AGENDA

MEETING OF THE
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES
July 2, 2019, 9:00 A.M.
6th Floor Board Room #609
Administrative Offices
2800 U. S. Hwy 281 North, San Antonio, Texas 78212

1. MEETING CALLED TO ORDER.

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

3. Minutes.
   A. Approval of the Minutes of the San Antonio Water System Board of Trustees Regular Board Meeting of May 7, 2019.


5. Public Comment.

SAN ANTONIO WATER SYSTEM
HANDICAPPED ACCESSIBILITY STATEMENT
The San Antonio Water System Buildings and Meeting Rooms are accessible to individuals with disabilities. Accessible visitor parking spaces as well as the accessible entrance and ramp are located at the west side main entrance of the SAWS Headquarters Building, Tower I, 2800 U.S. Highway 281 North. Individuals with disabilities in need of auxiliary aids and services, including Deaf interpreters, must request such aids and services forty-eight (48) hours prior to the meeting. For assistance, contact the Board Administrator at 210-233-3537 or 711 (Texas Relay Service for the Deaf).
CONSENT AGENDA ITEMS

ITEMS CONCERNING THE PURCHASE OF EQUIPMENT,
MATERIALS AND SUPPLIES

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

A. Award of New One Time Purchases of Materials, Equipment and Services.
   1. Approving a one-time purchase from Core and Main to provide: ductile iron pipe, Bid No. 19-19068, for a total of $946,903.10.
   2. Approving a one-time purchase from Kusters Zima Corporation to provide: two mechanically cleaned bar screens with multiple rake blades for the Steven M. Clouse WRC, Bid No. 19-19063, for a total of $204,000.00.

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 sole source bid of Hach Co. to provide annual contract for the supply of Hach miscellaneous products, Bid No. 19-14020, for a total of $161,235.33.
   2. Acceptance of the sole source bid of Infor Public Sector, Inc. to provide annual contract for Hanson Software license maintenance and support, Bid No. 19-1430, for a total of $486,585.82.

CAPITAL IMPROVEMENT CONTRACTS

PROJECTS INVOLVING IMPROVEMENTS,
EXTENSIONS AND ADDITIONAL CAPACITY

Developer Customer Contracts

7. A Resolution awarding a construction contract to Wauters Engineering, LLC in an amount not to exceed $259,999.00 in connection with the Arcadia Plaza 24-inch Oversize (12-inch Required) Water Main Extension Project; approving a contract between the System, Shops at Arcadia Ridge, LLC, and Wauters Engineering, LLC for the project work; authorizing the expenditure of funds in the amount of $194,999.25 for the System’s proportionate share of the project work payable to Wauters Engineering, LLC, and the expenditure of funds in the amount of $19,499.93 for the System’s proportionate share of the engineering design fees payable to Shops at Arcadia Ridge, LLC. (ANDREA BEYMER – TRACEY LEHMANN)
8. A Resolution awarding a construction contract to M5 Utilities, LLC in an amount not to exceed $261,114.00 in connection with the Sarfani Plaza 24-inch Oversize (12-inch Required) Water Main Extension Project; approving a contract between the System, Aamshu, Inc., and M5 Utilities, LLC for the project work; authorizing the expenditure of funds in the amount of $195,835.50 for the System’s proportionate share of the project work payable to M5 Utilities, LLC, and the expenditure of funds in the amount of $19,583.55 for the System’s proportionate share of the engineering design fees payable to Aamshu, Inc. (ANDREA BEYMER – TRACEY LEHMANN)

Water and Sewer Line Improvements

9. A Resolution awarding a construction contract to D Guerra Construction, LLC in an amount not to exceed $1,160,423.20 in connection with the Multiple Sewershed Package 6B Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

10. A Resolution awarding a professional services contract to Weston Solutions, Inc. in an amount not to exceed $728,965.00 in connection with the Basin Planning Consultants (BPC) East Package 3. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

11. A Resolution awarding a professional services contract to Jones & Carter, Inc. dba Jones|Carter in an amount not to exceed $238,180.00 in connection with the 2019 Small Capacity Constraints II Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

12. A Resolution approving additional expenditures to the existing professional services contract with CH2M Hill, Inc. in an amount not to exceed $140,265.00 in connection with the C13 Broadway Corridor – Josephine St. to South Alamo St. Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

Production, Transmission and Treatment Improvements

13. A Resolution approving Change Order No. 8 in an amount not to exceed $263,650.65 to the construction contract with Archer Western Construction, LLC in connection with the Zarzamora Pump Station Improvements Project. (ANDREA BEYMER – JOE CARRENO)

14. A Resolution awarding a professional services contract to Arcadis U.S., Inc. in an amount not to exceed $1,390,945.00 in connection with the Water Production Facilities Disinfection System Upgrades Phase III Project. (ANDREA BEYMER – JUAN GOMEZ)

15. A Resolution approving additional expenditures to the existing professional services contract with Alan Plummer and Associates, Inc. in an amount not to exceed $129,461.00 in connection with the Feathercrest and Stone Ridge Lift Stations Upgrades Project. (ANDREA BEYMER – JUAN GOMEZ)

REPLACEMENT AND ADJUSTMENT PROJECTS

Governmental Relocations and Replacements

16. A Resolution authorizing expenditures in an amount not to exceed $112,917.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2017 Bond Program Pedestrian Mobility & Streets Task Order Contract Package 4. (ANDREA BEYMER – GAIL HAMRICK-PIGG)
17. A Resolution authorizing expenditures in an amount not to exceed $248,969.83 for the replacement of water facilities by the City of San Antonio in connection with the E. Highland Blvd. Drainage: St. Anthony to New Braunfels Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

18. A Resolution approving an Interlocal Agreement with the Texas Department of Transportation for reimbursement of funds in the amount of $93,878.00 for the construction costs, consultant services fees, and the System’s staff costs relating to the construction of the water facility adjustments in connection with the IH 410 from US 90 to Ingram Rd Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

19. A Resolution awarding a professional services contract to K Friese & Associates, Inc. in an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package I. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

20. A Resolution awarding a professional services contract to LNV, Inc. in an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package II. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

21. A Resolution awarding a professional services contract to Lockwood, Andrews & Newnam, Inc. in an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package III. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

EASEMENT AND REAL PROPERTY

22. A Resolution approving a settlement agreement in the total amount of $68,581.35 with Charles H. Moore, in settlement of condemnation litigation for the acquisition of two permanent waterline easements containing 0.316 acres located on the southwest quadrant of Bexar County and the northwest quadrant of Atascosa County, Texas, for the Hume Road Water Main Replacement Project. (NANCY BELINSKY – BRUCE HABY)

MISCELLANEOUS ITEMS

23. A Resolution awarding a construction contract to T Construction, LLC in an amount not to exceed $1,308,545.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 5. (MICHAEL BRINKMANN – LEAMON ANDERSON)

24. A Resolution awarding a construction contract to Bartek Construction Co. in an amount not to exceed $1,359,270.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 6. (MICHAEL BRINKMANN – LEAMON ANDERSON)

25. A Resolution awarding a construction contract to T Construction, LLC in an amount not to exceed $1,327,295.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 7. (MICHAEL BRINKMANN – LEAMON ANDERSON)
26. A Resolution awarding a construction contract to Facilities Rehabilitation, Inc. in an amount not to exceed $1,330,575.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 8.  
(MICHAEL BRINKMANN – LEAMON ANDERSON)

27. A Resolution awarding a consulting services contract to Arcadis U.S., Inc. in an amount not to exceed $1,609,935.00 in connection with 2019 Risk and Condition Assessment of Water Distribution Mains.  (ANDREA BEYMER – TRACEY LEHMANN)

28. A Resolution approving additional expenditures to the existing services contract with Olameter, Inc. in an amount not to exceed $1,450,289.16 and to extend the contract term to July 31, 2021 in connection with meter reading services.  
(MARY BAILEY – MARTY MARTINEZ)

29. A Resolution approving funds in an amount not to exceed $700,000.00 in connection with the design and construction of electrical service for the Vista Ridge Regional Supply Project pipeline cathodic protection system in fulfilling obligations to establish electric power service.  (DONOVAN BURTON – MARTY JONES)

ITEMS FOR INDIVIDUAL CONSIDERATION

30. A Resolution accepting an offer in the amount of $2,775,000.00 for the sale of approximately 326.71 acres being a portion of the Straus Ranch located east of W.T. Montgomery Road and north of the Medina River, in Bexar County, Texas; approving a purchase agreement with Bigelow Texas Development Services, LLC; affirming a four percent commission to be paid to Cano and Company at closing and authorizing payment of closing costs up to $15,500.00 at closing.  
(NANCY BELINSKY – BRUCE HABY)

31. A Resolution approving a consulting agreement with Raftelis Financial Consultants, Inc. in an amount not to exceed $462,430.00 for consulting services in connection with the 2019 Cost of Service and Rate Design Study.  
(DOUG EVANSON – MARY BAILEY)

32. A Resolution awarding a consulting services contract to Vass Solutions, LLC in an amount not to exceed $1,967,556.00 for consulting services in connection with Phases 1 and 2 of the Advanced Metering Infrastructure (AMI) Project.  
(MARY BAILEY – JOSE DE LA CRUZ)

CAPITAL IMPROVEMENT CONTRACTS

PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

Water and Sewer Line Improvements

33. A Resolution awarding a construction contract to S.J. Louis Construction of Texas, Ltd. in an amount not to exceed $26,961,646.89 in connection with the E-20: Wurzbach Parkway Project – Segment 1.  (ANDREA BEYMER – GAIL HAMRICK-PIGG)
34. A Resolution awarding a construction contract to D Guerra Construction, LLC in an amount not to exceed $3,435,378.28 in connection with the Lift Station 251 Elimination Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

35. BRIEFING SESSION.
   A. Briefing and deliberation regarding Citizens Advisory Panel Benchmarking: SAWS Brackish Groundwater Desalination Program
   B. Briefing and deliberation regarding the Vista Ridge Project
   C. Briefing and deliberation regarding the 2019 Cost of Service and Rate Design Study

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

37. The Regular Session of the July 2, 2019, 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.

38. EXECUTIVE SESSION.
   B. Deliberation and consultation with attorneys regarding the annual evaluation, performance objectives and duties of the President/Chief Executive Officer pursuant to Texas Government Code §551.074 and §551.071, respectively.
   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 Texas Government Code §551.071.

39. The Regular Session of the Regular Board Meeting of July 2, 2019, is hereby reconvened.

40. Deliberation and possible action regarding the compensation for Robert R. Puente, President/Chief Executive Officer.
   (BERTO GUERRA, JR., CHAIRMAN, BOARD OF TRUSTEES)

41. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF JULY 2, 2019, IS HEREBY ADJOURNED.
MEETING OF THE
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES
May 7, 2019, 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
Pat Jasso, Vice Chair
Amy Hardberger, Secretary
Pat Merritt, Assistant Secretary
David P. McGee, Trustee
Eduardo Parra, Trustee

Board Members Absent:
Ron Nirenberg, Mayor

1. MEETING CALLED TO ORDER.

The meeting of the San Antonio Water System Board of Trustees was held on May 7, 2019, and called to order at 9:00 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 March 12, 2019.

Chairman Guerra asked if there were any corrections to the minutes. Hearing none, he stated the minutes were approved as presented.
4. **Ceremonial and Recognition Items.**

None

5. **Public Comment.**

Dr. Meredith McGuire stated she was co-chair of the conservation committee of the San Antonio Sierra Club and Trinity University professor. She spoke to agenda Item 22D, the 2019 Cost of Service and Rate Design Study. She recommended a report to the Board by the National Academy of Public Administration that included rate structures that would provide income for the City to fix infrastructure and prepare for future needs and, at the same time, protect the lower income families. She discussed her participation in past Rate Advisory Committee meetings, and urged the Board to select a rate contractor who could make sure this was done with the public’s interest.

Dr. Terry Burns stated he was chair of the Alamo Sierra Club, which opposed Vista Ridge. He discussed Mayor Nirenberg’s comments from August 2017, regarding a comprehensive and public report of the status of Vista Ridge. He urged the Board, Mayor and City Council to order and fund such a review of the Vista Ridge Project. He asked that alternative rate structures be reviewed in detail by the Rate Advisory Committee and a new contractor be selected who would promote a fair process of exploring different rate structures.

Wendell Fuqua stated he signed up to give his minutes to the others, but did not understand that wasn’t the policy.

Ellen Berky stated, like Dr. McGuire and Dr. Burns, she had been involved in the discussion about rates and Vista Ridge for a long time. She stated she testified last month in front of Chairman Larson’s Natural Resources Committee against a bill that would essentially deplete another aquifer due to Vista Ridge pumping. She pointed out that it was clearly not in the interest of the communities in northern Texas who would risk permanent damage to their aquifer by the depletion the 50,000 acre-feet per year would do.

Jessica Guerrero stated she lived in the southeast side of San Antonio and worked with Fuerza Unida located in the southwest side of San Antonio. She requested an equitable, transparent process to improve the current SAWS rate structure. Fuerza Unida was formed out of the mass labor displacement of thousands of mostly women workers when Levi-Strauss cold shuttered their factories in 1990. For too many years, many neighborhoods throughout San Antonio have endured low wages, job insecurity, housing insecurity and climate threats. She requested that the Board make every effort to hire an agency that would also ground their efforts in public direction and public service.

Yaneth Flores stated she was with the U.S. Council Center and spoke to Item 22D. She asked the Board to commit to a fair and transparent rate study process. The cost of living had increased drastically so the Board must be conscious of the impact that these hikes have on families. She stated it was important to ensure that the most vulnerable in the city were able to thrive, and the Board should keep that in mind when selecting a company.
CONSENT AGENDA ITEMS

Items 6 – 18

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 CB Solutions, LP to provide: Endress Hauser 91 Series and 93 Series Clamp on Meters, Bid No. 19-19013, for a total of $178,870.40.

2. Approving a one-time purchase from Elliott Electric Supply, Inc. to provide: heat sink coolers for electrical and instrumentation sealed enclosures, Bid No. 19-19012A, for a total of $108,605.00.

3. Approving a one-time single source purchase from Beamex, Inc. to provide: high accuracy field calibrators and communicators, Bid No. 19-19011, for a total of $142,279.00.

4. Approving a one-time purchase from Ancira Enterprises, Inc. to provide: eighteen each 6,300 GVWR (minimum) 4x2 wide and short bed (no outside fenders) extended, club, double, super cab pickup trucks, Bid No. 19-19016, for a total of $423,720.00.

5. Approving a one-time purchase from Gunn Chevrolet, Ltd. to provide: nine each 6,300 GVWR (minimum) 4x4 wide and short bed (no outside fenders) extended, club, double, super cab pickup trucks, Bid No. 19-19016, for a total of $250,597.35.

6. Approving a one-time purchase from Brisk Worldwide, LLC to provide: 120 each, 120 volt standby uninterruptible power supply units for instrumentation, Bid No. 19-19032, for a total of $117,114.00.

7. Approving a one-time purchase from Mission City Electric, Inc. to provide: one each, 150 kilowatt standby uninterruptible power supply units for instrumentation, Bid No. 19-19032, for a total of $184,668.00

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 McCombs HFC, Ltd. to provide: annual contract for Ford Captive service and competitive parts, Bid No. 19-0387, for a total of $271,255.29.
2. Acceptance of the bid of Gajeske, Inc. to provide: annual contract for high density polyethylene (HDPE) pressure pipe and tubing for water supply lines, Bid No. 19-19007, for a total of $628,490.75.

3. Acceptance of the single source bid of DLT Solutions, LLC to provide: annual contract for Appdynamics Pro Edition, (DIR-TSO-4054), Bid No. 19-19037-2, for a total of $183,102.84.

4. Acceptance of the bid of Airgas to provide: annual contract for single gas and multi-gas detectors and accessories, Bid No. 19-7030, for a total of $194,655.34.

5. Acceptance of the best value bid of Alterman, Inc. to provide: annual contract for security system maintenance and repair services, Bid No. 19-14108, for a total of $400,000.00.

6. Acceptance of the bid of Polydyne, Inc. to provide: biennial contract for Polymer, Bid No. 19-1107, for a total of $2,316,570.00.

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

7. A Resolution awarding a construction contract to Pesado Construction Company in an amount not to exceed $2,508,536.00 in connection with the Ladera – Offsite Water Line Project; approving a contract between the System, Ladera I, LLC, and Pesado Construction Company for the project work; authorizing the expenditure of funds in the amount of $1,266,324.54 for the System's proportionate share of the project work payable to Pesado Construction Company and the expenditure of funds in the amount of $126,632.45 for the System's proportionate share of the engineering design fees payable to Ladera I, LLC. (ANDREA BEYMER – TRACEY LEHMANN)

Water and Sewer Line Improvements

8. A Resolution awarding a construction contract to Texas Pride Utilities, LLC in an amount not to exceed $675,936.28 in connection with the Multiple Sewershed Package 9 Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

9. A Resolution awarding a construction contract to Texas Pride Utilities, LLC in an amount not to exceed $1,879,150.00 in connection with the 2019 Unspecified Pipe Bursting Contract. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

10. A Resolution approving Change Order No. 3 in an amount not to exceed $122,373.00 to the construction contract with Cruz Tec, Inc. in connection with the 2017 CIPP & Pipeburst Construction Contract. (ANDREA BEYMER – JOE CARRENO)
11. A Resolution awarding a professional services contract to Bain Medina Bain, Inc. in an amount not to exceed $475,000.00 in connection with the 2019 Water Main Replacement Work Order Engineering Contract – Package I. (ANDREA BEYMER – JUAN GOMEZ)

12. A Resolution awarding a professional services contract to RPS Infrastructure, Inc. in an amount not to exceed $475,000.00 in connection with the 2019 Water Main Replacement Work Order Engineering Contract – Package II. (ANDREA BEYMER – JUAN GOMEZ)

Production, Transmission and Treatment Improvements

13. A Resolution approving Change Order No. 1 in an amount not to exceed $1,525,558.80 to the construction contract with MGC Contractors, Inc. in connection with the Central Water Integration Pipeline – Bitters Pump Station and Segment 5-3 Project. (ANDREA BEYMER – ALISSA LOCKETT)

14. A Resolution awarding a professional services contract to BGE, Inc. in an amount not to exceed $1,146,816.00 in connection with the Lift Stations Rehabilitation Phase 5 Project. (ANDREA BEYMER – JUAN GOMEZ)

REPLACEMENT AND ADJUSTMENT PROJECTS

Governmental Relocations and Replacements

15. A Resolution approving an Interlocal Agreement with the City of Castle Hills; authorizing the expenditure of funds in an amount not to exceed $1,406,572.35 for the joint construction of water and sewer facility replacements in connection with the Castle Hills Phase III Antler Drive Project. (ANDREA BEYMER – GAIL HAMRICK-PIGG)

EASEMENT AND REAL PROPERTY

16. A Resolution approving the acquisition of a permanent sewer line easement being approximately 0.801 acres from Mill Bridge Associates, Ltd., a Texas Limited Partnership, and located outside Loop 410 in the vicinity of Salado Creek and Wurzbach Parkway, in the northeast quadrant of Bexar County, Texas in connection with the E-20 Wurzbach Parkway Project in an amount not to exceed $125,000.00. (NANCY BELINSKY – BRUCE HABY)

17. A Resolution declaring a public necessity for public use, the acquisition of certain privately owned real property in the City of Helotes being permanent easements and temporary construction easements for the Helotes Creek Gravity Main and Lift Station #246 Elimination Project in the northwest quadrant of Bexar County, Texas, which easements shall be acquired by negotiation and/or condemnation, if necessary, for the public use of the expansion and operation of the System through the construction of the project; requesting that the City Council of the City of San Antonio adopt an ordinance reaffirming and declaring that the project is for a public use and a public necessity exists for the acquisition of the easements and authorizing the System to take all appropriate action to acquire the easements by negotiation and/or condemnation. Project Located: CB 4480, 4482, 4554, 4555, 4556, 5736. (NANCY BELINSKY – BRUCE HABY)
MISCELLANEOUS ITEMS

18. A Resolution awarding consulting services contracts to Credit Systems International, Inc. and Online Information Services, Inc. in the total amount not to exceed $1,000,000.00 in connection with third party collection services.

(MARY BAILEY – EYENEMI DICKSON HOGUE)

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 – 18. Mr. McGee seconded the motion.

Consent Agenda Items 6 – 18 were unanimously approved. Electronic voting.

ITEMS FOR INDIVIDUAL CONSIDERATION

CAPITAL IMPROVEMENT CONTRACTS

PROJECTS INVOLVING IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

Water and Sewer Line Improvements

19. A Resolution awarding a construction contract to Cruz Tec, Inc. in an amount not to exceed $5,513,199.18 in connection with the Multiple Sewershed Package 6A Project.

(ANDREA BEYMER – GAIL HAMRICK-PIGG)

Gail Hamrick-Pigg presented Item 19, award of construction contract for the Multiple Sewershed Package 6A Project. The condition project was part of the Consent Decree and would address large diameter sewer main that required rehabilitation due to condition. The project scope included 8,255 feet of 21-inch to 48-inch main and would use the cured-in-place trenchless rehabilitation method. The 16 project locations were throughout San Antonio. The construction duration would be 365 days.

Five bids were received that ranged from $5.5 million to almost $7 million. The low responsible bidder was Cruz Tec, Inc. with a bid in the amount of $5,513,199.18. The bid represented a 1.5 percent increase from the engineer's estimate, and the total SMWVB participation was 76 percent. Cruz Tec, Inc. had successfully completed three similar projects for SAWS, and were working on another two with one almost complete.

Staff recommended the award of the construction contract to Cruz Tec, Inc. in an amount not to exceed $5,513,199.18.

Mr. Parra made a motion to approve Item 19. Ms. Merritt seconded the motion.

After no further discussion, Item 19 was unanimously approved. Electronic voting.
MISCELLANEOUS ITEMS

20. A Resolution authorizing the defeasance and redemption of certain currently outstanding City of San Antonio, Texas Water System revenue obligations; recommending and requesting that the San Antonio City Council take action with respect to the redemption of such obligations. (DOUG EVANSON)

Phyllis Garcia presented both Items 20 and 21 regarding revenue obligations and an update to last month’s briefing on cash defeasance and refunding opportunities. She reviewed SAWS debt portfolio with multiple issues that had call dates between now and May 2022, and the issues that were good candidates to defease with cash to lower future debt service. Also, bonds that had call dates within the next year could be refunded for debt service savings based on current interest rates.

Staff was reviewing the options along with the co-financial advisors that would provider interest and debt service savings. Other factors included the timing of the call date, the impact on annual debt service, the potential to reduce funds from the Senior Lien Reserve Fund, and the structure of the existing debt portfolio. Based on the criteria, approximately $168 million of bonds were identified as candidates to cash defeasance focusing on maturities between 2020 and 2028. These included approximately $16.5 million of Senior Lien Series 2009B Build America Bonds, $23.5 million of Senior Lien Series 2011A, approximately $107.3 million of Senior Lien Series 2012, and $20.6 million of Senior Lien Series 2012A Bonds.

Prior to the defeasance, SAWS debt portfolio had approximately $200 million of debt service annually through 2028, with a dip to $165 million through 2037, except for 2034, which would most likely be addressed with the proposed refunding. Currently the Senior Lien Reserve Fund requirement, which was based on the Senior Lien Maximum Annual Debt Service, was $81.4 million based on debt service in 2028. After the proposed cash defeasance, the debt service would be more level from 2022 through 2037, and 2034 would be addressed at the refunding. The Senior Lien Reserve Fund requirement was reduced to approximately $57 million, a reduction of about $27 million. With defeasance, debt service between 2020 and 2028 was reduced by approximately $212 million, ranging from $12.6 million in 2020 to $33.6 million in 2027.

In addition to the defeasance, there were multiple series of bonds with call dates between now and next May. She reviewed the bonds that could be called in May 2019. Based on current interest rates and after the proposed defeasance, $61.3 million could be refunded to produce debt service savings, generating net present value savings of $4.7 million or 7.6 percent. Bonds with a call date in May 2020, could generate $30.9 million in savings or 16.8 percent from refunding approximately $183.8 million in bonds.

Staff recommended approval of Item 20, requesting City Council approve a resolution for cash defeasance up to $175 million of bonds, making a cash deposit in an amount not to exceed $180 million.

Ms. Jasso made a motion to approve Item 20. Mr. McGee seconded the motion.
After no further discussion, Item 20 was unanimously approved. Electronic voting.

21. A Resolution recommending and requesting that the San Antonio City Council take certain actions with respect to the issuance and sale of one or more series of obligations designated as “City of San Antonio, Texas Water System Junior Lien Revenue and Refunding Bonds (No Reserve Fund)” as further designated by series, and interest rate convention; the approval of an offering document relating to each series of the aforementioned series of obligations. (DOUG EVANSON)

Staff recommended approval of Item 21, requesting City Council authorize an ordinance to issue refunding bonds in one of more series in an amount not to exceed $306,085,000 for debt service savings.

Mr. McGee made a motion to approve Item 21. Ms. Hardberger seconded the motion.

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

22. BRIEFING SESSION.

A. Briefing and deliberation regarding the Vista Ridge Project

Marty Jones provide an update of the Vista Ridge construction. Garney had installed approximately 128 miles of the 142-mile pipeline and was 90 percent complete. Well field construction in Burleson County was also moving along as planned. All 18 wells were drilled and the well pumps were being set. Construction for the well sites was about 45 percent complete. Construction of the high service pump station that was located next to the well field was about 75 percent complete. This was where the ground water would be collected, treated and cooled before the water was pumped to San Antonio. Garney was currently working on the pump station piping, installation of electrical gear, and installation of the disinfection system equipment. Construction at the two intermediate pump stations was also progressing quickly. Tank construction was complete at both sites, and the electrical gear, pumps and piping were being installed in both sites. Intermediate Pump Station No. 1 near Elgin was about 65 percent complete, and Intermediate Pump Station No. 2 near Seguin was about 80 percent complete. There were 48 different cathodic protection stations along the pipeline that would all have the rectifiers to bring power to stations. Garney had started the construction of those and was about 10 percent.

He discussed SAWS obligation to provide electrical service to all of the Vista Ridge facilities. Staff was working with four different electrical service providers to get power to those 48 different cathodic protection stations. Staff would work with all of the providers in the coming weeks and months to get the electrical service to the remaining cathodic protection stations. Staff recently reviewed the project company's first draft of the start-up and commissioning plan. The plan lays out the required steps and coordination efforts for the upcoming performance tests to take place in January 2020, and for the start-up at commercial operation planned for April 2020. The project company's final start-up and commissioning plan was expected in the coming weeks. The project company was working with EPCOR to develop the 2020 budget for the operations and maintenance of the Vista Ridge Supply System. SAWS staff attended the meeting and provided feedback and shared
past experiences. The finalized O&M budget would be provided to SAWS in September.

The O&M budget panel would be selected by SAWS and the project company to review the budget, project efficiency, and submitted costs for the operations and maintenance of the Vista Ridge Supply System. SAWS and the project company were exploring options on the budget panel makeup. Both parties agreed that the qualification parameters that were currently listed in the WTPA were extremely tight and there may be a better process for panel selection and structure. For example, both sides believed that there may be some advantages to having a three or four-member inaugural panel versus the five-member panel currently listed in the WTPA, and there might be some other advantages in relaxing some of the restrictions on the qualifications of the panel list to ensure eligibility of the industry experts. Staff was exploring some of the different options and would come back to the Board for any proposed changes to the current process.

He discussed photos from the Vista Ridge tour that included Trustees Jasso, McGee and Parra and SAWS executives. The tour consisted of the construction at the Aqua Vista Station in Stone Oak and the Vista Ridge pipeline up to the wellfield in Burleson County. DN Tanks provided an update of the Aqua Vista ground storage tank. Atkinson provided a tour of the tunnel shaft at Agua Vista and gave an update on the Segment 5-1 tunnel progress. The group was able to view the tunnel boring machines drilling one of the two seven-foot diameter tunnels that would extend from the Agua Vista site to the corner of Loop 1604 and Stone Oak Parkway, right by Cornerstone Church. Garney provided a brief introduction to the pipe-laying process for the 60-inch steel pipe. The group was able to watch the first Vista Ridge well pump going into one of the Carrizo wells in the Burleson County wellfield and Weisinger install and assemble some of the piping. The last stop was the Vista Ridge High Service Pump Station and the four-story cooling tower that would cool all the Vista Ridge water before it comes to San Antonio.

Ms. Merritt inquired about the date of completion for the project. Mr. Jones replied that Garney's portion of the project would be done this summer so they could start testing the SCADA system. There would be power to the well fields in a few weeks so Garney could start moving water from the well field up to the high service pump station to run and check pumps. In December, Garney would start sending some water down the pipeline towards San Antonio in preparation for the testing that would take place in January 2020. The testing was a contractual obligation where Garney had to demonstrate the system meets all the requirements of WTPA and the water meets the water quality requirements listed in the WTPA. The testing would last about 30 days. At the end of testing, commercial operation would start in April 2020.

Ms. Merritt asked if there were any penalties for Garney if the project was not completed by 2020. Mr. Jones replied the penalty for Garney would be that they would not make the revenue projected for 2020. Every day that Garney was not sending water to SAWS, they were not getting paid for that water. If SAWS was not ready, there were some penalties, but the revenue from the water was the real incentive for both parties.

Mr. McGee thanked staff for a great tour. He appreciated seeing the quality of the work, the attention to safety, and just the attention to neighbors and being mindful of what we're doing.
B. Briefing and deliberation regarding the 2019 State Legislative Agenda

Donovan Burton provide a brief update on SAWS Legislative Agenda. There were 20 days left in the Legislative Session, but then the Governor's veto period was another 20 days. The Transfer Permit Extension bill passed the House and was over in the Senate. The bill would align the groundwater transport permit with the production permits. There had been some talk about further amendments, but the bill was on the Senate floor to be heard. The Brackish Groundwater bill would require some favorable rules to incentivize development of brackish water. This bill passed the House pretty much unanimously and was on the Senate side. It had not been heard in Senate Committee, but was in decent shape in terms of procedures. The EAA Military Use bill would allow water provided by SAWS to the military base to not be counted against our permit, if the military reduced pumping. The bill passed the full Senate and was now Senate Bill 881. The bill passed the House Committee and was waiting to be heard on the House floor. Finally, the flexibility on the use of Edwards Aquifer water would allow SAWS more flexibility on how to use Edwards Aquifer water outside of the boundaries of the Edwards Aquifer Authority. This bill had a few more changes to it. At the last Board Meeting, we discussed limiting the total amount of up to 6,000 acre-feet of wholesale that could be used outside of the boundary. There was a House floor amendment that would require Kendall County consent over 1,500 acre-feet up to the cap of 6,000 acre-feet. There was some discussion with local Kendall County residents and the Kendall County State Representative who filed the amendment on the House floor. The amendment also made a further clarification that specifically changed to be only within SAWS CCN. The bill was out of the full House and the Senate Committee was supposed to have a hearing on it yesterday. The Senate decided to talk about the school finance issues so that this issue got pushed off until later this week.

He reviewed some of the other bills staff was working on during the session. SAWS had largely been excluded from the eminent domain bill, and the bill focused more on the oil and gas industry. Lead pipes continued to be a discussion, and the proposed bill would require water utilities across the state to go into all public schools to change out all of the piping. That bill ultimately was stopped. This issue would continue to have discussions at the state level, but the question was more of who was the appropriate entity to deal with lead pipes. Several contracting bills focused on taking some of the power and putting it in the hands of contractors. Staff had a discussion with a lot of different contracting representatives and how owners dealt with contracts and bidding. There were several bills in terms of water rates. The biggest one would prohibit water utilities from charging customers that had been de-annexed from cities in water rates.

Ms. Hardberger commented on her concerns with Campbell’s SB 422 that discussed fees in the ETJ and the bill’s potential effect on impact fees. Mr. Burton responded the bill prohibited cities from charging fees and fines in areas that had de-annexed from the city. Obviously, the bill had a bigger impact than expected for SAWS services and CPS Energy services. Staff was talking to Representative Cecil Bell on the House side and specifically with Senator Campbell’s chief of staff on this issue.

Mr. Puente stated Senator Campbell called him and he reminded her about the amendment language that Donovan was working on with her chief of staff. He asked Senator Campbell to make sure that she was amenable to some of that language to address the unintended consequences. It was just a matter of making sure that language gets on the bill.
C. Briefing and deliberation regarding the Quarterly Financial Reports

Cecilia Velasquez provided the First Quarter Financial Report. Overall, the financial results for the first quarter of 2019 were favorable. O&M expenses, non-operating revenues, and interest expenses contributed to the overall favorability for the increase in net position before capital contributions. These favorable variances offset the unfavorable variances and revenues. December had above average rainfall, while January and February had several days with traces of rain and cloudy conditions. As a result, billed water usage was 7.4 percent less than budget and 1.7 percent less than this time last year. Operating revenues were unfavorable to budget by $6.7 million, but $6.2 million more than the same period last year. An increase in operating revenues from 2018 was primarily due to the 8 percent wastewater rate adjustment that went into effect on February 1, 2019. Operating expense before depreciation was $7.6 million or 9.1 percent favorable to budget, primarily due to timing differences in certain contractual services, maintenance expenses, and salaries. Operating expenses before depreciation was $1.6 million more than this time last year. This unfavorable variance was primarily due to increased spending on employee health insurance and salaries. Interest and other debt related expenses were favorable to budget by $4.3 million, primarily due to the timing of the plan debt issuances. Impact fees were very strong during the first quarter exceeding both budgets and prior year. Customer growth of 1.7 percent since last year was in line with budget expectations. Overall, the increase in net position was $59.5 million with $14.3 million favorable to budget.

SAWS financial position continued to show improvement year over year. The increase in Net Position was $273 million over the last 12 months. Particularly, the $127 million increase in unrestricted net position certainly indicated this improvement. In addition, unrestricted investments increased $207 million during the last 12 months.

SAWS financial metrics also continued to show a strong performance. Total debt coverage ratio showed a 1.98 times, which was a slight decrease but still more than the target metric of 1.75 times. This metric along with days cash on hand were the two most critical metrics supporting SAWS AA+ bond rating. Similarly, the gain in cash on hand declined slightly to 562 days since the end of last year. However, with the upcoming cash defeasance, the metric should move closer to the goal of 300 plus days.

Randy Cardon provided the Quarterly Investment Report as required by the Public Funds Investment Act. Total investments at quarter end were $1.21 billion, up $196 million from the last quarter, primarily due to the issuance of new bonds. Earnings for the quarter totaled $6.9 million and overall portfolio yield was 2.47 percent.

The majority of the portfolio was invested in U.S. Agency Securities in the form of discount notes, coupon notes, callable securities, and collateralized mortgage obligations, with the remaining funds invested in U.S. Treasury Securities, investment pools, money market funds, and municipal bonds. The portfolio was invested in a diverse number of issuers, totaling 11 in all, including municipal bonds that represent various issuers. The benchmark of the portfolio was a six-month and one-year treasury. The portfolio yield had surpassed the benchmarks. As of the end of March, the portfolio was favorable to the six-month treasury and one-year treasury. During the quarter, the six-month treasury decreased five basis points, and the one-year treasury decreased 20 basis points, while SAWS portfolio
increased 17 basis points.

The yield on SAWS portfolio increased while market yields decreased due to new investment strategies and the increase in cash and investment pools that maintained fairly level yields. He reviewed the intermediate rates on the yield curve. There was a decrease in rates over the last quarter from one to five years, with three-month to six-month yield staying the same. Rate changes were uncertain going into 2019, but the yield curve was expected to stay flat.

As required by SAWS Investment Policy, the deposits of banks were collateralized as of the end of March. During the quarter, SAWS transitioned from Frost Bank to JP Morgan Chase Bank. Overall, SAWS Investment Portfolio was in compliance with SAWS Investment Policy. All transactions were in accordance with SAWS investment strategies. And the portfolio was invested per its objective in order of priorities of legality, safety, liquidity, diversification, and finally, yield.

Mr. McGee comment he would like to see an update of the peer group analysis for the financial ratios so the Board could see how SAWS was performing against similar utilities. Ms. Velasquez confirmed.

D. Briefing and deliberation regarding the 2019 Cost of Service and Rate Design Study

Mary Bailey gave an overview of the Cost of Service and Rate Design Study for 2019. SAWS periodically undertakes a rate study about every five years or so. The last one was completed in 2015, and the resulting approved recommendations were implemented in 2016. SAWS performs these periodic rate studies to ensure adherence to cost of service principles in accordance within industry standards, and to develop pricing structures that reflect both SAWS and the community's objectives. Typically, the rate study would be revenue neutral, in other words, the study would look at how costs were allocated and collected from various customer classes. SAWS conducts these studies with the help of a rate consultant, as well as the Rate Advisory Committee appointed by the Board.

