and its ratepayers; NOW, THEREFORE,

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

1. Approval of the Fee Letter Amendment. The Fee Letter Amendment, the form of which is attached hereto as Exhibit A, is hereby approved, and the Chair, Vice Chair, Secretary, Assistant Secretary or Authorized Representative (as such term is defined in the Commercial Paper Ordinance) (each, an Authorized Representative) or any of them, acting by and through the Board for and on behalf of the City, are hereby authorized to execute the Fee Letter Amendment and to deliver the same to Wells Fargo and other parties with interest therein.

2. Further Procedures. The officers and employees of the City and the Board, in consultation with the Board’s co-financial advisors (being PFM Financial Advisors, LLC and Estrada Hinojosa & Company, Inc. (the Co-Financial Advisors)) and the Board’s co-bond counsel (being Norton Rose Fulbright US LLP and Escamilla & Poneck, LLP), are hereby authorized, empowered, and directed, at any time and at any time to do and perform all such acts and things and to execute, acknowledge, and deliver in the name and under the corporate seal and on behalf of the City, acting by and through the Board, all such instruments, whether or not herein mentioned, as may be necessary or desirable in order to carry out the terms and provisions of this Resolution (including delivery of any notice of any matter that is the subject of this Resolution or the Commercial Paper Ordinance to any interested party, such as the Issuing and Paying Agent under and pursuant to the Issuing and Paying Agency Agreement, as amended, or to any Dealer under an existing Dealer Agreement, relating to the Series B Notes). Specifically, by the adoption of this Resolution, the Board hereby authorizes the payment of the fees and expenses incurred and to be paid by the Board in connection with the Fee Letter Amendment, and the execution and delivery thereof and all other documents and certificates related thereto. In case any officer of the Board whose signature shall appear on any certificate shall cease to be such officer before the delivery of such certificate, such signature shall nevertheless be valid and sufficient for all purposes the same as if such officer had remained in office until such delivery. In addition, the Board authorizes the payment, from legally available funds of Board, of the professional fees and expenses incurred by the Board in association with this transaction upon the approval of a written invoice approved by the Senior Vice President/Chief Financial Officer of the System or his designee.
3. **Inconsistent Provisions.** All ordinances and resolutions, or parts thereof, of the Board which are in conflict or inconsistent with any provision of this Resolution are hereby repealed to the extent of such conflict, and the provisions of this Resolution shall be and remain controlling as to the matters resolved herein.

4. **Governing Law.** This Resolution shall be construed and enforced in accordance with the laws of the State of Texas and the United States of America.

5. **Severability.** If any provision of this Resolution or the application thereof to any person or circumstance shall be held to be invalid, the remainder of this Resolution and the application of such provision to other persons and circumstances shall nevertheless be valid, and the Board hereby declares that this Resolution would have been adopted without such invalid provision.

6. **Incorporation of Preamble Recitals.** The recitals contained in the preamble hereof are found to be true, and such recitals and other statements therein are hereby made a part of this Resolution for all purposes and are adopted as a part of the judgment and findings of the Board.

7. **Open Meeting.** It is officially found, determined, and declared that the meeting at which this Resolution is adopted was open to the public and public notice of the time, place, and subject matter of the public business to be considered at such meeting, including this Resolution, was given, all as required by Chapter 551, as amended, Texas Government Code.

8. **Effective Date.** This Resolution shall be in force and effect from and after its final passage, and it is so resolved.

* * * * * * * * *
PASSED AND APPROVED this the 9th of October, 2018.

__________________________________
Berto Guerra, Jr., Chairman

ATTEST:

___________________________________
Patricia E. Merritt, Assistant Secretary
EXHIBIT A

FEE LETTER AMENDMENT

See Tab No. ___
EXHIBIT B

UPDATED OFFERING MEMORANDUM

See Tab No. ___
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: AUTHORIZING ADDITIONAL EXPENDITURES FOR FISCAL YEARS 2018 AND 2019 IN CONNECTION WITH MICROSOFT ENTERPRISE AGREEMENT AND ADD-ON SOFTWARE LICENSES

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution amends Resolution No. 17-241 by approving additional expenditures payable to SHI Software in an amount not to exceed $117,000.00 for fiscal year 2018 in connection with the Microsoft Enterprise Agreement and add-on software licenses. It also authorizes the third year of a three-year agreement for the period from January 1, 2019 through December 31, 2019 and approves expenditures in an amount not to exceed $861,493.80.

- Resolution No. 17-241 approved on November 7, 2017, authorized the second year of a three-year agreement with SHI Software, and the expenditures for the fiscal year 2018 in an amount not to exceed $742,208.72 from the System Fund for the Microsoft Full Platform Enterprise Agreement and true-up costs for related software. The amount included the base cost of the agreement of $673,500.40, the cost of Microsoft Azure pilot licensing of $1,234.80 and a 10% true-up of $67,473.52.

- Due to additional utilization of the Microsoft Azure cloud services for the newly launched SAWS Customer Portal the IS department will need to pay SHI Software an additional $13,000 per month for the last 9 months of 2018. The total expenditure requested for FY 2018 is $117,000.00.

- The funds requested for the third year of the agreement, to be spent in FY 2019, include the base cost of the agreement in the amount of $673,500.40, an anticipated true-up cost of $31,993.40, and the cost of Microsoft Azure cloud services at $13,000 per month for 12 months. The total expenditure requested for FY 2019 is $861,493.80.

- The Microsoft Full Platform Enterprise Agreement includes Microsoft Word, Microsoft Excel, Microsoft PowerPoint, Microsoft Outlook, Microsoft Publisher, and Microsoft Access. The add-on software licenses include a limited number of licenses for Microsoft Project, Visio, and “back-office” software tools needed to operate the components on the network.
In addition to Microsoft Full Platform Enterprises Agreement software add-ons, SAWS utilizes Microsoft server licensing. The base contract includes a certain number of licenses for these products. Throughout each year, additional computers and servers are added to the inventory. Each computer user requires a license for Microsoft Full Platform software. At the end of each year, SAWS is charged a “true-up” cost for these licenses.

A summary of the costs associated with the additional expenditures followed by a more detailed breakdown of the individual costs and quantities to be procured is provided in the tables below:

<table>
<thead>
<tr>
<th>Line Item</th>
<th>Enterprise Products Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Microsoft Full Platform Enterprises Agreement</td>
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<td>2</td>
<td>Microsoft Add-On Licensing</td>
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<td>3</td>
<td>Microsoft Add-On Licensing True-Up</td>
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<td>4</td>
<td>Microsoft Server Licensing</td>
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<td>5</td>
<td>Microsoft Server Licensing True-Up</td>
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<td>6</td>
<td>Microsoft Azure 2018</td>
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<td>7</td>
<td>Microsoft Azure 2019</td>
<td>$156,000.00</td>
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<tr>
<td>Total</td>
<td></td>
<td>$978,493.80</td>
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<table>
<thead>
<tr>
<th>Part Number</th>
<th>Enterprise Products Description</th>
<th>Qty</th>
<th>Price</th>
<th>Extended Base Price</th>
<th>Qty True-Up</th>
<th>True-Up Cost</th>
<th>True-Up Extension</th>
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<td>$1,097.30</td>
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Authorization of Additional Funds
Microsoft Enterprise Agreement

<table>
<thead>
<tr>
<th></th>
<th>AzureMntryCmmtmntG</th>
<th>ShrdSvr ALNG SubsVL</th>
<th>MVL Commit Provision for FY 2018</th>
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<tbody>
<tr>
<td>JSU-00004</td>
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<td>9 mo.</td>
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<tr>
<td>JSU-00004</td>
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<td></td>
<td>12 mo.</td>
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<tr>
<td>Sub-Total</td>
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<td></td>
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<tr>
<td>Total EA, Add-Ons and True-Up</td>
<td></td>
<td></td>
<td>$946,500.40</td>
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</tbody>
</table>

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

Funds will be made available from System funds budgeted in the 2018 budget (Company: 1000, Accounting Unit: 5021500, Account: 511381, Total 2018 amount: $117,000.00).

Funds for 2019 will be made available from System funds budgeted in the 2019 budget, pursuant to and contingent upon Board approval of the 2019 budget. (Company: 1000, Accounting Unit: 1000000, Account: 116000, Total 2019 amount: $861,493.80).

Total amount authorized is $978,493.80.

Sree Prapatka
Vice President/Chief Information Officer

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 AMENDING RESOLUTION NO. 17-241, BY APPROVING ADDITIONAL EXPENDITURES TO THE EXISTING AGREEMENT WITH SHI SOFTWARE IN THE AMOUNT OF $117,000.00 FOR FISCAL YEAR 2018 IN CONNECTION WITH THE MICROSOFT ENTERPRISE AGREEMENT AND ADD-ON SOFTWARE LICENSES; AUTHORIZING THE THIRD YEAR OF A THREE-YEAR AGREEMENT WITH SHI SOFTWARE IN THE AMOUNT OF $861,493.80 FOR THE PERIOD FROM JANUARY 1, 2019 THROUGH DECEMBER 31, 2019; MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $978,493.80 FROM THE SYSTEM FUND, AND THAT EXPENDITURES FOR 2019 ARE MADE PURSUANT TO AND CONDING UPON BOARD APPROVAL OF THE 2019 BUDGET WITH A LINE ITEM FOR SUCH EXPENDITURES, AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO PAY SHI SOFTWARE AN AMOUNT NOT TO EXCEED $978,493.80 FOR THE EXISTING AGREEMENT FOR FISCAL YEAR 2018 AND THE PERIOD FROM JANUARY 1, 2019 THROUGH DECEMBER 31, 2019 FOR THE MICROSOFT ENTERPRISE AGREEMENT AND ADD-ON SOFTWARE LICENSES; 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 7, 2017, by Resolution No. 17-241, the San Antonio Water System’s (the “System”) Board of Trustees authorized the second year of a three-year agreement with SHI Software for Microsoft Full Platform Enterprise and add-on software licenses and provided funds in an amount not to exceed $742,208.72 for the period from January 1, 2018 through December 31, 2018; and

WHEREAS, additional Microsoft Licenses and add-on software licenses are required by the System for the period from January 1, 2018 through December 31, 2018; and

WHEREAS, Microsoft Enterprise Agreement enrollment periods are three-year terms paid on a yearly basis. This agreement is for the period from January 1, 2017 through December 31, 2019 with SHI Software, through Department of Information Resources software contract DIR-SDD-2503, will provide software licenses provided through the Microsoft Enterprise Agreement; and
WHEREAS, it is in the best interest for the System to maintain the agreement with SHI Software to provide licensing for Microsoft Full Platform Enterprise software and add-on software; and

WHEREAS, the San Antonio Water system Board of Trustees desires (i) to amend Resolution No. 17-241, by approving additional expenditures to the existing agreement with SHI Software in the amount of $117,000.00 in connection with the Microsoft Enterprise Agreement and add-on software licenses for fiscal year 2018, (ii) to authorize the third year of a three-year agreement with SHI Software in the amount of $861,493.80 for the period from January 1, 2019 through December 31, 2019, (iii) to make available from the System Fund an amount not to exceed $978,493.80, and that expenditures for 2019 are made pursuant to and contingent upon Board approval of the 2019 budget with a line item for such expenditures, and (iv) to authorize the President/Chief Executive Officer or his duly appointed designee to pay an amount not to exceed $978,493.80 to SHI Software for the Microsoft Enterprise Agreement and add-on software licenses for the remainder of fiscal year 2018 and for the period from January 1, 2019 through December 31, 2019; now, therefore:

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

1. That Resolution No. 17-241 is hereby amended by approving additional expenditures to the existing agreement with SHI Software in the amount of $117,000.00 for Microsoft Enterprise Agreement and add-on software licenses for fiscal year 2018.

2. That the third year of the three-year agreement with SHI Software in the amount of $861,493.80 for Microsoft Enterprise Agreement and add-on software licenses for the period from January 1, 2019 through December 31, 2019 is hereby authorized.

3. That expenditures in an amount not to exceed $978,493.80 are hereby approved to be expended from the System Fund, and that expenditures for 2019 are made pursuant to and contingent on Board approval of the 2019 budget with a line item for such expenditures.

4. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to pay an amount not to exceed $978,493.80 to SHI Software for Microsoft Enterprise Agreement and add-on software licenses for the remainder of fiscal year 2018 and the period from January 1, 2019 through December 31, 2019.

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

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

PASSED AND APPROVED this the 9th day of October, 2018.

____________________________________
Berto Guerra, Jr., Chairman

ATTEST:

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

FROM: Scott R. Halty, Director, Resource Protection and Compliance, and Donovan S. Burton, Vice President, Water Resources and Governmental Relations

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

SUBJECT: APPROVAL OF A JOINT FUNDING AGREEMENT WITH THE UNITED STATES GEOLOGICAL SURVEY

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution approves the 2019 Joint Funding Agreement between the San Antonio Water System (SAWS) and the United States Geological Survey (USGS) for monitoring and studying groundwater water quality, surface/recharge water quality, and hydrogeologic studies of the Edwards Aquifer and SAWS water resource projects for the period of January 1, 2019 to December 31, 2019. It also authorizes the President/Chief Executive Officer or his duly appointed designee to execute the agreement for an amount not to exceed $495,487.00.

• Since 1992, SAWS has worked with USGS on collaborative research efforts to analyze methods of optimizing the Edwards Aquifer and protecting water quality.

• The 2019 Joint Funding Agreement is structured to cover the 12-month period covering January 1, 2019 to December 31, 2019.

• The proposed 2019 Work Program addresses several Water Quality activities that include continuation of analysis of the geology of the Edwards Aquifer, and an assessment of the quality of stormwater runoff (Attachment).

• The Recharge Zone Water Quality study collects baseline data on the quality of stormwater runoff recharging the aquifer in the Edwards Aquifer Recharge Zone. This is a monitoring program to collect baseline data at numerous surface water and water well sites which may be located on the Edwards Aquifer Recharge Zone, the Catchment Area, Transition Zone, and/or the Artesian Zone.

• The Continuous Water Quality Monitor study assesses stream quality below the entire San Antonio urban area for pH, temperature, dissolved oxygen and conductivity on a continuous, real-time basis at the San Antonio River near Elmendorf and is also part of the State Real-Time Program.

Staff recommends that the Board approve this resolution.
Approval of Joint Funding Agreement  
United States Geological Survey

FINANCIAL IMPACT:

The item/services will be paid from system funds budgeted in the 2019 budget (Company: 1000, Accounting Unit: 5004700, Account: 511312, Total 2019 amount: $495,487.00).

<table>
<thead>
<tr>
<th>YEAR</th>
<th>SAWS O&amp;M BUDGET</th>
<th>USGS FUNDS</th>
<th>TOTALS</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>$495,487</td>
<td>$79,623</td>
<td>$575,110</td>
</tr>
</tbody>
</table>

SUPPLEMENTARY COMMENTS:

Work with the USGS has resulted in SAWS' ability to directly access USGS data. SAWS staff continues to participate in field sampling and educational assessments. Data from these USGS cooperative studies are vital to the development of Edwards Aquifer protective measures and efficient management of the Edwards Aquifer. Additionally, several of these studies are multi-year studies and this agreement is only for funding this fiscal year as stated in the agreement.

Scott R. Halty  
Director  
Resource Protection and Compliance

Donovan S. Burton  
Vice President  
Water Resources and Governmental Relations

APPROVED:

Robert R. Puente  
President/Chief Executive Officer

Attachment:
1. SAWS/USGS Studies – Cost Breakdown
San Antonio Water System
19SJJFATX038000
Resource Protection and Compliance Department

1 Edwards Aquifer Recharge Zone Water Quality Monitoring Program

Brief Description of the Study:
Implement a monitoring network for the Edwards aquifer that will provide long-term monitoring of the aquifer in order to address two primary objectives:

1. Characterize the sources of anthropogenic compounds (such as nutrients and pesticides from rural versus urban sources)
2. Characterization of the physical movement and the chemical transformation of contaminants within the aquifer system

Relation to SAWS Program:
1. Determine if any contaminants observed in the aquifer are from local, rural, or naturally occurring sources
2. Provide data so that appropriate remedial action can be applied to minimize aquifer contamination
3. Provide baseline measurements for future models.

<table>
<thead>
<tr>
<th>PROJECT</th>
<th>USGS FUNDS</th>
<th>SAWS FUNDS</th>
<th>TOTAL FUNDS</th>
</tr>
</thead>
<tbody>
<tr>
<td>EARZ- Surface Water Quality (DPY01)</td>
<td>$74,048</td>
<td>$451,108</td>
<td>$525,156</td>
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<tr>
<td>Continuous Streamflow and Water Quality Data Collection (00370)</td>
<td>$5,575</td>
<td>$44,379</td>
<td>$49,954</td>
</tr>
<tr>
<td>AGREEMENT TOTAL</td>
<td>$79,623</td>
<td>$495,487</td>
<td>$575,110</td>
</tr>
</tbody>
</table>

2 Continuous Streamflow and Water-Quality Data Collection

Brief Description of the Study:
This effort monitors streamflow and stream water quality below the San Antonio urban area. Water quality parameters include: pH, temperature, dissolved oxygen, conductivity, and turbidity. Data are provided at least every four hours at the San Antonio River near Elmendorf.

Work Product:
Available checked and reviewed data will be provided to SAWS during trimester progress meetings.

Monitoring:
08181800: San Antonio River near Elmendorf, TX
5-parameter OW Monitor Station

Relation to SAWS Program:
Provides basic data that can be used to monitor streamflow and stream water quality below the San Antonio urban area. These data may be used to aid the management of SAWS Water Recycling Centers (Sewage treatment facilities) as well as provide basic data to the State’s real-time streamflow and water quality network.
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING A JOINT FUNDING AGREEMENT BETWEEN THE SAN ANTONIO WATER SYSTEM AND THE UNITED STATES GEOLOGICAL SURVEY FOR MONITORING AND STUDYING GROUNDWATER WATER QUALITY, SURFACE/RECHARGE WATER QUALITY, AND HYDROGEOLOGIC STUDIES OF THE EDWARDS AQUIFER AND SAN ANTONIO WATER SYSTEM WATER RESOURCE PROJECTS FOR THE PERIOD OF JANUARY 1, 2019 TO DECEMBER 31, 2019 IN AN AMOUNT NOT TO EXCEED $495,487.00; AUTHORIZING THE EXPENDITURE OF FUNDS FOR FISCAL YEAR 2019 FROM THE SYSTEM FUND TO PAY FOR OBLIGATIONS INCURRED PURSUANT TO THE JOINT FUNDING AGREEMENT; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE JOINT FUNDING AGREEMENT WITH THE UNITED STATES GEOLOGICAL SURVEY, AND TO PAY THE UNITED STATES GEOLOGICAL SURVEY AN AMOUNT NOT TO EXCEED $495,487.00 PURSUANT TO THE JOINT FUNDING 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, the San Antonio Water System (the “System”) and the United States Geological Survey (the “USGS”) have entered into cooperative research and monitoring programs for over a decade; and

WHEREAS, the Joint Funding Agreement between the System and the USGS developed for the period covering January 1, 2019 to December 31, 2019 includes data collection, monitoring, and research on the Edwards Aquifer Recharge, Transition and Contributing Zones, and

WHEREAS, the Joint Funding Agreement also addresses the quality of the streams and rivers within the System’s service areas; and

WHEREAS, this Joint Funding Agreement is in the best interests of the System customers and all the citizens of San Antonio; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to
approve a Joint Funding Agreement between the San Antonio Water System and the United States Geological Survey for the period of January 1, 2019 to December 31, 2019, in an amount not to exceed $495,487.00, (ii) to authorize the expenditure of funds for Fiscal Year 2019 from the System Fund to pay for obligations incurred pursuant to the Joint Funding Agreement, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute the Joint Funding Agreement with the United States Geological Survey, and to pay the United States Geological Survey an amount not to exceed $495,487.00 pursuant to the Joint Funding Agreement; now, therefore:

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

1. That the Joint Funding Agreement between the System and the USGS for the period of January 1, 2019 to December 31, 2019 in an amount not to exceed $495,487.00, in substantially the form attached hereto as Attachment I is hereby approved.