She reviewed the industry standards for conducting the cost of service review. The American Water Works Association (AWWA) M1 Manual was considered the industry standard for water rates. Water rates developed using the methodologies discussed in this manual were generally considered to be fair and equitable because these rate-setting methodologies result in cost base rates that generate revenue from each class of customer and apportioned to the costs to serve each of those classes of customers. Water rates were considered fair and equitable when each customer class pays the cost allocated to that class and, consequently, cross-class subsidization was avoided. While recovery of full revenue requirements in a fair and equitable manner was a key objective for a utility using across the service rate-making process, it was often not the only objective. As noted in the AWWA policy statement on rates, “Non-cost of service rate-setting practices that achieve the policy goals and utility objectives may be appropriate in certain situations.” On the wastewater side, the Water Environment Federation (WEF) sets the standards for allocating costs of wastewater systems, and provides an overview of current industry practices that should be considered for establishing rates and charges for wastewater collection and treatment systems. In addition, the manual reflects that it was responsive to changes in the industry over the last decade with a heightened awareness about wastewater utility financial management and the equitable
distribution of cost of responsibilities across customer groups and classes. Similar to the AWWA, the WEF MOP 27 stated, “It is important that their practices for setting rate and charges be responsive to the unique circumstances and values of the communities they serve.”

In March, SAWS issued a Request for Proposals (RFP) for a rate consultant. The scope of the services in that RFP indicated that the consultant should analyze and provide recommendations to SAWS about the rate structure for water delivery, water supply, recycled water, and wastewater operations; include recommendations regarding the adequacy and most appropriate structure for all rates considering such principles as: conservation, consumption, characteristics of various customers classes, cost of service, fairness and equity implications, financial stability, customer affordability, and economic development.

Once a consultant had been selected, the next step would be to appoint a Rate Advisory Committee (RAC). The RAC was a special purpose advisory group that provides input to the Board and staff on the cost of service and the rate design study. The objectives of the RAC would be to assist staff in establishing and prioritizing pricing objectives, to review and analyze the cost of service study performed by the rate consultant, and provide input regarding potential changes to the existing rate and fee structures. Typically, the RAC would have between 15 and 20 members. All members were appointed by the Board. The only requirement to serve was that the individual must be or represent a customer of SAWS. Staff would request nominations from each City Council Member. Additionally, staff would identify other potential members to ensure that all aspects of SAWS customer base were represented. Staff wanted to make sure that not just residential or commercial customers were represented, but also multi-family, recycle, outside city limit customers, affordability customers, et cetera. At the end of the rate study, the RAC would be disbanded and a new one was appointed each time a rate study was conducted.

One of the topics that staff identified included looking at the separate water rate structures between water supply and water delivery and potentially combining those into one. Another topic would be the differential between inside city limit and outside city limit rates. Staff would also evaluate the approach to setting the residential sewer charges. Currently, an average of three consecutive bills between the period of November and March were supposed to represent indoor usage and a fair approximation of how much water was being sent back into the sewer system throughout the year. A number of alternative mechanisms or approaches have been suggested to SAWS by customers, and one of those would look at the winter average but also at the water use. If the water use in any given month was less than the winter average, perhaps the lower of those two would be charged to the customer. Also, the affordability of SAWS rates needed to be evaluated, particularly for low-income customers. Currently, SAWS provided a discount to qualifying customers. Many communities have begun looking at other alternatives to pricing with regard to affordability that may take a more holistic approach for those customers, particularly taking into account the larger size of the home for low-income affordability customers. Staff also wanted to make sure to look at what was evolving in the industry. There were a number of new methodologies in terms of how water rates should be charged so those would be evaluated and taken into consideration.

She discussed the proposed timeline. Staff was evaluating the responses to the RFP and
expected to bring a recommendation to the Board in July. Soliciting nominations for the RAC would begin soon, and staff would work with the Council Members to get their nomination. The RAC meetings would start in November after the membership was approved by the Board. The review would conclude by May 2020. At that point, staff would begin community briefings through the summer and early fall. Final Board and Council approval would occur around November 2020, with the implementation of those changes in January 2021.

Ms. Hardberger inquired about how the current plan would be reviewed for effectiveness in terms of affordability. Ms. Bailey responded that part of the consultant’s responsibility was to bring different options related to affordability. During the last process, the RAC established the Lifeline Rate. This rate was for a very low amount of water, less than 3,000 gallons, and the customer received a significant reduction in the fees charged. The Lifeline Rate applied to all customers, so it wasn't just affordability customers. There were some changes in the rate tiers that impacted the lower use customers on the affordability side. This would all be evaluated under the new rate study. Some of the criticisms to the Lifeline Rate was that low-income could not have that low use because there may be significantly more people in the home. Austin recently implemented a separate rate structure for affordability customers where a different rate was charged that took into account the number of individuals in the household. In the RFP, the consultants were specifically asked to bring ideas and evaluations of what other communities were doing so this could be discussed in the RAC meetings and considered in a recommendation for the Board’s consideration.

Ms. Hardberger recommended evaluating some of the other best practices. San Antonio in particular was progressive for things like conservation and really understood the customer in a complex way. She stated she was interested in understanding more about adding fees, and encouraged the selection of a consultant who could look at all the different ways other cities were moving.

Mr. Parra stated he wanted to see what best successful national models were out there. He cautioned staff to make sure that whoever was selected for the RAC understood the locality and San Antonio that has a lower income than most major cities. Mr. Puente responded that one of the questions in the proposal asked the respondents to expand on their perception of San Antonio and their belief of how San Antonio was made up. Some of the respondents answered the question very well and seemed like they had a unique understanding of San Antonio, while some answered the question by pulling information off Wikipedia.

Chairman Guerra inquired about the process and frequency of the RAC meetings, and the appointment of the RAC. Ms. Bailey replied the frequency of the meeting would depend on how many topics would need to be discussed. The RAC would probably meet at least once a month during the seven-month period, and there could potentially be a couple of months that warranted a second meeting to address different topics to make sure that everything was given thorough consideration. The last RAC had about 17, 18 members. Each Council Member and the Mayor nominated one member, and staff worked with the Board and stakeholders to fill the other positions to make sure those other customer classes were represented. The meetings were open to the public, and all of the presentations and meeting minutes were posted on SAWS website. The meetings also included a public comment portion to include public input into the process. For issue brought up by public input, the RAC typically asked for a presentation for the next meeting or some additional information.
It was a fairly interactive conversation.

Chairman Guerra encouraged staff to look at the model in Austin. He discussed some of the public comment and asked staff to look at how the rates could impact a customer, especially of customers who had several individuals in one home.

Ms. Hardberger added that it was important to memorialize the concerns that were had at the RAC meetings. She asked that the Board receive a briefing about the primary concerns that staff was hearing and where that would be incorporated into the process. She stated it was critically important to give the public the time to speak but also in public processes.

Ms. Merritt inquired about the effort made to have representation from each district. Ms. Bailey replied staff would reach out to each Council Member for a nominee from their district, and staff would work hard to make sure there was representation from each district and for all customers. On the last RAC, there was a representative from every district.

Ms. Merritt asked if the visitors were able to give input at the RAC meetings. Ms. Bailey confirmed.

Chairman Guerra made a statement about SAWS public comment. He was very proud of SAWS for having public comment. He wanted the public to know that the Board took everything seriously and it was an important part of SAWS process. One of the reasons he wanted Dr. McGuire to finish her statement earlier was because he knew Dr. McGuire had spent hours researching everything she was going to talk about. The Board appreciated all the input, and the Board tried very hard to be welcoming of comments from each and every person. He thanked the individuals who took time to come to speak to the Board; it was very much appreciated.

E. Briefing and deliberation regarding the Agenda Reporting Process

Andrea Beymer provided a report on the Agenda Reporting Process, specifically the current thresholds between the Individual Agenda versus the Consent Agenda. In October, Steve Clouse gave a presentation on cost estimating. There had been a lot of questions from the Board as well as executive management on cost estimating and some variations between bids and engineer's estimates. Mr. Clouse covered the process to prepare estimates, how bids were evaluated, the challenges with cost estimating, and the factors that come into play with the accuracy of estimates. At that time, he proposed an interim reporting process change. The reporting process change included any project that was less than $3 million would go on the Consent Agenda and anything over $3 million on the Individual Agenda. However if a project had a large variance, plus or minus 25 percent of the estimate, staff would be prepared to speak to the item and would provide a variance memo in the Board packet to explain the difference between the bids and the estimate.

She discuss the results of the interim reporting process. Since November, the Board awarded 33 contracts. Of those 33 contracts, 12 were considered on the Individual Agenda due to that $3 million threshold, but 22 would have been considered on the Individual Agenda had the threshold not changed to $3 million. Eleven of those exceeded the plus or minus 25 percent variance, which meant for every one of those 11 items the Board had a variance memo to explain the differences between the engineer's estimate and the bid, based on the engineer's
opinion. During this interim period, the Board awarded contracts totaling almost $129 million. The fourth quarter was always a big time for staff to get projects out the door and fully execute the CIP. The engineer’s estimates for those same projects was $139 million resulting in an average of 8.64 percent decrease from the engineer’s estimates.

She reviewed the CIP spending over the next five years. With the needed repairs and replacements for the Consent Decree and the work on the water side, there were big dollars ahead. Next year alone, the CIP was over $600 million, SAWS biggest CIP ever. The change in the agenda reporting process would help staff manage the CIP and manage the efficiency of the board meetings in terms of the number of items that come for individual consideration.

She asked for the Board’s consideration to make this a permanent policy. If the Board was agreeable, staff would bring an item to the Board next month to make this a permanent threshold. Again, the change in the threshold would be Individual Items over $3 million, Consent Items would be under $3 million, and Consent Items with a variance plus or minus 25 percent would include a variance memo to the Board and staff would be prepared to answer any questions.

Chairman Guerra asked how the process had worked and if there were any major hiccups. Ms. Beymer replied there were no major hiccups. There were a few large variances, and staff provided information to the Board. At the last meeting, Ms. Hardberger pulled an item and staff was able to discuss the cause of the variance. Mr. McGee had pulled some as well.

Chairman Guerra commented that because of the Board’s responsibility, it was difficult for the Board to let go of things like thresholds. He stated he was very leery, but found that it worked well and made us more efficient. He stated other entities had even larger thresholds, and thanked staff for allowing the Board to get a look and feel of how it would work and to see the success of it before making it permanent.

Ms. Hardberger comment that the extra layer of explanation for a large variation was helpful and showed that the Board was doing their due diligence.

Mr. Parra agreed that the process had been working well. He could ask staff any time there was something he was not sure about, and staff would provide the answer. Staff had been well prepared for all of the items, and the process was a little bit more simplified to give the Board more time to talk about more complicated issues.

Chairman Guerra commented on his concerns when he first became Chairman regarding contingency funds. Staff had done an incredible job of really pushing to not use that buffer as much, and he appreciated that very much.

F. Briefing and deliberation regarding the Sanitary Sewer Overflow Reduction Program: Update and I&I Reduction Work Plan

Jeff Haby provided an update on the Sanitary Sewer Overflow (SSO) Reduction Program and the Inflow and Infiltration Reduction Work Plan for the collection system. The biggest issue in San Antonio was during a rain event and inflow into the sewer pipe or manhole cover during that rainfall event. When the streams and streets flood, that rain water gets into the sewer collection system and causes a spike in flows. After that flooding passes, the system
returns to normal. In San Antonio, infiltration was not a problem, but inflow was a problem. He reviewed a graph of the SSO performance from 2009 to present. In 2019, January set a new record low with a slight increase in March. April was right around a historic low so staff was looking to continue that trend for the rest of the year.

On March 15, the EPA issued a letter approving the Condition Remedial Measures Plan. The plan set the regulatory deadlines for the condition work in the Consent Decree of September 14, 2023 and September 14, 2025. Most of the work would have to be done by 2023, but SAWS had an extra two years for large-diameter pipe that had easement issues. On the Capacity Remedial Measures Plan, staff asked for a two-year extension on two projects, W-9 and W-52. This request was still pending approval from the EPA and the Department of Justice, but the indications were that SAWS would get the approval.

A big part of the Capacity Remedial Measures Plan was inflow reduction. Based on a 30 percent inflow reduction, ten projects were eliminated. The sizing of the sewer mains was based upon that assumption of 30 percent inflow reduction. He discussed the growth in Stone Oak and on the west side for the Leon Creek and Medio Creek basins over the next 30 to 40 years that was driving the size of those sewer mains. In the central basin, the driver was not growth but inflow during rain events. This was an older part of the city and required more rehabilitation. He discussed the two-pronged approach to reduce inflow that included remediating manholes in submergence areas and developing an inflow reduction work plan. He played a video of a manhole lid test that demonstrated the flow of water through a manhole during a rain event. This implemented a process of testing manhole rings and covers for use in the system. Phase I for manhole inspections included large-diameter sewer mains in the creek beds. During a rain event, the creeks flood and the water makes its way into the sewer. About nine percent of the manholes were located within the 100-year flood plain. There were about 8,885 manholes that have been inspected and issues corrected because these were a source of inflow. Phase 2 for manhole inspections included another 20,000 manholes in other flood prone areas, and staff anticipated completing the inspections by the end of the year.

For the Inflow Reduction Work Plan, CMOM or capacity management operation and maintenance was the process used for the sewer side. This included looking at the structural condition and capacity of manholes, sewer laterals and sewer mains. Hydraulic performance monitored the flows to identify areas that needed maintenance or some capital improvements. CMOM was a continuous process that was never done. Staff focused on ten catchment areas in the central basin that were upstream of capacity constraints to reduce inflow in those areas.

He discussed the next steps for the Inflow Reduction Work Plan. Staff would continue the manhole rehabilitation in submergence areas, complete construction of critical inflow reduction projects, continue to look at and recalibrate the sewer model, complete the catchment area improvements systematically, monitor results, and implement the most effective remedial measures.

Mr. Parra thanked Mr. Haby for the explanation on inflow. Inflow was a very important issue because it’s basically the way pipes and wastewater treatment facilities were sized. He appreciated the collaboration with the City and understood the many needs for drainage project for San Antonio. Mr. Haby commented that staff worked closely with Andy Garza at the City’s Stormwater Department.
23. Inquiries of the Board of Trustees for future briefings and/or follow-up action.

None

At this point in the meeting, an Executive Session was held. The time was 11:10 a.m.

24. The Regular Session of the May 7, 2019, 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.

25. EXECUTIVE SESSION.

A. Deliberation and consultation with attorneys regarding the annual evaluation, performance objectives and duties of the President/Chief Executive Officer pursuant to Texas Government Code §551.074 and §551.071, respectively.


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 Texas Government Code §551.071.

26. The Regular Session of the Regular Board Meeting of May 7, 2019, is hereby reconvened.

The meeting reconvened at 12:49 p.m. The Chairman stated that no decisions were made in Executive Session.

27. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF MAY 7, 2019, IS HEREBY ADJOURNED.

The San Antonio Water System Board of Trustees Meeting of May 7, 2019, adjourned at 12:50 p.m.

__________________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________________
Amy Hardberger, 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  

Board Action Date: July 2, 2019  

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

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<tr>
<th>Description</th>
<th>Number of Contracts</th>
<th>Estimated Amount (SMWB)</th>
<th>Estimated Amount (SMWB)</th>
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<td><strong>A. Award of New One Time Purchases of Materials, Equipment or Services</strong></td>
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<td><strong>B. Award of New and Renewal of Annual Goods &amp; Services Requirements Contracts and Maintenance Agreements</strong></td>
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<td></td>
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SMWB Purchasing Contracts (percentage): 0.00% 0.00% 19.44% 11.16%

Approved:  
Robert R. Puente  
President/Chief Executive Officer

 Reviewed:  
Marisol V. Robles  
SMWB Program Manager

Yvonne C. Torres, Director  
Purchasing Division
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 2nd day of July, 2019.

__________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________
Amy Hardberger, 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. Core and Main</td>
<td>One-Time Purchase of 28,790 LF of Ductile Iron Pipe&lt;br&gt;Bid No. 19-19068</td>
<td>All</td>
<td>$ 946,903.10</td>
<td>This is a one-time purchase of Ductile Iron Pipe for the Comal ISD water main. This ductile iron pipe will be utilized for the installation of a new water service line for the Comal ISD.</td>
</tr>
<tr>
<td>2. Kusters Zima Corporation</td>
<td>One-Time Purchase of Two (2)&lt;br&gt;Mechanically Cleaned Bar Screens&lt;br&gt;with Multiple Rake Blades for the&lt;br&gt;Stephen M. Clouse WRC&lt;br&gt;Bid No. 19-19063</td>
<td>All</td>
<td>$ 204,000.00</td>
<td>This is a one-time purchase of two (2) mechanically cleaned bar screens with multiple rake blades for the Stephen M. Clouse WRC. This will replace the old bar screen system which is used to remove wipes and other large materials that flow through the sewer system making its way to the plant.</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>$ 1,150,903.10</td>
<td></td>
</tr>
</tbody>
</table>

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

Board Date: July 2, 2019
**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>
</tr>
</thead>
<tbody>
<tr>
<td>Hach Co.</td>
<td>Annual Contract for the Supply of Hach Miscellaneous Products (No Substitutions Allowed) Bid No. 19-14020</td>
<td>All</td>
<td>$616,235.33</td>
</tr>
</tbody>
</table>

**REMARKS**

This is a sole-source contract. This contract will be utilized by System for the purchase of various Hach products used by Production and Treatment, Water and Wastewater, Laboratory and other System Departments. This contract will be effective Date of Award (July 2, 2019) through August 31, 2020. If determined that an extension is favorable to the System, price and service considered, the award includes the availability of four (4) additional one-year options to extend as provided for, and approved for in future years budgets.

**DIRECTOR Comments**

HACH analytical and support items work in conjunction with items SAWS currently has in place. HACH analytics are state of the art and have proven themselves to be reliable in our facilities extremely harsh environments. HACH items are paired with controllers from HACH in order to communicate with our DCS/SCADA systems. Monitoring of all our analytics are done thru controllers from HACH. In order to insure that the facilities continue to run efficiently and with minimal interruption we need to insure we buy the products that work as a unit. HACH is the manufacturer and distributor of its own parts. Recommend Award.

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

Board Date: July 2, 2019
**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>2. Infor Public Sector, Inc.</td>
<td>Annual Contract for Hansen Software License Maintenance and Support Bid No. 19-1430</td>
<td>All</td>
<td>$ 486,585.82</td>
<td>This is a sole-source contract. System currently utilizes Infor Public Sector Suite (IPS) software to manage the full meter to cash process, as well as permitting. This includes meter reading and maintenance, customer service, billing, cashiering, service request and work order management. This contract will be effective July 7, 2019 through July 6, 2020. If determined that an extension is favorable to the System, price and service considered, the award includes the availability of four (4) additional one-year options to extend as provided for, and approved for in future years budgets.</td>
</tr>
</tbody>
</table>

$ 1,102,821.15

**DIRECTOR Comments**

System currently utilizes Infor Public Sector Suite (IPS) software to manage the meter to cash process, as well as permitting. This includes meter reading and maintenance, customer service, billing, cashiering, service request and work order management. Infor Public Sector is the only source for the necessary maintenance and support. Recommend Award.

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

Board Date: July 2, 2019
**SAN ANTONIO WATER SYSTEM**  
**P. O. BOX 2449**  
**SAN ANTONIO, TEXAS 78298-2449**  
**TABULATION OF BIDS**

**PROPOSAL FOR TIME & DATE:**  
**ITEM NO.**  
1. **SAN ANTONIO WATER SYSTEM**  
   **P. O. BOX 2449**  
   **SAN ANTONIO, TEXAS 78298-2449**  
   **DESCRIPTION AND APPROXIMATE QUANTITY**  
   **UNIT PRICE**  
   **TOTAL**  
   **TERMS**  
   **DELIVERY SCHEDULE**

<table>
<thead>
<tr>
<th>NO.</th>
<th>DESCRIPTION</th>
<th>UNIT PRICE</th>
<th>TOTAL</th>
<th>TERMS</th>
<th>SCHEDULE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Ductile Iron Pipe, Fastite Joint, Gauge Full, Class 150, Size 16 Inch</td>
<td>32.89</td>
<td>946,903.10</td>
<td>Net</td>
<td>30-45 days</td>
</tr>
</tbody>
</table>

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

- Act Pipe
- AB SA
- AY McDonald
- Cohen Pipe
- Core and Main
- Corix
- Ferguson
- Fortilne
- Gajeske
- KLP Commercial
- Milford Online
- Scruggs Co.
- Techline Pipe
- Tenoch Distribution
- Demandstar
- SAWS Website

**BID NOT TABULATED NOT APPROVED**

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

PROPOSAL FOR:  
TIME &  
1. OEMNO .  
2.  
3.  
4.  

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

TABULATION OF BIDS

Purchase of Two (2) Mechanically Cleaned Bar Screens with Multiple Rake Blades for Dos Rios WRC

DATE: 3:00 p.m., May 31, 2019

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROXIMATE QUANTITY</th>
<th>UNIT PRICE</th>
<th>TOTAL PRICE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>2 ea. DRHWFS - Mechanical Screens</td>
<td>89,760.00</td>
<td>179,520.00</td>
</tr>
<tr>
<td>2.</td>
<td>2 sets Control</td>
<td>9,180.00</td>
<td>18,360.00</td>
</tr>
<tr>
<td>3.</td>
<td>1 LS Spare Parts</td>
<td>6,120.00</td>
<td>10,209.00</td>
</tr>
<tr>
<td>4.</td>
<td>2 ea. Installation of Controls and Local HOA Control Panel Modifications</td>
<td>Included in Item 2</td>
<td>17,287.00</td>
</tr>
</tbody>
</table>

TOTAL | 204,000.00 | 288,887.00 |

MAKE/MODEL:

*LOW BIDDER

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

Act Pipe  
AR SA  
Core and Main  
Corix  
Ferguson  
Fortline  
Headworks International  
Hydra-Stop  
KLP Commercial  
Kusters Water  
Mickie Service  
Rangeline  
Tenoch Distribution  

Demandstar  
SAWS Website

Terms: 2% Net  
Delivery Schedule: 154-182 days 170 days
BID 19-14020

ANNUAL CONTRACT FOR THE SUPPLY OF HACH MISCELLANEOUS PRODUCTS
SOLE SOURCE

HACH analytical and support items work in conjunction with items SAWS currently has in place. HACH analytics are state of the art and have proven themselves to be reliable in our facilities extremely harsh environments. HACH items are paired with controllers from HACH in order to communicate with our DCS/SCADA systems. Monitoring of all our analytics are done thru controllers from HACH. In order to insure that the facilities continue to run efficiently and with minimal interruption we need to insure we buy the products that work as a unit. HACH is the manufacturer and distributor of its own parts. This insures HACH is equipped with the support and resources needed to insure all our needs are met a timely manner.

These products will be used at SAWS Headquarters, SAWS Environmental Laboratory Services, SAWS Leon Creek WWTP, SAWS Medio Creek WWRP, SAWS Twin Oaks Plant, SAWS Dos Rios WWTP, SAWS Mission Rd, Service Center, SAWS Eastside Service Center 3930, SAWS North Side Operations Center and SAWS West Side Operations Center.

Annual award amount: $616,235.33. Pricing per attached Bid Tabulation. HACH has an annual price increase to take place September 1st of each year.
## SAN ANTONIO WATER SYSTEM

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

### TABULATION OF BIDS

<table>
<thead>
<tr>
<th>No.</th>
<th>DESCRIPTION AND APPROPRIATE QUANTITY</th>
<th>Mfr./supplier</th>
<th>Unit</th>
<th>Price($)</th>
<th>Total($)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>WATER DEIONIZED 4L DEMINERALIZE</td>
<td>Mfr.: HACH</td>
<td>EA</td>
<td>6</td>
<td>27.30</td>
</tr>
<tr>
<td>2</td>
<td>EDTA REAGENT PWD PLWS PK/100</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>8</td>
<td>31.76</td>
</tr>
<tr>
<td>3</td>
<td>CHLOROFORM ACS 500ML</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>3</td>
<td>55.14</td>
</tr>
<tr>
<td>4</td>
<td>POTASSIUM PERSULFATE PP PK/100</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>8</td>
<td>33.71</td>
</tr>
<tr>
<td>5</td>
<td>DPD SWIFTTEST DISPENSER FREE REFILL VIAL</td>
<td>Mfr.: HACH</td>
<td>CA</td>
<td>40</td>
<td>46.86</td>
</tr>
<tr>
<td>6</td>
<td>DPD FREE CHLORINE RGT PP, 10 ML PK/100</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>24</td>
<td>20.32</td>
</tr>
<tr>
<td>7</td>
<td>HYDROXILITE RGT PWD PLWS 100S</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>23</td>
<td>21.02</td>
</tr>
<tr>
<td>8</td>
<td>FREE COPPER RGT PWD PLWS 100S</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>2</td>
<td>24.73</td>
</tr>
<tr>
<td>9</td>
<td>DPD TOTAL CHLORINE P5 ML 50S</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>3</td>
<td>10.56</td>
</tr>
<tr>
<td>10</td>
<td>TEST KIT STORMWATER SUBASSEM</td>
<td>Mfr.: HACH</td>
<td>EA</td>
<td>5</td>
<td>-</td>
</tr>
<tr>
<td>11</td>
<td>STORM WATER TEST KIT SW-1</td>
<td>Mfr.: HACH</td>
<td>EA</td>
<td>1</td>
<td>477.09</td>
</tr>
<tr>
<td>12</td>
<td>PHENOL REAGENT PWD PLW PK/100</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>2</td>
<td>39.39</td>
</tr>
<tr>
<td>13</td>
<td>SPADNS FLUORIDE ACCUVCAC 25/25</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>10</td>
<td>37.84</td>
</tr>
<tr>
<td>14</td>
<td>SPADNS2 (ARSENIC FREE) FLUORIDE RGT, ACCUVCAC25/25</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>50</td>
<td>35.48</td>
</tr>
<tr>
<td>15</td>
<td>TEST KIT SURFACE WATER</td>
<td>Mfr.: HACH</td>
<td>EA</td>
<td>1</td>
<td>339.45</td>
</tr>
<tr>
<td>16</td>
<td>PH TEST STRIP 0-14 PH PK/100</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>62</td>
<td>24.54</td>
</tr>
<tr>
<td>17</td>
<td>SPEC CHECK SECONDARY GEL STD SET DPD CHLORINE - LR</td>
<td>Mfr.: HACH</td>
<td>ST</td>
<td>2</td>
<td>169.26</td>
</tr>
<tr>
<td>18</td>
<td>STABL CAL TURBIDITY STD 1.0 NTU 100ML</td>
<td>Mfr.: HACH</td>
<td>BO</td>
<td>14</td>
<td>132.99</td>
</tr>
<tr>
<td>19</td>
<td>STABL CAL TURBIDITY STD 20 NTU 100ML</td>
<td>Mfr.: HACH</td>
<td>BO</td>
<td>12</td>
<td>144.15</td>
</tr>
<tr>
<td>20</td>
<td>MONOCHLOR F REAGENT PK/100</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>12</td>
<td>61.98</td>
</tr>
<tr>
<td>21</td>
<td>DPD FREE BULK DISPENSER W/POWDER</td>
<td>Mfr.: HACH</td>
<td>EA</td>
<td>51</td>
<td>61.65</td>
</tr>
<tr>
<td>22</td>
<td>DPD TOTAL BULK DISPENSER W/POWDER</td>
<td>Mfr.: HACH</td>
<td>EA</td>
<td>27</td>
<td>61.65</td>
</tr>
<tr>
<td>23</td>
<td>HARDNESS TREATMENT RGT PP 50S</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>12</td>
<td>24.97</td>
</tr>
<tr>
<td>24</td>
<td>SPEC COLOR STD DPD CHLORINE HR</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>5</td>
<td>171.12</td>
</tr>
<tr>
<td>25</td>
<td>SPADNS2 (ARSENIC-FREE) FLUORIDE REAGENT, 500 ML</td>
<td>Mfr.: HACH</td>
<td>BT</td>
<td>7</td>
<td>26.09</td>
</tr>
<tr>
<td>26</td>
<td>NON-ARSENIC SPADNS RGT 1000ML</td>
<td>Mfr.: HACH</td>
<td>BT</td>
<td>18</td>
<td>36.82</td>
</tr>
<tr>
<td>27</td>
<td>SAMPLE CELL W/CAP 1CM/10ML 3PK</td>
<td>Mfr.: HACH</td>
<td>PK</td>
<td>16</td>
<td>16.97</td>
</tr>
<tr>
<td>28</td>
<td>KTO SENSION 156 PH/DO M W/PROB</td>
<td>Mfr.: HACH</td>
<td>EA</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>29</td>
<td>AA POCKET CLRMTR II CL/PJ SYS</td>
<td>Mfr.: HACH</td>
<td>ST</td>
<td>1</td>
<td>-</td>
</tr>
<tr>
<td>30</td>
<td>2100Q PORTABLE TURBIDITY METER</td>
<td>Mfr.: HACH</td>
<td>EA</td>
<td>5</td>
<td>1,174.59</td>
</tr>
<tr>
<td>31</td>
<td>CONST EFFLUENT MONITORING KIT</td>
<td>Mfr.: HACH</td>
<td>KT</td>
<td>3</td>
<td>1,304.79</td>
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<tr>
<td>32</td>
<td>USB POWER MODULE 2100Q</td>
<td>Mfr.: HACH</td>
<td>EA</td>
<td>6</td>
<td>-</td>
</tr>
<tr>
<td>ITEM</td>
<td>DESCRIPTION</td>
<td>QTY</td>
<td>PRICE</td>
<td>TOTAL</td>
<td></td>
</tr>
<tr>
<td>------</td>
<td>-------------</td>
<td>-----</td>
<td>--------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>33</td>
<td>SAMPLE CELLS 1IN SQ GLASS 10ML AND 25 ML PK</td>
<td>PK 4</td>
<td>$156.24</td>
<td>$624.96</td>
<td></td>
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<tr>
<td>34</td>
<td>SAMPLE CELL GLASS 30ML W/CAP FOR TURBIDITY METER</td>
<td>EA 4</td>
<td>$57.01</td>
<td>$228.04</td>
<td></td>
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<tr>
<td>35</td>
<td>SAMPLE CELL OILING CLOTH NO SUBSTITUTION</td>
<td>EA 5</td>
<td>$16.45</td>
<td>$82.25</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>HACH CL7 REAGENTS FOR FREE NO SUBSTITUTION</td>
<td>ST 4</td>
<td>$53.61</td>
<td>$214.44</td>
<td></td>
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<tr>
<td>37</td>
<td>ASCORBIC ACID POWDER PILLOWS 100/PK</td>
<td>PK 2</td>
<td>$23.53</td>
<td>$47.06</td>
<td></td>
</tr>
<tr>
<td>38</td>
<td>IRON REAGENT FERROVER 10ML 100/PK</td>
<td>PK 2</td>
<td>$23.98</td>
<td>$47.96</td>
<td></td>
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<tr>
<td>39</td>
<td>CALCIUM INDICATOR CALVER 2 50ML SAMPLE 100/PK</td>
<td>PK 12</td>
<td>$20.09</td>
<td>$241.08</td>
<td></td>
</tr>
<tr>
<td>40</td>
<td>TITRATOR EDTA 0.0800M CARDS FOR DIGITAL TITRATOR</td>
<td>PK 2</td>
<td>$20.36</td>
<td>$40.72</td>
<td></td>
</tr>
<tr>
<td>41</td>
<td>POTASSIUM HYDROXIDE STANDARD 8.000N 100ML MDB</td>
<td>EA 2</td>
<td>$12.65</td>
<td>$25.30</td>
<td></td>
</tr>
<tr>
<td>42</td>
<td>BROMCRESOL GREEN METHYL RED INDICATOR 100/PK POWDER PILLOW</td>
<td>PK 2</td>
<td>$17.85</td>
<td>$35.70</td>
<td></td>
</tr>
<tr>
<td>43</td>
<td>SULFURIC ACID CARTRIDGES 0.1600N</td>
<td>PK 10</td>
<td>$19.67</td>
<td>$196.70</td>
<td></td>
</tr>
<tr>
<td>44</td>
<td>SENSOR CAP/BUTTON REPLACEMENT HQ2 SERIES LDO</td>
<td>EA 26</td>
<td>$119.97</td>
<td>$3,119.22</td>
<td></td>
</tr>
<tr>
<td>45</td>
<td>DR 900 COLORIMETER HACH</td>
<td>EA 3</td>
<td>$1,335.48</td>
<td>$4,006.44</td>
<td></td>
</tr>
<tr>
<td>46</td>
<td>KTO LDO MODEL 2 10M W/ 9253400 ADAPTER</td>
<td>EA 6</td>
<td>$1,942.77</td>
<td>$11,656.62</td>
<td></td>
</tr>
<tr>
<td>47</td>
<td>AA RR DB DR5000 UV/VIS SPECTRO</td>
<td>EA 2</td>
<td>$2,400.33</td>
<td>$4,800.66</td>
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<tr>
<td>48</td>
<td>KTO HQ400</td>
<td>EA 9</td>
<td>$1,062.99</td>
<td>$9,566.91</td>
<td></td>
</tr>
<tr>
<td>49</td>
<td>HQ430B BENCHTOP METER FLEXI</td>
<td>ST 2</td>
<td>$1,129.95</td>
<td>$2,259.90</td>
<td></td>
</tr>
<tr>
<td>50</td>
<td>LDO PROBE RUGGED W/SM CABLE</td>
<td>EA 20</td>
<td>$778.41</td>
<td>$15,568.20</td>
<td></td>
</tr>
<tr>
<td>51</td>
<td>SC200 CONTROLLER AC/DC HACH</td>
<td>EA 4</td>
<td>$1,264.80</td>
<td>$5,059.20</td>
<td></td>
</tr>
<tr>
<td>52</td>
<td>SC200 CONTROLLER AC/DC 2PH</td>
<td>EA 6</td>
<td>$1,635.87</td>
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## SAN ANTONIO WATER SYSTEM

**ANNUAL CONTRACT for the Supply of Hach Miscellaneous Products**

**Tabulation of Bids**

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## SAN ANTONIO WATER SYSTEM

ANNUAL CONTRACT for the Supply of Hach Miscellaneous Products

(Date of Award through August 31, 2020)

(No Substitutions Allowed)

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<td>175</td>
<td>Digital Conductivity Sensor for Low Conductivity w/3/4&quot; Fitting</td>
<td>HACH</td>
<td>2</td>
<td>$590.55</td>
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<td>176</td>
<td>Flow Cell Assembly for 3/4&quot; NPT Sensor</td>
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<td>2</td>
<td>$388.74</td>
<td>$777.48</td>
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<td>177</td>
<td>TUS300 sc Low Range Laser Turbidimeter, EPA Version</td>
<td>HACH</td>
<td>10</td>
<td>$1,839.54</td>
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<td>178</td>
<td>Service Bracket for TUS300sc and TUS400sc</td>
<td>HACH</td>
<td>10</td>
<td>$15.58</td>
<td>$155.80</td>
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<td>179</td>
<td>Maintenance Kit for TUS300 sc and TUS400 sc Laser Turbidimeter</td>
<td>HACH</td>
<td>10</td>
<td>$1,108.56</td>
<td>$11,085.60</td>
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<td>180</td>
<td>Titrator Titrant, 0.100M, 29mL</td>
<td>HACH</td>
<td>10</td>
<td>$12.08</td>
<td>$120.80</td>
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<tr>
<td>181</td>
<td>Magnesium Sulfate Standard, 29mL for calcium titration and Hardness Monitor</td>
<td>HACH</td>
<td>10</td>
<td>$19.34</td>
<td>$193.40</td>
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<tr>
<td>182</td>
<td>HACH ACCUVAC SNAPPER</td>
<td>HACH</td>
<td>6</td>
<td>$17.81</td>
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<tr>
<td>183</td>
<td>HACH 3EA 50 ML PRINTED CONTAINERS SENSION LAB PH CALIBRATION</td>
<td>HACH</td>
<td>2</td>
<td>$-</td>
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<tr>
<td>184</td>
<td>HACH BOTTLE,WASH,POLYETHYLENE 500ML</td>
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<td>6</td>
<td>$7.72</td>
<td>$46.32</td>
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<td>185</td>
<td>HACH BUFFER SOLUTION KIT PH 4.01/7.00/10.01 500 ML</td>
<td>HACH</td>
<td>2</td>
<td>$27.85</td>
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<td>186</td>
<td>HACH SOAKER BOTTLE FOR PH ELECTRODE</td>
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<td>$6.56</td>
<td>$13.12</td>
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<tr>
<td>187</td>
<td>HACH PH ELECTRODE STORAGE SOLUTION 500ML</td>
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<td>188</td>
<td>COD DIGESTION VIALS - HIGH RANGE</td>
<td>HACH</td>
<td>6</td>
<td>$221.34</td>
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<td>189</td>
<td>TURBIDITY CALIBRATION KIT 25585-05 LAWSON NO. 50796</td>
<td>HACH</td>
<td>1</td>
<td>$177.63</td>
<td>$177.63</td>
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</tr>
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</table>

**GRAND TOTAL** $616,235.33
**SAN ANTONIO WATER SYSTEM**  
P. O. BOX 2449  
SAN ANTONIO, TEXAS 78298-2449  
**TABULATION OF BIDS**

**ANNUAL CONTRACT for the Supply of Hach Miscellaneous Products**  
(No Substitutions Allowed)  
(Date of Award through August 31, 2020)  
**DATE:** 3:00 p.m., April 23, 2019

<table>
<thead>
<tr>
<th>ITEM NO.</th>
<th>DESCRIPTION AND APPROPRIATE QUANTITY</th>
<th>QUANTITY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Extension 1</td>
<td>$616,235.33</td>
</tr>
<tr>
<td></td>
<td>Extension 2</td>
<td>$616,235.33</td>
</tr>
<tr>
<td></td>
<td>Extension 3</td>
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</tr>
<tr>
<td></td>
<td>Extension 4</td>
<td>$616,235.33</td>
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<tr>
<td></td>
<td>Terms</td>
<td>Net 30</td>
</tr>
<tr>
<td></td>
<td>Delivery Days</td>
<td>30 days</td>
</tr>
</tbody>
</table>

*LOWEST BIDDER*

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

- Alaron Supply
- Alamo Analytical Laboratories
- Analytical Science
- B&A Laboratories
- Basic Laboratory
- Baytech Supply
- B&L Supply
- BioAnalytical Laboratories
- Bio-Chem Laboratories
- Biomedical Solutions
- BVA Scientific
- Capitol Scientific
- DHL Analytical
- Eppendorf North America
- Fox Scientific
- General Laboratory Supplies
- Grainger
- H&H Labs Inc.
- Hach
- Helena Laboratories
- Instrument
- International Medical Supply
- LoneStar International Corporation
- Medical Laboratory Supplies of South Texas
- Meister Supply Company
- Microbac Laboratories Inc.
- Microbiological Labs
- NIFC P Sourcing & technology
- Pace Analytical
- Pace Labs
- Tesco
- SAWS Website
- Demandstar

**Net 30**

**30 days**
Infor Public Sector Inc.'s software maintenance and support is a sole source of Infor Public Sector Inc.

System currently utilizes Infor Public Sector Suite (IPS) software to manage the full meter to cash process, as well as permitting. This includes meter reading and maintenance, customer service, billing, cashiering, service request and work order management.

IPS software was selected through a competitive solicitation process in 2006. The software has been configured and customized to meet System’s various operational processes. The software is proprietary and is developed and sold solely by Infor Public Sector, Inc.

The unique fit of IPS software with System’s needs, along with System’s existing investment with the software, makes this the only source for the necessary maintenance and support.

- System seeks approval to renew maintenance for Infor Public Sector Hansen software.
- Current maintenance renewal price for July 7, 2019 – July 6, 2020 is $486,585.82.
- Award is for one year with four one-year options to extend.
- Extension option years include an estimated escalation per year.*

<table>
<thead>
<tr>
<th>Years of Coverage</th>
<th>Description</th>
<th>Estimated Price</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yr 1: 07/07/19 – 07/06/20</td>
<td>Maintenance and Support</td>
<td>$486,585.82</td>
</tr>
<tr>
<td>Ext. Yr 2: 07/07/20 – 07/06/21</td>
<td>Maintenance and Support</td>
<td>$497,188.90</td>
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<tr>
<td>Ext. Yr 3: 07/07/21 – 07/06/22</td>
<td>Maintenance and Support</td>
<td>$505,175.17</td>
</tr>
<tr>
<td>Ext. Yr 4: 07/07/22 – 07/06/23</td>
<td>Maintenance and Support</td>
<td>$513,640.62</td>
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<tr>
<td>Ext. Yr 5: 07/07/23 – 07/06/24</td>
<td>Maintenance and Support</td>
<td>$522,614.00</td>
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</table>

*The escalation is estimated, and actual cost of future year’s maintenance will be paid.
<table>
<thead>
<tr>
<th>Description</th>
<th>Location</th>
<th>Type</th>
<th>QTY</th>
<th>Users</th>
<th>Start Date</th>
<th>End Date</th>
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<tbody>
<tr>
<td>IPS Rest Services</td>
<td>San Antonio</td>
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<td>1</td>
<td>4/9/2020</td>
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<tr>
<td>Hansen 8 – Geo Administrator</td>
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<td>1</td>
<td>3</td>
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<td>7/6/2020</td>
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<tr>
<td>Hansen 8 - Use Permits</td>
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<td>1</td>
<td>50</td>
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<td>7/6/2020</td>
<td>$ -</td>
</tr>
<tr>
<td>Hansen 8 - Map Drawer</td>
<td>San Antonio</td>
<td>PROD</td>
<td>1</td>
<td>1</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ 1,800.00</td>
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<tr>
<td>Hansen 8 - Fleet</td>
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<td>1</td>
<td>7/7/2019</td>
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<td>Hansen 8 - Customer Service</td>
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<td>1</td>
<td>1</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ -</td>
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<tr>
<td>Curry Forward Hansen 8 - Process Manager</td>
<td>San Antonio</td>
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<td>1</td>
<td>50</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
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<tr>
<td>Hansen 8 - Inventory Control</td>
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<td>7/7/2019</td>
<td>7/6/2020</td>
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<td>1</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ -</td>
</tr>
<tr>
<td>Hansen 8 - Water</td>
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<td>PROD</td>
<td>1</td>
<td>1</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ 29,706.65</td>
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<tr>
<td>Hansen 8 - Building Permit</td>
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<td>1</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ -</td>
</tr>
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<td>Hansen 8 - Sewer</td>
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<td>1</td>
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</tr>
<tr>
<td>Hansen 8 - Planning Permit</td>
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<td>50</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ -</td>
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<tr>
<td>Hansen 8 - CIS Billing</td>
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<td>1</td>
<td>1</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ -</td>
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<tr>
<td>Hansen 8 - Plant</td>
<td>San Antonio</td>
<td>PROD</td>
<td>1</td>
<td>1</td>
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<td>7/6/2020</td>
<td>$ -</td>
</tr>
<tr>
<td>Hansen 8 - Asset Valuation</td>
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<td>1</td>
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<td>Hansen 8 - CDR Bundle</td>
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<td>74</td>
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<td>$ 5,352.89</td>
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<td>7/6/2020</td>
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<tr>
<td>Infor Field Inspector Work Management</td>
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<td>$ 12,589.77</td>
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<td>1</td>
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<td>7/7/2019</td>
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<td>$ 4,019.68</td>
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<td>Hansen Dynamic Portal for Licensing</td>
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<td>1</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ 3,093.30</td>
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<td>Hansen Dynamic Portal for Permits</td>
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<td>PROD</td>
<td>1</td>
<td>1</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ 3,093.30</td>
</tr>
<tr>
<td>Hansen Dynamic Portal for Planning</td>
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<td>PROD</td>
<td>1</td>
<td>1</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ 3,093.30</td>
</tr>
<tr>
<td>Hansen Dynamic Portal for Customer Service</td>
<td>San Antonio</td>
<td>PROD</td>
<td>1</td>
<td>1</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ -</td>
</tr>
<tr>
<td>Kern Mobile - Perpetual Field Client License</td>
<td>San Antonio</td>
<td>PROD</td>
<td>1</td>
<td>25</td>
<td>7/7/2019</td>
<td>7/6/2020</td>
<td>$ 8,974.47</td>
</tr>
</tbody>
</table>

**TOTAL** $ 486,585.82
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 ARCADIA PLAZA 24-INCH (12-INCH REQUIRED) WATER MAIN EXTENSION PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to Wauters Engineering, LLC, a local, SBE-certified contractor, in an amount not to exceed $259,999.00 on a Developer Customer construction contract, and authorizes the expenditure of funds in the amount of $194,999.25 for associated construction fees to Wauters Engineering, LLC, and reimbursements of $19,499.93 for associated design fees to Shops At Arcadia Ridge, LLC (the “Developer”), in connection with the Arcadia Plaza 24-Inch Oversize (12-Inch Required) Water Main Extension Project.

- On July 7, 2015, by Resolution No. 15-161, the San Antonio Water System’s (the “System”) Board of Trustees approved a Utility Service Agreement to provide water and/or wastewater services to a tract of land known as the 11.92 Acre Potranco Road Tract, a 11.92 acre tract, being developed by Shops At Arcadia Ridge, LLC and the oversizing of approximately 689 feet of water main, in order to conform with the San Antonio Water System Master Plan.

- The Developer is required to construct a 12-inch water main. System staff recommends oversizing approximately 689 feet of the 12-inch main to a 24-inch main. The Developer is responsible for 25.00 percent of the oversizing of the 12-inch water main to a 24-inch main for an estimated $64,999.75 of the project costs. The System is responsible for 75 percent of the oversizing of the 12-inch water main to a 24-inch water main for an estimated amount of $194,999.25.

- 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 689 feet of 24-inch water main. The Arcadia Plaza 24-Inch Oversize (12-Inch Required) Water Main Extension Project is outside the City of San Antonio limits and is located within the System’s water and wastewater Certificate of Convenience and Necessity (CCN).
• Wauters Engineering, LLC has submitted the lowest responsible bid of $259,999.00 for the construction of the project.

• The System will pay Wauters Engineering, LLC 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 Fund will finance this expenditure included in the CY 2019 Capital Improvement Program. This project is included in the Water Delivery Core Business, Mains New Category, and Water Main Oversizing budget line item under job number 19-1051. The applicable water main oversize payment will be made monthly to Wauters Engineering, LLC in accordance with the Utility Service Regulations. The applicable design fees payment will be made to the Developer. The System will pay $194,999.25 for construction costs and $19,499.93 for associated design fees for a total cost of $214,499.18. The Developer will pay $64,999.75 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 June 3, 2019 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>Engineer’s Estimate</td>
<td>$236,041.53</td>
<td></td>
</tr>
<tr>
<td>Wauter’s Engineering, LLC*</td>
<td>$259,999.00</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>E-Z Bell Construction, LLC</td>
<td>$287,057.50</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>M5 Utilities, LLC</td>
<td>$310,078.00</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Pronto Sandblasting &amp; Coating &amp; Oil-Field Services Co., Inc.</td>
<td>$375,136.45</td>
<td>Local/MBE-Hispanic</td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 10.15 percent increase from the engineer’s estimated construction cost. The contract provides for the completion of this project within 90 calendar days.
Additionally, the overall SMWVB analysis is shown in the following table:

<table>
<thead>
<tr>
<th>Arcadia Plaza 24-Inch Oversize (12-Inch Required) Water Main Extension Project</th>
<th>Wauters Engineering, LLC</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMWVB Analysis – Board Award</td>
<td></td>
</tr>
<tr>
<td>SBE</td>
<td>61.54%</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>61.54%</td>
</tr>
</tbody>
</table>

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 WAUTERS ENGINEERING, LLC IN AN AMOUNT NOT TO EXCEED $259,999.00 IN CONNECTION WITH THE ARCADIA PLAZA 24-INCH OVERSIZE (12-INCH REQUIRED) WATER MAIN EXTENSION PROJECT; APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $194,999.25 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK; APPROVING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $19,499.93 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE ENGINEERING DESIGN FEES; APPROVING AND MAKING AVAILABLE A TOTAL AMOUNT NOT TO EXCEED $214,499.18 FROM THE PROJECT FUND FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONTRACT WITH SHOPS AT ARCADIA RIDGE, LLC AND WAUTERS ENGINEERING, LLC, AND PROVIDE PAYMENT IN AN AMOUNT NOT TO EXCEED $194,999.25 TO WAUTERS ENGINEERING, LLC AND REIMBURSEMENTS OF $19,499.93 TO SHOPS AT ARCADIA RIDGE, LLC FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE 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, by Resolution No. 16-211, the San Antonio Water System’s (the “System”) Board of Trustees approved a Utility Service Agreement to provide water and/or wastewater services to a tract of land known as the 11.92 Acre Potranco Road Tract, a 11.92-acre tract, being developed by Shops At Arcadia Ridge, LLC (the “Developer”), and the oversizing of approximately 689 feet of 12-inch water main to 24-inch water main, in order to conform with the San Antonio Water System Master Plan; and

WHEREAS, the Developer is required to construct a 12-inch water main; and

WHEREAS, the System has elected to oversize approximately 689 feet of the 12-inch water main to a 24-inch water main; and

WHEREAS, the System has solicited bids for the Arcadia Plaza 24-Inch Oversize
WHEREAS, the project work includes the oversize construction of approximately 689 feet of 12-inch water main to 24-inch water main; and

WHEREAS, Wauters Engineering, LLC, a local, SBE, submitted the bid of $259,999.00 for construction of the project, and this bid is determined to be the lowest responsible bid; and

WHEREAS, Shops At Arcadia Ridge, LLC is responsible for funding their proportionate share of the construction of the project; and

WHEREAS, Shops At Arcadia Ridge, LLC is responsible for 25 percent of the project costs for approximately 689 feet of 12-inch water main oversized to a 24-inch water main; the System is responsible for 75 percent of the project costs for approximately 689 feet of 12-inch water main oversized to a 24-inch water main; and

WHEREAS, the System will pay to Wauters Engineering, LLC, 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 $214,499.18 is available from the Project Fund for the System’s proportionate share of the project work costs and engineering fees; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a construction contract to Wauters Engineering, LLC in an amount not to exceed $259,999.00 in connection with the Arcadia Plaza 24-Inch Oversize (12-Inch Required) Water Main Extension Project, (ii) to authorize System funds in the amount of $194,999.25 for the project work, (iii) to authorize System funds in the amount of $19,499.93 for design fees, (iv) to make available a total amount not to exceed $214,499.18 from the Project Fund for the System’s proportionate share of the project work and engineering fees, and (v) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Shops At Arcadia Ridge, LLC and Wauters Engineering, LLC for the project work, and to provide payment in an amount not to exceed $194,999.25 to Wauters Engineering, LLC and reimbursements in an amount not to exceed $19,499.93 to Shops At Arcadia Ridge, LLC for the System’s cost to oversize the proposed off-site water main; now, therefore:

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

1. That a construction contract in the amount of $259,999.00 is hereby awarded to Wauters Engineering, LLC, who is determined to be the lowest responsible bidder, in connection with the Arcadia Plaza 24-Inch Oversize (12-Inch Required) Water Main Extension Project.

2. That the expenditure of System funds in the amount of $194,999.25 for the System's proportionate share of the project work is hereby approved.
3. That the expenditure of System funds in the amount of $19,499.93 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 $214,499.18 consisting of the System’s proportionate share of the project work costs and engineering fees related to the 24-inch oversized (12-inch required) water main is hereby made available and is to be expended from the Project Fund.

5. That the President/Chief Executive Officer or his duly appointed designee, is hereby authorized to execute a contract with Shops At Arcadia Ridge, LLC and Wauters Engineering, LCC, and to provide payment in an amount not to exceed $194,999.25 for the cost to oversize and construct the water main to Wauters Engineering, LLC and reimbursements in an amount not to exceed $19,499.93 to Shops At Arcadia Ridge, LLC in accordance with the Utility Service Regulations in connection with the Arcadia Plaza 24-Inch Oversize (12-Inch Required) Water Main Extension 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 2nd day of July, 2019.

________________________________
Berto Guerra, Jr., Chairman

ATTEST:

____________________________
Amy Hardberger, Secretary
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 SARFANI PLAZA 24-INCH OVERSIZE (12-INCH REQUIRED) WATER MAIN EXTENSION PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to M5 Utilities, LLC, a local, non-SMWVB contractor, in an amount not to exceed $261,114.00 on a Developer Customer construction contract, and authorizes the expenditure of funds in the amount of $195,835.50 for associated construction fees to M5 Utilities, LLC, and reimbursements of $19,583.55 for associated design fees to Aamshu Inc. (the “Developer”), in connection with the Sarfani Plaza 24-Inch Oversize (12-Inch Required) Water Main Extension Project.

- On July 10, 2018, by Resolution No. 18-162 the San Antonio Water System’s (the “System”) Board of Trustees approved a Utility Service Agreement to provide water and/or wastewater services to a tract of land known as the Redland Plaza Tract a 11.063-acre tract, being developed by Aamshu Inc. and the oversizing of approximately 999 feet of 24-inch water main, in order to conform with the San Antonio Water System Master Plan.

- The Developer is required to construct a 24-inch water main. System staff recommends oversizing approximately 999 feet of the 12-inch water main to a 24-inch water main. The Developer is responsible for 25 percent of the oversizing of the 12-inch water main to a 24-inch water main for an estimated $65,278.50 of the project costs. The System is responsible for 75 percent of the oversizing of the 12-inch water main to a 24-inch water main for an estimated amount of $195,835.50.

- 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 999 feet of 24-inch water main. The Sarfani Plaza 24-Inch Oversize (12-Inch Required) Water Main Extension Project is outside the City of San Antonio limits and is located within the System’s water and wastewater Certificate of Convenience and Necessity (CCN).
M5 Utilities, LLC, has submitted the lowest responsible bid of $261,114.00 for the construction of the project.

The System will pay M5 Utilities, LLC 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 Fund will finance this expenditure included in the CY 2019 Capital Improvement Program. This project is included in the Water Delivery Core Business, Mains New Category, and Water Main Oversizing budget line item under job number 19-1063. The applicable water main oversize payment will be made monthly to M5 Utilities, LLC in accordance with the Utility Service Regulations. The applicable design fees payment will be made to the Developer. The System will pay $195,835.50 for construction costs and $19,583.55 for associated design fees for a total cost of $215,419.05. The Developer will pay $65,278.50 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 May 31, 2019 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>M5 Utilities, LLC*</td>
<td>$261,114.00</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$268,801.23</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Wauters Engineering, LLC</td>
<td>$285,503.44</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>E-Z Bel Construction, LLC</td>
<td>$293,704.54</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>D Guerra Construction, LLC</td>
<td>$324,864.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>RL Jones, LP</td>
<td>$332,804.00</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Pronto Sandblasting and Coating and Oil-</td>
<td>$489,697.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Field Services Co., Inc.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cazadores Construction, LLC</td>
<td>$499,653.75</td>
<td>Local/MBE-Hispanic</td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 2.86 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>SMWVB Analysis – Board Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>SBE</td>
</tr>
<tr>
<td>MBE – African American</td>
</tr>
<tr>
<td>MBE – Asian</td>
</tr>
<tr>
<td>MBE – Hispanic</td>
</tr>
<tr>
<td>MBE – Other</td>
</tr>
<tr>
<td>WBE – Minority</td>
</tr>
<tr>
<td>WBE – Non-Minority</td>
</tr>
<tr>
<td><strong>SMWVB Total</strong></td>
</tr>
</tbody>
</table>

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
SAN ANTONIO WATER SYSTEM
PROJECT AREA MAP
ATTACHMENT I

LEGEND
★ PROJECT SITE
EDWARDS AQUIFER RECHARGE ZONE

SARFANI PLAZA 24-INCH OVERSIZE
(12-INCH REQUIRED)
WATER MAIN EXTENSION PROJECT
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO M5 UTILITIES, LLC IN AN AMOUNT NOT TO EXCEED $261,114.00 IN CONNECTION WITH THE SARFANI PLAZA 24-INCH OVERSIZE (12-INCH REQUIRED) WATER MAIN EXTENSION PROJECT; AUTHORIZING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $195,835.50 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK; AUTHORIZING THE EXPENDITURE OF FUNDS IN THE AMOUNT OF $19,583.55 FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE ENGINEERING DESIGN FEES; AUTHORIZING A TOTAL AMOUNT NOT TO EXCEED $215,419.05 FROM THE PROJECT FUND FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE PROJECT WORK AND ENGINEERING FEES RELATED TO THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONTRACT WITH AAMSHU, INC. AND M5 UTILITIES, LLC, AND PROVIDE PAYMENT IN AN AMOUNT NOT TO EXCEED $195,835.50 TO M5 UTILITIES, LLC AND REIMBURSEMENTS OF $19,583.55 TO AAMSHU INC FOR THE SYSTEM'S PROPORTIONATE SHARE OF THE 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, by Resolution No. 18-162, the San Antonio Water System’s (the “System”) Board of Trustees approved a Utility Service Agreement to provide water and/or wastewater services to a tract of land known as the Redland Plaza Tract, a 11.063-acre tract, being developed by Aamshu Inc, (the “Developer”), and the oversizing of approximately 999 feet of 12-inch water main to 24-inch water main, in order to conform with the San Antonio Water System Master Plan; and

WHEREAS, the Developer is required to construct a 12-inch water main; and

WHEREAS, the System has elected to oversize approximately 999 feet of the 12-inch water main to a 24-inch water main; and

WHEREAS, the System has solicited bids for the Sarfani 24-inch Oversize (12-Inch Required) Water Main Extension (the “project work”); and
WHEREAS, the project work includes the oversize construction of approximately 999 feet of 12-inch water main to 24-inch water main; and

WHEREAS, M5 Utilities, LLC, a local, non-SMWVB contractor, submitted the bid of $261,114.00 for construction of the project, and this bid is determined to be the lowest responsible bid; and

WHEREAS, Aamshu, Inc. is responsible for funding their proportionate share of the construction of the project; and

WHEREAS, Aamshu, Inc. is responsible for 25 percent of the project costs for approximately 999 feet of 12-inch water main oversized to a 24-inch water main; the System is responsible for 75 percent of the project costs for approximately 999 feet of 12-inch water main oversized to a 24-inch water main; and

WHEREAS, the System will pay to M5 Utilities, LLC, 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 $215,419.05 is available in the from the Project Fund for the System’s proportionate share of the project work costs and engineering fees related to oversizing the water main extension; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a construction contract to M5 Utilities, LLC in an amount not to exceed $261,114.00 in connection with the Sarfani 24-Inch (12-Inch Required) Water Main Extension Project, (ii) to authorize System funds in the amount of $195,835.50 for the project work, (iii) to authorize System funds in the amount of $19,583.55 for design fees, (iv) to make available a total amount not to exceed $215,419.05 from the Project Fund for the System’s proportionate share of the project work and engineering fees, and (v) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a contract with Aamshu, Inc. and M5 Utilities, LLC for the project work, and to provide payment in an amount not to exceed $195,835.50 to M5 Utilities, LLC and reimbursements in an amount not to exceed $19,583.55 to Aamshu, Inc. 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 $261,114.00 is hereby awarded to M5 Utilities, LLC, who is determined to be the lowest responsible bidder, in connection with the Sarfani 24-Inch (12-Inch Required) Water Main Extension Project.

2. That the expenditure of System funds in the amount of $195,835.50 for the System’s proportionate share of the project work is hereby approved.

3. That the expenditure of System funds in the amount of $19,583.55 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 $215,419.05 consisting of the System’s proportionate share of the project work costs and engineering fees related to the 24-inch oversized (12-inch required) water main is hereby made available and is to be expended from the Project Fund.

5. That the President/Chief Executive Officer or his duly appointed designee, is hereby authorized to execute a contract with Aamshu, Inc. and M5 Utilities, LLC, and to provide payment in an amount not to exceed $195,835.50 for the cost to oversize and construct the water main to M5 Utilities, LLC and reimbursements in an amount not to exceed $19,583.55 to Aamshu, Inc. in accordance with the Utility Service Regulations in connection with the Sarfani 24-Inch (12-Inch Required) Water Main Extension 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 2nd day of July, 2019.

________________________________
Berto Guerra, Jr., Chairman

ATTEST:

____________________________
___

Amy Hardberger, 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 MULTIPLE SEWERSHED PACKAGE 6B PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to D Guerra Construction, LLC, a local, MBE-Hispanic contractor, in an amount not to exceed $1,160,423.20 in connection with the Multiple Sewershed Package 6B 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 “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 replacement of approximately 1,142 feet of 24-inch sanitary sewer main by open-cut replacement method. Additionally, the manholes will be rehabilitated or replaced.

- D Guerra Construction, LLC has submitted the lowest responsible bid of $1,160,423.20.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2019 Capital Improvement Program. The water work is included in the Wastewater Core Business budget line item. The amount is $1,160,423.20 for water related construction work under job number 19-4520.
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 $1,408,644.91.

A bid opening was held on May 29, 2019 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>D Guerra Construction, LLC*</td>
<td>$1,160,423.20</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>E-Z Bel Construction, LLC</td>
<td>$1,233,027.40</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Wauters Engineering, LLC</td>
<td>$1,269,018.68</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Facilities Rehabilitation, Inc.</td>
<td>$1,290,351.24</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$1,408,644.91</td>
<td></td>
</tr>
<tr>
<td>Qro Mex Construction Company, Inc.</td>
<td>$1,474,250.70</td>
<td>Local/MBE-Hispanic</td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 17.62 percent decrease from the engineer’s estimated construction cost.

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

<table>
<thead>
<tr>
<th>Multiple Sewershed Package 6B Project</th>
<th>SMWVB Analysis – Board Award</th>
</tr>
</thead>
<tbody>
<tr>
<td>D Guerra Construction, LLC</td>
<td></td>
</tr>
<tr>
<td>SBE</td>
<td>4.65%</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>94.05%</td>
</tr>
<tr>
<td>MBE – Other</td>
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<tr>
<td>WBE – Minority</td>
<td>0.00%</td>
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<tr>
<td>WBE – Non–Minority</td>
<td>0.00%</td>
</tr>
<tr>
<td><strong>Total SMWVB</strong></td>
<td><strong>98.70%</strong></td>
</tr>
</tbody>
</table>
Award of Construction Contract
Multiple Sewershed Package 6B Project

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

APPROVED:

Robert R. Puente
President/Chief Executive Officer

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO D GUERRA CONSTRUCTION, LLC IN AN AMOUNT NOT TO EXCEED $1,160,423.20 IN CONNECTION WITH THE MULTIPLE SEWERSHED PACKAGE 6B PROJECT; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $1,160,423.20 FROM THE PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSTRUCTION CONTRACT WITH D GUERRA CONSTRUCTION, LLC, AND TO PAY D GUERRA CONSTRUCTION, LLC AN AMOUNT NOT TO EXCEED $1,160,423.20 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 water 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, D Guerra Construction, LLC, a local, MBE-Hispanic contractor, is declared the lowest responsible bidder and has submitted the low responsible bid of $1,160,423.20 for the project work; and

WHEREAS, System funds in the amount of $1,160,423.20 are required for the project work; and

WHEREAS, the total amount of $1,160,423.20 is available from the Project Fund for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a construction contract to D Guerra Construction, LLC in an amount not to exceed $1,160,423.20 in connection with the Multiple Sewershed Package 6B Project, (ii) to approve the expenditure of funds and make available an amount not to exceed $1,160,423.20 from the Project Fund, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with D Guerra Construction, LLC, and to pay D Guerra Construction, LLC
an amount not to exceed $1,160,423.20 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 $1,160,423.20 is hereby awarded to D Guerra Construction, LLC, who is determined to be the lowest responsible bidder in connection with the Multiple Sewershed Package 6B Project.

2. That the expenditure of funds in an amount not to exceed $1,160,423.20 for the project work is hereby approved and made available from the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with D Guerra Construction, LLC, and to pay D Guerra Construction, LLC an amount not to exceed $1,160,423.20 in connection with the Multiple Sewershed Package 6B 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 2nd day of July, 2019.

__________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________
Amy Hardberger, 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 PROFESSIONAL SERVICES CONTRACT IN CONNECTION WITH THE BASIN PLANNING CONSULTANTS (BPC) EAST PACKAGE 3

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a professional services contract to Weston Solutions, Inc., a local, non-SMWVB firm, and authorizes funds in an amount not to exceed $728,965.00 in connection with the Basin Planning Consultants (BPC) East Package 3.

- The contract that is the subject of the attached resolution, if approved, will authorize work that is required by the Consent Decree between the San Antonio Water System (the “System”), the United States of America, and the State of Texas that was lodged in the United States District Court for the Western District of Texas on July 23, 2013.

- The Project will address a condition constraint in the east basin and is necessary to comply with the EPA Consent Decree. This project consists of rehabilitating approximately 5,407 feet of existing 8-inch and 337 feet of 10-inch sewer mains using cured-in-place pipe, pipe bursting, point repair, and open cut method on multiple locations throughout the east basin.

- Services to be provided include design, bid phase, services during construction, and project closeout services.

- Weston Solutions, Inc. will provide professional services for this project for the negotiated not to exceed amount of $728,965.00

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2019 Capital Improvement Program. The project work is included in the Wastewater Water Core Business budget line item. The amount is $728,965.00 under job number 19-4509.
SUPPLEMENTARY COMMENTS:

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

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>AECOM Technical Services, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Alan Plummer Associates, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Arcadis U.S., Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Arredondo, Zepeda &amp; Brunz, LLC</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>BGE, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Bain Medina Bain, Inc.</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Big Red Dog a division of WGI</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Civil Design Services, Inc. dba CDS Muery</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Cobb, Fendley &amp; Associates, Inc. dba CobbFendley</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>CP&amp;Y, Inc.</td>
<td>Local/MBE-Asian/Non-SBE</td>
</tr>
<tr>
<td>Garcia Infrastructure Consultants, LLC</td>
<td>Local/WBE-Hispanic</td>
</tr>
<tr>
<td>Garver, LLC</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Garza EMC, LLC</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Gonzalez-De La Garza &amp; Associates, LLC</td>
<td>Local/WBE-Hispanic</td>
</tr>
<tr>
<td>Halff Associates, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Jones &amp; Carter, Inc. dba Jones</td>
<td>Carter</td>
</tr>
<tr>
<td>K Friese &amp; Associates, Inc.</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Lockwood, Andrews, and Newnam, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>LNV, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Moreno Cardenas, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Mendez Engineering, PLLC</td>
<td>Local/MBE-Hispanic/VBE</td>
</tr>
<tr>
<td>Moy Tarin Ramirez Engineers, LLC</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Pape-Dawson Consulting Engineers, Inc. dba Pape-Dawson</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Engineering, Inc.</td>
<td></td>
</tr>
<tr>
<td>Poznecki-Camarillo, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>RESPECT Company, LLC</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>RJN Group, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>RPS Infrastructure, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>TriHydro Corporation</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Unintech Consulting Engineers, Inc.</td>
<td>Local/WBE-Asian</td>
</tr>
<tr>
<td>Vickrey &amp; Associates, Inc.</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td><strong>Weston Solutions, Inc.</strong>*</td>
<td><strong>Local/Non-SMWVB</strong></td>
</tr>
</tbody>
</table>

*Selected Firm
Weston Solutions, Inc. proposes to use the following sub-consultants for services on this contract:

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Percent of Fee</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moy Tarin Ramirez Engineers, LLC</td>
<td>27.50%</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Blanton &amp; Associates, Inc.</td>
<td>2.60%</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Garza EMC, LLC dba Garza EMC</td>
<td>8.70%</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Hoffman Southwest Corp. dba Pro-Pipe</td>
<td>3.40%</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td>Rock Engineering and Testing Laboratory, Inc.</td>
<td>6.80%</td>
<td>Local/WBE-Asian</td>
</tr>
<tr>
<td>The Rios Group, Inc.</td>
<td>6.90%</td>
<td>Local/WBE-Hispanic</td>
</tr>
</tbody>
</table>

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>36.20%</td>
</tr>
<tr>
<td>MBE – Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Minority</td>
<td>13.70%</td>
</tr>
<tr>
<td>WBE – Non–Minority</td>
<td>2.60%</td>
</tr>
<tr>
<td>SMWVB Total</td>
<td>52.50%</td>
</tr>
</tbody>
</table>
Award of Professional Services Contract
Basin Planning Consultants (BPC) East Package 3

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 PROFESSIONAL SERVICES CONTRACT TO WESTON SOLUTIONS, INC. IN AN AMOUNT NOT TO EXCEED $728,965.00 IN CONNECTION WITH THE BASIN PLANNING CONSULTANTS (BPC) EAST PACKAGE 3; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $728,965.00 FROM THE PROJECT FUND FOR THE PROJECT ENGINEERING WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A PROFESSIONAL SERVICES CONTRACT WITH WESTON SOLUTIONS, INC., AND TO PAY WESTON SOLUTIONS, INC. AN AMOUNT NOT TO EXCEED $728,965.00 FOR THE PROJECT ENGINEERING DESIGN WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE, AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the San Antonio Water System (the “System”) requires professional services for design of the Basin Planning Consultants (BPC) East Package 3 (the “Project”); and

WHEREAS, the System has solicited proposals for the required engineering work in connection with the Project; and

WHEREAS, the System’s Architect and Engineer Selection Committee has selected Weston Solutions, Inc. to provide the required project engineering work in connection with the project; and

WHEREAS, Weston Solutions, Inc., a local, non-SMWVB firm, is deemed to be the most highly qualified provider of these engineering services on the basis of demonstrated competence and qualifications and for a fair and reasonable price; and

WHEREAS, Weston Solutions, Inc. has submitted a proposal in an amount not to exceed $728,965.00 to provide the required engineering design work for the project; and

WHEREAS, System funds in an amount not to exceed $728,965.00 are required for the project engineering work; and

WHEREAS, the required amount not to exceed $728,965.00 is available from the Project Fund; and
WHEREAS, the San Antonio Water System’s Board of Trustees desires (i) to award a professional services contract to Weston Solutions, Inc. in an amount not to exceed $728,965.00 in connection with the Basin Planning Consultants (BPC) East Package 3, (ii) to approve the expenditure of funds and make available in an amount not to exceed $728,965.00 from the Project Fund for the project engineering work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a professional services contract with Weston Solutions, Inc. and to pay Weston Solutions, Inc. an amount not to exceed $728,965.00 for the project engineering work; now, therefore:

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

1. That a professional services contract in an amount not to exceed $728,965.00 is hereby awarded to Weston Solutions, Inc. in connection with the Basin Planning Consultants (BPC) East Package 3.

2. That the expenditure of funds in an amount not to exceed $728,965.00 for the project engineering work is hereby approved and made available from the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a professional services contract with Weston Solutions, Inc., and to pay Weston Solutions, Inc. an amount not to exceed $728,965.00 in connection with the Basin Planning Consultants (BPC) East Package 3 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 2\textsuperscript{nd} day of July, 2019.

\hspace*{1.5in}

\hspace*{1.5in}

Berto Guerra, Jr., Chairman

ATTEST:

\hspace*{1.5in}

Amy Hardberger, 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 PROFESSIONAL SERVICES CONTRACT IN CONNECTION WITH THE 2019 SMALL CAPACITY CONSTRAINTS II PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a professional services contract to Jones & Carter, Inc. dba Jones|Carter, a local, non-SMWVB firm, and authorizes funds in an amount not to exceed $238,180.00 in connection with the 2019 Small Capacity Constraints II Project.

- The contract that is the subject of the attached resolution, if approved, will authorize work that is required by the Consent Decree between the San Antonio Water System (the “System”), the United States of America, and the State of Texas that was lodged in the United States District Court for the Western District of Texas on July 23, 2013.

- The Project will address four distinct capacity constraints on small diameter lines defined as lines less than 12-inches in diameter within the central sewershed. The project involves approximately 4,700 feet of pipe replacement ranging from 10-inch to 12-inch.

- Basic services to be provided include design, bid phase, services during construction, and project closeout services. Supplemental services include but are not limited to, additional engineering, surveying, environmental, geotechnical, and subsurface utility engineering.