2. That funds to pay for obligations incurred under the Joint Funding Agreement for Fiscal Year 2019 are available pursuant to the Board’s approval of the Fiscal Year 2019 budget and expenditure is hereby authorized from the System Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the Joint Funding Agreement between the System and the USGS and to pay the USGS an amount not to exceed $495,487.00 pursuant to the Joint Funding Agreement.

4. 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.

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 9th day of October, 2018.

________________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________________
Patricia E. Merritt, Assistant Secretary

Attachment:
1. SAWS/USGS Joint Funding Agreement
THIS AGREEMENT is entered into as of the January 1, 2019, by the U.S. GEOLOGICAL SURVEY, Texas Water Science Center, UNITED STATES DEPARTMENT OF THE INTERIOR, party of the first part, and the San Antonio Water System party of the second part.

1. The parties hereto agree that subject to the availability of appropriations and in accordance with their respective authorities there shall be maintained in cooperation Water Resource Investigations (per attachment), herein called the program. The USGS legal authority is 43 USC 36C; 43 USC 50, and 43 USC 50b.

2. The following amounts shall be contributed to cover all of the cost of the necessary field and analytical work directly related to this program. 2(b) include In-Kind-Services in the amount of $0.00

   (a) $79,623 by the party of the first part during the period January 1, 2019 to December 31, 2019

   (b) $495,487 by the party of the second part during the period January 1, 2019 to December 31, 2019

   (c) Contributions are provided by the party of the first part through other USGS regional or national programs, in the amount of: $0

      Description of the USGS regional/national program:

   (d) Additional or reduced amounts by each party during the above period or succeeding periods as may be determined by mutual agreement and set forth in an exchange of letters between the parties.

   (e) The performance period may be changed by mutual agreement and set forth in an exchange of letters between the parties.

3. The costs of this program may be paid by either party in conformity with the laws and regulations respectively governing each party.

4. The field and analytical work pertaining to this program shall be under the direction of or subject to periodic review by an authorized representative of the party of the first part.

5. The areas to be included in the program shall be determined by mutual agreement between the parties hereto or their authorized representatives. The methods employed in the field and office shall be those adopted by the party of the first part to insure the required standards of accuracy subject to modification by mutual agreement.

6. During the course of this program, all field and analytical work of either party pertaining to this program shall be open to the inspection of the other party, and if the work is not being carried on in a mutually satisfactory manner, either party may terminate this agreement upon 60 days written notice to the other party.

7. The original records resulting from this program will be deposited in the office of origin of those records. Upon request, copies of the original records will be provided to the office of the other party.

8. The maps, records or reports resulting from this program shall be made available to the public as promptly as possible. The maps, records or reports normally will be published by the party of the first part. However, the party of the second part reserves the right to publish the results of this program, and if already published by the party of the first part shall, upon request, be furnished by the party of the first part, at cost, impressions suitable for purposes of reproduction similar to that for which the original copy was prepared. The maps, records or reports published by either party shall contain a statement of the cooperative relations between the parties. The Parties acknowledge that scientific information and data developed as a result of the Scope of Work (SOW) are subject to applicable USGS review, approval, and release requirements, which are available on the USGS Fundamental Science Practices website (https://www2.usgs.gov/fsp/).
9. Billing for this agreement will be rendered quarterly. Invoices not paid within 60 days from the billing date will bear interest, penalties, and administrative cost at the annual rate pursuant the Debt Collection Act of 1982, (codified at 31 U.S.C. § 3717) established by the U.S. Treasury.

USGS Technical Point of Contact

Name: Douglas Schnoebelen
Address: 5563 DeZavala Road Suite 290
San Antonio, TX 78249
Telephone: (210) 691-9262
Fax: (210) 691-9270
Email: dschnoebelen@usgs.gov

USGS Billing Point of Contact

Name: Kandis Becher
Address: 501 W. Felix Street Bldg 24
Fort Worth, TX 76116
Telephone: (682) 316-5051
Fax: (682) 316-5022
Email: kkbecher@usgs.gov

Customer Technical Point of Contact

Name: Kirk Nixon
Address: 2800 US Hwy 281N
San Antonio, TX 78212
Telephone: (210) 233-3523
Fax: (210) 233-4778
Email: knixon@saws.org

Customer Billing Point of Contact

Name: Deandra DelPozo
Address: 2800 US Highway 281 North TWR2 4th Floor
San Antonio, Texas 78212
Telephone: (210) 233-3533
Fax: (210) 233-5331
Email: deandra.delpozo@saws.org

San Antonio Water System

Signatures

By __________________________  Date: __________
Name: Jennifer T. Wilson
Title: Acting Director

By __________________________  Date: __________
Name: ________________________
Title: _________________________

By __________________________  Date: __________
Name: ________________________
Title: _________________________

By __________________________  Date: __________
Name: ________________________
Title: _________________________
TO: San Antonio Water System Board of Trustees

FROM: Marty Jones, P.E., Manager, Water Resources, and Donovan S. Burton, Vice President, Water Resources and Governmental Relations

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

SUBJECT: APPROVAL OF AN AGREEMENT IN CONNECTION WITH THE DESIGN AND CONSTRUCTION OF ELECTRICAL SERVICE FOR THE VISTA RIDGE REGIONAL SUPPLY WELL FIELD FACILITIES 7, 8, & 9

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution approves an agreement with Bluebonnet Electric Cooperative (the “Cooperative”), a 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”). The agreement, in an amount not to exceed $706,145.71, is for design and construction of electrical service for the Vista Ridge Regional Supply Well Field Facilities 7, 8, and 9.

- The Vista Ridge Regional Supply Project Water Transmission and Purchase Agreement (the “WTPA”) places on Vista Ridge, LLC (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 places upon the System the responsibility for establishing electric power service for Project facilities. Electric service is essential for completion and operation of the Project and must be ready for performance testing of the Project 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 Project facilities to be constructed by the Project Company. The Cooperative will design and construct the electrical power service for the Intermediate Pump Station 1 Facilities, High Service Pump Station, and Well Field Facilities. Guadalupe Valley Electric Cooperative 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. The System will also work with the electrical service providers to establish electrical service for the pipeline cathodic protection system equipment in their service areas.
The scope of services for this agreement includes the design and construction of approximately two and a half miles of overhead and underground electrical feeder from an existing nearby electrical sub-station, as illustrated in the exhibit attached hereto as Attachment I. The scope of services also includes three transformers, and one primary service meter.

The amount not to exceed $706,145.71 provides funds to the Cooperative for the design and construction of the overhead electrical service feeder that will serve three Well Field Facilities (Well Field Facilities 7, 8, and 9) in the Vista Ridge Well Field located in Caldwell Texas. Staff will propose, for the Board's approval, one final agreement with this Cooperative for the electrical feeder to serve the Vista Ridge Regional Supply Project's remaining three Well Field Facilities (Well Field Facilities 4, 5, and 6) in late 2018. The anticipated, total value of all the agreements to be awarded to this Cooperative is expected to be $5.7 million. This does not include the cost to design and construct electrical service for the pipeline cathodic protection system. Staff will propose additional electrical service agreements for the cathodic protection in late 2018 and 2019.

The Board has previously approved, by Resolution Nos. 18-041, and 18-135, agreements with the Cooperative for design and construction of electrical service for the Intermediate Pump Station 1 Facilities, High Service Pump Station Facilities, and Well Field Facilities 1, 2, and 3. These Facilities all fall within the Cooperative's exclusive service area.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

Funds for services to be expended during FY 2018 are included in the five-year Water Supply O&M Budget that was approved in conjunction with the FY 2018 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 2018 amount: $706,145.71).
Approval of Agreement for Design and Construction of Electrical Infrastructure for Vista Ridge Project

APPROVED:

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING AN AGREEMENT (“AGREEMENT”) WITH BLUEBONNET ELECTRIC COOPERATIVE IN AN AMOUNT NOT TO EXCEED $706,145.71 IN CONNECTION WITH THE DESIGN AND CONSTRUCTION OF ELECTRICAL FACILITIES FOR THE VISTA RIDGE REGIONAL SUPPLY PROJECT WELL FIELD FACILITIES 7, 8, & 9 IN FULFILLING OBLIGATIONS TO ESTABLISH ELECTRIC POWER SERVICE; AUTHORIZING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED $706,145.71 FROM THE SYSTEM FUND FOR ELECTRICAL POWER SERVICE CONSTRUCTION; 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 (the “WTPA”) places on Vista Ridge, LLC (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 the Project assets will transfer to the San Antonio Water System (the “System”); and

WHEREAS, the WTPA places upon 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 of the Project 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 (the “Cooperative”) will design and construct the electrical power service for the Well Field Facilities, High Service Pump Station Facilities, and Intermediate Pump Station 1 Facilities. Guadalupe Valley Electric Cooperative 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. The System will also work with the electrical service providers to establish electrical service for the pipeline cathodic protection system equipment in their service areas; and

WHEREAS, the Vista Ridge Regional Supply Intermediate Pump Station 1 Facilities, Well Field Facilities, and High Service Pump Station Facilities all fall within the Cooperative’s exclusive service area; and
WHEREAS, the scope of services for this Agreement includes the design and construction of approximately two and a half miles of overhead and underground electrical feeder from an existing nearby electrical sub-station, as illustrated in the exhibit attached hereto as Attachment I. The scope also includes three transformers, and one primary service meter; and

WHEREAS, the amount not to exceed $706,145.71 provides funds to the Cooperative for the design and construction of the overhead electrical service feeder that will serve three Well Field Facilities (Well Field Facilities 7, 8, and 9) in the Vista Ridge Well Field located in Caldwell Texas; and

WHEREAS, the amount, not to exceed $706,145.71 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 the Cooperative in an amount not to exceed $706,145.71 for the design and construction of electrical facilities in connection with the Vista Ridge Regional Supply Project, (ii) to authorize and make available an amount not to exceed $706,145.71 from the System Fund, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute the Agreement with the Cooperative, and to pay the Cooperative an amount not to exceed $706,145.71; now, therefore:

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

1. That an Agreement with the Cooperative in an amount not to exceed $706,145.71 for the design and construction of electrical facilities in connection with the Project is hereby approved.