- Jones & Carter, Inc. dba Jones|Carter will provide professional services for this project for the negotiated not to exceed amount of $238,180.00.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2019 Capital Improvement Program. The project work is included in the Wastewater Water Core Business budget line item. The amount is $238,180.00 under job number 19-4525.
SUPPLEMENTARY COMMENTS:

A Request for Qualifications was issued on February 11, 2019 and twenty interest statements were received for the project. Weston Solutions, Inc. was selected through the System’s Architect and Engineer Selection Process as a qualified consultant. The firms that provided interest statements for this project are listed below:

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alan Plummer Associates, Inc.</td>
<td>Local/Non-SMWV</td>
</tr>
<tr>
<td>Arredondo, Zepeda &amp; Brunz, LLC</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Bain Medina Bain, Inc.</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Big Red Dog, Inc., a division of WGI</td>
<td>Local/Non-SMWV</td>
</tr>
<tr>
<td>Gonzalez-De La Garza &amp; Associates, LLC</td>
<td>Local/WBE-Hispanic</td>
</tr>
<tr>
<td>Jones &amp; Carter, Inc. dba Jones</td>
<td>Carter*</td>
</tr>
<tr>
<td>JQ Infrastructure, LLC</td>
<td>Local/MBE-Asian</td>
</tr>
<tr>
<td>KCI Technologies, Inc.</td>
<td>Local/Non-SMWV</td>
</tr>
<tr>
<td>LNV, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Maestas &amp; Associates, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Mendez Engineering, PLLC</td>
<td>Local/MBE-Hispanic/VBE</td>
</tr>
<tr>
<td>Moreno Cardenas, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Poznecki-Camarillo, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>RESPEC Company, LLC</td>
<td>Local/Non-SMWV</td>
</tr>
<tr>
<td>RJN Group, Inc.</td>
<td>Local/Non-SMWV</td>
</tr>
<tr>
<td>RPS Infrastructure, Inc.</td>
<td>Local/Non-SMWV</td>
</tr>
<tr>
<td>TriHydro Corporation</td>
<td>Local/Non-SMWV</td>
</tr>
<tr>
<td>Unintech Consulting Engineers, Inc.</td>
<td>Local/WBE-Asian</td>
</tr>
<tr>
<td>Vickrey &amp; Associates, Inc.</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Weston Solutions, Inc.</td>
<td>Local/Non-SMWV</td>
</tr>
</tbody>
</table>

*Selected Firm

Jones & Carter, Inc. dba Jones|Carter proposes to use the following sub-consultants for services on this contract:

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Percent of Fee</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arias and Associates, Inc.</td>
<td>9.70%</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Bain Medina Bain, Inc.</td>
<td>24.00%</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Gonzalez De La Garza &amp; Associates, LLC</td>
<td>6.30%</td>
<td>Local/WBE-Hispanic</td>
</tr>
</tbody>
</table>
Additionally, the overall SMWVB analysis is shown in the following table:

<table>
<thead>
<tr>
<th>2019 Small Capacity Constraints II Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jones &amp; Carter, Inc. dba Jones</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>SMWVB Total</td>
</tr>
</tbody>
</table>

Gail A. 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 PROFESSIONAL SERVICES CONTRACT TO JONES & CARTER, INC. DBA JONES|CARTER IN AN AMOUNT NOT TO EXCEED $238,180.00 IN CONNECTION WITH THE 2019 SMALL CAPACITY CONSTRAINTS II PROJECT; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $238,180.00 FROM THE PROJECT FUND FOR THE PROJECT ENGINEERING WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A PROFESSIONAL SERVICES CONTRACT WITH JONES & CARTER, INC. DBA JONES|CARTER, AND TO PAY JONES & CARTER, INC. DBA JONES|CARTER AN AMOUNT NOT TO EXCEED $238,180.00 FOR THE PROJECT ENGINEERING WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE, AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the San Antonio Water System (the “System”) requires professional services for design of the 2019 Small Capacity Constraints II Project (the “Project”); and

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

WHEREAS, the System’s Architect and Engineer Selection Committee has selected Jones & Carter, Inc. dba Jones|Carter to provide the required project engineering work in connection with the project; and

WHEREAS, Jones & Carter, Inc. dba Jones|Carter, a local, non-SMWVB firm, is deemed to be the most highly qualified provider of these project engineering services on the basis of demonstrated competence and qualifications and for a fair and reasonable price; and

WHEREAS, Jones & Carter, Inc. dba Jones|Carter has submitted a proposal in an amount not to exceed $238,180.00 to provide the required project engineering work for the project; and

WHEREAS, System funds in an amount not to exceed $238,180.00 are required for the project engineering work; and

WHEREAS, the required amount not to exceed $238,180.00 is available from the
WHEREAS, the San Antonio Water System’s Board of Trustees desires (i) to award a professional services contract to Jones & Carter, Inc. dba Jones|Carter in an amount not to exceed $238,180.00 in connection with the 2019 Small Capacity Constraints II Project, (ii) to approve the expenditure of funds and make available an amount not to exceed $238,180.00 from the Project Fund for the project engineering work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a professional services contract with Jones & Carter, Inc. dba Jones|Carter, and to pay Jones & Carter, Inc. dba Jones|Carter an amount not to exceed $238,180.00 for the project engineering work; now, therefore:

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

1. That a professional services contract in an amount not to exceed $238,180.00 is hereby awarded to Jones & Carter, Inc. dba Jones|Carter in connection with the 2019 Small Capacity Constraints II Project.

2. That the expenditure of funds in an amount not to exceed $238,180.00 for the project engineering work is hereby approved and made available from the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a professional services contract with Jones & Carter, Inc. dba Jones|Carter, and to pay Jones & Carter, Inc. dba Jones|Carter an amount not to exceed $238,180.00 in connection with the 2019 Small Capacity Constraints 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 2\textsuperscript{nd} day of July, 2019.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Amy Hardberger, Secretary
AGENDA ITEM NO. 12

TO: San Antonio Water System Board of Trustees

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

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

SUBJECT: APPROVAL OF ADDITIONAL FUNDS FOR PROFESSIONAL SERVICES IN CONNECTION WITH THE C-13 BROADWAY CORRIDOR – JOSEPHINE ST TO SOUTH ALAMO ST PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution amends Resolution No. 11-352 by authorizing additional funds to an existing professional services contract with CH2M Hill, Inc., a local, non-SMWB national firm, in an amount not to exceed $140,265.00 in connection with the C-13 Broadway Corridor – Josephine St to South Alamo St Project.

- The San Antonio Water System (the “System”) has entered into a Consent Decree with the United States Environmental Protection Agency, the United States Department of Justice, and the State of Texas which outlines activities to be undertaken to reduce Sanitary Sewer Overflows.

- On November 1, 2011, by Resolution No. 11-352, the System’s Board of Trustees awarded a professional services contract with CH2M Hill, Inc. in an amount not to exceed $2,891,150.00 for engineering services in connection with the C-13 Broadway Corridor – Josephine St to South Alamo St Project.

- Construction for this project has exceeded the originally anticipated contract duration. Additional engineering, construction phase, and supplemental services are required for the continuation of the project through construction completion.

- Additional funding in the amount of $140,265.00 is available from the Project Fund.

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

The Project Fund will finance this expenditure included in the CY 2019 Capital Improvement Program. The work is included in the Wastewater Core Business budget line item. The amount is $140,265.00 for the additional wastewater engineering work. The job number is 11-2518.

<table>
<thead>
<tr>
<th>Original Contract Amount (Resolution No. 11-352)</th>
<th>Amount Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Additional Funds (Resolution No. 12-342)</td>
<td>$2,891,150.00</td>
</tr>
<tr>
<td>Additional Funds (Resolution No. 13-063)</td>
<td>351,585.20</td>
</tr>
<tr>
<td>Additional Funds (Resolution No. 13-188)</td>
<td>168,386.00</td>
</tr>
<tr>
<td>Additional Funds (Resolution No. 14-192)</td>
<td>216,715.00</td>
</tr>
<tr>
<td>Additional Funds (Resolution No. 17-200)</td>
<td>461,490.00</td>
</tr>
<tr>
<td>Proposed Additional Funds</td>
<td>568,100.00</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>140,265.00</td>
</tr>
</tbody>
</table>

As a result of the additional funds, the revised contract amount is $4,797,691.20. This represents a 65.94 percent increase in the System’s original contract amount.

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

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

Robert R. Puente  
President/Chief Executive Officer

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING ADDITIONAL FUNDS TO THE EXISTING PROFESSIONAL SERVICES CONTRACT WITH CH2M HILL, INC. IN AN AMOUNT NOT TO EXCEED $140,265.00 IN CONNECTION WITH C-13 BROADWAY CORRIDOR – JOSEPHINE ST TO SOUTH ALAMO ST PROJECT; MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $140,265.00 FROM THE PROJECT FUND; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE AN AMENDMENT TO THE EXISTING PROFESSIONAL SERVICES CONTRACT WITH CH2M HILL, INC., AND TO PAY CH2M HILL, INC. AN AMOUNT NOT TO EXCEED $140,265.00 FOR ADDITIONAL ENGINEERING SERVICES; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the San Antonio Water System (the “System”) has entered into a Consent Decree with the United States Environmental Protection Agency, the United States Department of Justice, and the State of Texas which outlines activities to be undertaken to reduce Sanitary Sewer Overflows; and

WHEREAS, on November 1, 2011, by Resolution No. 11-352, the System’s Board of Trustees awarded a professional services contract with CH2M Hill, Inc., and provided funds in the amount of $2,891,150.00 for engineering services in connection with C-13 Broadway Corridor – Josephine St to South Alamo St Project; and

WHEREAS, construction for this project has exceeded the originally anticipated contract duration requiring additional construction phase and supplemental services; and

WHEREAS, additional funding to the existing professional services contract with CH2M Hill, Inc. in an amount not to exceed $140,265.00 are required for CH2M Hill, Inc. to provide additional professional engineering services; and

WHEREAS, additional funding in the amount of $140,265.00 is available from the Project Fund; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve additional funds to the existing professional services contract with CH2M Hill, Inc. in an amount not to exceed $140,265.00 in connection with the C-13 Broadway Corridor – Josephine St
to South Alamo St Project, (ii) to make available an amount not to exceed $140,265.00 from the Project Fund, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute an amendment to the professional services contract with CH2M Hill, Inc., and to pay CH2M Hill, Inc. an amount not to exceed $140,265.00 for the additional engineering services; now, therefore:

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

1. That Resolution No. 11-352 is hereby amended by approving additional funds to the existing professional services contract with CH2M Hill, Inc. in an amount not to exceed $140,265.00 in connection with the C-13 Broadway Corridor – Josephine St to South Alamo St Project.

2. That an amount not to exceed $140,265.00 is hereby made available and to be expended from the Project Fund for the additional engineering services.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute an amendment to the professional services contract with CH2M Hill, Inc., and to pay CH2M Hill, Inc. an amount not to exceed $140,265.00 for the project engineering work.

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

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

6. This resolution becomes effective immediately upon its passage.
PASSED AND APPROVED this 2\textsuperscript{nd} day of July, 2019.

_________________________________

Berto Guerra, Jr., Chairman

ATTEST:

_________________________________

Amy Hardberger, Secretary
TO: San Antonio Water System Board of Trustees

FROM: Joe L. Carreno, P.E., Senior Director, Construction, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: APPROVAL OF CHANGE ORDER NO. 8 IN CONNECTION WITH THE ZARZAMORA PUMP STATION IMPROVEMENTS PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution approves Change Order No. 8 in an amount not to exceed $263,650.65 to the construction contract with Archer Western Construction, LLC, a non-local, non-SMWVB firm, in connection with the Zarzamora Pump Station Improvements Project.

- On December 5, 2017, the Board of Trustees, by Resolution No. 17-287, authorized a construction contract with Archer Western Construction, LLC (the “Contractor”) in an amount not to exceed $11,451,000.00 in connection with the Zarzamora Pump Station Improvements Project.

- This project includes the replacement of all electrical equipment, electrical building, Supervisory Control and Data Acquisition (SCADA) controls; on-site generated sodium hypochlorite in a new building, new fluoride facility; perform an existing wells assessment to include well motors, pumps, and related appurtenances in order to determine if repairs or replacement were required.

- During construction, the well assessment determined that additional work was required to put the wells back in operation. The necessary repairs include installation of new pumps and motors. In order to perform this work it is necessary to temporary plug the wells during construction.

- Change Order No. 8 in an amount not to exceed $263,650.65, provides additional funds to the construction contract with Archer Western Construction, LLC for the costs associated with this additional work.

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

The Project Fund will finance this expenditure included in the CY 2019 Capital Improvement Program. This project is included in the Water Delivery Core Business budget line item. The amount is $263,650.65 for additional project work and funds will be transferred from the 2019 Owner Controlled Construction Changes line item. The job number is 15-6103.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Contract Amount (Resolution No. 17-287)</td>
<td>$11,451,000.00</td>
</tr>
<tr>
<td>Previous Change Orders (1 through 7)</td>
<td>179,694.21</td>
</tr>
<tr>
<td>Proposed Change Order No. 8</td>
<td>263,650.65</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>$11,894,344.86</td>
</tr>
</tbody>
</table>

The revised contract amount for the System’s work as a result of previous change orders and Change Order No. 8 is $11,894,344.86, which represents a 3.87 percent increase to the original contract amount.

The original completion date for this contract was April 16, 2019. As result of previous change orders the completion date is August 1, 2019, with a total extension of 107 days. Change Order No. 8 does not extend contract time.

Joe L. Carreno, P.E.  
Senior Director  
Construction

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

Robert R. Puente  
President/Chief Executive Officer

Attachments:
1. Project Area Map
2. Project Site Map
SAN ANTONIO WATER SYSTEM
PROJECT SITE MAP
ATTACHMENT II

ZARZAMORA PUMP STATION IMPROVEMENTS PROJECT

LEGEND
[striped] PROJECT LIMITS

- Well #4
- Well #1
- Ground Storage Tank
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING CHANGE ORDER NO. 8 IN AN AMOUNT NOT TO EXCEED $263,650.65 FOR THE ADDITIONAL PROJECT WORK IN CONNECTION WITH THE ZARZAMORA PUMP STATION IMPROVEMENTS PROJECT; AMENDING RESOLUTION NO. 17-287 BY APPROVING AN ADDITIONAL AMOUNT NOT TO EXCEED $263,650.65 FROM THE PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE CHANGE ORDER NO. 8, AND TO PAY ARCHER WESTERN CONSTRUCTION, LLC AN ADDITIONAL AMOUNT NOT TO EXCEED $263,650.65 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, on December 5, 2017, the San Antonio Water System’s (the “System”) Board of Trustees, by Resolution No. 17-287, authorized a construction contract with Archer Western Construction, LLC (the “Contractor”) in an amount not to exceed $11,451,000.00 for the project work in connection with the Zarzamora Pump Station Improvements Project; and

WHEREAS, Change Order No. 8 is required to temporarily plug the wells and stop water flow to install the new pumps and motors; and

WHEREAS, negotiations between the System and Archer Western Construction, LLC resulted in a cost of $263,650.65 for Change Order No. 8 for the additional project work; and

WHEREAS, additional System funds in an amount not to exceed $263,650.65 are required in connection with the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve Change Order No. 8 in an amount not to exceed $263,650.65 payable to Archer Western Construction, LLC in connection with the Zarzamora Pump Station Improvements Project, (ii) to amend Resolution No. 17-287 by approving the expenditure of funds in an amount not to exceed $263,650.65 from the Project Fund, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute Change Order No. 8, and to pay an additional amount not to exceed $263,650.65 to Archer Western Construction, LLC for the project work; now, therefore:
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF
TRUSTEES:

1. That Change Order No. 8 in an amount not to exceed $263,650.65 to the construction contract with Archer Western Construction, LLC in connection with the Zarzamora Pump Station Improvements Project is hereby approved.

2. That Resolution No. 17-287 is hereby amended by approving an additional amount not to exceed $263,650.65 from the Project Fund for additional project work.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute Change Order No. 8, and to pay Archer Western Construction, LLC an additional amount not to exceed $263,650.65 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 2nd day of July, 2019.

____________________________________
Berto Guerra, Jr., Chairman

ATTEST:

____________________________________
Amy Hardberger, Secretary
TO: San Antonio Water System Board of Trustees

FROM: Juan D. Gomez, Ph.D., P.E., Interim Director, Plants and Major Projects, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: AWARD OF PROFESSIONAL SERVICES CONTRACT IN CONNECTION WITH THE WATER PRODUCTION FACILITIES DISINFECTION SYSTEM UPGRADES PHASE III PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a professional services contract to Arcadis U.S., Inc. a local, non-SMWVB firm, and authorizes funds in an amount not to exceed $1,390,945.00 in connection with the Water Production Facilities Disinfection System Upgrades Phase III 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 2019, the Seale Pump Station, located east of downtown and the Micron Pump Station, located in west San Antonio are programmed for the replacement of their chlorine disinfection system with a sodium hypochlorite system.

- This project will replace the existing chlorine gas system with an on-site generated sodium hypochlorite system within a new building. Major components include two sodium hypochlorite generators, brine pumps, brine storage tank, two sodium hypochlorite storage tanks, injection pumps, electrical work, Supervisory Control and Data Acquisition (SCADA) controls, programming, and general civil site work.

- Services include surveying, subsurface investigations, geotechnical, architectural, civil, mechanical, plumbing, structural, electrical, HVAC, and fire protection engineering services, preparation of design plans and specifications, necessary permitting, and assistance during construction including review of shop drawings and providing periodic field inspection.

- Arcadis U.S., Inc. will provide professional services for this project in an amount not to exceed $1,390,945.00.

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

The Project Fund will finance this expenditure included in the CY 2019 Capital Improvement Program. The project work is included in the Water Delivery Core Business, Water Production Facilities Disinfection System Upgrades Phase III Project budget line item. The amount is $1,390,945.00 under job number 19-6007.

SUPPLEMENTARY COMMENTS:

A Request for Qualifications was issued on February 26, 2019, and two interest statements were received for the project. Arcadis U.S., Inc. was selected through the Architect and Engineer Selection Process. The firms that provided interest statements for this project are listed below:

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arcadis U.S., Inc.*</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Tetra Tech, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
</tbody>
</table>

*Selected Firm

Arcadis U.S., Inc. proposes to use the following sub-consultants for services on this contract:

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Percent of Fee</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arias and Associates, Inc.</td>
<td>9.01%</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Blanton and Associates, Inc.</td>
<td>4.00%</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Construct-Ability, LLC</td>
<td>2.75%</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Gupta and Associates, Inc.</td>
<td>20.05%</td>
<td>Local/MBE-Asian</td>
</tr>
<tr>
<td>The Rios Group, Inc.</td>
<td>4.43%</td>
<td>Local/WBE-Hispanic</td>
</tr>
<tr>
<td>Signature Automation, LLC</td>
<td>5.76%</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Vickrey and Associates, Inc.</td>
<td>2.18%</td>
<td>Local/WBE-Caucasian</td>
</tr>
</tbody>
</table>
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>20.05%</td>
</tr>
<tr>
<td>MBE – Hispanic</td>
<td>14.77%</td>
</tr>
<tr>
<td>MBE – Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE – Minority</td>
<td>4.43%</td>
</tr>
<tr>
<td>WBE – Non–Minority</td>
<td>6.18%</td>
</tr>
<tr>
<td>SMWVB Total</td>
<td>45.43%</td>
</tr>
</tbody>
</table>

Juan D. Gomez, Ph.D., P.E.
Interim Director
Plants and Major Projects

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
3. Project Site Map
SAN ANTONIO WATER SYSTEM
PROJECT AREA MAP
ATTACHMENT I

WATER PRODUCTION FACILITIES DISINFECTION SYSTEM UPGRADES PH III

LEGEND
★ PROJECT SITE
EDWARDS AQUIFER RECHARGE ZONE
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A PROFESSIONAL SERVICES CONTRACT TO ARCADIS U.S., INC. IN AN AMOUNT NOT TO EXCEED $1,390,945.00 IN CONNECTION WITH THE WATER PRODUCTION FACILITIES DISINFECTION SYSTEM UPGRADES PHASE III PROJECT; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $1,390,945.00 FROM THE PROJECT FUND FOR PROJECT ENGINEERING WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A PROFESSIONAL SERVICES CONTRACT WITH ARCADIS U.S., INC., AND TO PAY ARCADIS U.S., INC. AN AMOUNT NOT TO EXCEED $1,390,945.00 FOR THE PROJECT ENGINEERING WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE, AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the San Antonio Water System (the “System”) requires professional services for Water Production Facilities Disinfection System Upgrades Phase III Project (the “Project”); and

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

WHEREAS, the System’s Architect and Engineer Selection Committee has selected Arcadis U.S., Inc. to provide the required project engineering work in connection with the project; and

WHEREAS, Arcadis U.S., Inc., a local, non-SMWVB firm, is deemed to be the most highly qualified provider of these project engineering services on the basis of demonstrated competence and qualifications and for a fair and reasonable price; and

WHEREAS, Arcadis U.S., Inc. has submitted a proposal in an amount not to exceed $1,390,945.00 to provide the required project engineering work for the project; and

WHEREAS, System funds in an amount not to exceed $1,390,945.00 are required for the project engineering work; and

WHEREAS, the required amount not to exceed $1,390,945.00 is available from the Project Fund; and
WHEREAS, the San Antonio Water System’s Board of Trustees desires (i) to award a professional services contract to Arcadis U.S., Inc. in an amount not to exceed $1,390,945.00 in connection with the Water Production Facilities Disinfection System Upgrades Phase III Project, (ii) to approve the expenditure of funds and make available an amount not to exceed $1,390,945.00 from the Project Fund for the project engineering work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a professional services contract with Arcadis U.S., Inc., and to pay Arcadis U.S., Inc. an amount not to exceed $1,390,945.00 in connection with the project work; now, therefore:

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

1. That a professional services contract in an amount not to exceed $1,390,945.00 is hereby awarded to Arcadis U.S., Inc. in connection with the Water Production Facilities Disinfection System Upgrades Phase III Project.

2. That the expenditure of funds in an amount not to exceed $1,390,945.00 for the project engineering work is hereby approved and made available from the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a professional services contract with Arcadis U.S., Inc., and to pay Arcadis U.S., Inc. an amount not to exceed $1,390,945.00 in connection with the Water Production Facilities Disinfection System Upgrades Phase III 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 2\textsuperscript{nd} day of July, 2019.

________________________
Berto Guerra, Jr., Chairman

ATTEST:

________________________
Amy Hardberger, Secretary
TO: San Antonio Water System Board of Trustees

FROM: Juan D. Gomez, Ph.D., P.E., Interim Director, Plants and Major Projects, and Andrea L.H. Beymer, P.E., Vice President, Engineering and Construction

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

SUBJECT: APPROVAL OF ADDITIONAL FUNDS FOR PROFESSIONAL SERVICES IN CONNECTION WITH THE FEATHERCREST AND STONE RIDGE LIFT STATIONS UPGRADES PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution amends Resolution No. 18-082 by authorizing additional funds to an existing professional services contract with Alan Plummer and Associates, Inc., a local, non-SMWVB firm, in an amount not to exceed $129,461.00 for additional engineering design services in connection with the Feathercrest and Stone Ridge Lift Stations Upgrades Project (the “Project”).

- By Resolution No. 18-082, passed and approved on April 3, 2018, the San Antonio Water System’s (the “System”) Board of Trustees approved a professional services contract in an amount not to exceed $850,000.00 with Alan Plummer and Associates, Inc. in connection with the Project.

- The Project includes the design for the relocation of the Feathercrest lift station outside of the 100-year flood plain, dual force mains for redundancy, and an increase in wet well capacity. The design also includes the elimination and demolition of the Stone Ridge lift station.

- It is necessary to utilize separate bid packages for the proposed sanitary sewer mains and lift stations work. Separate bid packages are required due to coordination with the City of San Antonio’s (CoSA) 2017 Bond Project.

- Additional engineering services are needed to expedite the design of the sanitary sewer mains to comply with the City of San Antonio’s 2017 Bond Project schedule. This will allow for the System’s construction of the sanitary sewer mains along Thousand Oaks Drive in advance of road construction and mill and overlay work by the City’s Bond Project.

- Additional funding in an amount not to exceed $129,461.00 is available from the Project Fund.

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

The Project Fund will finance this expenditure included in the CY 2019 Capital Improvement Program. The project is included in the Wastewater Core Business budget line item. The amount is $129,461.00 for professional services. The job number 17-2505. The revised authorization for this project is as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount Authorized</th>
</tr>
</thead>
<tbody>
<tr>
<td>Original Contract Amount (Resolution No. 18-082)</td>
<td>$850,000.00</td>
</tr>
<tr>
<td>Proposed Additional Funds</td>
<td>129,461.00</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
<td>$979,461.00</td>
</tr>
</tbody>
</table>

As a result of the additional funds, the new contract amount is $979,461.00. This represents a 15.23 percent increase in the System’s original contract amount.

Juan D. Gomez, Ph.D., P.E.
Interim Director
Plants and Major Projects

APPROVED:

Robert R. Puente
President/Chief Executive Officer

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING ADDITIONAL FUNDS TO THE EXISTING PROFESSIONAL SERVICES CONTRACT WITH ALAN PLUMMER AND ASSOCIATES, INC. IN AN AMOUNT NOT TO EXCEED $129,461.00 IN CONNECTION WITH THE FEATHERCREST AND STONE RIDGE LIFT STATIONS UPGRADES PROJECT; APPROVING THAT AN AMOUNT NOT TO EXCEED $129,461.00 BE MADE AVAILABLE AND EXPENDED FROM THE PROJECT FUND FOR THE ADDITIONAL PROFESSIONAL SERVICES; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE AN AMENDMENT TO THE EXISTING PROFESSIONAL SERVICES CONTRACT WITH ALAN PLUMMER AND ASSOCIATES, INC., AND TO PAY ALAN PLUMMER AND ASSOCIATES, INC. AN ADDITIONAL AMOUNT NOT TO EXCEED $129,461.00 FOR ADDITIONAL PROFESSIONAL SERVICES; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, on April 3, 2018, the San Antonio Water System’s (the “System”) Board of Trustees, by Resolution No. 18-082, approved a professional services contract with Alan Plummer and Associates, Inc. in an amount not to exceed $850,000.00 in connection with the Feathercrest and Stone Ridge Lift Stations Upgrades Project (the “Project”); and

WHEREAS, additional funding to the existing professional services contract with Alan Plummer and Associates, Inc. in an amount not to exceed $129,461.00 is required to provide additional professional services to utilize separate bid packages for the proposed sanitary sewer mains and lift stations work to comply with the City of San Antonio’s 2017 Bond Project schedule for the agencies overlapping project area; and

WHEREAS, an amount not to exceed $129,461.00 is available from the Project Fund for the additional professional services; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve additional funds in an amount not to exceed $129,461.00 in connection with the Feathercrest and Stone Ridge Lift Stations Upgrades Project, (ii) to make available an amount not to exceed $129,461.00 from the Project Fund for the additional professional services, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute an amendment to the existing professional services contract with Alan Plummer and Associates, Inc.,
and to pay Alan Plummer and Associates, Inc. an amount not to exceed $129,461.00 for the additional professional services; now, therefore:

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

1. That Resolution No. 18-082 is hereby amended to provide additional funds to the existing professional services contract with Alan Plummer and Associates, Inc. in an amount not to exceed $129,461.00 in connection with the Feathercrest and Stone Ridge Lift Stations Upgrades Project.

2. That an amount not to exceed $129,461.00 is hereby made available and is to be expended from the Project Fund for the additional professional services.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute an amendment to the existing professional services contract with Alan Plummer and Associates, Inc., and to pay Alan Plummer and Associates, Inc. an amount not to exceed $129,461.00 in connection with the Feathercrest and Stone Ridge Lift Stations Upgrades 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 2\textsuperscript{nd} day of July, 2019.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_______________________________
Amy Hardberger, Secretary
TO: San Antonio Water System Board of Trustees

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

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

SUBJECT: AUTHORIZATION TO REIMBURSE THE CITY OF SAN ANTONIO IN CONNECTION WITH THE 2017 BOND PROGRAM PEDESTRIAN MOBILITY & STREETS TASK ORDER CONTRACT PACKAGE 4

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the President/Chief Executive Officer to reimburse the City of San Antonio (the “City”) an amount not to exceed $112,917.00 for the joint construction of water and sewer facility adjustments in connection with the 2017 Bond Program Pedestrian Mobility & Streets Task Order Contract Package 4.

- The City plans to apply this contract citywide to improve sidewalks, curbs, driveway, drainage and other items required due to site conditions to accomplish the project in connection with the 2017 Bond Program Pedestrian Mobility & Streets Task Order Contract Package 4 for Transportation and Capital Improvements. The City’s work is estimated to cost $2,887,777.50.

- Existing water valve box covers, water meter boxes, fire hydrants, manhole covers, sewer cleanouts and other impacted appurtenances within the project boundaries may require adjustment to match the final grade of the new pavement.

- Bid item quantities for the adjustments were included in the City’s bid documents. Funds for this work will be reimbursed to the City as payments to the contractor are made.

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

The Project Fund will finance this expenditure included in the CY 2019 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 $94,167.00 for water work. The job number is 19-5019.

The wastewater work is included in the Wastewater Core Business, Governmental Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $18,750.00 for sewer work. The job number is 19-5520.

SUPPLEMENTARY COMMENTS:

The City received five bids for this project on April 23, 2019. The lowest qualified, responsive bidder for this project is F.D. Concrete, LLC, a local, MBE-Hispanic contractor. City Council approved the construction contract on June 6, 2019 and construction is expected to begin July 2019. Time allowed for total construction is 540 calendar days. The request for reimbursement is requested after City Council approved the award of the construction contract to ensure that the contract is awarded, to determine which contractor was awarded the project, to give the System’s staff time to review the bids and establish the reimbursement amount based on the awarded bid.

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

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

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED $112,917.00 FOR THE ADJUSTMENT OF WATER AND SEWER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE 2017 BOND PROGRAM PEDESTRIAN MOBILITY & STREETS TASK ORDER CONTRACT PACKAGE 4; APPROVING AN AMOUNT NOT TO EXCEED $112,917.00 BE MADE AVAILABLE AND EXPENDED FROM THE PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO PAY THE CITY OF SAN ANTONIO AN AMOUNT NOT TO EXCEED $112,917.00 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City of San Antonio (the “City”) will construct street improvements in connection with the 2017 Bond Program Pedestrian Mobility & Streets Task Order Contract Package 4; and

WHEREAS, the 2017 Bond Program Pedestrian Mobility & Streets Task Order Contract Package 4 will require the adjustment of certain water and sewer facilities of the San Antonio Water System (the “System”); and

WHEREAS, the City has received a bid for the project work from F.D. Concrete, LLC in an amount not to exceed $112,917.00 and this bidder has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in an amount not to exceed $112,917.00 are required for the project work; and

WHEREAS, the total amount of $112,917.00 is available from the Project Fund for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve the expenditure of funds in an amount not to exceed $112,917.00 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the 2017 Bond Program Pedestrian Mobility & Streets Task Order Contract Package 4, (ii) to approve and make available an amount not to exceed $112,917.00 from the Project Fund to reimburse the City of San Antonio for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly
appointed designee to pay an amount not to exceed $112,917.00 to the City of San Antonio for the project work; now, therefore:

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

1. That the expenditure of funds in an amount not to exceed $112,917.00 for the adjustment of water and sewer facilities by the City in connection with the 2017 Bond Program Pedestrian Mobility & Streets Task Order Contract Package 4 is hereby approved.

2. That an amount not to exceed $112,917.00 to reimburse the City for the project work costs is hereby 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 pay the City an amount not to exceed $112,917.00 for the adjustment of water and sewer facilities by the City in connection with the 2017 Bond Program Pedestrian Mobility & Streets Task Order Contract Package 4.

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

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

6. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 2nd day of July, 2019.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Amy Hardberger, Secretary
TO: San Antonio Water System Board of Trustees

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

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

SUBJECT: AUTHORIZATION TO REIMBURSE THE CITY OF SAN ANTONIO IN CONNECTION WITH THE E. HIGHLAND BLVD DRAINAGE: ST. ANTHONY TO NEW BRAUNFELS PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the President/Chief Executive Officer to reimburse the City of San Antonio (the “City”) in an amount not to exceed $248,969.83 for the joint construction of water facility replacements in connection with the E. Highland Blvd Drainage: St. Anthony to New Braunfels Project.

- The project is a City Capital Improvement Program project included in the Excess Funds 2012-2017 Bond Program. The City proposes to reconstruct roadway and drainage improvements in the project area illustrated on the attached maps. The City’s improvement work is estimated to cost $684,413.07.

- Due to the roadway and drainage improvements within the E. Highland Blvd Drainage: St. Anthony to New Braunfels Project, the existing water mains constructed between 1957 and 1964, require replacement to meet current San Antonio Water System (the “System”) Standards.

- There are no sewer facilities within the project limits that require adjustment or replacement; therefore, there is no sewer work on this project.

- The water work will consist of the replacing of approximately 892 feet of 8-inch and 12-inch water mains.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2019 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 $248,969.83 for water work. The job number is 18-5048.
There is no financial impact for the sewer work. The job number is 18-5542.

**SUPPLEMENTARY COMMENTS:**

The City received three bids for this project on April 23, 2019. The lowest qualified, responsible bidder for this project is E-Z Bel Construction, LLC, a local, MBE-Hispanic contractor. City Council approved the construction contract on June 6, 2019 and construction is expected to begin July 2019. Time allowed for total construction is 180 calendar days. The request for reimbursement is requested after City Council approves the award of the construction contract to ensure that the contract is awarded, to determine which contractor was awarded the project, to give the System’s staff time to review the bids and establish the reimbursement amount based on the winning bid.

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

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

Robert R. Puente
President/Chief Executive Officer

Attachments:
1. Project Area Map
2. Project Site Map
SAN ANTONIO WATER SYSTEM
PROJECT SITE MAP
ATTACHMENT II

E. HIGHLAND BLVD DRAINAGE: ST. ANTHONY TO NEW BRAUNFELS

LEGEND
■ PROJECT LIMITS
RESOLUTION NO. OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED $248,969.83 FOR THE REPLACEMENT OF WATER FACILITIES BY THE CITY OF SAN ANTONIO IN CONNECTION WITH THE E. HIGHLAND BLVD. DRAINAGE: ST. ANTHONY TO NEW BRAUNFELS PROJECT; APPROVING AN AMOUNT NOT TO EXCEED $248,969.83 BE MADE AVAILABLE AND EXPENDED FROM THE PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO PAY TO THE CITY OF SAN ANTONIO AN AMOUNT NOT TO EXCEED $248,969.83 FOR THE PROJECT WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the City of San Antonio (the “City”) intends to construct the E. Highland Blvd Drainage: St. Anthony to New Braunfels Project as part of its Capital Improvement Program; and

WHEREAS, the City’s E. Highland Blvd Drainage: St. Anthony to New Braunfels Project will require the replacement of certain water facilities (the “project work”) of the San Antonio Water System (the “System”); and

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

WHEREAS, System funds in an amount not to exceed $248,969.83 are required for the project work; and

WHEREAS, the total amount of $248,969.83 is available from the Project Fund for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve the expenditure of funds in an amount not to exceed $248,969.83 for the replacement of water facilities by the City of San Antonio in connection with the E. Highland Blvd Drainage: St. Anthony to New Braunfels Project, (ii) to approve and make available an amount not to exceed $248,969.83 from the Project Fund to reimburse the City of San Antonio for the project work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to pay a
total amount not to exceed $248,969.83 to the City of San Antonio for the project work; now, therefore:

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

1. That the expenditure of funds in an amount not to exceed $248,969.83 for the replacement of water facilities by the City in connection with the E. Highland Blvd Drainage: St. Anthony to New Braunfels Project is hereby approved.

2. That an amount not to exceed $248,969.83 to reimburse the City for the project work costs is hereby 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 pay the City an amount not to exceed $248,969.83 for the replacement of water facilities by the City in connection with the E. Highland Blvd Drainage: St. Anthony to New Braunfels 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 2nd day of July, 2019.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Amy Hardberger, 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 WITH THE TEXAS DEPARTMENT OF TRANSPORTATION IN CONNECTION WITH THE IH 410 FROM US 90 TO INGRAM RD. PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution authorizes the President/Chief Executive Officer to execute an Interlocal Agreement with the Texas Department of Transportation (TxDOT) to reimburse the San Antonio Water System (the “System”) an amount not to exceed $93,878.00 for the construction costs, consultant services fees, and the System’s staff costs relating to the construction of water facility adjustments in connection with the IH 410 from US 90 to Ingram Rd. Project.

- TxDOT intends to expand the highway along Interstate Highway 410 from U.S. Highway 90 to Ingram Road in the area illustrated on the attached maps. TxDOT’s improvement work is estimated to cost $100,000,000.00.

- Due to proposed improvements of the IH 410 from US 90 to Ingram Rd. Project, the existing water main that was constructed in 1978 requires surface feature adjustments to avoid conflicts with the TxDOT improvements.

- There are no sewer facilities within the project limits that require adjustment or replacement; therefore, there is no sewer work on this project.

- The water adjustment work will consist of approximately 828 feet of concrete cap added to the existing 30-inch water main.