2. That the expenditure of System funds in an amount not to exceed $706,145.71 is hereby approved.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute an Agreement with Bluebonnet Electric Cooperative and to pay Bluebonnet Electric Cooperative an amount not to exceed $706,145.71 for the design and construction of Electrical power service for Vista Ridge Regional Supply Well Field Facilities 7, 8, and 9.

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 9th day of October, 2018.

_____________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Patricia E. Merritt, Assistant Secretary

Attachment:
  I. Vista Ridge Well Field Facilities Electrical Service Route Exhibit
AGENDA ITEM NO. 24

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 FIRST AMENDMENT TO THE MONITORING WELL SYSTEM CONSTRUCTION, OPERATION AND MAINTENANCE AGREEMENT BETWEEN GONZALES COUNTY UNDERGROUND WATER CONSERVATION DISTRICT, ALLIANCE REGIONAL WATER AUTHORITY, CANYON REGIONAL WATER AUTHORITY, SCHERTZ-SEGUIN LOCAL GOVERNMENT CORPORATION, GUADALUPE-BLANCO RIVER AUTHORITY AND SAN ANTONIO WATER SYSTEM

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The resolution approves and authorizes the execution of the First Amendment to the Monitoring Well System Construction, Operation and Maintenance Agreement between the Gonzales County Underground Water Conservation District, Alliance Regional Water Authority, Canyon Regional Water Authority, Schertz-Seguin Local Government Corporation, Guadalupe-Blanco River Authority and the San Antonio Water System (SAWS) in support of the Regional Carrizo Project.

- SAWS has developed the Regional Carrizo Water Supply Project in Gonzales County to add 11,688 acre-feet of Carrizo Aquifer groundwater to SAWS’ water supply inventory.

- In June 2006, the SAWS filed applications with the Gonzales County Underground Water Conservation District (the “District”) for a permit to produce and transport groundwater for the project.

- In July 2013, the SAWS received a production and transportation permit from the District.

- A special provision of the permit required approval by SAWS of a Monitoring Well Agreement between SAWS and the District requiring the SAWS to install four monitoring wells.

- The District has also issued permits to produce and transport water to the Alliance Regional Water Authority, Canyon Regional Water Authority, the Schertz-Seguin Local Government Corporation, and Texas Water Alliance Limited (collectively with SAWS the “Parties”).
The permits issued to each of the Parties also included a special provision requiring executing of a Monitoring Well System Agreement.

The Parties have mutually determined that the monitoring wells collectively required by the Monitoring Well Agreements can be constructed, operated, and maintained most efficiently and effectively as a single undertaking to be performed by the District with defined funding by the Parties. This Agreement supersedes and replaced the Monitoring Well Agreements.

The total cost among all parties is $915,000 for 19 monitoring wells constructed in three phases during CY2017 and CY2018.

SAWS’ percentage share of the total cost is 21.05 percent, or $192,607.50.

The SAWS Board of Trustees approved the Monitoring Well System Construction, Operation and Maintenance Agreement on January 10, 2017 by Resolution 17-013.

The Parties desire to amend the Agreement to adjust the work schedule and the number of monitoring wells constructed.

The District determined 19 monitoring wells are no longer hydrogeologically required to monitor water levels.

The project now consists of the total number of groundwater monitoring wells that can be constructed and fully equipped for an amount not to exceed the project cost.

Phase 1 of the project is amended to include the installation of at least one monitoring well in Guadalupe County with a completion date of not later than October 31, 2018.

Phase II of the project is amended to include the installation of at least six monitoring wells in Guadalupe and Gonzales Counties with a completion date of not later than June 30, 2020.

Phase III of the project is amended to include the installation of as many new monitoring wells in Guadalupe and Gonzales Counties as can be installed for the amount calculated by subtracting all costs of work performed in Phases I and II and all costs of the final report from the project cost with a completion date of not later than June 30, 2021.
First Amendment to Monitoring Well System Construction, Operation and Maintenance Agreement

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

Expenditures for this Amendment are budgeted in the Financial Plan and will be paid from the System Fund budgeted in CY2019, pursuant to and contingent upon Board approval of the 2019 budget (Company: 1000, Accounting Unit: 5007000, Account Code: 511265, Total 2019 Amount $101,372.38) Expenditures under this Amendment are set forth below.

<table>
<thead>
<tr>
<th>Phase</th>
<th>Year</th>
<th>Cost</th>
<th>Date Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>One</td>
<td>2017</td>
<td>$30,411.78</td>
<td>January 20, 2017</td>
</tr>
<tr>
<td>Two</td>
<td>2017</td>
<td>$60,823.34</td>
<td>September 22, 2017</td>
</tr>
<tr>
<td>Three</td>
<td>2019</td>
<td>$101,372.38</td>
<td>September 2019</td>
</tr>
<tr>
<td>Total</td>
<td></td>
<td>$192,607.50</td>
<td></td>
</tr>
</tbody>
</table>

Approved:

Darren Thompson  
Director  
Water Resources

Donovan Burton  
Vice President  
Water Resources and Governmental Relations

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE FIRST AMENDMENT TO THE MONITORING WELL SYSTEM CONSTRUCTION, OPERATION AND MAINTENANCE AGREEMENT BETWEEN GONZALES COUNTY UNDERGROUND WATER CONSERVATION DISTRICT, ALLIANCE REGIONAL WATER AUTHORITY, CANYON REGIONAL WATER AUTHORITY, SCHERTZ-SEGuin LOCAL GOVERNMENT CORPORATION, GUADALUPE-BLANCO RIVER AUTHORITY AND THE SAN ANTONIO WATER SYSTEM; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE FIRST AMENDMENT TO 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, San Antonio Water System (the “System”) undertook development of a groundwater project in Gonzales County known as the Regional Carrizo Project; and

WHEREAS, effective July 13, 2010, the System received a production permit for the project from the Gonzales County Underground Water Conservation District (the “District”) with a special provision requiring approval by the System of a Monitoring Well Agreement to install four monitoring wells; and

WHEREAS, the District also issued permits to produce and transport water to Alliance Regional Water Authority, Canyon Regional Water Authority, Schertz-Seguin Local Government Corporation, and Texas Water Alliance Limited (Now Guadalupe-Blanco River Authority) (collectively with the System the “Parties”); and

WHEREAS, the permits issued to each of the Parties also included a special provision requiring execution of a Monitoring Well System Agreement; and

WHEREAS, the System's Board of Trustees approved the Monitoring Well System Construction, Operation and Maintenance Agreement on January 10, 2017 by Resolution 17-013; and

WHEREAS, the District has determined that 19 monitoring wells are no longer required to monitor water levels; and
WHEREAS, the Parties and the District desire to amend the Agreement to adjust the work schedule and the number of monitoring wells to be constructed in three phases; and

WHEREAS, the Parties and District further desire to amend the completion dates of all three phases with final project completion by June 30, 2021 and to provide that the total monitoring wells installed must not exceed the budget of $915,000.00; and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) approve the First Amendment to the Monitoring Well System Construction, Operation and Maintenance Agreement between Gonzales County Underground Water Conservation District, Alliance Regional Water Authority, Canyon Regional Water Authority, Schertz-Seguin Local Government Corporation, Guadalupe-Blanco River Authority and the San Antonio Water System, and (ii) authorize the President/Chief Executive Officer or his duly appointed designee to execute the First Amendment to the Monitoring Well System Construction, Operation and Maintenance Agreement; now, therefore:

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

1. That the First Amendment to the Monitoring Well System Construction, Operation and Maintenance Agreement between Gonzales County Underground Water Conservation District, Alliance Regional Water Authority, Canyon Regional Water Authority, Schertz-Seguin Local Government Corporation, Guadalupe-Blanco River Authority and the San Antonio Water System attached hereto as Attachment A is hereby approved.

2. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the First Amendment to the Monitoring Well System Construction, Operation and Maintenance Agreement.

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

5. This resolution becomes effective immediately upon its passage.
PASSED AND APPROVED this 9th day of October, 2018.

________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________
Patricia E. Merritt, Assistant Secretary

Attachment A:
First Amendment to Monitoring Well System Construction, Operation and Maintenance Agreement
FIRST AMENDMENT TO THE
MONITORING WELL SYSTEM
CONSTRUCTION, OPERATION AND MAINTENANCE AGREEMENT

THIS FIRST AMENDMENT TO THE MONITORING WELL SYSTEM CONSTRUCTION, OPERATION AND MAINTENANCE AGREEMENT (the “First Amendment”) is entered into as of the 3rd day of October, 2018 (the “Effective Date”), by and among the GONZALES COUNTY UNDERGROUND WATER CONSERVATION DISTRICT, a groundwater conservation district organized pursuant to the provisions of Article XVI, Section 59 of the Texas Constitution (the "District"), ALLIANCE REGIONAL WATER AUTHORITY, a conservation and reclamation district created under the Texas Special District and Local Laws Code, ch. 11010 (Acts 2017, 85th R.S., ch. 806, General and Special Laws of Texas) (“ARWA”), as successor in interest to HAYS CALDWELL PUBLIC UTILITY AGENCY, an agency and political subdivision of the State of Texas originally organized under the provisions of Chapter 572 of the Texas Local Government Code, CANYON REGIONAL WATER AUTHORITY, a regional water authority organized pursuant to the provisions of Article XVI, Section 59 of the Texas Constitution ("CRWA"); SCHERTZ/SEGUIS LOCAL GOVERNMENT CORPORATION, a non-profit corporation created and existing under the laws of the State of Texas, including Texas Transportation Code Section 431.001 et seq. ("SSLGC"); the CITY OF SAN ANTONIO, TEXAS, acting by and through its San Antonio Water System Board of Trustees ("SAWS"); and GUADALUPE BLANCO RIVER AUTHORITY, a Texas water conservation and reclamation district ("GBRA"), as successor in interest to TEXAS WATER ALLIANCE LIMITED, a Texas corporation. The District, ARWA, CRWA, SSLGC, SAWS, and GBRA are collectively referred to as the "Parties" and individually referred to as a "Party." ARWA, CRWA, SSLGC, SAWS and GBRA are collectively referred to as the "Contributing Parties" and individually referred to as a "Contributing Party.

RECITALS

A. The Parties executed the Monitoring Well System Construction, Operation and Maintenance Agreement dated to be effective on December 30, 2016 (the "Original Agreement") regarding joint funding by the Contributing Parties of monitoring wells for the District’s in satisfaction of the terms and conditions of the Operating Permits issued by the District to the Contributing Parties.

B. The Parties have mutually determined that the Original Agreement should be amended to address, among other things, the transfer of the Operating Permits to ARWA and GBRA; the Work Schedule, and the number of Monitoring Wells.

C. The Parties desire to enter into this First Amendment as set forth herein.

AGREEMENT

NOW THEREFORE, for and in consideration of the mutual promises, covenants, obligations and benefits of this First Amendment, the Parties agree as follows:

ARTICLE I
CONSTRUCTION OF NEW MONITORING WELLS

Section 1: Section 1 of the Original Agreement, relating to “The Project, Percentage Shares of Project..."
Cost,” is hereby amended to read as follows:

Section I. The Project; Percentage Shares of Project Cost. The "Project" shall consist of construction of the total number of groundwater monitoring wells (the "New Monitoring Wells") that can be constructed and fully equipped for an amount not to exceed the “Project Cost” (defined below). The Parties agree that the New Monitoring Wells constructed and equipped under the terms and conditions of this Agreement shall constitute all of the monitoring wells collectively required by the District in connection with the Operating Permits of the Contributing Parties. The Parties agree that the cost of the project shall not exceed NINE HUNDRED FIFTEEN THOUSAND U.S. DOLLARS ($915,000.00) (the "Project Cost"), which sum shall be assessed on a percentage basis to each Contributing Party as shown in the following table:

<table>
<thead>
<tr>
<th>Contributing Party</th>
<th>Percentage Share of Total Cost by Contributing Party</th>
</tr>
</thead>
<tbody>
<tr>
<td>ARWA</td>
<td>21.05%</td>
</tr>
<tr>
<td>CRWA</td>
<td>15.80%</td>
</tr>
<tr>
<td>SSLGC</td>
<td>21.05%</td>
</tr>
<tr>
<td>SAWS</td>
<td>21.05%</td>
</tr>
<tr>
<td>GBRA</td>
<td>21.05%</td>
</tr>
</tbody>
</table>

The New Monitoring Wells shall be drilled at locations that are currently available to or acquired by the District as designated by the General Manager with the approval of the Contributing Parties and, except with respect to the Project Cost, at no acquisition, lease, right-of-way, easement, or other access obligation of or cost to any of the Contributing Parties. The New Monitoring Wells shall be fitted with equipment (the "Monitoring Equipment") for monitoring the groundwater levels in those wells that is compatible with the District's existing monitoring well system equipment, and the New Monitoring Wells, Monitoring Equipment, and all leases, easements or other rights as are necessary for the construction, ownership, operation, maintenance and decommissioning of and access to the New Monitoring Wells and Monitoring Equipment shall be the property and obligation of the District.

Section 2. Section 5 of the Original Agreement relating to “Work Schedule” is amended to read as follows:

Section 5. Work Schedule. The Project shall be conducted in phases that will allow for adjustments in the scope of the Project as provided below. Subject to the Force Majeure provisions of Article III, below, the District shall cause substantial completion of all Project phases to occur not later than June 30, 2021.

Phase I: Phase I of the Project shall include installation of at least one (1) New Monitoring Well in Guadalupe County, Texas, at the location determined by the District and approved by the Contributing Parties. Once Phase I of the Project is concluded the District and the Contributing Parties will convene a
meeting with the hydrogeologic consultant to discuss the results and make any adjustments necessary to the scope of work for the remainder of the Project. Subject to the Force Majeure provisions of Article III, below, the District shall complete Phase I not later than October 31, 2018.

**Phase II:** Phase II of the Project shall include the installation of at least six (6) additional New Monitoring Wells in Gonzales, Caldwell, and/or Guadalupe Counties, Texas, in accordance with the existing or adjusted scope of work for the Project at the locations determined by the District and approved by the Contributing Parties. Once Phase II is concluded, the District and the Contributing Parties will convene a meeting with the hydrogeologic consultant to discuss the results and make any adjustments necessary to the scope of work for the remainder of the Project. Subject to the Force Majeure provisions of Article III, below, the District shall complete Phase II not later than June 30, 2020.

**Phase III:** Phase III of the Project shall include the installation of as many New Monitoring Wells in Gonzales, Caldwell, and/or Guadalupe Counties, Texas as can be installed for the amount calculated by subtracting all costs of work performed in Phase I and Phase II, and all costs of the final report (discussed below) from the Project Cost. The New Monitoring Wells during Phase III shall be installed in accordance with the existing or adjusted scope of work for the Project at the locations determined by the District and approved by the Contributing Parties. This third phase of work shall also include preparation of a final report by the hydrogeologic consultant for submittal by the consultant to the District and the Contributing Parties. Subject to the Force Majeure provisions of Article III, below, the District shall complete Phase III not later than June 30, 2021.

**Section 3.** Section 7 of the Original Agreement relating to “Cost of Project” is hereby amended to read as follows:

Section 7. **Cost of Project.** The Parties agree that the Project Cost includes all costs of the Project, including without limitation: all reasonable costs of design, engineering, materials, labor, construction, and inspection arising in connection with the Project; all payments arising under any contracts entered into for the construction of the Project; all costs for real property interests needed for the Project, including the well sites and temporary and permanent access rights; and all costs incurred in connection with obtaining governmental approvals, certificates, or permits required for the Project (other than any costs imposed by the District). The Parties agree that, based on the current hydrogeological information available, the Project Cost will provide ample funding to complete the Project and is a not-to-exceed cost and budget for the Project. Any costs in excess of the Project Cost required to complete the Project shall be the sole responsibility of the District unless otherwise agreed in writing by the Parties. The Parties agree that funding for Phase I in the amount of $144,474.00 shall be submitted by the Contributing Parties to the District in immediately available funds by February 28, 2017, with each Contributing Party providing their percentage share of that amount by that date. Subject to the provisions of Article IV, Section 11 below, funding for
Phase II (in the amount of $288,947.00 shall be submitted by the Contributing Parties to the District in immediately available funds by October 15, 2017, with each Contributing Party providing their percentage share of that amount by that date. Subject to the provisions of Article IV, Section 11 below, funding for Phase III in the amount of $481,579.00 shall be submitted by the Contributing Parties to the District in immediately available funds by October 15, 2019, with each Contributing Party providing their percentage share of that amount by that date. The percentage share to be paid by each Contributing Party as provided in this Section 7 shall be determined by reference to the percentages under the column heading "Percentage Share of Total Cost by Contributing Party" in the table in Section I of this Article. If the total of the contributed funds for Phases I, II and III exceeds the actual total Project Cost, the District shall make a refund to each of the Contributing Parties, pro rata based on the percentage share paid by each Contributing Party towards the Project, within thirty (30) days of the date the District makes final payment for the Project.

Section 4. Section 8 of the Original Agreement relating to “Notices” is hereby amended to read as follows:

Section 8. Notices. All notices from a Party to any other Party shall be in writing and mailed by Certified Mail, Return Receipt Requested, addressed to all of the other Parties, as follows:

If to the District:
Gonzales County Underground Water Conservation District
522 Saint Matthew Street
PO Box 1919
Gonzales, TX 78629
Attn: General Manager

If to ARWA:
Executive Director
Alliance Regional Water Authority
630 East Hopkins Street
San Marcos, TX 78666

If to CRWA:
General Manager
Canyon Regional Water Authority
850 Lakeside Pass
New Braunfels, TX 78130

If to SSLGC:
General Manager
Schertz/Seguin Local Government Corporation
P.O. Box 833
Seguin, TX 78156
If to SAWS:
President/Chief Executive Officer  
San Antonio Water System  
P.O. Box 2449  
San Antonio, TX 78298

If to GBRA:
General Manager  
Guadalupe-Blanco River Authority:  
933 East Court Street  
Seguin, TX 78155

Any Party may change its address for notice purposes by giving written notice of such change to all other Parties.

**Section 5: Effect on Original Agreement.**

a) Defined Terms. Except as otherwise provided herein, other terms which are not defined in the First Amendment but which are delineated with initial capital letters and are defined in the Original Agreement will have the same meanings in the First Amendment as in the Original Agreement.

b) Effect on Original Agreement. Except as amended by the First Amendment, all terms and conditions of the Original Agreement shall remain in full force and effect.

c) Recitals. The Recitals set forth in Article I, above, are hereby found by all Parties to be true and correct and are incorporated herein and made part of the First Amendment.

d) Multiple Counterparts. To facilitate execution, the First Amendment may be executed in any number of counterparts, and it will not be necessary that the signatures of all Parties be contained on any one counterpart and the signature pages from separate, individually executed counterparts may be combined to form multiple, fully executed counterparts. All executed counterparts of the First Amendment shall be deemed to be originals.

IN WITNESS WHEREOF, the First Amendment has been duly executed and delivered by the duly authorized officer of each Party as of the Effective Date. The President of the District has executed, and the Secretary of the District has attested, this instrument on behalf of said District pursuant to an Order passed and approved by the Board of Directors of the District.