- TxDOT requires that an Interlocal Agreement be executed for utility adjustments that are eligible for reimbursement by State law.

- It is anticipated that 100 percent of the water work will be eligible for reimbursement through the Federal Utility and State Utility Procedures. There is no construction work to be funded by the System.

- The System’s work will be performed as part of a joint bid with TxDOT and will be paid directly by TxDOT. The System will pay for the engineering services for the project and
Approval of Interlocal Agreement with TxDOT
IH 410 from US 90 to Ingram Rd. Project

will be reimbursed by TxDOT at the completion of the project.

- Reimbursement includes $48,300.00 for construction costs, $27,112.00 for consultant service fees, and $18,466.00 for the System’s staff costs for a total amount of $93,878.00.

- There is no reimbursement cost for construction due to TxDOT agreeing to pay for the construction on TxDOT plans and TxDOT line items.

- The letting date for this work is in July 2019.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

There is no financial impact from this resolution. The job numbers are 18-5044 for water and 18-5538 for sewer.

SUPPLEMENTARY COMMENTS:

Water facility adjustment for this project will be included in the bid documents issued by TxDOT for the joint bid work. This work will be accomplished concurrently with the highway improvements. TxDOT will reimburse the System for construction costs, consultant service fees, and the System’s staff costs required for the construction of water facility adjustment that is estimated to be $93,878.00.

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

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

APPROVED:

Robert R. Puente
President/Chief Executive Officer

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING AN INTERLOCAL AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION TO REIMBURSE THE SAN ANTONIO WATER SYSTEM AN AMOUNT NOT TO EXCEED $93,878.00 FOR THE CONSTRUCTION COSTS, CONSULTANT SERVICES FEES, AND THE SYSTEM’S STAFF COSTS RELATING TO THE CONSTRUCTION OF THE WATER FACILITY ADJUSTMENTS IN CONNECTION WITH THE IH 410 FROM US 90 TO INGRAM RD PROJECT; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE THE INTERLOCAL AGREEMENT WITH THE TEXAS DEPARTMENT OF TRANSPORTATION; 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 Texas Department of Transportation (TxDOT) is constructing the highway and main lane work for the IH 410 from US 90 to Ingram Rd. Project; and

WHEREAS, the IH 410 from US 90 to Ingram Rd. Project requires the adjustment of certain water facilities (the “project work”) of the San Antonio Water System (the “System”); and

WHEREAS, the project work costs are eligible for reimbursement through the Federal Utility and State Utility Procedures; and

WHEREAS, TxDOT has requested that the System enter into an Interlocal Agreement for the reimbursement of project work costs; and

WHEREAS, reimbursement includes $48,300.00 for construction costs, $27,112.00 for consultant service fees, and $18,466.00 for the System’s staff costs for a total amount of $93,878.00; and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) approve an Interlocal Agreement with TxDOT for the reimbursement in an amount not to exceed $93,878.00 for construction costs, consultant service fees, and the System’s costs relating to the construction of the water facility adjustments in connection with the IH 410 from US 90 to Ingram Rd. Project; (ii) authorize the President/Chief Executive Officer or his duly appointed designee to execute the Interlocal Agreement with TxDOT; now, therefore:
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:

1. That an Interlocal Agreement with TxDOT for the reimbursement in an amount not to exceed $93,878.00 for construction costs, consultant service fees, and the System’s staff costs relating to the construction of the water facility adjustments in connection with the IH 410 from US 90 to Ingram Rd. Project is hereby approved.

2. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the Interlocal Agreement with TxDOT in connection with the IH 410 from US 90 to Ingram Rd. Project.

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 2nd day of July, 2019.

__________________________
Berto Guerra, Jr., Chairman

ATTEST:

__________________________
Amy Hardberger, 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 PROFESSIONAL SERVICES CONTRACT IN CONNECTION WITH THE 2019 GOVERNMENTAL ENGINEERING DESIGN SERVICES – PACKAGE I

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a professional services contract to K Friese & Associates, Inc., a local, WBE-Caucasian firm, and authorizes funds in an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package I.

- The San Antonio Water System (the “System”) Pipelines Division manages programmed Capital Improvement Projects (CIP) projects designed by consultants and in-house staff for emergency and non-emergency operations projects. A need exists for an outside consultant to provide engineering services beyond the capability of the System’s Pipeline Division due to workload and the need for specialized design services.

- In addition, local and state agencies typically hire engineering consultants to design their infrastructure improvement projects. In many cases, the System elects to contract with the same engineer to design water or sewer facility related work in connection with each project. However, there are some projects that require the System to use a separate design consultant.

- The use of Engineering Services Work Order contracts, over the past several years, has been very successful in ensuring that the System is able to meet the design and construction schedules of other agencies and the need for expedited design services for emergency and non-emergency work for both water and sewer. This practice allows projects to be assigned as soon as they are identified, thereby avoiding delays associated with the selection of individual consultants for each project.

- Projects will be assigned to the contract on a work order basis as they are identified. The scope of services and fees will be negotiated for each project prior to authorization to proceed.

- System staff will review the design documents and coordinate with other utility and governmental agencies. Construction may be jointly bid with the lead agency or may be
accomplished through the use of System construction work order contracts.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this expenditure included in the CY 2019 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 $400,000.00 for water related engineering work. The job number is 19-5001.

The sewer work is included in the Wastewater Delivery Core Business, Governmental – Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $400,000.00 for sewer related engineering work. The job number is 19-5501.

**SUPPLEMENTARY COMMENTS:**

This contract will be valid for two years from the date of execution. Thirty firms responded to the Request for Qualifications. K Friese & Associates, Inc. was selected through the System’s Architect and Engineer Selection Process as a qualified consultant. The firms that provided interest statements for this project are listed below:
### Award of Professional Services Contract
2019 Governmental Engineering Design Services – Package I

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arredondo, Zepeda &amp; Brunz, LLC</td>
<td>Local/MBE–Hispanic</td>
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<tr>
<td>Bain Medina Bain, Inc.</td>
<td>Local/WBE–Caucasian</td>
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<tr>
<td>Brown &amp; Gay Engineers, Inc. dba BGE, Inc.</td>
<td>Local/Non–SMWVB</td>
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<td>Big Red Dog a division of WGI</td>
<td>Local/Non-SMWVB</td>
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<td>Cobb, Fendley &amp; Associates, Inc.</td>
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<td>Don Durden Inc., dba Civil Engineering Consultants</td>
<td>Local/SBE</td>
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<td>Garcia Infrastructure Consultants, LLC</td>
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<td>Garza EMC, LLC</td>
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<td>Gonzalez-De La Garza &amp; Associates, LLC</td>
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<td>Great Lakes Engineering, LLC</td>
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<td>IDCUS, Inc.</td>
<td>Local/MBE-Hispanic</td>
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<td>Jones &amp; Carter, Inc. dba Jones</td>
<td>Carter</td>
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<tr>
<td>K Friese &amp; Associates, Inc.*</td>
<td>Local/WBE-Caucasian</td>
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<td>LNV, Inc.</td>
<td>Local/MBE-Hispanic</td>
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<tr>
<td>Lockwood, Andrews &amp; Newnam, Inc.</td>
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<tr>
<td>Maestas &amp; Associates, LLC</td>
<td>Local/MBE-Hispanic</td>
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<tr>
<td>Mendez Engineering, PLLC</td>
<td>Local/MBE-Hispanic/VBE</td>
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<td>Moreno Cardenas, Inc.</td>
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<td>Moy Tarin Ramirez Engineers, LLC</td>
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<tr>
<td>MSE Group, LLC</td>
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<td>Omega Engineers, Inc.</td>
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<td>Pape-Dawson Engineers, Inc.</td>
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<td>Poznecki-Camarillo, Inc.</td>
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<tr>
<td>RE/SPEC Inc., dba RESPEC</td>
<td>Local/Non-SMWVB</td>
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<td>RJN Group, Inc.</td>
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<td>RPS Infrastructure, Inc.</td>
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<td>Slay Engineering Company, Inc.</td>
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<td>Unintech Consulting Engineers, Inc.</td>
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<td>Vickrey &amp; Associates, Inc.</td>
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<tr>
<td>Weston Solutions, Inc. (WESTON®)</td>
<td>Local/Non-SMWVB</td>
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</tbody>
</table>

*Selected Firm
K Friese & Associates, Inc., proposed to use the following sub-consultants for services on this contract:

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Percent of Fee</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kimley-Horn and Associates, Inc.</td>
<td>10.00%</td>
<td>Local/Non-SMWVB</td>
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<td>Moy Tarin Ramirez Engineers, LLC</td>
<td>15.00%</td>
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<td>Construct-Ability, LLC</td>
<td>5.00%</td>
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<td>Brown &amp; Gay Engineers, Inc. dba BGE, Inc.</td>
<td>3.00%</td>
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<td>Raba Kistner, Inc.</td>
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<td>Local/Non-SMWVB</td>
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<tr>
<td>Underground Services, Inc. dba SoftDig</td>
<td>2.00%</td>
<td>Local/SBE</td>
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Additionally, the overall SMWVB analysis is shown in the following table:

<table>
<thead>
<tr>
<th>2019 Governmental Engineering Design Services – Package I</th>
</tr>
</thead>
<tbody>
<tr>
<td>K Friese &amp; Associates, Inc.</td>
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<tr>
<td>SMWVB Analysis – Board Award</td>
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<tr>
<td>SBE</td>
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<td>MBE – African American</td>
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<td>MBE – Hispanic</td>
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<td>MBE – Other</td>
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<td>WBE – Minority</td>
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<tr>
<td>WBE – Non–Minority</td>
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<tr>
<td><strong>SMWVB Total</strong></td>
</tr>
</tbody>
</table>
Award of Professional Services Contract
2019 Governmental Engineering Design Services – Package I

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

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

Robert R. Puente
President/Chief Executive Officer

APPROVED:
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A PROFESSIONAL SERVICES CONTRACT TO K FRIESE & ASSOCIATES, INC. IN AN AMOUNT NOT TO EXCEED $800,000.00 IN CONNECTION WITH THE 2019 GOVERNMENTAL ENGINEERING DESIGN SERVICES – PACKAGE I; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $800,000.00 FROM THE PROJECT FUND FOR THE PROJECT ENGINEERING WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A PROFESSIONAL SERVICES CONTRACT WITH K FRIESE & ASSOCIATES, INC., AND TO PAY K FRIESE & ASSOCIATES, INC. AN AMOUNT NOT TO EXCEED $800,000.00 FOR THE PROJECT ENGINEERING WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the San Antonio Water System (the “System”) requires professional engineering services (the “project engineering work”) related to various capital improvement projects; and

WHEREAS, the project engineering work will consist of all services necessary for the design and construction of projects; and

WHEREAS, K Friese & Associates, Inc., local, WBE-Caucasian firm, was selected through the System’s Architect and Engineer Selection Process for the project engineering work; and

WHEREAS, a contract in an amount not to exceed $800,000.00 is to be awarded to K Friese & Associates, Inc.; and

WHEREAS, the amount of $800,000.00 is available from the Project Fund for the project engineering work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a professional services contract to K Friese & Associates, Inc. in an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package I, (ii) to approve the expenditure of funds and make available an amount not to exceed $800,000.00 from the Project Fund for the project engineering work, and (iii) to authorize the President/Chief
Executive Officer or his duly appointed designee to execute a professional services contract with K Friese & Associates, Inc., and to pay K Friese & Associates, Inc. an amount not to exceed $800,000.00 for the project engineering work; now, therefore:

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

1. That a professional services contract in an amount not to exceed $800,000.00 is hereby awarded to K Friese & Associates, Inc. in connection with the 2019 Governmental Engineering Design Services – Package I.

2. That the expenditure of funds in an amount not to exceed $800,000.00 for the project engineering work is hereby approved and made available from the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a professional services contract with K Friese & Associates, Inc., and to pay K Friese & Associates, Inc. an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package I.

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 2nd day of July, 2019.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

Amy Hardberger, Secretary
AGENDA ITEM NO. 20

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 PROFESSIONAL SERVICES CONTRACT IN CONNECTION WITH THE 2019 GOVERNMENTAL ENGINEERING DESIGN SERVICES – PACKAGE II

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a professional services contract to LNV, Inc., a local, MBE-Hispanic firm, and authorizes funds in an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package II.

- The San Antonio Water System (the “System”) Pipelines Division manages programmed Capital Improvement Projects (CIP) projects designed by consultants and in-house staff for emergency and non-emergency operations projects. A need exists for an outside consultant to provide engineering services beyond the capability of the System’s Pipeline Division due to workload and the need for specialized design services.

- In addition, local and state agencies typically hire engineering consultants to design their infrastructure improvement projects. In many cases, the System elects to contract with the same engineer to design water or sewer facility related work in connection with each project. However, there are some projects that require the System to use a separate design consultant.

- The use of Engineering Services Work Order contracts, over the past several years, has been very successful in ensuring that the System is able to meet the design and construction schedules of other agencies and the need for expedited design services for emergency and non-emergency work for both water and sewer. This practice allows projects to be assigned as soon as they are identified, thereby avoiding delays associated with the selection of individual consultants for each project.

- Projects will be assigned to the contract on a work order basis as they are identified. The scope of services and fees will be negotiated for each project prior to authorization to proceed.

- System staff will review the design documents and coordinate with other utility and governmental agencies. Construction may be jointly bid with the lead agency or may be
accomplished through the use of System construction work order contracts.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this expenditure included in the CY 2019 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 $400,000.00 for water related engineering work. The job number is 19-5001.

The sewer work is included in the Wastewater Delivery Core Business, Governmental – Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $400,000.00 for sewer related engineering work. The job number is 19-5501.

**SUPPLEMENTARY COMMENTS:**

This contract will be valid for two years from the date of execution. Thirty firms responded to the Request for Qualifications. LNV, Inc. was selected through the System’s Architect and Engineer Selection Process as a qualified consultant. The firms that provided interest statements for this project are listed below:
<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arredondo, Zepeda &amp; Brunz, LLC</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Bain Medina Bain, Inc.</td>
<td>Local/WBE–Caucasian</td>
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<td>Brown &amp; Gay Engineers, Inc. dba BGE, Inc.</td>
<td>Local/Non–SMWVB</td>
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<td>Big Red Dog a division of WGI</td>
<td>Local/Non-SMWVB</td>
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<tr>
<td>Cobb, Fendley &amp; Associates, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Don Durden Inc., dba Civil Engineering Consultants</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Garcia Infrastructure Consultants, LLC</td>
<td>Local/WBE-Hispanic</td>
</tr>
<tr>
<td>Garza EMC, LLC</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Gonzalez-De La Garza &amp; Associates, LLC</td>
<td>Local/WBE-Hispanic</td>
</tr>
<tr>
<td>Great Lakes Engineering, LLC</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td>IDCUS, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Jones &amp; Carter, Inc. dba Jones</td>
<td>Carter</td>
</tr>
<tr>
<td>K Friese &amp; Associates, Inc.</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td><strong>LNV, Inc.</strong>*</td>
<td><strong>Local/MBE-Hispanic</strong></td>
</tr>
<tr>
<td>Lockwood, Andrews &amp; Newnam, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Maestas &amp; Associates, LLC</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Mendez Engineering, PLLC</td>
<td>Local/MBE-Hispanic/VBE</td>
</tr>
<tr>
<td>Moreno Cardenas, Inc.</td>
<td>Local/MBE-Hispanic</td>
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<td>Moy Tarin Ramirez Engineers, LLC</td>
<td>Local/MBE-Hispanic</td>
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<tr>
<td>MSE Group, LLC</td>
<td>Local/WBE-Asian</td>
</tr>
<tr>
<td>Omega Engineers, Inc.</td>
<td>Local/MBE–Hispanic</td>
</tr>
<tr>
<td>Pape-Dawson Engineers, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Poznecki-Camarillo, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>RE/SPEC Inc., dba RESPEC</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>RJN Group, Inc.</td>
<td>Local/Non–SMWVB</td>
</tr>
<tr>
<td>RPS Infrastructure, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Slay Engineering Company, Inc.</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Unintech Consulting Engineers, Inc.</td>
<td>Local/WBE-Asian</td>
</tr>
<tr>
<td>Vickrey &amp; Associates, Inc.</td>
<td>Local/WBE–Caucasian</td>
</tr>
<tr>
<td>Weston Solutions, Inc. (WESTON®)</td>
<td>Local/Non-SMWVB</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Percent of Fee</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adams Environmental, Inc.</td>
<td>3.00%</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Chapman Engineering, Inc.</td>
<td>1.00%</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Chief Solutions, Inc.</td>
<td>1.00%</td>
<td>Non-Local/MBE-Native American</td>
</tr>
<tr>
<td>Fernandez, Frazer, White &amp; Associates, Inc.</td>
<td>10.00%</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Garcia Infrastructure Consultants, LLC</td>
<td>14.00%</td>
<td>Local/WBE-Hispanic</td>
</tr>
<tr>
<td>Rock Engineering &amp; Testing Laboratory, Inc.</td>
<td>5.00%</td>
<td>Local/WBE-Asian</td>
</tr>
<tr>
<td>RH Shackelford, Inc.</td>
<td>4.00%</td>
<td>Local/SBE/VBE</td>
</tr>
<tr>
<td>The Rios Group, Inc.</td>
<td>7.00%</td>
<td>Local/WBE-Hispanic</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>2019 Governmental Engineering Design Services – Package II</th>
<th>LNV, Inc.</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMWVB Analysis – Board Award</td>
<td></td>
</tr>
<tr>
<td>SBE</td>
<td>5.00%</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>70.00%</td>
</tr>
<tr>
<td>MBE – Other</td>
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</tr>
<tr>
<td>WBE – Minority</td>
<td>21.00%</td>
</tr>
<tr>
<td>WBE – Non– Minority</td>
<td>3.00%</td>
</tr>
<tr>
<td>SMWVB Total</td>
<td>99.00%</td>
</tr>
</tbody>
</table>
Award of Professional Services Contract
2019 Governmental Engineering Design Services – Package II

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

APPROVED:

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

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A PROFESSIONAL SERVICES CONTRACT TO LNV, INC. IN AN AMOUNT NOT TO EXCEED $800,000.00 IN CONNECTION WITH THE 2019 GOVERNMENTAL ENGINEERING DESIGN SERVICES – PACKAGE II; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $800,000.00 FROM THE PROJECT FUND FOR THE PROJECT ENGINEERING WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A PROFESSIONAL SERVICES CONTRACT WITH LNV, INC., AND TO PAY LNV, INC. AN AMOUNT NOT TO EXCEED $800,000.00 FOR THE PROJECT ENGINEERING WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the San Antonio Water System (the “System”) requires professional engineering services (the “project engineering work”) related to various capital improvement projects; and

WHEREAS, the project engineering work will consist of all services necessary for the design and construction of projects; and

WHEREAS, LNV, Inc., local, MBE-Hispanic firm, was selected through the System’s Architect and Engineer Selection Process for the project engineering work; and

WHEREAS, a contract in an amount not to exceed $800,000.00 is to be awarded to LNV, Inc.; and

WHEREAS, the amount of $800,000.00 is available from the Project Fund for the project engineering work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a professional services contract to LNV, Inc. in an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package II, (ii) to approve the expenditure of funds and make available an amount not to exceed $800,000.00 from the Project Fund for the project engineering work, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a professional services contract with LNV, Inc., and to pay LNV, Inc. an amount not to exceed $800,000.00 for the project engineering work; now,
therefore:

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

1. That a professional services contract in an amount not to exceed $800,000.00 is hereby awarded to LNV, Inc. in connection with the 2019 Governmental Engineering Design Services – Package II.

2. That the expenditure of funds in an amount not to exceed $800,000.00 for the project engineering work is hereby approved and made available from the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a professional services contract with LNV, Inc., and to pay LNV, Inc. an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package II.

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 2nd day of July, 2019.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Amy Hardberger, 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 PROFESSIONAL SERVICES CONTRACT IN CONNECTION WITH THE 2019 GOVERNMENTAL ENGINEERING DESIGN SERVICES – PACKAGE III

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a professional services contract to Lockwood, Andrews & Newnam, Inc., a local, non-SMWVB firm, and authorizes funds in an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package III.

- The San Antonio Water System (the “System”) Pipelines Division manages programmed Capital Improvement Projects (CIP) projects designed by consultants and in-house staff for emergency and non-emergency operations projects. A need exists for an outside consultant to provide engineering services beyond the capability of the System’s Pipeline Division due to workload and the need for specialized design services.

- In addition, local and state agencies typically hire engineering consultants to design their infrastructure improvement projects. In many cases, the System elects to contract with the same engineer to design water or sewer facility related work in connection with each project. However, there are some projects that require the System to use a separate design consultant.

- The use of Engineering Services Work Order contracts, over the past several years, has been very successful in ensuring that the System is able to meet the design and construction schedules of other agencies and the need for expedited design services for emergency and non-emergency work for both water and sewer. This practice allows projects to be assigned as soon as they are identified, thereby avoiding delays associated with the selection of individual consultants for each project.

- Projects will be assigned to the contract on a work order basis as they are identified. The scope of services and fees will be negotiated for each project prior to authorization to proceed.

- System staff will review the design documents and coordinate with other utility and
governmental agencies. Construction may be jointly bid with the lead agency or may be accomplished through the use of System construction work order contracts.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

The Project Fund will finance this expenditure included in the CY 2019 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 $400,000.00 for water related engineering work. The job number is 19-5001.

The sewer work is included in the Wastewater Delivery Core Business, Governmental – Wastewater Category, and Governmental Wastewater Replacements budget line item. The amount is $400,000.00 for sewer related engineering work. The job number is 19-5501.

SUPPLEMENTARY COMMENTS:

This contract will be valid for two years from the date of execution. Thirty firms responded to the Request for Qualifications. Lockwood, Andrews & Newnam, Inc. was selected through the System’s Architect and Engineer Selection Process as a qualified consultant. The firms that provided interest statements for this project are listed below:
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<td>Garza EMC, LLC</td>
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<td>Gonzalez-De La Garza &amp; Associates, LLC</td>
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</tr>
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<td>IDCUS, Inc.</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Jones &amp; Carter, Inc. dba Jones</td>
<td>Carter</td>
</tr>
<tr>
<td>K Friese &amp; Associates, Inc.</td>
<td>Local/WBE–Caucasian</td>
</tr>
<tr>
<td>LNV, Inc.</td>
<td>Local/MBE-Hispanic</td>
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<tr>
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<tr>
<td>Moy Tarin Ramirez Engineers, LLC</td>
<td>Local/MBE-Hispanic</td>
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<td>MSE Group, LLC</td>
<td>Local/WBE-Asian</td>
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<tr>
<td>Omega Engineers, Inc.</td>
<td>Local/MBE–Hispanic</td>
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<td>Pape-Dawson Engineers, Inc.</td>
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<td>Unintech Consulting Engineers, Inc.</td>
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<td>Weston Solutions, Inc. (WESTON®)</td>
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</table>

*Selected Firm
Lockwood, Andrews & Newnam, Inc., proposed to use the following sub-consultants for services on this contract:

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<th>Percent of Fee</th>
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<td>Maestas &amp; Associates, LLC</td>
<td>12.00%</td>
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</tr>
<tr>
<td>Moy Tarin Ramirez Engineers, LLC</td>
<td>12.00%</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Construct-Ability, LLC</td>
<td>3.00%</td>
<td>Local/Non-SMWVB</td>
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<tr>
<td>Garcia Infrastructure Consultants, LLC</td>
<td>5.00%</td>
<td>Local/WBE-Hispanic</td>
</tr>
<tr>
<td>The Rios Group, Inc.</td>
<td>2.00%</td>
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<tr>
<td>Blanton &amp; Associates, Inc.</td>
<td>3.00%</td>
<td>Local/WBE-Caucasian</td>
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<tr>
<td>HVJ South Central Texas – M&amp;J, Inc.</td>
<td>5.00%</td>
<td>Local/MBE-Asian</td>
</tr>
<tr>
<td>ALEO Environmental Enterprises, Inc.</td>
<td>1.00%</td>
<td>Local/WBE-AABE</td>
</tr>
</tbody>
</table>

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

<table>
<thead>
<tr>
<th>2019 Governmental Engineering Design Services – Package III</th>
</tr>
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<tbody>
<tr>
<td>Lockwood, Andrews &amp; Newnam, Inc.</td>
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<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>SMWVB Total</td>
</tr>
</tbody>
</table>
Award of Professional Services Contract
2019 Governmental Engineering Design Services – Package III

APPROVED:

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

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

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A PROFESSIONAL SERVICES CONTRACT TO LOCKWOOD, ANDREWS & NEWNAM, INC. IN AN AMOUNT NOT TO EXCEED $800,000.00 IN CONNECTION WITH THE 2019 GOVERNMENTAL ENGINEERING DESIGN SERVICES – PACKAGE III; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $800,000.00 FROM THE PROJECT FUND FOR THE PROJECT ENGINEERING WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A PROFESSIONAL SERVICES CONTRACT WITH LOCKWOOD, ANDREWS & NEWNAM, INC., AND TO PAY LOCKWOOD, ANDREWS & NEWNAM, INC. AN AMOUNT NOT TO EXCEED $800,000.00 FOR THE PROJECT ENGINEERING WORK; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the San Antonio Water System (the “System”) requires professional engineering services (the “project engineering work”) related to various capital improvement projects; and

WHEREAS, the project engineering work will consist of all services necessary for the design and construction of projects; and

WHEREAS, Lockwood, Andrews & Newnam, Inc., a local, non-SMWVB firm, was selected through the System’s Architect and Engineer Selection Process for the project engineering work; and

WHEREAS, a contract in an amount not to exceed $800,000.00 is to be awarded to Lockwood, Andrews & Newnam, Inc.; and

WHEREAS, the amount of $800,000.00 is available from the Project Fund for the project engineering work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a professional services contract to Lockwood, Andrews & Newnam, Inc. in an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package III, (ii) to approve the expenditure of funds and make available an amount not to exceed $800,000.00 from the Project Fund for the project engineering work, and (iii) to authorize the
President/Chief Executive Officer or his duly appointed designee to execute a professional services contract with Lockwood, Andrews & Newnam, Inc., and to pay Lockwood, Andrews & Newnam, Inc. an amount not to exceed $800,000.00 for the project engineering work; now, therefore:

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

1. That a professional services contract in an amount not to exceed $800,000.00 is hereby awarded to Lockwood, Andrews & Newnam, Inc. in connection with the 2019 Governmental Engineering Design Services – Package III.

2. That the expenditure of funds in an amount not to exceed $800,000.00 for the project engineering work is hereby approved and made available from the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a professional services contract with Lockwood, Andrews & Newnam, Inc., and to pay Lockwood, Andrews & Newnam, Inc. an amount not to exceed $800,000.00 in connection with the 2019 Governmental Engineering Design Services – Package III.

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 2nd day of July, 2019.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Amy Hardberger, Secretary
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: APPROVING A SETTLEMENT AGREEMENT OF CONDEMNATION LITIGATION BETWEEN THE CITY OF SAN ANTONIO BY AND THROUGH THE SAN ANTONIO WATER SYSTEM AND CHARLES H. MOORE  

Board Action Date: July 2, 2019  

SUMMARY AND RECOMMENDATION:  
The attached resolution approves a Settlement Agreement (the “Settlement Agreement”) between the City of San Antonio by and through the San Antonio Water System (the “System”) and Charles H. Moore (the “Owner”) in the amount of $68,581.35.  

- The Hume Road Water Main Replacement Project (the “Project”) was declared a public necessity and the use of eminent domain was authorized by Resolution No. 17-134, of the San Antonio Water System Board of Trustees on June 6, 2017, and by Ordinance No. 2017-09-07-0631, of the City of San Antonio City Council on September 7, 2017.  

- The System filed Cause No. 2017-ED-0065, styled City of San Antonio, acting by and through the San Antonio Water System, Condemnor, v. Charles H. Moore, Condemnee; in the Probate Court No. 1, Bexar County, Texas (the “Court”) to acquire two permanent easements containing a total of 0.361 acres (the “Easements”) for the Project.  

- The Special Commissioners hearing occurred February 21, 2018, and a damage award (the “Award”) was rendered in the amount of $39,900.00 as the compensation for the Easements and damages to the remainder of the property.  

- On March 14, 2018, the System deposited into the Registry of the Court the sum of $39,900.00 in order to take possession of the Easements.  

- The Owner objected to the Commissioners’ Award, sending the matter back to the Court for a trial on the merits, which was scheduled for July 9, 2018.
In an effort to settle the dispute over the value of the Easements and the damages to the remainder property, both parties agreed to a mediation. The parties agreed the total compensation for the Easements and the damages to the remainder property for a total amount of $68,581.35, with SAWS receiving a credit for its prior $39,000.00 deposit and entered into a Settlement Agreement, subject to Board approval.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The Project Fund will finance this expenditure included in the 2016 Capital Improvement Program, Water Delivery-Main Replacements Category under Job No. 15-4305.

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 APPROVING A SETTLEMENT AGREEMENT OF CONDEMNATION LITIGATION BETWEEN THE CITY OF SAN ANTONIO BY AND THROUGH THE SAN ANTONIO WATER SYSTEM AND CHARLES H. MOORE IN THE AMOUNT OF $68,581.35 IN CONNECTION WITH EASEMENTS FOR THE HUME ROAD WATER MAIN REPLACEMENT PROJECT; AUTHORIZING THE SYSTEM’S COUNSEL TO TAKE ALL NECESSARY STEPS TO CONCLUDE THE LITIGATION IN ACCORDANCE WITH THE TERMS OF THE SETTLEMENT AGREEMENT AND TO ENFORCE THE TERMS OF THE SETTLEMENT AGREEMENT; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the Hume Road Water Main Replacement Project Phase 2 (the “Project”) was declared a public necessity and the use of eminent domain was authorized by Resolution No. 17-134, of the San Antonio Water System Board of Trustees on June 6, 2017, and by Ordinance No. 2017-09-07-0631, of the City of San Antonio City Council on September 7, 2017; and

WHEREAS, the System required the acquisition of two permanent water line easements consisting of a total width of 30-feet and containing 0.361 acres (the “Easements”) located at the intersection of Old Pleasanton Road and Hume Road in the southwest quadrant of Bexar County and the northwest quadrant of Atascosa County, located on property owned by Charles H. Moore (the “Owner”) for the construction of a waterline and related appurtenances for the Project; and

WHEREAS, the System filed Cause No. 2017-ED-0065, styled City of San Antonio, acting by and through the San Antonio Water System, Condemnor, v. Charles H. Moore, Condemnee; in the Probate Court No. 1, Bexar County, Texas (the “Court”) to acquire from the Owner the necessary Easements; and

WHEREAS, the appointed Special Commissioners hearing was held on February 21, 2018, and the Special Commissioners determined the amount of $39,900.00 (the “Award”) as the award for taking of the Easements and damages to the remainder of the Owner’s property; and

WHEREAS, the System paid the Award into the Registry of the Court, enabling the System to take possession of the Easements necessary for the timely completion of the Project, pending further legal proceedings; and
WHEREAS, the Owner objected to the Award, sending the matter back to the Court for a trial on the merits; and

WHEREAS, the parties submitted to mediation, and negotiated a Settlement Agreement, attached as Attachment I hereto and incorporated herein for all purposes (the “Settlement Agreement”), subject to approval of the Board of Trustees; wherein the agreed amount of compensation to the Owner for the Easements and damages to the remainder of the Owner’s property is $68,581.35, with the System receiving a credit for the $39,900.00 Award already paid into the registry of the Court; now, therefore:

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

1. That the Settlement Agreement is hereby approved.

2. That the System’s counsel is hereby authorized to make all payments and take all necessary action to conclude the litigation in accordance with the terms of the Settlement Agreement and to take all necessary action to enforce the terms of the Settlement 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 published notice of the time, place, and subject matter of the public business to be conducted at such meeting, including this resolution, was given to all as required by the Texas Codes Annotated, as amended. Title 5, Chapter 551, Government Code.

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

5. This resolution shall take effect immediately upon its passage.
PASSED AND APPROVED this 2nd day of July, 2019.

Berto Guerra, Jr., Chairman

ATTEST:

Amy Hardberger, Secretary

Attachment:
1 Settlement Agreement
CAUSE NO. 2017ED0065

CITY OF SAN ANTONIO, acting by and through the SAN ANTONIO WATER SYSTEM, Condemnor

VS.

CHARLES H. MOORE Condemnee.

PROBATE COURT NO. 1

BEXAR COUNTY, TEXAS

CONDEMNATION PROCEEDINGS

MEDIATED SETTLEMENT AGREEMENT

The parties hereto agree that this lawsuit and all related claims and controversies between them are hereby settled in accordance with the following terms of this Settlement Agreement, subject to SAWS Board of Trustees approval.

1. The parties acknowledge that bona fide disputes and controversies exist between them, both as to liability and the amount thereof, if any, and by reason of such disputes and controversies they desire to compromise and settle all claims and causes of action of any kind whatsoever which the parties have or may have arising 'out of the transaction or occurrence which is the subject of this litigation. It is further understood and agreed that this is a compromise of a disputed claim, and nothing contained herein shall be construed as an admission of liability by any party, all such liability being expressly denied.

2. Each signatory hereto hereby warrants and represents that:

a. such person has authority to bind the party or parties for whom such person acts, subject to approval by SAWS Board of Trustees.

b. the claims, suits, rights and/or interests which are the subject matter hereto are owned by the party asserting same, have not been assigned, transferred or sold, and are free of any encumbrance.

3. Plaintiff will pay to the Defendant the total sum of $64,000.00, plus the forgiveness of the water bill through the date of this agreement in exchange for the easement described in the petition filed in this Cause. Plaintiff will seek formal approval of the settlement in the July 2019 SAWS board meeting. Parties acknowledge that $39,900.00 of the total to be paid is currently in the registry of the Court. The remaining total of $24,100 will be paid by SAWS within 15 days of the SAWS Board approval.

Except for the agreements set forth herein, the parties hereby agree to release and discharge from any and all claims, demands, or suits, known or unknown, fixed or contingent, liquidated or unliquidated, whether or not asserted in the above case, as of this date, arising from
or related to the events and transactions which are the subject matter of this cause. This mutual release runs to the benefit of all attorneys, agents, employees, officer, directors, shareholders, partners, heirs, assigns, and legal representatives of the parties hereto.

____ Counsel for SAWS shall deliver drafts of any further documents to be executed in connection with this settlement to counsel for the other parties hereto within 7 days from the date of SAWS Board of Trustees approval hereof. The parties and their counsel agree to cooperate with each other in the drafting and execution of such additional documents as are reasonably requested or required to implement the provisions and spirit of this Settlement Agreement. Notwithstanding such additional documents the parties confirm that this is a written settlement agreement as contemplated by Section 154.071 of the Texas Civil Practice and Remedies Code, is a complete valid and binding contract is intended to be an enforceable agreement as contemplated by Rule 111, Texas Rules of Civil Procedure, and may be used as the basis for a motion for judgment, motion for summary judgment, or motion to enforce with each party waiving all rights to a jury trial. The court is specifically authorized, in its discretion, to incorporate the terms of this agreement in the Court's final decree disposing of this case.

____ This Settlement Agreement is made and performable in Bexar County, Texas, and shall be construed in accordance with the laws of the State of Texas.

____ If one or more disputes arise with regard to the interpretation and/or performance of this Agreement or any of its provisions, the parties agree to attempt to resolve same with Bruce J. Mery, the Mediator, who facilitated this settlement. If litigation is brought to construe or enforce this Agreement the prevailing party shall be entitled to recover attorney's fees, as well as court costs and expenses, including the cost of the mediation.

____ Although the mediator has provided a basic outline of this Settlement Agreement to the parties' counsel as a courtesy to facilitate the final resolution of this dispute, the parties and their counsel have thoroughly reviewed such outline and have, where necessary, modified it to conform to the requirements of their agreement. All signatories to this Settlement Agreement hereby release the Mediator from any and all responsibility arising from the drafting of this Settlement Agreement, and by signing this Settlement Agreement acknowledge that they have been advised by the Mediator in writing that this Settlement Agreement should be independently reviewed by counsel before executing the Agreement.

Agreed, this 10th day of May, 2019

Attorney for Plaintiff

Attorney for Defendant

Plaintiff

Defendant
AGENDA ITEM NO. 23

TO: San Antonio Water System Board of Trustees

FROM: Leamon Anderson, Interim Director, Distribution and Collection, and Michael S. Brinkmann, Vice President, Distribution and Collection Operations

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

SUBJECT: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE 2019 ANNUAL WATER DISTRIBUTION LEAK REPAIRS CONTRACT - PACKAGE 5

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to T Construction, LLC, a non-local, non-SMWVB contractor, in the amount of $1,308,545.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 5.

- The San Antonio Water System (SAWS) Board of Trustees approved the Edwards Aquifer Habitat Conservation Plan (EAHCP) and other documents associated with the Edwards Aquifer Recovery Implementation Program on November 1, 2011, in Resolution No. 11-313.

- One of the requirements to receive United States Fish and Wildlife Service’s (the “Service”) approval of the EAHCP was that the conservation measures outlined in the EAHCP must be “reasonably certain to occur.” In order to assure the Program would be deemed “reasonably certain to occur” by the Service, SAWS and other EAHCP permittees loaned Edwards Water Rights to the EAA Groundwater Trust for a term of ten years through Initial Commitment Contract No. 13-649-HCP, which was approved by the SAWS Board of Trustees on October 1, 2013 by Resolution No. 13-302, conveying to the EAA Groundwater Trust the amount of 8,000 acre-feet.

- SAWS Board of Trustees approved an Interlocal Contract with the Edwards Aquifer Authority (EAA) to implement the springflow protection measures included in the EAHCP known as the Regional Water Conservation Program (the “Program”) effective January 1, 2016 through March 31, 2028 on January 5, 2016, by Resolution No. 16-028.

- SAWS can use the funds received from the Program to hire contractors to repair leaks in the water distribution system so as to reduce water loss. The contractors will work in tandem with SAWS Distribution and Collection Operations crews to reduce the overall turnaround time on repairs.
• Beyond the water leaks reported to SAWS by water-conscious public citizens, many leaks are discovered by in-house leak detection crews, leak detection and valve assessment contractors, and through SAWS’ proactive conservation programs.

• This contract will allow for SAWS staff to identify, prioritize, and manage the leak repair work orders to be issued to the contractor to maximize efficiency.

• The standard construction bidding process was used for this contract.

• T Construction, LLC submitted the lowest responsive bid of $1,308,545.00.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

Under the Program and Interlocal Contract with the EAA, SAWS is entitled to be paid $18,631,400.00 by the EAA over the first five years of the contract. SAWS would be obligated to transfer 2,372.5 acre-feet of Edwards Water Rights into the EAA Groundwater Trust annually in the years of 2016-2019, and 316.0 acre-feet in 2020. SAWS will receive 2019 funding from the EAA in the amount of $4,516,224.00. Any applicable water leak repair charges incurred under this contract, and similar contracts, will be paid from these funds.

The construction cost will be paid from the System Fund in the 2019 Distribution and Collection Operations budget (Company: 1000, Accounting Unit: 5047600, Account: 511220) in the total amount of $1,308,545.00. The SAWS job number for the replacement of any water service lines, valves or fire hydrants is 19-1401 (CIP). The SAWS job number for all other types of work is 19-0112 (O&M).

**SUPPLEMENTARY COMMENTS:**

SAWS staff prepared the contract documents for this project. The bid opening was held on May 22, 2019 at 10:00 a.m. The following bids were submitted:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Bid Amount</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>T Construction, LLC*</td>
<td>$1,308,545.00</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td>Facilities Rehabilitation, Inc.</td>
<td>$1,395,575.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Bartek Construction, Co.</td>
<td>$1,422,770.00</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$1,500,000.00</td>
<td></td>
</tr>
</tbody>
</table>

* Lowest Responsible Bidder

The bid amount represents a 12.76 percent decrease from the estimated construction cost. This contract provides for 365 calendar days for completion of this contract or until funds have been exhausted.
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>9.17%</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>3.06%</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>12.23%</td>
</tr>
</tbody>
</table>

Leamon Anderson  
Interim Director  
Distribution and Collection

Michael S. Brinkmann  
Vice President  
Distribution and Collection Operations

Robert R. Puente  
President/Chief Executive Officer

APPROVED:
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO T CONSTRUCTION, LLC IN AN AMOUNT NOT TO EXCEED $1,308,545.00 IN CONNECTION WITH THE 2019 ANNUAL WATER DISTRIBUTION LEAK REPAIRS CONTRACT – PACKAGE 5; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $1,308,545.00 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 T CONSTRUCTION, LLC, AND TO PAY T CONSTRUCTION, LLC AN AMOUNT NOT TO EXCEED $1,308,545.00 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 System requires construction services to perform the necessary water distribution system repairs (the “project work”); and

WHEREAS, T Construction, LLC, a non-local, non-SMWVB contractor, submitted a bid in the amount of $1,308,545.00 for the project work, and this bid has been determined to be the lowest responsible bid; and

WHEREAS, System funds in the amount of $1,308,545.00 are required for the project work; and

WHEREAS, the total amount of $1,308,545.00 is available from the System Fund for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a construction contract to T Construction, LLC in an amount not to exceed $1,308,545.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 5, (ii) to approve the expenditure of funds and make available an amount not to exceed $1,308,545.00 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 T Construction, LLC, and to pay T Construction, LLC an amount not to exceed $1,308,545.00 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 $1,308,545.00 is hereby awarded to T Construction, LLC, who is determined to be the lowest responsible bidder, in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 5.

2. That the expenditure of funds in an amount not to exceed $1,308,545.00 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 T Construction, LLC, and to pay T Construction, LLC an amount not to exceed $1,308,545.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 5.

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 2\textsuperscript{nd} day of July, 2019.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Amy Hardberger, Secretary
SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to Bartek Construction Co., a local SBE contractor, in the amount of $1,359,270.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 6.

- The San Antonio Water System (SAWS) Board of Trustees approved the Edwards Aquifer Habitat Conservation Plan (EAHCP) and other documents associated with the Edwards Aquifer Recovery Implementation Program on November 1, 2011, in Resolution No. 11-313.

- One of the requirements to receive United States Fish and Wildlife Service’s (the “Service”) approval of the EAHCP was that the conservation measures outlined in the EAHCP must be “reasonably certain to occur.” In order to assure the Program would be deemed “reasonably certain to occur” by the Service, SAWS and other EAHCP permittees loaned Edwards Water Rights to the EAA Groundwater Trust for a term of ten years through Initial Commitment Contract No. 13-649-HCP, which was approved by the SAWS Board of Trustees on October 1, 2013 by Resolution No. 13-302, conveying to the EAA Groundwater Trust the amount of 8,000 acre-feet.

- SAWS Board of Trustees approved an Interlocal Contract with the Edwards Aquifer Authority (EAA) to implement the springflow protection measures included in the EAHCP known as the Regional Water Conservation Program (the “Program”) effective January 1, 2016 through March 31, 2028 on January 5, 2016, by Resolution No. 16-028.

- SAWS can use the funds received from the Program to hire contractors to repair leaks in the water distribution system so as to reduce water loss. The contractors will work in tandem with SAWS Distribution and Collection Operations crews to reduce the overall turnaround time on repairs.
Beyond the water leaks reported to SAWS by water-conscious public citizens, many leaks are discovered by in-house leak detection crews, leak detection and valve assessment contractors, and through SAWS’ proactive conservation programs.

This contract will allow for SAWS staff to identify, prioritize, and manage the leak repair work orders to be issued to the contractor to maximize efficiency.

The standard construction bidding process was used for this contract.

Bartek Construction Co. submitted the lowest responsive bid of $1,359,270.00.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

Under the Program and Interlocal Contract with the EAA, SAWS is entitled to be paid $18,631,400.00 by the EAA over the first five years of the contract. SAWS would be obligated to transfer 2,372.5 acre-feet of Edwards Water Rights into the EAA Groundwater Trust annually in the years of 2016-2019, and 316.0 acre-feet in 2020. SAWS will receive 2019 funding from the EAA in the amount of $4,516,224.00. Any applicable water leak repair charges incurred under this contract, and similar contracts, will be paid from these funds.

The construction cost will be paid from the System Fund in the 2019 Distribution and Collection Operations budget (Company: 1000, Accounting Unit: 5047600, Account: 511220) in the total amount of $1,359,270.00. The SAWS job number for the replacement of any water service lines, valves or fire hydrants is 19-1401 (CIP). The SAWS job number for all other types of work is 19-0112 (O&M).

SUPPLEMENTARY COMMENTS:

SAWS staff prepared the contract documents for this project. The bid opening was held on May 22, 2019 at 2:00 p.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>Bartek Construction Co.*</td>
<td>$1,359,270.00</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Facilities Rehabilitation, Inc.</td>
<td>$1,375,575.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>T Construction, LLC</td>
<td>$1,379,595.00</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$1,500,000.00</td>
<td></td>
</tr>
</tbody>
</table>

* Lowest Responsible Bidder

The bid amount represents a 9.38 percent decrease from the estimated construction cost. This contract provides for 365 calendar days for completion of this contract or until funds have been exhausted.
Additionally, the overall SMWVB analysis is shown in the following table:

<table>
<thead>
<tr>
<th>2019 Annual Water Distribution Leak Repairs Contract - Package 6</th>
<th>Bartek Construction, Co.</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMWVB Analysis - Board Award</td>
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<tr>
<td>SBE</td>
<td>45.00%</td>
</tr>
<tr>
<td>MBE - African American</td>
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</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>10.00%</td>
</tr>
<tr>
<td>SMWVB Total</td>
<td>55.00%</td>
</tr>
</tbody>
</table>

Leamon Anderson
Interior Director
Distribution and Collection Operations

APPROVED:

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO BARTEK CONSTRUCTION CO. IN AN AMOUNT NOT TO EXCEED $1,359,270.00 IN CONNECTION WITH THE 2019 ANNUAL WATER DISTRIBUTION LEAK REPAIRS CONTRACT – PACKAGE 6; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $1,359,270.00 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 BARTEK CONSTRUCTION CO., AND TO PAY BARTEK CONSTRUCTION CO. AN AMOUNT NOT TO EXCEED $1,359,270.00 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 System requires construction services to perform the necessary water distribution system repairs (the “project work”); and

WHEREAS, Bartek Construction Co., a local SBE contractor, submitted a bid in the amount of $1,359,270.00 for the project work, and this bid has been determined to be the lowest responsible bid; and

WHEREAS, System funds in the amount of $1,359,270.00 are required for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a construction contract to Bartek Construction Co. in an amount not to exceed $1,359,270.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 6, (ii) to approve the expenditure of funds and make available an amount not to exceed $1,359,270.00 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 Bartek Construction Co., and to pay Bartek Construction Co. an amount not to exceed $1,359,270.00 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 $1,359,270.00 is hereby awarded to Bartek Construction Co., who is determined to be the lowest responsible bidder, in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 6.

2. That the expenditure of funds in an amount not to exceed $1,359,270.00 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 Bartek Construction Co., and to pay Bartek Construction Co. an amount not to exceed $1,359,270.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 6.

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 2nd day of July, 2019.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

___________________________
Amy Hardberger, Secretary
TO: San Antonio Water System Board of Trustees

FROM: Leamon Anderson, Interim Director, Distribution and Collection, and Michael S. Brinkmann, Vice President, Distribution and Collection Operations

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

SUBJECT: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE 2019 ANNUAL WATER DISTRIBUTION LEAK REPAIRS CONTRACT - PACKAGE 7

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to T Construction, LLC, a non-local, non-SMWVB contractor, in the amount of $1,327,295.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 7.

- The San Antonio Water System (SAWS) Board of Trustees approved the Edwards Aquifer Habitat Conservation Plan (EAHCP) and other documents associated with the Edwards Aquifer Recovery Implementation Program on November 1, 2011, in Resolution No. 11-313.

- One of the requirements to receive United States Fish and Wildlife Service’s (the “Service”) approval of the EAHCP was that the conservation measures outlined in the EAHCP must be “reasonably certain to occur.” In order to assure the Program would be deemed “reasonably certain to occur” by the Service, SAWS and other EAHCP permittees loaned Edwards Water Rights to the EAA Groundwater Trust for a term of ten years through Initial Commitment Contract No. 13-649-HCP, which was approved by the SAWS Board of Trustees on October 1, 2013 by Resolution No. 13-302, conveying to the EAA Groundwater Trust the amount of 8,000 acre-feet.

- SAWS Board of Trustees approved an Interlocal Contract with the Edwards Aquifer Authority (EAA) to implement the springflow protection measures included in the EAHCP known as the Regional Water Conservation Program (the “Program”) effective January 1, 2016 through March 31, 2028 on January 5, 2016, by Resolution No. 16-028.

- SAWS can use the funds received from the Program to hire contractors to repair leaks in the water distribution system so as to reduce water loss. The contractors will work in tandem with SAWS Distribution and Collection Operations crews to reduce the overall turnaround time on repairs.
Beyond the water leaks reported to SAWS by water-conscious public citizens, many leaks are discovered by in-house leak detection crews, leak detection and valve assessment contractors, and through SAWS’ proactive conservation programs.

This contract will allow for SAWS staff to identify, prioritize, and manage the leak repair work orders to be issued to the contractor to maximize efficiency.

The standard construction bidding process was used for this contract.

T Construction, LLC submitted the lowest responsive bid of $1,327,295.00.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

Under the Program and Interlocal Contract with the EAA, SAWS is entitled to be paid $18,631,400.00 by the EAA over the first five years of the contract. SAWS would be obligated to transfer 2,372.5 acre-feet of Edwards Water Rights into the EAA Groundwater Trust annually in the years of 2016-2019, and 316.0 acre-feet in 2020. SAWS will receive 2019 funding from the EAA in the amount of $4,516,224.00. Any applicable water leak repair charges incurred under this contract, and similar contracts, will be paid from these funds.

The construction cost will be paid from the System Fund in the 2019 Distribution and Collection Operations budget (Company: 1000, Accounting Unit: 5047600, Account: 511220) in the total amount of $1,327,295.00. The SAWS job number for the replacement of any water service lines, valves or fire hydrants is 19-1401 (CIP). The SAWS job number for all other types of work is 19-0112 (O&M).

**SUPPLEMENTARY COMMENTS:**

SAWS staff prepared the contract documents for this project. The bid opening was held on May 23, 2019 at 2:00 p.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>T Construction, LLC*</td>
<td>$1,327,295.00</td>
<td>Non-Local/Non-SMWVVB</td>
</tr>
<tr>
<td>Bartek Construction Co.</td>
<td>$1,353,150.00</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Facilities Rehabilitation, Inc.</td>
<td>$1,375,575.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$1,500,000.00</td>
<td></td>
</tr>
</tbody>
</table>

* Lowest Responsible Bidder
The bid amount represents an 11.51 percent decrease from the estimated construction cost. This contract provides for 365 calendar days for completion of this contract or until funds have been exhausted.

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>8.87%</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>3.01%</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>SMWVB Total</strong></td>
<td><strong>11.88%</strong></td>
</tr>
</tbody>
</table>

Approved:

Leamon Anderson  
Interim Director  
Distribution and Collection  

Michael S. Brinkmann  
Vice President  
Distribution and Collection Operations  

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO T CONSTRUCTION, LLC IN AN AMOUNT NOT TO EXCEED $1,327,295.00 IN CONNECTION WITH THE 2019 ANNUAL WATER DISTRIBUTION LEAK REPAIRS CONTRACT – PACKAGE 7; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $1,327,295.00 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 T CONSTRUCTION, LLC, AND TO PAY T CONSTRUCTION, LLC AN AMOUNT NOT TO EXCEED $1,327,295.00 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 System requires construction services to perform the necessary water distribution system repairs (the “project work”); and

WHEREAS, T Construction, LLC, a non-local, non-SMWVB, submitted a bid in the amount of $1,327,295.00 for the project work, and this bid has been determined to be the lowest responsible bid; and

WHEREAS, System funds in the amount of $1,327,295.00 are required for the project work; and

WHEREAS, the total amount of $1,327,295.00 is available from the System Fund for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a construction contract to T Construction, LLC in an amount not to exceed $1,327,295.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 7, (ii) to approve the expenditure of funds and make available an amount not to exceed $1,327,295.00 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 T Construction, LLC, and to pay T Construction, LLC an amount not to exceed $1,327,295.00 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 $1,327,295.00 is hereby awarded to T Construction, LLC, who is determined to be the lowest responsible bidder, in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 7.

2. That the expenditure of funds in an amount not to exceed $1,327,295.00 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 T Construction, LLC, and to pay T Construction, LLC an amount not to exceed $1,327,295.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 7.

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 2nd day of July, 2019.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

___________________________
Amy Hardberger, Secretary
AGENDA ITEM NO. 26

TO: San Antonio Water System Board of Trustees

FROM: Leamon Anderson, Interim Director, Distribution and Collection and Michael S. Brinkmann, Vice President, Distribution and Collection Operations

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

SUBJECT: AWARD OF CONSTRUCTION CONTRACT IN CONNECTION WITH THE 2019 ANNUAL WATER DISTRIBUTION LEAK REPAIRS CONTRACT - PACKAGE 8

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to Facilities Rehabilitation, Inc., a local, MBE-Hispanic contractor, in the amount of $1,330,575.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 8.

- The San Antonio Water System (SAWS) Board of Trustees approved the Edwards Aquifer Habitat Conservation Plan (EAHCP) and other documents associated with the Edwards Aquifer Recovery Implementation Program on November 1, 2011, in Resolution No. 11-313.

- One of the requirements to receive United States Fish and Wildlife Service’s (the “Service”) approval of the EAHCP was that the conservation measures outlined in the EAHCP must be “reasonably certain to occur.” In order to assure the Program would be deemed “reasonably certain to occur” by the Service, SAWS and other EAHCP permittees loaned Edwards Water Rights to the EAA Groundwater Trust for a term of ten years through Initial Commitment Contract No. 13-649-HCP, which was approved by the SAWS Board of Trustees on October 1, 2013 by Resolution No. 13-302, conveying to the EAA Groundwater Trust the amount of 8,000 acre-feet.

- SAWS Board of Trustees approved an Interlocal Contract with the Edwards Aquifer Authority (EAA) to implement the springflow protection measures included in the EAHCP known as the Regional Water Conservation Program (the “Program”) effective January 1, 2016 through March 31, 2028 on January 5, 2016, by Resolution No. 16-028.

- SAWS can use the funds received from the Program to hire contractors to repair leaks in the water distribution system so as to reduce water loss. The contractors will work in tandem with SAWS Distribution and Collection Operations crews to reduce the overall turnaround time on repairs.
Beyond the water leaks reported to SAWS by water-conscious public citizens, many leaks are discovered by in-house leak detection crews, leak detection and valve assessment contractors, and through SAWS’ proactive conservation programs.

This contract will allow for SAWS staff to identify, prioritize, and manage the leak repair work orders to be issued to the contractor to maximize efficiency.

The standard construction bidding process was used for this contract.

Facilities Rehabilitation, Inc. submitted the lowest responsive bid of $1,330,575.00.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

Under the Program and Interlocal Contract with the EAA, SAWS is entitled to be paid $18,631,400.00 by the EAA over the first five years of the contract. SAWS would be obligated to transfer 2,372.5 acre-feet of Edwards Water Rights into the EAA Groundwater Trust annually in the years of 2016-2019, and 316.0 acre-feet in 2020. SAWS will receive 2019 funding from the EAA in the amount of $4,516,224.00. Any applicable water leak repair charges incurred under this contract, and similar contracts, will be paid from these funds.

The construction cost will be paid from the System Fund in the 2019 Distribution and Collection Operations budget (Company: 1000, Accounting Unit: 5047600, Account: 511220) in the total amount of $1,330,575.00. The SAWS job number for the replacement of any water service lines, valves or fire hydrants is 19-1401 (CIP). The SAWS job number for all other types of work is 19-0112 (O&M).

SUPPLEMENTARY COMMENTS:

SAWS staff prepared the contract documents for this project. The bid opening was held on May 24, 2019 at 10:00 a.m. The following bids were submitted:

<table>
<thead>
<tr>
<th>Bidder</th>
<th>Bid Amount</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facilities Rehabilitation, Inc.*</td>
<td>$1,330,575.00</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Bartek Construction Co.</td>
<td>$1,359,870.00</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>T Construction, LLC</td>
<td>$2,165,390.00</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td>Engineer’s Estimate</td>
<td>$1,500,000.00</td>
<td></td>
</tr>
</tbody>
</table>

* Lowest Responsible Bidder

The bid amount represents an 11.30 percent decrease from the estimated construction cost. This contract provides for 365 calendar days for completion of this contract or until funds have been exhausted.
Additionally, the overall SMWVB analysis is shown in the following table:

<table>
<thead>
<tr>
<th>SBE</th>
<th>0.00%</th>
</tr>
</thead>
<tbody>
<tr>
<td>MBE - African American</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - Asian</td>
<td>0.00%</td>
</tr>
<tr>
<td>MBE - Hispanic</td>
<td>98.50%</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>SMWVB Total</strong></td>
<td><strong>98.50%</strong></td>
</tr>
</tbody>
</table>

Leamon Anderson  
Interim Director  
Distribution and Collection

Michael S. Brinkmann  
Vice President  
Distribution and Collection Operations

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO FACILITIES REHABILITATION, INC. IN AN AMOUNT NOT TO EXCEED $1,330,575.00 IN CONNECTION WITH THE 2019 ANNUAL WATER DISTRIBUTION LEAK REPAIRS CONTRACT – PACKAGE 8; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $1,330,575.00 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 FACILITIES REHABILITATION, INC., AND TO PAY FACILITIES REHABILITATION, INC. AN AMOUNT NOT TO EXCEED $1,330,575.00 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 System requires construction services to perform the necessary water distribution system repairs (the “project work”); and

WHEREAS, Facilities Rehabilitation, Inc., a local, MBE-Hispanic contractor, submitted a bid in the amount of $1,330,575.00 for the project work, and this bid has been determined to be the lowest responsible bid; and

WHEREAS, System funds in the amount of $1,330,575.00 are required for the project work; and

WHEREAS, the total amount of $1,330,575.00 is available from the System Fund for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a construction contract to Facilities Rehabilitation, Inc. in an amount not to exceed $1,330,575.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 8, (ii) to approve the expenditure of funds and make available an amount not to exceed $1,330,575.00 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 Facilities Rehabilitation, Inc., and to pay Facilities Rehabilitation, Inc. an amount not to exceed $1,330,575.00 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 $1,330,575.00 is hereby awarded to Facilities Rehabilitation, Inc., who is determined to be the lowest responsible bidder, in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 8.

2. That the expenditure of funds in an amount not to exceed $1,330,575.00 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 Facilities Rehabilitation, Inc., and to pay Facilities Rehabilitation, Inc. an amount not to exceed $1,330,575.00 in connection with the 2019 Annual Water Distribution Leak Repairs Contract - Package 8.

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

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

6. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 2nd day of July, 2019.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Amy Hardberger, Secretary
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 CONSULTING SERVICES CONTRACT IN CONNECTION WITH THE 2019 RISK AND CONDITION ASSESSMENT OF WATER DISTRIBUTION MAINS

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a consulting services contract to Arcadis U.S., Inc., a local, non-SMWVB firm in an amount not to exceed $1,609,935.00 in connection with the 2019 Risk and Condition Assessment of Water Distribution Mains for various San Antonio Water System’s (the “System”) services.

- The System requested proposals from qualified consultants to assist in identifying and prioritizing water pipeline replacements based on risk assessment, establish a proactive water pipeline condition and inspection assessment program, and develop a system integration design document to support asset management. The selected consultant will develop a five year Capital Improvement Plan (CIP) for water pipeline replacement that is cost effective and justifiable to the System’s stakeholders. This program will help reduce water loss, reduce the risk of water pipeline failure due to structural deficiencies, and to avoid full scale pipeline replacement projects in favor of small, targeted repair or replacement projects.

- The System has initiated a process for prioritizing small diameter pipelines using likelihood of failure indicators as the early stages of its Water Distribution Risk and Condition Assessment Program. The System’s intent is to help maximize water pipeline replacements while minimizing increases to capital improvement funding and impacts to the customer. The System is committed to developing a five year CIP, for years 2021 to 2025, for water pipeline replacement and rehabilitation using best practices for capital, operations and maintenance investments.

- The System maintains over 7,200 miles, about 290,000 pipe segments in Geographic Information System (GIS), of water distribution main within 830 square miles in San Antonio and the surrounding area. The System would like to optimize its CIP funding by identifying overlapping projects including existing sewer replacement and rehabilitation areas, as well as the City Bond and Street Maintenance Program.
The work to be completed by the selected consultant will include all of the following: data gap analysis, evaluation and recommendation of software, development of prioritization model for water main replacement or rehabilitation, development of 2021-2025 capital improvement projects, development of the water pipeline asset management plan document, inspection and condition assessment tool selection, planning and execution of inspection and condition assessments, and system integration design.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

The 2019 Risk and Condition Assessment of Water Distribution Mains costs will be funded by the System’s operation and maintenance budget. The engineering service costs associated with the System’s facilities will be paid from System funds (Company: 1000, Accounting Unit: 5047500, Account: 511312).

The total contract amount will not exceed $1,609,935.00 (the “Total Fee”) for a two-year period, with $771,950.00 of the Total Fee being paid from Board-approved budget for fiscal year 2019 and $837,985.00 of the Total Fee being subject to and contingent upon Board approval of the budget for fiscal year 2020.

**SUPPLEMENTARY COMMENTS:**

A Request for Qualifications was issued on March 22, 2019 and four interest statements were received. Arcadis U.S., Inc. was selected by the System’s Engineer Selection Committee. The firms that provided interest statements for this project are listed below:

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arcadis U.S., Inc.*</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Freese and Nichols, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>HDR Engineering, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Jacobs Engineering, Inc.</td>
<td>Local/Non-SMWVB</td>
</tr>
</tbody>
</table>

*Selected Firm

Arcadis U.S., Inc. proposed to use the following sub-consultants for services on this contract:

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Percent of Fee</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bain Medina Bain, Inc.</td>
<td>10.25%</td>
<td>Local/WBE-Caucasian</td>
</tr>
<tr>
<td>Corrosion Probe, Inc.</td>
<td>2.17%</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td>Gonzalez-De La Garza, LLC</td>
<td>20.37%</td>
<td>Local/WBE-Hispanic</td>
</tr>
<tr>
<td>JQ Infrastructure, LLC</td>
<td>2.17%</td>
<td>Local/MBE-Asian</td>
</tr>
<tr>
<td>V&amp;A Consulting Engineers</td>
<td>4.66%</td>
<td>Local/MBE-Hispanic</td>
</tr>
</tbody>
</table>
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>2.17%</td>
</tr>
<tr>
<td>MBE–Hispanic</td>
<td>4.66%</td>
</tr>
<tr>
<td>MBE–Other</td>
<td>0.00%</td>
</tr>
<tr>
<td>WBE–Minority</td>
<td>20.37%</td>
</tr>
<tr>
<td>WBE–Non–Minority</td>
<td>10.25%</td>
</tr>
<tr>
<td><strong>SMWVB Total</strong></td>
<td><strong>37.45%</strong></td>
</tr>
</tbody>
</table>

Tracey B. Lehmann, P.E.  
Director  
Development

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

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSULTING SERVICES CONTRACT TO ARCADIS U.S., INC. IN AN AMOUNT NOT TO EXCEED $1,609,935.00 IN CONNECTION WITH 2019 RISK AND CONDITION ASSESSMENT OF WATER DISTRIBUTION MAINS; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $771,950.00 FROM THE SYSTEM FUND FOR THE PROJECT WORK IN FISCAL YEAR 2019, AND THAT EXPENDITURE OF THE REMAINING $837,985.00 IS PURSUANT TO AND CONTINGENT UPON BOARD APPROVAL OF THE 2020 BUDGET WITH A LINE ITEM FOR SUCH EXPENDITURE; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSULTING SERVICES CONTRACT WITH ARCADIS U.S., INC., AND TO PAY ARCADIS U.S., INC. AN AMOUNT NOT TO EXCEED $1,609,935.00 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 assist the San Antonio Water System (the “System”) in identifying and prioritizing water pipeline replacements based on engineering assessment; and

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

WHEREAS, the System’s Architect and Engineer Selection Committee has selected Arcadis U.S., Inc. to provide the necessary engineering work for the project; and

WHEREAS, Arcadis U.S., Inc., a local, non-SMWVB firm, is deemed to be the most highly qualified provider of these engineering services on the basis of demonstrated competence and qualifications; and

WHEREAS, System funds in the amount of $1,609,935.00 are required for the project engineering work; and

WHEREAS, the amount of $1,609,935.00 is available from the System Fund for the project work, and the expenditure for 2020 is pursuant to and contingent on Board approval of the 2020 budget with a line item for such expenditure; and
WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a consulting services contract to Arcadis U.S., Inc. in an amount not to exceed $1,609,935.00 in connection with the 2019 Risk and Condition Assessment of Water Distribution Mains, (ii) to approve the expenditure of funds and make available an amount not to exceed $771,950.00 from the System Fund for the project work in fiscal year 2019, and that expenditure of the remaining $837,985.00 for project work is pursuant to and contingent upon Board approval of the 2020 budget, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a consulting services contract with Arcadis U.S., Inc. and to pay Arcadis U.S., Inc. an amount not to exceed $1,609,935.00 for the project work; now, therefore:

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

1. That a professional services contract in an amount not to exceed $1,609,935.00 is hereby awarded to Arcadis U.S., Inc. in connection with the 2019 Risk and Condition Assessment of Water Distribution Mains.

2. That the expenditure of funds in an amount not to exceed $771,950.00 for the project work is hereby approved and made available from the System Fund, and that expenditure of the remaining $837,985.00 for project work is pursuant to and contingent upon Board approval of the 2020 budget with a line item for such expenditure.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a professional services contract with Arcadis U.S., Inc., and to pay Arcadis U.S., Inc. an amount not to exceed $1,609,935.00 in connection with the 2019 Risk and Condition Assessment of Water Distribution Mains.

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 2\textsuperscript{nd} day of July, 2019.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Amy Hardberger, Secretary
AGENDA ITEM NO. 28

TO: San Antonio Water System Board of Trustees
FROM: Marty Martinez, Director, Customer Service, and Mary E. Bailey, Vice President, Customer Experience and Strategic Initiatives
THROUGH: Robert R. Puente, President/Chief Executive Officer
SUBJECT: APPROVING ADDITIONAL FUNDS FOR SERVICES CONTRACT IN CONNECTION WITH METER READING SERVICES

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution amends Resolution No. 16-177 by authorizing additional funds to an existing services contract with Olameter, Inc. in an amount not to exceed $1,450,289.16 in connection with meter reading services. The resolution also extends the term of the contract to July 31, 2021 to provide the additional services for a total contract amount of $7,251,445.80.

- San Antonio Water System (the “System”) has partnered with Olameter since 2016 for meter reading services. Olameter has proven to be a responsive and productive partner in these services. Olameter is currently reading approximately 50 percent of SAWS meters.

- The System implemented an updated meter reading platform provided by Itron at the end of 2017. It is a mobile based solution that utilizes smart phone technology with the ability to capture GPS coordinates on all reads, record photos on alerts, and as well as track and assign work to field staff remotely. The GPS coordinates are recorded at the time a read is entered in the mobile device. These coordinates have been utilized by staff to alleviate customer concerns that their bill was estimated and not based on an actual meter read. Olameter currently utilizes handheld devices that do not provide some of these advanced technology benefits provided by the updated smart phone devices, including GPS coordinates.

- In connection with this amendment, Olameter will be updating their current Itron system to the same mobile platform employed by the System. The contract is being extended to July 31, 2021 to allow Olameter to offset the expenditures of updating the hardware and software.

- The additional services allow the System to receive enhanced meter reading data and services relative to our entire customer base with no cost per unit change from the original agreement.

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

The additional services will be paid from the System Fund budgeted in the 2020 and 2021 budgets pursuant to the appropriations made in those annual budgets approved by the Board (Company: 1000, Accounting Unit: 5017600, Accounts: 511312).

This resolution will increase the value of the agreement by $1,450,289.16 for a total cumulative contract amount of $7,251,445.80.

<table>
<thead>
<tr>
<th>Authorized Amount</th>
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<tbody>
<tr>
<td>Original Contract Amount (Resolution No. 16-177)</td>
</tr>
<tr>
<td>Proposed Additional Funds</td>
</tr>
<tr>
<td>Revised Contract Amount</td>
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</tbody>
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Marty Martinez  
Director  
Customer Service

APPROVED:

Robert R. Puente  
President/Chief Executive Officer

Mary Bailey  
Vice President  
Customer Experience and Strategic Initiatives
RESOLUTION NO.
OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING ADDITIONAL FUNDS TO THE EXISTING SERVICES CONTRACT WITH OLAMETER, INC. IN AN AMOUNT NOT TO EXCEED $1,450,289.16 AND EXTENDING THE CONTRACT TERM TO JULY 31, 2021 FOR METER READING SERVICES; MAKING AVAILABLE AN ADDITIONAL AMOUNT NOT TO EXCEED $1,450,289.16 FROM THE SYSTEM FUND; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE AN AMENDMENT TO EXTEND THE CONTRACT TERM TO JULY 31, 2021, AND TO PAY OLAMETER, INC. AN AMOUNT TO NOT EXCEED $1,450,289.16 FOR METER READING SERVICES CONTRACT; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the San Antonio Water System (the “System”) is required to manually read over 525,000 water meters monthly in order to bill our customers for water and sewer service; and

WHEREAS, the System has contracted with Olameter, Inc. (“Olameter”) to provide meter reading services to provide accurate and timely meter reads for approximately 50 percent of those meters; and

WHEREAS, Olameter is an international organization that has been providing asset management services in the utility industry and has been providing the System with satisfactory meter reading services since 2016; and

WHEREAS, the System desires to extend the contract term to July 31, 2021 with Olameter in order to allow Olameter to recover the cost of upgrading the technology utilized to collect meter reads to the same Itron platform utilized by the System; and

WHEREAS, additional funds in an amount not to exceed $1,450,289.16 or 25 percent of the original contract amount are needed for the services with no increase in the per unit charge for the meter reads provided by Olameter; and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) approve additional funds to the existing services contract with Olameter in an amount not to exceed $1,450,289.16 and to extend the contract term to July 31, 2021 to provide meter reading services, (ii) making available an additional amount not to exceed $1,450,289.16 from the System Fund,
and (iii) authorize the President/Chief Executive Officer or his duly appointed designee to execute an amendment to extend the contract term to July 31, 2021, and to pay Olameter an amount not to exceed $1,450,289.16 for the meter reading services contract; now, therefore:

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

1. That Resolution No. 16-177 is hereby amendment by approving additional funds to the existing services contract with Olameter, Inc. in an amount not to exceed $1,450,289.16 and to extend the contract term to July 31, 2021 to provide meter reading service.

2. That the expenditures in an amount not to exceed $1,450,289.16 are hereby made available and to be expended from the System Fund, and that the expenditures are pursuant to and contingent on the Board’s approval of the 2020 and 2021 budgets with a line item for such expenditures.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute an amendment to extend the term to July 31, 2021, and to pay Olameter, Inc. an amount not to exceed $1,450,289.16 for the meter reading services contract.

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

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

6. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 2nd day of July, 2019.

_________________________________
Berto Guerra, Jr., Chairman

ATTEST:

_________________________________
Amy Hardberger, Secretary
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 FUNDS IN CONNECTION WITH THE DESIGN AND CONSTRUCTION OF ELECTRICAL SERVICE FOR THE VISTA RIDGE REGIONAL SUPPLY PIPELINE CATHODIC PROTECTION SYSTEM

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution approves funds for construction aid agreements with electrical service providers 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 amount not to exceed $700,000.00 provides funds to the electrical service providers for the design and construction of the overhead electrical service feeder that will serve 42 of the pipeline cathodic protection rectifier stations located along the Vista Ridge Pipeline.

- 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 calls for the System to establish electric power service for all 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 currently working with four different electrical service providers on agreements to establish electrical service for the 42 remaining cathodic protection rectifier stations along the 142 mile pipeline that still require electrical power. The electrical service providers will design and construct the electrical power service for the cathodic protection rectifier stations.
It is currently envisioned that Bluebonnet Electric Cooperative will design and construct the electrical power service for 33 of the 42 cathodic protection rectifier stations, Guadalupe Valley Electric Cooperative (GVEC) will design and construct the electrical power service for 1 of the 42 cathodic protection rectifier stations, New Braunfels Utilities will design and construct the electrical power service for 2 of the 42 cathodic protection rectifier stations, and CPS Energy will design and construct the electrical power service for the remaining 6 cathodic protection rectifier stations installed in their service area.

The scope of services for these agreements will include the design and construction of approximately 42 single phase meter loops, 42 transformers, and 42 primary service meters, and all the associated overhead and buried electrical conductor, meter poles, and ancillary equipment.