**SIGNATURE PAGES FOLLOW.**
The District:

Gonzales County Underground Water Conservation District
522 Saint Matthew Street
PO Box 1919
Gonzales, TX 78629

By: ____________________________
Printed Name: __________________
Title: __Board President__________
Date: __________________________

ATTEST:

By: ____________________________
Printed Name: __________________
Title: __Board Secretary__________
Date: __________________________
ARWA:

Alliance Regional Water Authority
630 East Hopkins Street
San Marcos, TX 78666

By: ________________________________
Printed Name: ________________________________
Title: ________________________________
Date: ________________________________

ATTEST:

By: ________________________________
Printed Name: ________________________________
Title: ________________________________
Date: ________________________________
CRWA:

Canyon Regional Water Authority
850 Lakeside Pass
New Braunfels, TX 78130

By: __________________________
Printed Name: __________________________
Title: __________________________
Date: __________________________

ATTEST:

By: __________________________
Printed Name: __________________________
Title: __________________________
Date: __________________________
SSLGC:

Schertz/Seguin Local Government Corporation
P.O. Box 833
Seguin, TX 78156

By: __________________________
Printed Name: __________________
Title: __________________________
Date: __________________________

ATTEST:

By: __________________________
Printed Name: __________________
Title: __________________________
Date: __________________________
SAWS:
San Antonio Water System /  
P.O. Box 2449  
San Antonio, TX 78298

By: ___________________________  
Printed Name: ___________________  
Title: ___________________________  
Date: ___________________________

ATTEST:

By: ___________________________  
Printed Name: ___________________  
Title: ___________________________  
Date: ___________________________
GBRA:

Guadalupe-Blanco River Authority:
933 East Court Street
Seguin, TX 78155

By: 
Printed Name: __________________________
Title: __________________________
Date: __________________________

ATTEST:

By: 
Printed Name: __________________________
Title: __________________________
Date: __________________________
TO: San Antonio Water System Board of Trustees

FROM: Tracey B. Lehmann, P.E., 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 TRACT REQUIRING THE SAN ANTONIO WATER SYSTEM FINANCIAL PARTICIPATION IN THE DEVELOPMENT OF INFRASTRUCTURE THROUGH OVERSIZING OR IMPACT FEE CREDITS AND/OR IS LOCATED OUTSIDE THE SAN ANTONIO WATER SYSTEM WATER AND/OR WASTEWATER CERTIFICATE OF CONVENIENCE AND NECESSITY

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution approves a Utility Service Agreement (USA) to provide water and/or wastewater services to a specified tract of land requiring the San Antonio Water System’s (the “System”) 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 Certificate of Convenience and Necessity (CCN).

- This board item consists of one tract, which totals 165 acres; 580 water Equivalent Dwelling Units (EDUs); and 580 wastewater EDUs.

- Board approval is required since the tract requires the System’s financial participation in the development of infrastructure through oversizing or impact fee credits and/or is located outside the System’s water and/or wastewater CCN.

- The Briggs Ranch Tract is located inside the City of San Antonio Extra Territorial Jurisdiction, inside the System’s water CCN and inside the wastewater CCN. The USA provides 580 EDUs of water and 580 EDUs of wastewater services and consists of oversized infrastructure.

- 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 tracts (on-site and off-site).

Staff recommends that the Board approve this resolution.
Utility Service Agreements to the Specified Tracts Requiring Oversizing
And/or Outside the System’s Water and/or Wastewater CCN

<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>JBSA</th>
<th>Board Reason</th>
<th>W CCN</th>
<th>WW CCN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Briggs Ranch Tract</td>
<td>Flotex Developers LLC</td>
<td>165</td>
<td>580</td>
<td>580</td>
<td>COSA ETJ OUTSIDE</td>
<td>Y</td>
<td>OVR</td>
<td>INSIDE</td>
<td>INSIDE</td>
<td>INSIDE</td>
</tr>
</tbody>
</table>

Total: 165 580 580

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  
JBSA = Joint Base San Antonio Buffer Zone

**EXTENT AND CONDITIONS OF UTILITY SERVICE AGREEMENT:**

Upon approval by the System of this USA, the Developer Customer has 36 months to complete the required utility master plan and to start construction. If the 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 Customer is 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:

<table>
<thead>
<tr>
<th>No.</th>
<th>Tract Name</th>
<th>Water Impact Fees</th>
<th>Wastewater Impact Fees</th>
<th>Total Impact Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Briggs Ranch Tract</td>
<td>$2,770,660.00</td>
<td>$1,363,580.00</td>
<td>$4,134,240.00</td>
</tr>
</tbody>
</table>

Total: $2,770,660.00 $1,363,580.00 $4,134,240.00

The System is responsible for providing access to existing general benefit facilities and/or
Utility Service Agreements to the Specified Tracts Requiring Oversizing And/or Outside the System’s Water and/or Wastewater CCN

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>Briggs Ranch Tract</td>
<td>$2,293,200.00</td>
<td>$764,400.00*</td>
<td>$3,057,600.00</td>
<td>25.00%</td>
<td>75.00%</td>
</tr>
</tbody>
</table>

*Note: The Developer is eligible for impact fee credits for their share of the cost for the water infrastructure for the Briggs Ranch Tract.*

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 B. Lehmann, P.E.
Director
Development

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

APPROVED:

Robert R. Puente
President/Chief Executive Officer

Attachments: 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>JBSA</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>Briggs Ranch Tract</td>
<td>Flotex Developers LLC</td>
<td>Mark Sparrow</td>
<td>COSA ETJ OUTSIDE</td>
<td>Y</td>
<td>1080</td>
<td></td>
<td>165</td>
<td>580</td>
<td>580</td>
<td>Polecat Creek-Medina River</td>
<td>OVR</td>
</tr>
</tbody>
</table>

**Total** 165 580 580

**Acronyms:**
- EARZ = Edwards Aquifer Recharge Zone
- OVR = Oversizing
- IFC = Impact Fee Credits
- CZ = Edwards Aquifer Contributing Zone
- WW = Wastewater
- PZ = Pressure Zone
- CoSA = City of San Antonio limits
- ETJ = Extraterritorial Jurisdiction
- JBSA = Joint Base San Antonio Buffer Zone
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING A UTILITY SERVICE AGREEMENT TO PROVIDE WATER AND/OR WASTEWATER SERVICES TO A SPECIFIED TRACT OF LAND REQUIRING THE SAN ANTONIO WATER SYSTEM'S FINANCIAL PARTICIPATION IN THE DEVELOPMENT OF INFRASTRUCTURE THROUGH OVERSIZING OR IMPACT FEE CREDITS AND/OR IS LOCATED OUTSIDE THE SAN ANTONIO WATER SYSTEM'S WATER AND/OR WASTEWATER CERTIFICATE OF CONVENIENCE AND NECESSITY (CCN), SUBJECT TO THE EXPIRATION OF SUCH AGREEMENT IF NOT EXERCISED IN THIRTY-SIX MONTHS; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the Developer Customer, specified in the table below, has requested the San Antonio Water System (the “System”) to provide water and/or wastewater service(s), and has satisfied the requirements of the Board's Regulations for Developer Customer Applicant; and

<table>
<thead>
<tr>
<th>No.</th>
<th>Tract Name</th>
<th>Developer</th>
<th>Acres</th>
<th>educs</th>
<th>WW educs</th>
<th>CoSA / CoSA ETJ</th>
<th>EARZ / CZ</th>
<th>JBSA</th>
<th>Board Reason</th>
<th>W CCN</th>
<th>WW CCN</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Briggs Ranch Tract</td>
<td>Flotex Developers LLC</td>
<td>165</td>
<td>580</td>
<td>580</td>
<td>COSA ETJ</td>
<td>OUTSIDE</td>
<td>Y</td>
<td>OVR</td>
<td>INSIDE</td>
<td>INSIDE</td>
</tr>
</tbody>
</table>

Total: 165 580 580

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 a tract of land requiring 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 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 Agreement 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 is 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 remain 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 9th day of October, 2018.

__________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_______________________________
Patricia E. Merritt, Assistant Secretary

Attachments: Project Site Maps
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 MULTIPLE SEWERSHED PACKAGE 2A PROJECT

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to SAK Construction, LLC, a local, non-SMWVB firm, in the amount of $21,918,562.00 in connection with the Multiple Sewershed Package 2A Project.

- The contract that is the subject of the attached resolution will, if approved, authorize work required by the Consent Decree between the San Antonio Water System, the United States of America, and the State of Texas that was lodged in the United States District Court for the Western District of Texas on July 23, 2013.

- This contract will be used to rehabilitate sewer mains in need of repair based on condition assessment.

- This contract will be for the rehabilitation of approximately 14,910 feet of 24-inch through 84-inch sewer main and related infrastructure by the cured-in-place lining method.

- SAK Construction, LLC has submitted the lowest responsible bid of $21,918,562.00.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2018 Capital Improvement Program. This project is included in the Wastewater Core Business budget line item. The amount is $21,918,562.00 for wastewater related construction work under job number 17-4533.

SUPPLEMENTARY COMMENTS:

CDS Muery Services, Inc. prepared the bid proposal and specifications for the project. The Engineer’s estimated construction cost was $26,778,513.00.
A bid opening was held on September 7, 2018, at 1:30 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>$21,918,562.00</td>
<td>Local/Non–SMWVB</td>
</tr>
<tr>
<td>PM Construction &amp; Rehab, LLC dba IPR South Central</td>
<td>$22,454,920.50</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>Granite Inliner, LLC</td>
<td>$22,877,243.00</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>Insituform Technologies, LLC</td>
<td>$25,480,838.90</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$26,778,513.00</td>
<td></td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents an 18.15 percent decrease from the Engineer’s estimated construction cost.