The requested amount also recognizes a previously paid construction aid agreement to Bluebonnet Electric Cooperative (the “Cooperative”), a nonprofit electrical power distribution cooperative, in the amount of $29,713.88 for the design and construction of the overhead electrical service feeder that will serve the pipeline Cathodic Protection Rectifier Station Nos. 1, 2, 17, 19, 21, 22, 23, 32, and 33 (9 of the 42 cathodic protection rectifier stations). These Pipeline Cathodic Protection Rectifier Stations all fall within Bluebonnet Electrical Cooperative’s exclusive service area.

The original estimated construction cost for electrical service to the cathodic protection rectifier stations was $1,200,000.00. The System worked directly with the Project Company to relocate many of the proposed rectifier station sites near existing electrical service and reduce the electrical service construction cost. The requested amount reflects a 42 percent decrease from the originally budgeted amount.

Construction of all electrical service for the cathodic protection equipment is scheduled to be complete in December 2019.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

Funds for services to be expended during FY 2019 are included in the five-year Water Supply O&M Budget that was approved in conjunction with the FY 2019 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 2019 amount: $700,000.00)
Approval of Electrical Infrastructure Design and Construction Funds for the Vista Ridge Project

Marty Jones, P.E.
Manager
Water Resources Engineering

APPROVED:

Robert R. Puente
President/Chief Executive Officer

Donovan S. Burton
Vice President
Water Resources & Governmental Relations
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING FUNDS IN AN AMOUNT NOT TO EXCEED $700,000.00 IN CONNECTION WITH THE DESIGN AND CONSTRUCTION OF ELECTRICAL SERVICE FOR THE VISTA RIDGE REGIONAL SUPPLY PROJECT PIPELINE CATHODIC PROTECTION SYSTEM IN FULFILLING OBLIGATIONS TO ESTABLISH ELECTRIC POWER SERVICE; AUTHORIZING THE EXPENDITURE OF FUNDS IN AN AMOUNT NOT TO EXCEED $700,000.00 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 calls for the System to establish electric power service for all 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; and

WHEREAS, the System is currently working with four different electrical service providers on agreements to establish electrical service for the 42 remaining cathodic protection rectifier stations along the 142 mile pipeline that still require electrical power. The electrical service providers will design and construct the electrical power service for the cathodic protection rectifier stations. It is currently envisioned that Bluebonnet Electric Cooperative will design and construct the electrical power service for 33 of the 42 cathodic protection rectifier stations, Guadalupe Valley Electric Cooperative (GVEC) will design and construct the electrical power service for 1 of the 42 cathodic protection rectifier stations, New Braunfels Utilities will design and construct the electrical power service for 2 of the 42 cathodic protection rectifier stations, and CPS Energy will design and construct the electrical power service for the remaining 6 cathodic protection rectifier stations installed in their service area; and

WHEREAS, the scope of services for these agreements will include the design and construction of approximately of 42 single phase meter loops, 42 transformers, and 42 primary service meters, and all the associated overhead and buried electrical conductor, meter poles, and
ancillary equipment; and

WHEREAS, the requested amount also recognizes a previously paid construction aid agreement to Bluebonnet Electric Cooperative (the “Cooperative”), a nonprofit electrical power distribution cooperative, in the amount of $29,713.88 for the design and construction of the overhead electrical service feeder that will serve the pipeline Cathodic Protection Rectifier Station Nos. 1, 2, 17, 19, 21, 22, 23, 32, and 33 (9 of the 42 cathodic protection rectifier stations). These Pipeline Cathodic Protection Rectifier Stations all fall within Bluebonnet Electrical Cooperative’s exclusive service area; and

WHEREAS, the amount, not to exceed $700,000.00 is available from the System Fund for the Project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve funds in an amount not to exceed $700,000.00 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 $700,000.00 from the System Fund, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute Agreements with the electrical service providers, and to pay the providers an amount not to exceed $700,000.00; now, therefore:

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

1. That funds in an amount not to exceed $700,000.00 for the design and construction of electrical facilities in connection with the Project is hereby approved.

2. That the expenditure of funds in an amount not to exceed $700,000.00 is hereby authorized and made available from the System Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute agreements with the electrical service providers and to pay the electrical service providers an amount not to exceed $700,000.00 for the design and construction of electrical power service for the Vista Ridge Regional Supply Pipeline Cathodic Protection equipment.

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 2\textsuperscript{nd} day of July, 2019.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Amy Hardberger, Secretary
TO: San Antonio Water System Board of Trustees

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

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

SUBJECT: ACCEPTING AN OFFER AND APPROVING A PURCHASE AGREEMENT WITH BIGELOW TEXAS DEVELOPMENT SERVICES, LLC FOR THE SALE OF APPROXIMATELY 326.71 ACRES BEING A PORTION OF THE STRAUS RANCH LOCATED EAST OF W.T. MONTGOMERY ROAD AND NORTH OF THE MEDINA RIVER, IN BEXAR COUNTY, TEXAS

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution accepts the offer of Bigelow Texas Development Services, LLC of $2,775,000.00 for the sale of 326.71 acres (Straus Ranch) located east of W.T. Montgomery Road and north of the Medina River, in Bexar County, Texas (the “Property”), and approves a Purchase Agreement (the “Agreement”) with Bigelow Texas Development Services, LLC for the sale of this Property for the purchase price of $2,775,000.00.

- San Antonio Water System (SAWS) Board of Trustees (the “Board”) declared the Property surplus by Board Resolution No. 12-226, which was approved on April 3, 2012.

- On September 5, 2013, by Ordinance No. 2013-09-05-0597, the City Council of San Antonio declared the Property surplus, and authorized SAWS to sell the Property.

- SAWS’ real estate broker, Cano and Company, listed the Property on the MLS. The Property was marketed with the restriction that not less than 40 percent of the acreage of the Property be restricted as a “conservation area” as defined in compliance with the City of San Antonio “conservation subdivision” ordinance. Based on these restrictions, SAWS listed the approximately 327 acre tract for $2,501,550.00.

- From November 2018 to April 2019, four offers were received ranging in value from $2,550,000.00 to $2,775,000.00. A purchase agreement, made expressly subject to Board approval, was executed with Bigelow Texas Development Services, LLC, which provided the highest offer.
Accepting an Offer and Approving a Purchase Agreement for the sale of the Straus Ranch

- The basic terms of Bigelow Texas Development Services, LLC offer for the Straus Ranch is as follows:
  - Purchase Price – $2,775,000.00
  - Survey Cost – Buyer to pay for survey
  - Title Policy – SAWS to pay for title policy
  - Feasibility Period – 180 days from SAWS Board approval; to include up to two 30-day extensions for $10,000.00 per extension
  - Independent Consideration for Feasibility Period - $10,000.00
  - Earnest Money – $40,000.00
  - Closing Date – To occur on the first business day to occur 30 days after the expiration of the Feasibility Period

- SAWS’ Brokerage Agreement No. S-14-019-DB with Cano and Company, approved by the SAWS Board by Resolution No. 15-009, on January 6, 2015, authorizes SAWS to pay a commission of four percent of the sales price at the closing if closing occurs. If closing occurs, the four percent commission will be shared equally by Cano and Company with the buyer’s broker, Presidio Group, LLC, for their real estate services related to the sale of this property.

- This resolution authorizes SAWS to pay, pursuant to the Agreement, closing costs not to exceed $15,500.00.

Staff recommends that the Board approve this Resolution.

FINANCIAL IMPACT:

SAWS will receive $2,775,000.00 in cash upon the sale of these properties, less the related closing costs and real estate commissions. Total closing costs plus real estate commissions are not expected to exceed $126,500.00. Funds received will be deposited to the Renewal and Replacement Fund.

Bruce A. Haby
Manager
Corporate Real Estate

Nancy Belinsky
Vice President and General Counsel

APPROVED:

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

OF THE SAN ANTONIO WATER SYSTEM (THE “SYSTEM”) BOARD OF TRUSTEES ACCEPTING AN OFFER IN THE AMOUNT OF $2,775,000.00 FOR THE SALE OF APPROXIMATELY 326.71 ACRES BEING A PORTION OF THE STRAUS RANCH LOCATED EAST OF W.T. MONTGOMERY ROAD AND NORTH OF THE MEDINA RIVER, IN BEXAR COUNTY, TEXAS (THE “PROPERTY”), AND APPROVING A PURCHASE AGREEMENT WITH BIGELOW TEXAS DEVELOPMENT SERVICES, LLC; AFFIRMING A FOUR PERCENT COMMISSION TO BE PAID TO CANO AND COMPANY AT CLOSING AND AUTHORIZING PAYMENT OF CLOSING COSTS UP TO $15,500.00 AT CLOSING; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, the System met the requirements of City Ordinance No. 75686 and declared the Property surplus by Resolution No. 12-226, approved on April 3, 2012; and

WHEREAS, the City Ordinance No. 2013-09-05-0597 approved on September 5, 2013, declared the Property generally depicted on the area map attached as Attachment I hereto as surplus; and

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

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

WHEREAS, pursuant to Local Government Code Chapter 253.014, the System’s Broker, Cano and Company, has marketed the Property, and the highest offer in the amount of $2,775,000.00 was received from Bigelow Texas Development Services, LLC; and

WHEREAS, the System’s Brokerage Agreement No. S-14-019-DB (the “Brokerage Agreement”) with Cano and Company, approved by the Board by Resolution No. 15-009, dated January 6, 2015, authorizes the System to pay a commission of four percent of the sales price to Cano and Company for its real estate services under the contract, which commission would be shared equally with the buyer’s broker, Presidio Group, LLC; and
WHEREAS, pursuant to the Purchase Agreement attached hereto as Attachment II, the System seeks to authorize the payment of up to $15,500.00 in closing costs to Alamo Title Insurance Company; and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) accept the offer from Bigelow Texas Development Services, LLC (the “Buyer”) in the amount of $2,775,000.00 for the Property and approve a Purchase Agreement with Buyer for the sale of the Property, (ii) affirm the payment of a commission of four percent of the sales price to Cano and Company to be paid at closing pursuant to the Brokerage Agreement, if and only if closing occurs, (iii) authorize payment of up to $15,500.00 for closing costs payable to Alamo Title Insurance Company, and (iv) authorize the President/Chief Executive Officer or his duly appointed designee to execute all documents necessary to complete the sale of the Properties, including contract amendments/extensions or assignments to related entities, that do not decrease the purchase price, and perform all the duties and obligations of the seller in said Purchase Agreement; now, therefore:

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

1. That the offer from Buyer in the amount of $2,775,000.00 for the Property is hereby accepted and a Purchase Agreement with Buyer for the sale of said Property is hereby approved as attached hereto as Attachment II and incorporated herein for all purposes.

2. That a commission of four percent of the sales price is hereby affirmed to be paid to Cano and Company at closing pursuant to the Brokerage Agreement, if and only if closing occurs, which commission will be equally shared with the buyer’s broker, Presidio Group, LLC.

3. That payment of up to $15,500.00 for closing costs, payable to Alamo Title Insurance Company, is hereby authorized.

4. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute all documents, including contract amendments/extensions and assignments to related entities, that do not decrease the purchase price, necessary to complete the sale of the Property and perform all duties of the Seller under said Purchase Agreement.

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

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

PASSED AND APPROVED this 2nd day of July, 2019.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Amy Hardberger, Secretary

Attachments:
I Area Map
II Purchase Agreement
APPROXIMATELY 326.71 ACRES
PORTION OF THE STRAUS RANCH

LEGEND
Edwards Aquifer Recharge Zone
Subject Property
Subject Property
PURCHASE AGREEMENT
+/- 327 acres Straus Ranch

This Purchase Agreement (this "Agreement") is made by and between City of San Antonio, acting by and through its San Antonio Water System, hereinafter called "Seller", and Bigelow Texas Development Services, LLC, a Texas limited liability company, hereinafter called "Buyer", and constitutes a contract for the purchase and sale of the described property, as follows:

1. **Property.** Subject to the terms and conditions of this Agreement, Seller agrees to convey to Buyer the tract of real property being approximately 327 acres in Bexar County, Texas depicted on Exhibit A attached hereto (the "Land"), together with all improvements situated on the Land (the "Improvements") and all right, title and interest of Seller, if any, in and to any and all appurtenances, strips and gores, roads, easements, streets and rights of way bounding the Land; water rights (including 18,302 acre feet per annum of "base irrigation groundwater" from the Edwards Aquifer under Edwards Aquifer Authority Permit No. P100-080 (BE00046) (the "EAA Permitted Rights"), licenses, permits, and all other rights and benefits attributable to the Land and all rights of ingress and egress thereto (collectively, the "Additional Interests"). The Land, Improvements and any Additional Interests described in the preceding paragraph are hereinafter collectively referred to as the "Property". Buyer acknowledges that the Property depiction in Exhibit A is not a legal description, but agrees that Buyer is familiar with the location and dimensions of the Property and waives any claim that the Agreement is not enforceable due to lack of a legal description of the Property. Upon completion and approval of the Survey (as defined in Section 5 hereinafter), the legal description contained in the Survey shall replace Exhibit A and shall be included in the Title Policy, the Deed and all other documents delivered at Closing.

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

   a. **Purchase Price.** The total purchase price ("Purchase Price") for the Property shall be TWO MILLION SEVEN HUNDRED SEVENTY-FIVE THOUSAND AND NO/100 DOLLARS ($2,775,000.00). The Purchase Price shall be payable to Seller by wire transfer of good funds to the Title Company for payment to Seller at Closing.

   b. **Earnest Money.** On or before the Date of this Agreement (hereinafter defined), Buyer shall deposit FORTY THOUSAND AND NO/100 DOLLARS ($40,000.00) with Alamo Title Company, Attn: Chris Varley, Senior Vice President, 2915 W. Bitters, Suite 301, San Antonio, TX 78248 ("Title Company"), as earnest money ("Earnest Money"). The Earnest Money shall be credited toward the Purchase Price at Closing if the conveyance of the Property is closed or otherwise held and disbursed in accordance with the terms, provisions and conditions hereof. Title Company shall, immediately following receipt, deposit the Earnest Money in an interest-bearing account and maintain such account until the Earnest Money is disbursed in accordance herewith.

   c. **Independent Consideration.** On or before this Date of this Agreement, Buyer shall pay to Seller by certified or cashier's check the sum of TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) as independent consideration for this Agreement (the "Independent Consideration") and for Buyer's termination rights under Section 10 hereinafter. The Independent Consideration shall be non-refundable except in the event of a SAWS default under this Agreement or if the SAWS Board of Trustees fails to approve this Agreement as provided in Section 13 below. The Independent Consideration shall be credited toward the Purchase Price at Closing (hereinafter defined) if the conveyance of the Property is closed.
3. **Date of this Agreement.** The “Date of this Agreement” shall be the date when a fully executed copy of this Agreement is delivered to the Title Company, as evidenced by the date inserted by Title Company beneath its signature of receipt.

4. **Title Commitment.** Within twenty (20) days following the Date of this Agreement, Title Company shall issue to Buyer a commitment for an Owner’s Policy Title Insurance for the Property in form promulgated by TLTA agreeing to insure indefeasible fee simple title in Buyer to the Property (“Title Commitment”) in the amount of the Purchase Price. The Title Commitment shall set forth the status of the Property and show all liens, claims, encumbrances, conditions, restrictions, easements, rights of way, encroachments and all other matters of record in Bexar County, Texas constituting exceptions to Seller’s title as reflected therein.

5. **Survey.** Within thirty (30) following the Date of this Agreement, Buyer shall obtain at its sole expense a current boundary survey of the Property (the “Boundary Survey”), which shall show the dimensions of the Land by metes and bounds and the total number of gross square footage of the Land. Upon Buyer’s receipt of the Boundary Survey, Buyer shall deliver the same to Seller for review and approval, such approval not to be unreasonably withheld, conditioned or delayed. Seller agrees that within ten (10) days following Buyer’s delivery of the Boundary Survey to Seller, that Seller shall review and approve or provide Seller’s reasonable comments to the Boundary Survey in writing to Buyer. Buyer and Seller agree to use good faith and commercially reasonable efforts to agree upon the Boundary Survey, and Buyer agrees to promptly forward Seller’s comments regarding the Boundary Survey to the surveyor for correction. If Seller fails to provide any comments to the Boundary Survey within the ten (10) day period above, then Seller shall be deemed to have approved the Boundary Survey. The Boundary Survey shall be certified to Seller, Buyer and the Title Company, and for purposes of the Property description to be included in the Deed, the Title Policy and other documents delivered at Closing, the field notes prepared by the surveyor shall control any conflicts or inconsistencies with the description of the Land set forth herein or in the Title Commitment, and such field notes shall be incorporated herein by this reference upon completion and included as the description of the Land set forth on Exhibit A of this Agreement following Seller approval as provided hereinafter.

Within sixty (60) days following the receipt of the Title Commitment, Buyer shall obtain at its sole expense a current survey of the Property utilizing the legal description contained in the approved Boundary Survey as set forth above, which survey shall comply with the “Minimum Standard Detail Requirements of ALTA/ACSM Land Title Surveys (effective February 23, 2016)”, jointly established and adopted by ALTA and NSPS in 2016, and including items of Table A thereof selected by Buyer, or such other form of survey as may be acceptable to Buyer (the “Survey”). The Survey shall be certified to Seller, Buyer and the Title Company and shall, among other requirements set forth above, depict the location of any portions of the Land that are situated within the 100-year flood plain as designated by FEMA and/or Bexar County. Upon Buyer’s receipt of the Survey, Buyer shall deliver the same to Seller.

6. **Property Information Documents.** Buyer acknowledges receipt of the documents listed on Exhibit D attached hereto, which, to the personal knowledge of the Manager of Corporate Real Estate of Seller, without duty of inquiry, represent the material documents in Seller’s possession relating to ownership and operation of the Property (the “Property Information Documents”). Seller recommends that the Buyer conduct its own environmental assessment of the Property. Further, Seller does not represent or warrant that the Property Information Documents constitute all of the documents in Seller’s possession related to the Property.

**NOTWITHSTANDING ANYTHING IN THIS PARAGRAPH TO THE CONTRARY, BUYER ACKNOWLEDGES AND UNDERSTANDS THAT SOME OR ALL OF THE PROPERTY**
INFORMATION DOCUMENTS HAVE BEEN PREPARED BY PARTIES OTHER THAN SELLER. SELLER MAKES NO REPRESENTATION OR WARRANTY WHATSOEVER, EXPRESS OR IMPLIED, AS TO THE QUALITY, COMPLETENESS, CONTENT OR ACCURACY OF THE DELIVERED MATERIALS.

7. Review of Title, Survey and Documents. Buyer shall have until 5:00 p.m., Central time on that date which is thirty (30) days following Buyer’s receipt of the Title Commitment, Survey and Property Information Documents, whichever is received last (“Approval Period”), to review and approve the matters reflected therein. If Buyer determines that the Title Commitment, Survey and/or Property Information Documents reflect or disclose any defect, exception or other matter affecting the Property that is unacceptable to Buyer, in Buyer’s sole discretion, then Buyer shall notify Seller of Buyer’s objections prior to the expiration of the Approval Period (“Objection Notice”). If Seller fails, is unable or elects not to cure Buyer’s objections within five (5) business days following Seller’s receipt of the Objection Notice (the “Seller’s Cure Period”), and Seller shall be under no obligation to cure such objections, Buyer shall be entitled, as its sole and exclusive remedy, to terminate this Agreement by providing written notice of termination to Seller within five (5) business days following the expiration of Seller’s Cure Period, whereupon this Agreement shall be terminated, Seller shall retain the Independent Consideration, the Earnest Money shall be refunded to Buyer, and thereafter neither Seller nor Buyer shall have any continuing rights or obligations hereunder other than those certain obligations that expressly survive the termination of this Agreement (the “Surviving Obligations”). If Buyer shall fail to terminate this Agreement within such five (5) business day period, Buyer shall be deemed to have approved and waived any objection to the matters contained in the Title Commitment, Survey and Property Information Documents. All matters shown under Schedule B of the Title Commitment and by the Survey to which Buyer has not objected or Buyer has waived as provided herein shall be considered to be “Title and Survey Permitted Exceptions.” Notwithstanding the foregoing, under no circumstances shall Buyer be required to object to any existing liens reflected in the Title Commitment or other matters shown on Schedule “C” thereto, all of which (except for the lien or liens for taxes not yet due and payable) shall be released or satisfied by Seller at its expense prior to Closing.

Buyer may, at or prior to Closing, notify Seller in writing (the "Gap Notice") of any objections to title raised by the Title Company following the Objection Notice and not disclosed by the Title Company prior to the expiration of the Approval Period. If Buyer sends a Gap Notice to Seller, Buyer and Seller shall have the same rights and obligations with respect to such notice as apply to an Objection Notice under this Section 7. If any such exceptions to title are raised five (5) business days prior to Closing, the Closing Date may be extended by Buyer or Seller, by delivery of written notice to the other party and the Title Company, for up to thirty (30) days to permit either Seller or Buyer to cure such additional title exception so long as the party extending the Closing Date diligently pursues cure of the same.

8. Exceptions, Reservations, Conservation Area. The Property will be conveyed without warranty of title and subject to (i) the Title and Survey Permitted Exceptions, (ii) all applicable zoning, platting and other governmental ordinances, laws, rules and regulations, (iii) the Conservation Area RCA (as defined below), (iv) the Agricultural Lease (the “Agricultural Lease”) between Seller as landlord and J.H. Uptmore as tenant dated effective January 1, 2017 and expiring December 31, 2019, included in the Property Information Documents, and (v) a 1.542 acre variable width electric easement and a 0.688 acre temporary construction easement both described more particularly on Exhibit B attached hereto (collectively, the “CPS Easements”), which Seller intends to grant to CPS Energy prior to Closing and the proceeds from which shall belong exclusively to Seller (all of the foregoing being the “Permitted Exceptions”). Buyer agrees to the conveyance of the CPS Easements in substantially the form attached hereto as Exhibit B. In the event Closing does not occur on or before December 31, 2019, Buyer additionally consents to the extension of the
Agricultural Lease (in whole or in part) for an additional year to expire December 31, 2020, and rentals under the Agricultural Lease shall be prorated at Closing, provided that Seller agrees to only extend the Agricultural Lease to affect those certain portions of the Property that are not within Buyer’s initial phase (e.g. to be commenced by December 31, 2020) of its development of the Property. Prior to the earlier of (i) November 1, 2019 or (ii) the expiration of the Feasibility Period (as the same may be extended), Buyer shall provide Seller with the descriptions of the portions of the Property to be excluded from any extension of the Agricultural Lease. Further, the Buyer must obtain any applicable permits for Buyer’s use of the Property and Buyer shall be responsible for all platting requirements regarding the Property, which obligations shall survive Closing.

For purposes hereof, the “Conservation Area RCA” means a restrictive covenant agreement in recordable form between Buyer and Seller requiring not less than forty percent (40%) of the gross area of the Property be maintained as “Conservation Area” meeting the requirements of Section 35-203(j)(3) of the City of San Antonio Unified Development Code, subject to any express written and validly authorized variances, interpretations, PUD approvals, waivers or guidance (collectively, a “Variance”) that may be issued by the City of San Antonio or approved by Seller (the “Conservation Area Requirement”), provided, however, the requirement that the Conservation Area cover not less than forty percent (40%) of the gross area of the Property shall not be subject to variance, waivers of interpretations from the City of San Antonio and shall in all events be reflected and provided for in the Conservation Area RCA. It is agreed that in the Conservation Area RCA, (a) the Conservation Area Requirement shall be subject to the limitations under Section 35-203(j)(3) that no more than fifty percent (50%) of the Conservation Area may be comprised of “stream network buffering” (as defined in Section 35-203(j)(3)E.1 through E.3), (b) unless permitted by a Variance, areas within utility easements existing as of the date of recording the Conservation Area RCA may not be counted towards the Conservation Area Requirement but areas utility easements granted after the date of recording of the Conservation Area RCA may continue to be counted towards the Conservation Area Requirement, (c) any land removed from the floodplain and any area within the buffer for such removed floodplain shall not be counted towards the limitations under Section 35-203(j)(3) relating to the percentage of area that may be comprised of stream network buffering described in (a) above, (d) recreational trails constructed using concrete to prevent erosion may be counted towards the Conservation Area Requirement, (e) courtyards and green belts may be counted towards the Conservation Area Requirement, and (f) buildings and impervious paving areas may be constructed in areas surrounded by Conservation Area provided that the footprint of such buildings and impervious paving areas shall not be counted towards the Conservation Area Requirement. Prior to Closing, Buyer shall designate an area on the Property satisfying the Conservation Area Requirement and this area shall be described by metes and bounds and attached as an exhibit to the Conservation Area RCA (the “Conservation Area Designation”). The Conservation Area RCA shall provide that Buyer shall have the right to amend the Conservation Area Designation, with the joinder of Seller, from time to time as the Property is being developed by substituting revised metes and bounds descriptions of the Conservation Area Designation provided the amended area complies with the Conservation Area Requirements and all of the foregoing, and further Buyer shall submit such revisions to Seller for review and approval and Seller shall provide its consent or rejection to such designation within thirty (30) days following receipt thereof if Seller has a good faith basis for contesting either (i) the inclusion of specified areas within the Conservation Area Designation or (ii) the total area included within the Conservation Area Designation satisfying the Conservation Area Requirement. If Seller does not object within such thirty (30) day period or upon Buyer’s reasonable satisfaction of Seller’s objections, Buyer may record the revisions to the Conservation Area Designation as an amendment to the Conservation Area RCA. At Closing, the Conservation Area RCA shall be executed and recorded in the Official Public Records of Bexar County, Texas.
9. **Conservation Area RCA Negotiation.** Buyer and Seller hereby acknowledge and agree that a material consideration for Buyer’s purchase and Seller’s sale of the Property is that the Property will be conveyed and purchased subject to the Conservation Area RCA. Prior to the expiration of the Feasibility Period, Buyer and Seller shall work to agree upon the terms, provisions and conditions and form of the Conservation Area RCA. If Buyer and Seller fail to agree upon the terms, provisions and conditions and form of the Conservation Area RCA prior to the expiration of the Feasibility Period, then this Agreement shall automatically terminate, Seller shall retain the Independent Consideration, the Earnest Money shall be returned to Buyer and thereafter neither Buyer nor Seller shall have any continuing obligations hereunder except for the Surviving Obligations.

10. **Feasibility Period.** Commencing on the Date of this Agreement and expiring at 5:00 pm local San Antonio time on the day that is one hundred eighty (180) days from the date of SAWS Board of Trustees approval of this Agreement, as provided for in Section 13 below (the “Feasibility Period”), Buyer and its authorized agents or representatives shall be entitled to enter upon the Property to conduct, at Buyer’s sole cost, any inspections and environmental assessments on the Property that Buyer may elect, including without limitation, engineer’s studies, soil tests, investigation of flood plain, wetlands and underground geologic conditions, zoning, availability of utilities and other inspections and/or tests deemed necessary or advisable by Buyer, subject to the indemnity and other provisions of this Section 10 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 17 below. The Buyer may not conduct invasive tests, including boring and drilling, upon the Property, without Seller’s prior written consent (not to be unreasonably withheld, conditioned or delayed), 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 Property. Buyer shall promptly restore the Property to substantially its original condition following any such invasive tests, which obligation shall survive termination of this Agreement.

During the term of this Agreement, Buyer shall be entitled to file applications with all applicable governmental authorities having jurisdiction over the Property to obtain all development commitments, entitlements, permits and approvals as may be deemed necessary by Buyer in connection with Buyer’s planned development of the Property, including but not limited to, a master development plan as defined in Section 35-412 of the City of San Antonio City code or a planned unit development permissible under the City of San Antonio City code (collectively, the “Development Plan”), building permits and environmental approvals as may be necessary or desirable in connection with the Property (all of the foregoing commitments, entitlements, permits, and approvals set forth hereinabove being collectively referred to herein as the “Approvals”), and Seller agrees to reasonably cooperate with Buyer and execute such documents as may be reasonably required in connection with the Approvals. Under no circumstances shall any such Approvals impose any burden or be binding upon the Property prior to Closing, nor shall the same impose any cost or liability on Seller. In connection with Buyer obtaining the MDP for the Property, the Development Plan shall depict and include the Conservation Area.

Buyer shall have the right to extend the Feasibility Period for up to two (2) additional thirty (30) day periods by payment to Seller by certified or cashier’s check the sum of TEN THOUSAND AND NO/100 DOLLARS ($10,000.00) for each thirty (30) day period (each an “Extension Fee” and, collectively, the “Extension Fees”), which Extension Fee(s) must be made prior to the expiration of the then-current Feasibility Period. The Extension Fee(s) (if any) shall be considered additional Independent Consideration and, as such, shall be non-refundable to Buyer in all events (except in the event of a Seller default), but shall be applied against the Purchase Price at Closing.
If during the Feasibility Period (as the same may be extended), Buyer decides in its sole discretion not to proceed with the purchase of the Property, Buyer shall give Seller written notice of termination on or before the expiration of the Feasibility Period (as the same may be extended), in which event this Agreement shall terminate and be of no further force and effect, and Buyer shall receive back the Earnest Money, Seller shall retain the Independent Consideration, and thereafter neither party shall have any continuing rights or obligations hereunder except for the Surviving Obligations.

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 $100,000 prior to and as a condition to entry upon the Property.

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 (COLLECTIVELY, "CLAIMS"), ARISING FROM THE BUYER'S OR THE BUYER'S AGENTS OR CONTRACTORS PRESENCE ON OR USE OR INSPECTION OF THE PROPERTY (INCLUDING ANY ENVIRONMENTAL ASSESSMENTS PERFORMED ON THE PROPERTY) OR THE CONDITION OF THE PROPERTY. IT IS THE EXPRESS INTENT OF THE PARTIES HERETO THAT THIS INDEMNITY SHALL APPLY TO AND PROTECT THE INDEMNIFIED PARTIES FROM DAMAGES CAUSED BY THE INDEMNIFIED PARTIES' CONCURRENT NEGLIGENCE AND/OR STRICT LIABILITY, BUT SHALL NOT APPLY IF ANY SUCH CLAIM IS DUE TO THE SOLE OR GROSS NEGLIGENCE OR WILLFUL MISCONDUCT OF THE INDEMNIFIED PARTIES. FURTHERMORE, THE INDEMNITY CONTAINED HEREIN SHALL NOT APPLY AND BUYER SHALL HAVE NO LIABILITY TO SELLER OR OTHERS FOR ANY CLAIMS ARISING OUT OF OR RELATING TO ANY PHYSICAL OR ENVIRONMENTAL CONDITION THAT EXISTED PRIOR TO BUYER'S INSPECTION(S) OR TO THE EXISTENCE OR DISCLOSURE OF ANY HAZARDOUS WASTE OR MATERIALS ON THE PROPERTY WHICH ARE DISCOVERED DURING, BUT ARE NOT CAUSED BY, BUYER'S INSPECTION(S). THE PROVISIONS OF THIS PARAGRAPH SHALL OVERRIDE AND CONTROL ANY CONTRARY PROVISIONS IN THE TEXAS TORT CLAIMS ACT (TEXAS CIVIL PRACTICE AND REMEDIES CODE CHAPTER 101). THIS SECTION 10 SHALL SURVIVE CLOSING OR TERMINATION OF THIS AGREEMENT.

11. AS-IS. THE PROPERTY WILL BE CONVEYED IN ITS PRESENT "AS IS" CONDITION. IF THE PURCHASE AGREEMENT CLOSES, BUYER ACCEPTS THE PROPERTY IN ITS PRESENT CONDITION. AS A MATERIAL PART OF THE CONSIDERATION FOR THE SALE OF THE PROPERTY, BUYER ACKNOWLEDGES THAT IT IS NOT RELYING UPON THE ACCURACY OR COMPLETENESS OF ANY REPRESENTATION, BROCHURE, RENDERING, PROMISE, STATEMENT OR OTHER ASSERTION OR INFORMATION (INCLUDING THE PROPERTY INFORMATION DOCUMENTS) WITH RESPECT TO THE PROPERTY MADE OR FURNISHED BY OR ON BEHALF OF, OR OTHERWISE ATTRIBUTED TO, SELLER OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR REPRESENTATIVES, ANY AND ALL SUCH RELIANCE BEING HEREBY EXPRESSLY AND UNENVIQUOCALLY DISCLAIMED, BUT IS RELYING SOLELY AND EXCLUSIVELY UPON ITS OWN EXPERIENCE AND ITS INDEPENDENT JUDGMENT, EVALUATION AND
EXAMINATION OF THE PROPERTY. BUYER FURTHER UNEQUIVOCALLY DISCLAIMS (I) THE EXISTENCE OF ANY DUTY TO DISCLOSE ON THE PART OF SELLER OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR REPRESENTATIVES AND (II) ANY RELIANCE BY BUYER ON THE SILENCE OR ANY ALLEGED NONDISCLOSURE OF SELLER OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR REPRESENTATIVES, AND HEREBY RELEASES SELLER AND ITS AGENTS, EMPLOYEES OR REPRESENTATIVES FROM ANY CLAIM, DEMAND OR CAUSE OF ACTION BASED IN WHOLE OR IN PART UPON ANY RELIANCE UPON ANY ALLEGED SILENCE, REPRESENTATION OR NON-DISCLOSURE BY SELLER OR ANY OF ITS AGENTS, EMPLOYEES OR REPRESENTATIVES. BUYER TAKES THE PROPERTY UNDER THE EXPRESS UNDERSTANDING THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES. BUYER EXPRESSLY WARRANTS AND REPRESENTS THAT NO PROMISE OR AGREEMENT WHICH IS NOT HEREIN EXPRESSED HAS BEEN MADE TO IT AND HEREBY DISCLAIMS ANY RELIANCE UPON ANY SUCH ALLEGED PROMISE OR AGREEMENT. THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. BUYER HAS AGREED TO DISCLAIM RELIANCE ON SELLER AND TO ACCEPT THE PROPERTY "AS-IS" WITH FULL AWARENESS THAT THE PROPERTY'S PRIOR USES OR OTHER MATTERS COULD AFFECT ITS CONDITION, VALUE, SUITABILITY OR FITNESS; AND BUYER CONFIRMS THAT BUYER IS HEREBY ASSUMING ALL RISK ASSOCIATED THEREWITH. BUYER UNDERSTANDS THAT THE DISCLAIMERS OF RELIANCE AND OTHER PROVISIONS CONTAINED HEREIN COULD LIMIT ANY LEGAL RECURSE 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.

12. Conditions Precedent to Buyer's Obligation to Close. Buyer's obligation to close the purchase of the Property under this Agreement shall be subject to and conditioned upon the fulfillment of the conditions set forth below in this Section 12 and Seller shall be in default under this Agreement if any of the following conditions are not satisfied on the Closing Date or any of such conditions are breached by Seller prior to the Closing Date and Seller fails to cure such breach within thirty (30) days following the Seller receipt from Buyer of written notice of such breach (and the Closing Date shall be extended to accommodate such cure period):

(a) No Further Encumbrance. From the Date of this Agreement through the date of Closing, Seller shall not sell, assign or convey any right, title or interest whatsoever in or to the Property, save and except for the extension of the Agricultural Lease, the granting of the CPS Easement and any matter permitted or requested by Buyer, or create or permit to exist any lien, security interest, easement, or recorded encumbrance (other than the Title and Survey Permitted Exceptions), without promptly discharging the same prior to Closing.

(b) No Actions. On the date of Closing, there shall be no actions, suits or proceedings pending or threatened in writing against Seller that directly relate to the Property, at law or in equity, or before or by any federal, state, municipal or other governmental court, department, commission, board, bureau, agency or instrumentality, domestic or foreign.

(c) Authority. The execution by Seller of this Agreement and the consummation by Seller of the sale contemplated hereby shall not result in a breach of any of the terms or provisions
of, or constitute a default under any indenture, agreement, instrument, obligation or judgment, to which Seller is a party or by which the Property or any portion thereof is bound.

(d) **Leases.** From the Date this Agreement through the date of Closing, Seller will not enter into any additional leases of any portion of the Property, other than the Agricultural Lease, that will affect the Property as of the Closing Date.

(e) **No Agreements.** From the Date of this Agreement through the date of Closing, Seller will not enter into any oral or written agreements directly affecting the Property that will be binding on Buyer or the Property after Closing, save and except for the extension of the Agricultural Lease, the granting of the CPS Easement and any matter permitted or requested by Buyer.

(f) **Environmental.** From the Date of this Agreement through the date of Closing, Seller shall not store, produce, transport, dispose, treat or release any “hazardous substance,” as defined in Section 101 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq. on or in the Property except in accordance with relevant law.