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

<table>
<thead>
<tr>
<th>Multiple Sewershed Package 2A Project</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>SAK Construction, LLC</td>
<td></td>
</tr>
<tr>
<td>SMWVB Analysis – Board Award</td>
<td></td>
</tr>
<tr>
<td>SBE</td>
<td>17.10%</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>6.58%</td>
</tr>
<tr>
<td>MBE – Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Minority</td>
<td>2.13%</td>
</tr>
<tr>
<td>WBE – Non–Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>SMWVB Total</strong></td>
<td><strong>25.81%</strong></td>
</tr>
</tbody>
</table>
Award of Construction Contract
Multiple Sewershed Package 2A Project

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

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO SAK CONSTRUCTION, LLC IN AN AMOUNT NOT TO EXCEED $21,918,562.00 IN CONNECTION WITH THE MULTIPLE SEWERSHED PACKAGE 2A PROJECT; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $21,918,562.00 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 $21,918,562.00 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, SAK Construction, LLC, a local, non-SMWVB firm, was declared the lowest responsible bidder and has submitted the low responsible bid of $21,918,562.00 for the project work; and

WHEREAS, System funds in the amount of $21,918,562.00 are required for the project work; and

WHEREAS, the total amount of $21,918,562.00 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 award a construction contract to SAK Construction, LLC in the amount of $21,918,562.00 in connection with the Multiple Sewershed Package 2A Project, (ii) to approve the expenditure of funds and make available an amount not to exceed $21,918,562.00 from the System’s Project Fund, and (iii) to authorize 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 $21,918,562.00 for the project work; now, therefore:
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:

1. That a construction contract in an amount not to exceed $21,918,562.00 is hereby awarded to SAK Construction, LLC who is determined to be the lowest responsible bidder in connection with the Multiple Sewershed Package 2A Project.

2. That the expenditure of funds in an amount not to exceed $21,918,562.00 for the project work is hereby approved and made available from the System’s Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with SAK Construction, LLC, and to pay SAK Construction, LLC an amount not to exceed $21,918,562.00 in connection with the Multiple Sewershed Package 2A 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 9th day of October, 2018.

________________________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________________________
Patricia E. Merritt, Assistant Secretary
AGENDA ITEM NO. 29

TO: San Antonio Water System Board of Trustees

FROM: Michael L. Myers, P.E., Director, Plant 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 FOR THE WATER PRODUCTION FACILITIES DISINFECTION SYSTEM UPGRADES PHASE II PROJECT

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract in the amount of $8,613,000.00 to Archer Western Construction, LLC, a local, non-SMWVB company, in connection with the Water Production Facilities Disinfection System Upgrades Phase II Project (the “project”).

- The San Antonio Water System (the “System”) has a multi-year program to replace the chlorine disinfection system with a sodium hypochlorite system, in phases, at 15 primary pump stations.

- For 2018, the Artesia Pump Station, located at 703 AT&T Center Parkway, east of downtown, is programmed for the replacement of the chlorine disinfection system with a sodium hypochlorite system.

- The project will include the construction of an on-site generated sodium hypochlorite system within a new building, two sodium hypochlorite generators, brine pumps, brine storage tank, two sodium hypochlorite storage tanks, injection pumps, electrical work, SCADA controls, programming, demolition of the existing chlorine gas system, a control valve assembly, and general civil site work.

- The sodium hypochlorite solution will be generated on-site through an electrolysis process in which a brine solution is passed across electrodes powered by a low voltage direct current. The process requires salt, softened water, and electricity. Hydrogen gas is also produced in this process and is typically diluted and then vented to the atmosphere. The hypochlorite solution is stored in tanks on-site, and disinfection is accomplished by pumping the solution to the feed points.

- Archer Western Construction, LLC, submitted the lowest responsible bid of $8,613,000.00.

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

The Project Fund will finance this expenditure included in the CY 2018 Capital Improvement Program. This project is included in the Water Delivery Core Business, Production Category budget line item. The amount is $8,613,000.00 for water related work under job number 16-6002.

SUPPLEMENTARY COMMENTS:

Arcadis, U.S., Inc. prepared the bid proposal and specifications for the project. The engineer’s estimated construction cost was $6,752,500.00.

A bid opening was held on September 7, 2018, at 9:00 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>Engineer’s Estimate</td>
<td>$6,752,500.00</td>
<td></td>
</tr>
<tr>
<td>Archer Western Construction, LLC*</td>
<td>$8,613,000.00</td>
<td>Local/Non–SMWVB</td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 27.55 percent increase from the Engineer’s estimated construction cost.

Additionally, the overall SMWVB analysis is shown in the following table:
Water Production Facilities Disinfection System Upgrades Phase II Project

Archer Western Construction, LLC

SMWVB Analysis – Board Award

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>SBE</td>
<td>1.73%</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>4.47%</td>
</tr>
<tr>
<td>MBE – Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Minority</td>
<td>5.45%</td>
</tr>
<tr>
<td>WBE – Non-Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td>SMWVB Total</td>
<td>11.65%</td>
</tr>
</tbody>
</table>

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

APPROVED:

Robert R. Puente
President/Chief Executive Officer

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

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

WATER PRODUCTION FACILITIES DISINFECTION SYSTEM UPGRADES PHASE II

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

WATER PRODUCTION FACILITIES DISINFECTION SYSTEM UPGRADES PHASE II

LEGEND
PROJECT LIMITS
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO ARCHER WESTERN CONSTRUCTION, LLC, IN THE AMOUNT OF $8,613,000.00 IN CONNECTION WITH THE WATER PRODUCTION FACILITIES DISINFECTION SYSTEM UPGRADES PHASE II PROJECT; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $8,613,000.00 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 ARCHER WESTERN CONSTRUCTION, LLC, AND TO PAY ARCHER WESTERN CONSTRUCTION, LLC, AN AMOUNT NOT TO EXCEED $8,613,000.00 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, this contract will be used to replace the chlorine disinfection system with a sodium hypochlorite system at the Artesia Pump Station located at 703 AT&T Center Parkway, east of downtown; and

WHEREAS, the San Antonio Water System (the “System”) has solicited bids for the project work; and

WHEREAS, Archer Western Construction, LLC, a local, non-SMWVB contractor, is declared the lowest responsible bidder and has submitted the low responsible bid of $8,613,000.00 for the project work; and

WHEREAS, System funds in the amount of $8,613,000.00 are required for the project work; and

WHEREAS, the total amount of $8,613,000.00 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 award a construction contract to Archer Western Construction, LLC, in the amount of $8,613,000.00 in connection with the Water Production Facilities Disinfection System Upgrades Phase II Project, (ii) to approve the expenditure of funds and make available an amount not to exceed $8,613,000.00 from the System’s Project Fund for the project work, and (iii) to authorize the President/Chief
Executive Officer or his duly appointed designee to execute a construction contract with Archer Western Construction, LLC, and to pay Archer Western Construction, LLC, an amount not to exceed $8,613,000.00 for the project work; now, therefore:

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

1. That a construction contract in the amount of $8,613,000.00 is hereby awarded to Archer Western Construction, LLC, who is determined to be the lowest responsible bidder, in connection with the Water Production Facilities Disinfection System Upgrades Phase II Project.

2. That the expenditure of funds in an amount not to exceed $8,613,000.00 for the project work is hereby approved and made available from the System’s Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with Archer Western Construction, LLC, and to pay Archer Western Construction, LLC, an amount not to exceed $8,613,000.00 in connection with the Water Production Facilities Disinfection System Upgrades Phase II 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 9th day of October, 2018.

__________________________________
Berto Guerra, Jr., Chairman

ATTEST:

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

FROM: Alissa R. Lockett, P.E., Director, Vista Ridge Integration, 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 WATER INTEGRATION PIPELINE TERMINUS TREATMENT FACILITY PROJECT

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to PLW Waterworks, LLC, a local, non-SMWVB contractor, in the amount of $70,724,755.00, in connection with the Central Water Integration Pipeline Terminus Treatment Facility Project.

- The San Antonio Water System (the “System”) entered into a Water Transmission and Purchase Agreement on November 4, 2014 with Vista Ridge, LLC to provide and deliver an alternate water supply to the System through the Vista Ridge Regional Supply Project. The Central Water Integration Pipeline Project (the “Project”) will deliver water from the Vista Ridge Regional Supply Project to the water distribution system.

- The Project consists of approximately 15 miles of new and existing transmission main beginning at the Agua Vista Station, formerly known as the Terminus Site, in north Bexar County to the Basin Pump Station with intermediate integration points at Bitters and Maltsberger Pump Stations.

- This construction contract for the Central Water Integration Pipeline Terminus Treatment Facility Project includes a water plant with the treatment facilities needed to produce water compatible with other System sources and the existing distribution system piping along with a high service pump station that will serve Stone Oak.

- The Request for Competitive Sealed Proposals (RFCSP) procurement method was used to select the construction contractor. This method allows selection of a contractor based on “best value” to the System. Best value is determined through scoring and ranking proposals using weighted evaluation criteria published in the solicitation.

- PLW Waterworks, LLC submitted the best value proposal for $70,724,755.00.

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 additional work is included in the Water Delivery Core Business, Central Water Integration Pipeline project budget line. The amount is $70,724,755.00 for the Project work under job number 18-8616.

SUPPLEMENTARY COMMENTS:

Tetra Tech, Inc. prepared the plans and specifications for this project. The engineer’s estimated construction cost was $54,948,000.00. Competitive sealed proposals were received on September 14, 2018 at 10:00 AM. PLW Waterworks, LLC provided the best value to the System based on the following published criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team Qualifications and Similar Prior Experience</td>
<td>30%</td>
</tr>
<tr>
<td>Project Approach and Schedule</td>
<td>30%</td>
</tr>
<tr>
<td>Price</td>
<td>30%</td>
</tr>
<tr>
<td>SMWVB</td>
<td>10%</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
</tr>
</tbody>
</table>

The following proposals were submitted:

<table>
<thead>
<tr>
<th>Respondent</th>
<th>Bid Amount</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineer’s Estimate</td>
<td>$54,948,000.00</td>
<td></td>
</tr>
<tr>
<td>PLW Waterworks, LLC*</td>
<td>$70,724,755.00**</td>
<td>Local/Non–SMWVB</td>
</tr>
<tr>
<td>Flatiron Constructors, Inc.</td>
<td>$84,005,037.22</td>
<td>Non–Local/Non–SMWVB</td>
</tr>
</tbody>
</table>

* Best value proposal
** The original bid amount was $75,390,000.00. A cost decrease of $4,665,245.00 was negotiated, resulting in the bid amount shown above.

The bid amount represents a 29 percent increase from the estimated construction cost. This contract requires substantial completion of Phase 1 of the work by December 31, 2019 and for Phase 2 of the work by April 15, 2020. Black & Veatch, under the Program Management and Engineering Services contract for the Central Water Integration Pipeline Project, will inspect the work.
Additionally, the overall SMWVB analysis is shown in the following table:

<table>
<thead>
<tr>
<th>Central Water Integration Pipeline Terminus Treatment Facility Project</th>
<th>SMWVB Analysis – Board Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>PLW Waterworks, LLC</td>
<td></td>
</tr>
<tr>
<td>SBE</td>
<td>0.23%</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>6.96%</td>
</tr>
<tr>
<td>MBE – Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Minority</td>
<td>6.39%</td>
</tr>
<tr>
<td>WBE – Non-Minority</td>
<td>8.48%</td>
</tr>
<tr>
<td>SMWVB Total</td>
<td><strong>22.06%</strong></td>
</tr>
</tbody>
</table>

Alissa R. Lockett, P.E.                                          Andrea L.H. Beymer, P.E.
Director                                                           Vice President
Vista Ridge Integration                                            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 AWARDING A CONSTRUCTION CONTRACT TO PLW WATERWORKS, LLC IN THE AMOUNT OF $70,724,755.00 IN CONNECTION WITH THE CENTRAL WATER INTEGRATION PIPELINE TERMINUS TREATMENT FACILITY PROJECT; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $70,724,755.00 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 PLW WATERWORKS, LLC, AND TO PAY PLW WATERWORKS, LLC AN AMOUNT NOT TO EXCEED $70,724,755.00 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 includes construction of a water treatment plant and high service pump station; and

WHEREAS, the San Antonio Water System (the “System”) has solicited competitive sealed proposals for the project work; and

WHEREAS, PLW Waterworks, LLC, a local, non-SMWVB firm, has submitted a negotiated price proposal in the amount of $70,724,755.00 for the project work, and this respondent has been determined to be the most qualified; and

WHEREAS, System funds in an amount not to exceed $70,724,755.00 are required for the project work; and

WHEREAS, the total amount of $70,724,755.00 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 award a construction contract to PLW Waterworks, LLC in the amount of $70,724,755.00 in connection with the Central Water Integration Pipeline Terminus Treatment Facility Project, (ii) to approve the expenditure of funds and make available an amount not to exceed $70,724,755.00 from the System’s Project Fund for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with PLW Waterworks,
LLC, and to pay PLW Waterworks, LLC an amount not to exceed $70,724,755.00 for the project work; now, therefore:

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

1. That a construction contract in the amount of $70,724,755.00 is hereby awarded to PLW Waterworks, LLC who is determined to be the offeror that submitted the best value proposal in connection with the Central Water Integration Pipeline Terminus Treatment Facility Project.

2. That the expenditure of funds in an amount not to exceed $70,724,755.00 for the project work is hereby approved and made available from the System’s Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with PLW Waterworks, LLC, and to pay PLW Waterworks, LLC an amount not to exceed $70,724,755.00 in connection with the Central Water Integration Pipeline Terminus Treatment Facility 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 9th day of October, 2018.

___________________________________
Berto Guerra, Jr., Chairman

ATTEST:

___________________________________
Patricia E. Merritt, Assistant Secretary
AGENDA ITEM NO. __31__

TO: San Antonio Water System Board of Trustees

FROM: Alissa R. Lockett, P.E., Director, Vista Ridge Integration, 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 WATER INTEGRATION PIPELINE MALTSBERGER PUMP STATION IMPROVEMENTS PROJECT

Board Action Date: October 9, 2018

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to Archer Western Construction, LLC, a local, non-SMWVB contractor, in the amount of $11,144,100.00, in connection with the Central Water Integration Pipeline Maltsberger Pump Station Improvements Project.

- The San Antonio Water System (the “System”) entered into a Water Transmission and Purchase Agreement on November 4, 2014 with Vista Ridge, LLC to provide and deliver an alternate water supply to the System through the Vista Ridge Regional Supply Project. The Central Water Integration Pipeline Project (the “Project”) will deliver water from the Vista Ridge Regional Supply Project to the water distribution system.

- The Project consists of approximately 15 miles of new and existing transmission main beginning at the Agua Vista Station, formerly known as the Terminus Site, in north Bexar County to the Basin Pump Station with intermediate integration points at Bitters and Maltsberger Pump Stations.

- This construction contract for the Central Water Integration Pipeline Maltsberger Pump Station Improvements Project includes replacement of the existing outdoor medium voltage switchgear and motor control centers, a new electrical building, flow control valve assemblies to accept the Vista Ridge water at the Maltsberger and Basin Pump Stations, and two pressure reducing valve assemblies in the water distribution system.

- The Request for Competitive Sealed Proposals (RFCSP) procurement method was used to select the construction contractor. This method allows selection of a contractor based on “best value” to the System. Best value is determined through scoring and ranking proposals using weighted evaluation criteria published in the solicitation.

- Archer Western Construction, LLC submitted the best value proposal for $11,144,100.00.

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 additional work is included in the Water Delivery Core Business, Central Water Integration Pipeline project budget line. The amount is $11,144,100.00 for the Project work under job number 18-8617.

SUPPLEMENTARY COMMENTS:

Tetra Tech, Inc. prepared the plans and specifications for this project. The engineer’s estimated construction cost was $6,797,000.00. Competitive sealed proposals were received on September 7, 2018 at 10:00 AM. Archer Western Construction, LLC provided the best value to the System based on the following published criteria:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team Qualifications and Similar Prior Experience</td>
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<tr>
<td>Project Approach and Schedule</td>
<td>30%</td>
</tr>
<tr>
<td>Price</td>
<td>30%</td>
</tr>
<tr>
<td>SMWVB</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

The following proposals were submitted:

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<tr>
<th>Respondent</th>
<th>Bid Amount</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engineer’s Estimate</td>
<td>$6,797,000.00</td>
<td></td>
</tr>
<tr>
<td>Archer Western Construction, LLC*</td>
<td>$11,144,100.00**</td>
<td>Local/Non–SMWVB</td>
</tr>
<tr>
<td>Alterman, Inc.</td>
<td>$11,802,900.00</td>
<td>Local/Non–SMWVB</td>
</tr>
</tbody>
</table>

* Best value proposal
** The original bid amount was $11,620,000.00. A cost decrease of $475,900.00 was negotiated, resulting in the bid amount shown above.

The bid amount represents a 64 percent increase from the estimated construction cost. This contract includes an intermediate completion milestone of December 31, 2019 and requires substantial completion of the project work by April 15, 2020. Black & Veatch, under the Program Management and Engineering Services contract for the Central Water Integration Pipeline Project, will inspect the work.
Additionally, the overall SMWVB analysis is shown in the following table:

<table>
<thead>
<tr>
<th>SMWVB Analysis – Board Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>SBE</td>
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<tr>
<td>MBE – African American</td>
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<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>

Alissa R. Lockett, P.E.  
Director  
Vista Ridge Integration

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 AWARDING A CONSTRUCTION CONTRACT TO ARCHER WESTERN CONSTRUCTION, LLC IN THE AMOUNT OF $11,144,100.00 IN CONNECTION WITH THE CENTRAL WATER INTEGRATION PIPELINE MALTZBERGER PUMP STATION IMPROVEMENTS PROJECT; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $11,144,100.00 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 ARCHER WESTERN CONSTRUCTION, LLC, AND TO PAY ARCHER WESTERN CONSTRUCTION, LLC AN AMOUNT NOT TO EXCEED $11,144,100.00 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 construction contract includes electrical equipment replacement and a new electrical building at Maltzberger Pump Station, flow control valves at the Maltzberger and Basin Pump Stations to accept Vista Ridge water, and two pressure reducing valves in the water distribution system; and

WHEREAS, the San Antonio Water System (the “System”) has solicited competitive sealed proposals for the project work; and

WHEREAS, Archer Western Construction, LLC, a local, non-SWMVB firm, has submitted a negotiated price proposal in the amount of $11,144,100.00 for the project work, and this respondent has been determined to be the most qualified; and

WHEREAS, System funds in an amount not to exceed $11,144,100.00 are required for the project work; and

WHEREAS, the total amount of $11,144,100.00 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 award a construction contract to Archer Western Construction, LLC in the amount of $11,144,100.00 in connection with the Central Water Integration Pipeline Maltzberger Pump Station Improvements Project, (ii) to approve the expenditure of funds and make available an amount not to exceed
$11,144,100.00 from the System’s Project Fund for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with Archer Western Construction, LLC, and to pay Archer Western Construction, LLC an amount not to exceed $11,144,100.00 for the project work; now, therefore:

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

1. That a construction contract in the amount of $11,144,100.00 is hereby awarded to Archer Western Construction, LLC who is determined to be the offeror that submitted the best value proposal in connection with the Central Water Integration Pipeline Maltzberger Pump Station Improvements Project.

2. That the expenditure of funds in an amount not to exceed $11,144,100.00 for the project work is hereby approved and made available from the System’s Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with Archer Western Construction, LLC, and to pay Archer Western Construction, LLC an amount not to exceed $11,144,100.00 in connection with the Central Water Integration Pipeline Maltzberger Pump Station Improvements 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 9th day of October, 2018.

___________________________________
Berto Guerra, Jr., Chairman

ATTEST:

___________________________________
Patricia E. Merritt, Assistant Secretary