13. **Board Approval.** This Agreement is subject to the approval of the Board of Trustees of the San Antonio Water System on or before sixty (60) days following the Date of this Agreement (the “Board Approval Date”). In the event that this Agreement is not approved by the Board of Trustees of the San Antonio Water System on or before the Board Approval Date, notwithstanding any provision herein to the contrary, this Agreement shall automatically terminate and the Earnest Money and Independent Consideration shall be returned to Buyer, and thereafter neither party shall have any further rights or duties hereunder other than the Surviving Obligations.

14. **Closing.** The conveyance of the Property to Buyer shall be closed ("Closing") at the office of the Title Company on the first business day to occur thirty (30) days after the expiration of the Feasibility Period (the "Closing Date"), or such earlier date as the parties may agree to, provided all conditions to Closing have been satisfied.

15. **Closing Documents.** The following documents shall be delivered at Closing:

   a. **Deed.** Seller and Buyer shall execute and acknowledge a deed without warranty conveying title to the Property to Buyer, substantially in the form of Exhibit C attached hereto (the "Deed").

   b. **Conservation Area RCA.** Buyer shall execute and acknowledge the Conservation Area RCA in its approved form.

   c. **EAA Transfer Application.** Seller and Buyer shall execute and acknowledge an Edwards Aquifer Authority application to transfer groundwater rights ("EAA Transfer Application") to transfer the EAA Permitted Rights to Buyer.

   d. **Tax Certificates.** Seller shall deliver, at Seller's expense, tax certificates showing there are no delinquent taxes levied or assessed against the Property as of Closing.

   e. **Settlement Statements.** Buyer and Seller shall execute customary settlement statements reflecting the Purchase Price, closing costs, prorations, credits and Commissions under this Agreement.
f. **Other Documents.** Such other documents as the Title Company may reasonably require to consummate this transaction, provided Seller shall not be required to indemnify or make representations or warranties.

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

a. **Taxes.** Seller is a tax-exempt entity. Buyer agrees that it shall be solely responsible for all ad valorem real property taxes assessed against the Property for periods from and after the Closing Date. If this sale or Buyer’s use of the Property after Closing results in the assessment of additional taxes, penalties or interest, including without limitation “rollback taxes” (the “Assessments”) for periods prior to Closing, the Assessments will be the obligation of the Buyer. Buyer shall indemnify, defend and hold Seller harmless from and against any loss, cost, cause of action or claim related to the Assessments and all ad valorem real property taxes assessed against the Property for periods from and after the Closing Date. All provisions and obligations of this section shall survive Closing.

b. **Title Insurance Premium.** Seller shall pay the basic premium for the Title Policy. Buyer shall be responsible at its sole cost for any deletions or endorsements Buyer elects to obtain.

c. **Fees.** Any escrow fee charged by Title Company shall be divided equally between Seller and Buyer. Buyer shall pay the recording and/or filing fees for the Deed, Conservation Area RCA, the EAA Transfer Application and any deed of trust or other loan documents. Each party will pay its own attorney's fees.

d. **Agricultural Lease.** If the Agricultural Lease has been extended to expire December 31, 2020, the rent under the Agricultural Lease shall be prorated to the Closing Date.

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

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

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

**Buyer:**
Bigelow Texas Development Services, LLC  
P.O. Box 848  
San Marcos, Texas 78667  
pbigelow@bigelowhomes.com

**With a copy to:**
Lane W. Golden
18. **Default.** In the event that Seller fails to timely comply with all conditions, covenants and obligations it has hereunder, except due to a default by Buyer, or if any of the conditions precedent of Buyer’s obligation to close set forth in Section 12 are not satisfied, and such failure shall continue for thirty (30) days after Seller’s receipt of written notice regarding such default, Seller shall be in default under this Agreement and Buyer shall be entitled, as its sole and exclusive remedies, to either (i) terminate this Agreement by providing written notice of such termination to Seller, whereupon this Agreement shall be terminated, the Independent Consideration and the Earnest Money shall be refunded to Buyer, and thereafter neither Seller nor Buyer shall have any continuing rights or obligations hereunder other than the Surviving Obligations, (ii) waive such conditions and proceed to Closing, or (iii) exercise the remedy of specific performance solely for and in the event that Seller fails to convey the Property to Buyer at Closing as required by this Agreement or in the event that the conditions to closing set forth in Section 12(a), (c), (d), (e) and (f) are not satisfied as required in Section 12 (“Designated Closing Conditions”), it being expressly acknowledged that specific performance shall not be a remedy to compel Seller to perform any other action other than deliver the Closing Documents or cure such specific failures of the Designated Closing Conditions and may not be used to compel Seller to cure any other default; provided, however, in the event of the failure of the Designated Closing Conditions in which Buyer does not waive such conditions and proceed to Closing, Seller may elect to either (i) permit Buyer the remedy of specific performance or (ii) allow Buyer to terminate this Agreement and then in addition to the Independent Consideration and the Earnest Money being refunded to Buyer, Seller shall reimburse Buyer, up to a maximum of $200,000.00, all of Buyer’s out of pocket costs and expenses incurred by Buyer in connection with this Agreement, including without limitations, all due diligence costs, architects fees, engineering fees, attorneys fees and costs of surveys, environmental reports, geotechnical and engineering reports and all other due diligence reports. 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 or agent of Seller shall be liable, in any manner whatsoever, for any act, omission or obligation of Seller or its agents.

In the event that Buyer fails to timely comply with all conditions, covenants and obligations it has hereunder, except due to a default by Seller, and such failure shall continue for thirty (30) days after Buyer’s receipt of written notice regarding such default, then Seller shall have the right, as its sole and exclusive remedy, to terminate this Agreement and receive from the Title Company the Earnest Money deposited with the Title Company as liquidated damages. The Earnest Money and is agreed upon by and between the Seller and Buyer as liquidated damages due to the difficulty and inconvenience of ascertaining and measuring actual damages, and the uncertainty thereof, and no other damages, rights or remedies shall in any case be collectible, enforceable or available to the Seller against Buyer, and the Seller shall accept the Earnest Money as the Seller’s total damages and relief, Seller hereby waiving any other rights or remedies to which it may otherwise be entitled. The foregoing limitations shall not apply to Buyer’s Surviving Obligations.

19. **Condemnation.** In the event of any eminent domain taking or the issuance of a notice of an eminent domain taking prior to Closing that (i) adversely impacts access to or from the Property (which shall expressly exclude any taking as part of any road widening of Montgomery Road), or (ii) impacts ten percent (10%) or more of the area of the Land ((i) and (ii) referenced herein as “Major Condemnations”), Buyer shall have the right to terminate this Agreement by giving written notice of such termination to Seller, whereupon this Agreement shall be terminated, Seller shall retain the Independent Consideration, the Earnest Money shall be refunded to Buyer, and thereafter
neither Seller nor Buyer shall have any continuing rights or obligations hereunder other than the Surviving Obligations. Buyer must exercise its termination right within thirty (30) days after its receipt of written notice from Seller (but in no event later than Closing) advising of such taking or proposed taking, which notice Seller hereby agrees to give promptly upon notice of such taking or proposed taking. With respect to any condemnation that is not a Major Condemnation, or if Buyer does not elect to terminate this Agreement in the event of a Major Condemnation, Buyer shall be obligated to consummate this transaction, subject to satisfaction of the conditions set forth herein, for the full Purchase Price (subject to the other provisions hereof) and Buyer shall be entitled to receive all eminent domain awards and Seller shall assign to Buyer at Closing Seller’s rights to such awards.

20. **Real Estate Commission.** If and only if the sale from Seller to Buyer closes pursuant to this Agreement, Seller will pay at Closing a four percent (4%) brokerage fee (the “Commission”) to Cano & Company (“Seller’s Broker”) pursuant to a separate written agreement. If Buyer has engaged a broker (“Buyer’s Broker”) via written brokerage agreement, Seller’s Broker has agreed via such separate written agreement to share the Commission equally with Buyer’s Broker. To further memorialize such Commission splitting, Seller’s Broker and Buyer’s Broker shall execute the Broker’s Addendum attached hereto. The parties each represent and warrant to each other that no broker other than Buyer’s Broker and Seller’s Broker as identified herein or the Broker’s Addendum represents Buyer and Seller. The foregoing representations shall survive Closing.

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

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

23. **Assignability.** Buyer may at its option and at any time during this Contract, assign this Contract, without the consent of Seller, to an Affiliate of Buyer. Any other assignment shall require the written consent of Seller in its sole and absolute discretion. “Affiliate” for purposes hereof shall mean an entity or person who (a) is controlling, controlled by, or under common control with Buyer; or (b) owns greater than fifty-one percent (51%) or more of the equity or voting interests of Buyer. No assignment of this Agreement shall relieve the original Buyer from its obligations hereunder.

24. **Time of Essence.** Time is of the essence of this Agreement.

25. **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 other 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.

26. **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.

27. **Sale under Local Government Code Section 253.014.** Seller and Buyer acknowledge and agree that the transaction contemplated in this Agreement is being conducted under Texas Local Government Code Section 253.014.
28. **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 Property is situated in any utility district, Buyer will sign and acknowledge at or prior to the Closing, a statutory notice as required under Section 50.301 of the Texas Water Code.

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

f. **Lead Paint Disclosure.** The Buyer agrees and acknowledges that the Property is not "residential real property" subject to any federally mandated lead paint disclosures.

(SIGNATURE PAGE Follows)
EXECUTED by Seller on May 14, 2019.

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 May 8, 2019.

Buyer:

Bigelow Texas Development Services, LLC, a Texas limited liability company

Signature:
By (printed name: James Bigelow)
Title: Manager

Exhibits:
Exhibit A: Property depiction
Exhibit B: Form of CPS Easements with legal description
Exhibit C: Form of Deed
Exhibit D: List of Property Information Documents
RECEIPT OF AGREEMENT & EARNEST MONEY

Alamo Title Company ("Title Company") acknowledges receipt of $40,000.00 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: Nancy Williams for Chris Vanday

Date: 5/14/19

GF#: ____________________________
BROKER’S ADDENDUM
TO PURCHASE AGREEMENT
+/- 327 acres Straus Ranch

Cano & Company ("Seller’s Broker") will receive a 4% commission (the "Commission") of the Purchase Price at Closing, if and only if Closing occurs, pursuant to a separate written agreement between Seller and Seller’s Broker.

If Seller’s Broker receives the Commission, Seller’s Broker shall, at Closing, split the Commission on a 50/50 basis with Joseph Straus, Jr., Presidio Group LLC ("Buyer’s Broker"), such that Buyer’s Broker shall receive from Seller’s Broker an amount equal to 2% of the Purchase Price.

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

Cano & Company
By: [Signature]
Printed Name: Dennis Cano
Title: V.P.

Presidio Group LLC
By: [Signature]
Printed Name: Joe R. Straus Jr
Title: Realtor
License #: 452752
EXHIBIT A

Property Depiction

See following page
EXHIBIT B

Form of CPS Easements

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

PARTIAL TRANSFER OF NON-EXCLUSIVE EASEMENT JURISDICTION TO CPS ENERGY

STATE OF TEXAS §

COUNTY OF BEXAR §

WHEREAS, the San Antonio Water System (SAWS) under the jurisdiction of the City of San Antonio is the beneficial owner of an 412,243 acre tract of land located in Bexar County, Texas (the "Property") being the remainder of a 1,094.62 acre tract s described in that General Warranty Deed recorded in Volume 7915, Page 867 of the Official Public Records of Bexar County, Texas; and

WHEREAS, City Public Service Board ("CPS ENERGY"), also a municipal utility of the City of San Antonio, requires non-exclusive use of a 1.542 acre tract of land out of the Property being more particularly described and shown on Exhibits "A" and "B" attached hereto and made a part hereof (the "CPS Energy Permanent Easement Property"), for the purpose of construction, operation and maintenance of overhead and/or underground electrical transmission and distribution lines by CPS Energy; and

WHEREAS, CPS Energy additionally requires the use of a 0.688 acre tract of land out of the Property being more particularly described and shown on Exhibits "C" and "D" attached hereto (the "CPS Energy Temporary Easement Property"), for the purpose of construction, storage and staging of materials and/or equipment for installation of the electrical transmission and distribution lines to be located in the CPS Energy Permanent Easement Property.

WHEREAS, SAWS is agreeable to this partial non-exclusive jurisdictional use of the CPS Energy Permanent Easement Property and the CPS Energy Temporary Easement Property by CPS Energy pursuant to the terms of this agreement.

NOW THEREFORE, THE PARTIES AGREE THAT:

SAWS hereby assigns partial non-exclusive jurisdiction and use of the CPS Energy Permanent Easement Property and the CPS Energy Temporary Easement Property to CPS Energy, together with the right of ingress and egress over SAWS' designated adjacent lands, subject to such rules, regulations and restrictions as SAWS may impose from time-to-time, solely, for the purposes of constructing, reconstructing, inspecting, patrolling, erecting poles, hanging wires on, installing underground cables, conduits and aboveground transformers upon the CPS Energy Permanent Easement Property; maintaining and removing said lines and appurtenances; the right to relocate within the CPS Energy Permanent Easement Property, said lines along with the right to remove from said CPS Energy Permanent Easement Property, as determined by standard industry practices employed in vegetation management and in compliance with all applicable laws, codes, rules, restrictive covenants and regulations, all trees and parts thereof, any vegetation or obstructions which endanger or may interfere with the efficiency of said lines or appurtenances thereto.

SAWS further agrees that no building or structure of any kind will hereafter be erected or placed by SAWS, its successors and assigns, on the CPS Energy Permanent Easement Property (without CPS Energy's written approval), so long as this transfer of jurisdiction and use remains in effect.

SAWS reserves the full and complete enjoyment of the Property, including, without limitation, the right to use the surface of the Property, except that SAWS' use of the CPS Energy Permanent Easement Property and the CPS Energy Temporary Easement Property shall not unreasonably interfere with the rights specifically allowed herein to CPS Energy. Notwithstanding the foregoing, CPS Energy may not
interfere with SAWS’ existing sewer line located within the CPS Energy Permanent Easement Property and the CPS Energy Temporary Easement Property and shall not erect any towers over said sewer line. SAWS shall have the right to grant other easements and to use the Property so long as use of the CPS Energy Permanent Easement Property and the CPS Energy Temporary Easement Property does not unreasonably and materially impair CPS Energy’s use of same.

CPS Energy’s use of the CPS Energy Permanent Easement Property and the CPS Energy Temporary Easement Property is subject to all matters of record in Bexar County, Texas, validly subsisting against the Property on this date, and all easements, rights-of-way and prescriptive rights; all presently recorded restrictions, reservations, covenants, conditions, oil and gas leases, mineral severances and other instruments, that affect the Property; rights of adjoining owners in any wells and fences situated on a common boundary; any discrepancies, conflicts or shortages in area or boundary lines; and any existing encroachments or overlapping of improvements.

CPS Energy’s use of the CPS Energy Temporary Easement Property shall expire upon completion of initial construction of the electric lines and appurtenances within the CPS Energy Permanent Easement Property. Following such completion of initial construction and upon request from SAWS or a subsequent owner of the Property, CPS Energy agrees to execute a recordable acknowledgement of expiration of CPS Energy’s easement on the CPS Energy Temporary Easement Property. CPS Energy’s use of the CPS Energy Permanent Easement Property shall expire upon abandonment.

CPS Energy, at its sole cost and expense, shall promptly restore any property which may have been damaged or destroyed as a result of CPS Energy’s use of the CPS Energy Permanent Easement Property, the CPS Energy Temporary Easement Property or its activities under this instrument. Without limiting the foregoing, CPS Energy shall also remove any debris resulting from its use of the CPS Energy Easement Property or its activities under this instrument.

Without limiting the foregoing and for avoidance of doubt, in the event of a sale by SAWS of all or any of the CPS Energy Easement Property or CPS Energy Temporary Easement Property, this instrument shall, to the extent of such sale, automatically function as an easement running with the land in favor CPS Energy on the same terms and conditions set forth hereinafore.

Signatures on following pages
EXECUTED this ______ day of ____________________________ , 2019.

SAN ANTONIO WATER SYSTEM

NANCY BELINSKY, VICE PRESIDENT AND
GENERAL COUNSEL

STATE OF TEXAS

COUNTY OF BEXAR

This instrument was acknowledged before me this ______ day of __________, 2019, by NANCY BELINSKY, VICE PRESIDENT AND
GENERAL COUNSEL of the SAN ANTONIO WATER SYSTEM, a municipally owned utility of the City of
San Antonio, a Municipal Corporation, on behalf of said utility.

Notary Public, State of Texas
Agreed to and accepted:

CITY OF SAN ANTONIO, TEXAS
ACTING BY AND THROUGH THE
CITY PUBLIC SERVICE BOARD OF
SAN ANTONIO, A MUNICIPAL
BOARD OF THE CITY OF
SAN ANTONIO

BY: ____________________________________________
DARRELL CLIFTON
SENIOR DIRECTOR
SUBSTATION AND TRANSMISSION

STATE OF TEXAS

COUNTY OF BEXAR

This instrument was acknowledged before me on this ____________ day of
________, 2019 by DARRELL CLIFTON, SENIOR DIRECTOR, SUBSTATION
AND TRANSMISSION, on behalf of the CITY PUBLIC SERVICE BOARD of the CITY OF
SAN ANTONIO, Texas.

Notary Public, State of Texas
DESCRIPTION OF
A VARIABLE WIDTH ELECTRIC EASEMENT
(1.542 ACRES OF LAND)

Being a Variable Width Electric Easement, 1.542 acres of land in Bexar County, Texas, being out of a remainder of a 1094.62 acre tract of land described in Volume 15414, Page 1147, Official Public Records, Bexar County, Texas and Volume 7915, Page 867, Official Public Records of Real Property, Bexar County, Texas, being partially out of a Permanent Easement-Sewer, called 26.02 acres of land described in Volume 14598, Page 1294, Official Public Records, Bexar County, Texas, also situated in the Asa Wickson Survey No. 68, Abstract No. 793, County Block (C.B.) 4318, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" rebar with a "CEC" plastic cap set on the common line of said remainder of a 1094.62 acre tract and a 729.582 acre tract of land described in Volume 15212, Page 1628, Official Public Records, Bexar County, Texas, the POINT OF BEGINNING, the north corner of this easement, from which a 3-inch metal fence post found at the northeast corner of the remainder of a 1094.62 acre tract bears North 36°03'41" West, a distance of 486.29 feet;

THENCE South 36°03'41" East, coincident with said common line, a distance of 207.47 feet to a 1/2" rebar with a "CEC" plastic cap set, an angle point of this easement, from which a 1/2" rebar with a "Pape-Dawson" plastic cap found bears South 36°03'41" East, a distance of 19.80 feet;

THENCE South 07°14'44" East, crossing a remainder of the 1094.62 acre tract, a distance of 236.58 feet to a 1/2" rebar with a "CEC" plastic cap set on the aforementioned common line of a remainder of the 1094.62 acre tract and said 729.582 acre tract, an angle point of this tract;

THENCE continuing coincident with said common line, the following courses:

South 00°31'07" East, a distance of 339.28 feet to a 1/2" rebar with a "Pape-Dawson" plastic cap found, an angle point of this easement;

South 07°41'24" West, a distance of 104.46 feet to a 1/2" rebar with a "Pape-Dawson" plastic cap found, an angle point of this easement;

South 19°10'27" West, a distance of 146.86 feet to a 1/2" rebar with a "Pape-Dawson" plastic cap found, an angle point of this easement;

South 32°59'25" West, a distance of 40.94 feet to a 1/2" rebar with a "CEC" plastic cap set, the south corner of this easement, from which a 1/2" rebar with a "Pape-Dawson" plastic cap found bears South 32°59'25" West, a distance of 51.43 feet;
THENCE North 15°40'54" East, crossing a remainder of the 1094.62 acre tract, a distance of 150.05 feet to a 1/2" rebar with a "CEC" plastic cap set, an angle point of this easement;

THENCE North 07°14"44" West, a distance of 880.81 feet to the POINT OF BEGINNING, containing 1.542 acres acre of land, more or less.

The basis of bearing recited herein is the Texas State Plane Coordinate System, South Central Zone (NAD83). This description was prepared from a survey made on the ground by employees of Civil Engineering Consultants (CEC). There is an exhibit plat with like job number and date.
Exhibit "B"

VARIABLE WIDTH ELECTRIC EASEMENT
(1.542 ACRES)

NOTES:
1. A 1/2" REBAR WITH A "CCE" PLASTIC CAP WAS SET AT EACH EASEMENT CORNER, UNLESS NOTED OTHERWISE. * DENOTES A 1/2" REBAR WITH A "PAPE—DAWSON" PLASTIC CAP FOUND.
2. THE BASIS OF BEARING IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NA083).
3. FIELD SURVEY COMPLETED SEPTEMBER 2018.
4. EVERY DOCUMENT OF RECORD REVIEWED AND CONSIDERED AS A PART OF THIS SURVEY IS NOTED HEREON. ONLY THE DOCUMENTS NOTED HEREON WERE SUPPLIED TO THE SURVEYOR. NO ABSTRACT TITLE, NOR TITLE COMMITMENT, NOR RESULTS OF TITLE SEARCHES WERE FURNISHED TO THE SURVEYOR. THERE MAY EXIST OTHER DOCUMENTS OF RECORD THAT WOULD AFFECT THIS PARCEL.
5. THERE IS A METES AND BOUNDS DESCRIPTION WITH LIKE JOB NUMBER AND DATE.
6. D.P.R. DENOTES DEED AND PLAT RECORDS, BEARER COUNTY, TEXAS. O.P.R. DENOTES OFFICIAL PUBLIC RECORDS, BEARER COUNTY, TEXAS. R.P.R. DENOTES OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, BEARER COUNTY, TEXAS.

SCALE: 1" = 200'
DESCRIPTION OF
100-FOOT WIDE TEMPORARY CONSTRUCTION EASEMENT
(0.688 ACRES OF LAND)

Being a 100-foot wide Temporary Construction Easement, 0.688 acres of land in Bexar County, Texas, being out of a remainder of a 1094.62 acre tract of land described in Volume 15414, Page 1147, Official Public Records, Bexar County, Texas and Volume 7915, Page 867, Official Public Records of Real Property, Bexar County, Texas, situated in the Asa Wickson Survey No. 68, Abstract No. 793, County Block (C.B.) 4318, and being more particularly described by metes and bounds as follows:

BEGINNING at a 1/2" rebar with a "CEC" plastic cap set on the common line of said remainder of a 1094.62 acre tract and a 729.582 acre tract of land described in Volume 15212, Page 1628, Official Public Records, Bexar County, Texas, the POINT OF BEGINNING, the northeast corner of this easement, from which a 3-inch metal fence post found at the northeast corner of the remainder of the 1094.62 acre tract bears North 36°03'41" West, a distance of 475.31 feet;

THENCE South 36°03'41" East, coincident with said common line, a distance of 10.98 feet to a 1/2" rebar with a "CEC" plastic cap set on the west line of a proposed Electric Easement, the northeast corner of this easement, from which a 1/2" rebar with a "Pape-Dawson" plastic cap found bears South 36°03'41" East, a distance of 227.27 feet;

THENCE crossing a remainder of the 1094.62 acre tract, the following courses:

South 07°14'44" East, coincident with said west line of the proposed Electric Easement, a distance of 101.78 feet to a 1/2" rebar with a "CEC" plastic cap set, the west corner of this easement;

South 53°45'41" West, a distance of 272.29 feet to a 1/2" rebar with a "CEC" plastic cap set, the south corner of this easement;

North 36°14'19" West, a distance of 100.00 feet to a 1/2" rebar with a "CEC" plastic cap set, the west corner of this easement;
North 53°45'41" East, a distance of 321.66 feet to the **POINT OF BEGINNING**, containing 0.688 acres acre of land, more or less.

The basis of bearing recited herein is the Texas State Plane Coordinate System, South Central Zone (NAD83). This description was prepared from a survey made on the ground by employees of Civil Engineering Consultants (CEC). There is an exhibit plat with like job number and date.

Dion P. Albertson, RPL No. 4963
Exhibit "D"

729.582 ACRES
VOL. 15212, PG. 1628, O.P.R.

3' METAL FENCE POST FOUND

CONSERVATION EASEMENT AGREEMENT
TRACT 8 - 53.194 ACRES
VOL. 16948, PG. 528, O.P.R.

PERMANENT EASEMENT-SPOKES
TRACT 7 - 33.904 ACRES
VOL. 16948, PG. 528, O.P.R.

PROPOSED ELECTRIC EASEMENT

CONSERVATION EASEMENT AGREEMENT
TRACT 7 - 33.904 ACRES
VOL. 16948, PG. 528, O.P.R.

POINT OF BEGINNING

PROPOSED ACCESS EASEMENT

729.582 ACRES
VOL. 15212, PG. 1628, O.P.R.

AS A WICKSON
SURVEY No. 68
ABSTRACT No. 793
C. B. . . 4 3 1 8

100' TEMPORARY CONSTRUCTION EASEMENT
(0.688 ACRES)

AS A WICKSON
SURVEY No. 68
ABSTRACT No. 793
C. B. . . 4 3 1 8

REMAINDER OF 1094.62 ACRES
VOL. 15414, PG. 1147, O.P.R.
VOL. 7915, PG. 867, R.P.R.

CITY OF SAN ANTONIO
SAN ANTONIO WATER SYSTEM
BOARD OF TRUSTEES

LINE TABLE

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<th>LENGTH</th>
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</thead>
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</tr>
<tr>
<td>L2</td>
<td>507°14'44&quot;E</td>
<td>101.78'</td>
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</tbody>
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NOTES:
1. A 1/2" REBAR WITH A "CEC" PLASTIC CAP WAS SET AT EACH EASEMENT CORNER. UNLESS NOTED OTHERWISE.
   * DENOTES A 1/2" REBAR WITH A "PAPE-DAWSON" PLASTIC CAP FOUND.
2. THE BASIS OF BEARING IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE (NAD83).
4. EVERY DOCUMENT OF RECORD REVIEWED AND CONSIDERED AS A PART OF THIS SURVEY IS NOTED HEREON. ONLY THE DOCUMENTS NOTED HEREON WERE SUPPLIED THE SURVEYOR. NO ABSTRACT TITLE, NOR TITLE COMMITMENT, NOR RESULTS OF TITLE SEARCHES WERE FURNISHED THE SURVEYOR. THERE MAY EXIST OTHER DOCUMENTS OF RECORD THAT WOULD AFFECT THIS PARCEL.
5. THERE IS A METES AND BOUNDS DESCRIPTION WITH LIKE JOB NUMBER AND DATE.
6. D.P.R. DENOTES DEED AND PLAT RECORDS, BEXAR COUNTY, TEXAS
   O.P.R. DENOTES OFFICIAL PUBLIC RECORDS, BEXAR COUNTY, TEXAS
   R.P.R. DENOTES OFFICIAL PUBLIC RECORDS OF REAL PROPERTY, BEXAR COUNTY, TEXAS

STATE OF TEXAS
REGISTERED PROFESSIONAL LAND SURVEYOR

CIVIL ENGINEERING CONSULTANTS
DON DURDEN, INC.
11500 L.H. 10 WEST, SUITE 395
SAN ANTONIO, TEXAS 78230
P) 210.641.0999
F) 210.641.6440
Email: cec@cec-texas.com
Engineering No.: P-2914
Surveying No.: 100410-00

CEC

EXHIBIT OF
A TEMPORARY CONSTRUCTION EASEMENT,
0.688 OF ONE ACRE OF LAND, OUT OF
A REMAINDER OF A 1094.62 TRACT OF LAND
COUNTY BLOCK (C.B.) 4318,
BEXAR COUNTY, TEXAS

DATE 10/01/18
JOB NUMBER SD547325
SHEET 3
OF 3
NOTES CORRESPONDING TO SCHEDULE B ITEMS:

10. The following matters and all terms of the documents creating or offering evidence of the matters (We must insert matters or delete this exception):

g. Easement(s), as provided therein, granted by Judgment in Cause No. 1750, Bexar County, Texas and recorded in Volume 80, Page 78, Deed Records, Bexar County, Texas. Document not provided, thus not addressed.

h. Terms and provisions of the Agreement for water access by and between The Medina Valley Irrigation Co., and Mrs. F. A. Schneider, et al., recorded in Volume 415, Page 171, Deed Records, Bexar County, Texas. Unable to place document.

i. Terms and provisions, Agreement by and between Amanda Becker et al and W. T. Montgomery for the erection and construction of a dam recorded in Volume 51, Page 433, Deed Records, Bexar County, Texas. Unable to place document.

j. Easement(s), as provided therein granted to Bexar-Medina-Atascosa Counties Water Improvement District Number One, recorded in Volume 1111, Page 82, Deed Records, Bexar County, Texas. Does not affect subject tract, thus not shown.

k. Terms and provisions of Declaration to obtain electrical service recorded in Volume 2668, Page 302, Real Property Records, Bexar County, Texas. Not surveyed related, thus not addressed.

l. Terms, provisions and easement(s), as provided therein, of the Electric Line Right of Way Agreements recorded in Volume 3192, Page 422 (Does not affect subject tract), Volume 4316, Page 707 (Blanket in nature, affects subject tract), Volume 16539, Page 1314 (Affects subject tract, does not affect proposed easement) and Volume 16598, Page 642, Real Property Records, Bexar County, Texas. Affected by the Partial Release of Easement recorded in Volume 16589, Page 1411 (Affects subject tract), Real Property Records, Bexar County, Texas.

m. Sanitary Sewer Easement(s), as provided therein, granted to the City of San Antonio, recorded in Volume 4474, Page 1418, Real Property Records, Bexar County, Texas. Affects subject tract, does not affect proposed easement.

n. Channel Easement(s), as provided therein, granted to the County of Bexar, recorded in Volume 5103, Page 539, Deed Records, Bexar County, Texas and Correction recorded in Volume 5161, Page 609, Deed Records, Bexar County, Texas. Affects subject tract, does not affect proposed easement.

o. Sewer easement(s), as provided therein, granted to the San Antonio Water System Board of Trustees, recorded in Volume 5732, Page 258 (Affects subject tract and proposed easement, as shown hereon), Volume 14598, Page 1294 (Affects subject tract, does not affect proposed easement), and Volume 14596, Page 1313 (Easement expired in August 2014), Real Property Records, Bexar County, Texas.

p. Terms, conditions and provisions of easement set forth in Warranty Deed recorded in Volume 5053, Page 898, Real Property Records, Bexar County, Texas. Does not affect subject tract, thus not shown.

q. Easement(s), as provided therein, granted to Bexar Metropolitan Water District recorded in Volume 7178, Page 277, and Page 7219, Page 171, Real Property Records, Bexar County, Texas. Does not affect subject tract, thus not shown.


s. Terms, provisions and conditions of The Compensatory Mitigation Plan, SWF-2009-00062, Off-Site Mitigation Area for the Culebra Road SB/M, as set forth in Restrictive Covenant recorded in Volume 16729, Page 621, Real Property Records, Bexar County, Texas. Not surveyed related, thus not addressed.

t. Terms and provisions of Conservation Easement Agreement by and between TCP III Straus Medino, LLC, a Texas limited liability company and Texas Land Conservancy recorded in Volume 16948, Page 528, Real Property Records, Bexar County, Texas. Affects subject tract, does not affect proposed easement.

NOTES CORRESPONDING TO SCHEDULE B ITEMS:

u. Easement(s), as provided therein, granted to Texas Land Conservancy recorded in Volume 16948, Page 595, Real Property Records, Bexar County, Texas. Affects subject tract and proposed easement, as shown hereon.

v. Irrevocable Designation of Historically Irrigated Lands Pertaining to Edwards Aquifer Groundwater Rights recorded in Volume 17229, Page 817, Real Property Records, Bexar County, Texas. Affects subject tract, does not affect proposed easement.


x. Rights, claims, interest and easements of access to any portion of the property dedicated as a cemetery and/or burial lots. Not surveyed related, thus not addressed.

y. Easement(s), as provided therein, as set forth in General Warranty Deed recorded in Volume 15212, Page 1628, Real Property Records, Bexar County, Texas.
EXHIBIT C

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 BEXAR §

DEED WITHOUT WARRANTY

Effective Date:

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

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

Grantee:

Grantee’s Mailing Address:

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

Property (including any improvements thereon): The land commonly known as __________, San Antonio, Bexar County, Texas and more fully described in Exhibit A attached hereto and incorporated herein verbatim for all purposes (the “Land”), together with any and all improvements situated on the Land (the “Improvements”), and all right, title and interest of Seller, if any, in and to any and all appurtenances, strips or gores, roads, easements, streets, and rights-of-way bounding the Land; all water rights (including 18,302 acre feet per annum of “base irrigation groundwater” from the Edwards Aquifer under Edwards Aquifer Authority Permit No. P100-080 (BE00046) recorded as Document No. 20150151038 in the Official Public Records of Real Property of Bexar County, Texas (the “EAA Permitted Rights”)), licenses, permits, if any, and all other rights and benefits attributable to the Land; and all rights of ingress and egress thereto (collectively, the “Additional Interests”). The Land, Improvements and any Additional Interests described in the preceding paragraph are hereinafter sometimes collectively called the “Property.”

Exceptions to Conveyance: All matters set forth on Exhibit B [Note: Exhibit B to set forth the Permitted Exceptions] attached hereto and all leases and applicable zoning, platting and other governmental ordinances, laws, rules and regulations affecting the Property.

Reservations from Conveyance: All unrestricted Edwards Aquifer water rights previously associated with the Property (the “Reserved Water Rights”). Grantor further reserves unto on behalf of the San Antonio Water System, and for the use, benefit and control of the San Antonio Water System and its successors and assigns the following personal property rights and incorporeal hereditaments associated with such Reserved Water Rights reservation: (a) applications, licenses, allotments and permits specifically pertaining to the
Edwards Aquifer; (b) rights associated with the ownership of the well(s) located on the Property from June 1, 1972 through May 31, 1993, and the beneficial use of Edwards Aquifer water withdrawn from such wells from June 1, 1972, through May 31, 1993; and (c) rights derived from the filing of a Declaration of Historical Use of underground water withdrawn from the well(s) located on the Property from June 1, 1972, through May 31, 1993. Notwithstanding the above, the Reserved Water Rights (i) do not include the EAA Permitted Rights or any shallow water rights, both of which run with the land as described hereinabove, (ii) do not permit Grantor to access and/or utilize the Property to drill, explore or extract any water from the Property, all of which rights are expressly waived by Grantor, and (iii) do not impose any obligation or duty on Grantor to operate, maintain, repair, construct, reconstruct, plug or cap the wells located on the Property from and after the Effective Date of this deed.

Grantor, for the Consideration, grants, sells, and conveys to Grantee the Property, together with all and singular the rights and appurtenances thereto in any way belonging, subject to 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, GRANITOR OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR REPRESENTATIVES, ANY AND ALL SUCH RELIANCE BEING HEREBY EXPRESSLY AND UNEQUIVOCALLY DISCLAIMED, BUT IS RELYING SOLELY AND EXCLUSIVELY UPON ITS OWN EXPERIENCE AND ITS INDEPENDENT JUDGMENT, EVALUATION AND EXAMINATION OF THE PROPERTY. GRANTEE FURTHER UNEQUIVOCALLY DISCLAIMS (I) THE EXISTENCE OF ANY DUTY TO DISCLOSE ON THE PART OF GRANITOR OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR REPRESENTATIVES AND (II) ANY RELIANCE BY GRANTEE ON THE SILENCE OR ANY ALLEGED NONDISCLOSURE OF GRANITOR OR ANY OF ITS AGENTS, EMPLOYEES, BROKERS OR REPRESENTATIVES. GRANTEE TAKES THE PROPERTY UNDER THE EXPRESS UNDERSTANDING THAT THERE ARE NO EXPRESS OR IMPLIED WARRANTIES. GRANTEE EXPRESSLY WARRANTS AND REPRESENTS THAT NO PROMISE OR AGREEMENT WHICH IS NOT HEREIN EXPRESSED HAS BEEN MADE TO IT AND HEREBY DISCLAIMS ANY RELIANCE UPON ANY SUCH ALLEGED PROMISE OR AGREEMENT. GRANTEE HAS AGREED TO DISCLAIM RELIANCE ON GRANITOR 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 RECURSCE 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 2019 [Note: replace with year 2020 if Closing occurs in 2020] and all subsequent years, which are assumed by Grantee. Any "rollback" taxes assessed against the Property are hereby assumed by Grantee.

GRANTOR:

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

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

STATE OF TEXAS §
§
COUNTY OF BEXAR §

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

[Seal] ____________________________
Notary Public, State of Texas

C-3
ACCEPTED BY GRANTEE:

__________________________________________

STATE OF TEXAS

COUNTY OF __________

This instrument was acknowledged before me on this _______ day of ____________________
by _________________________________.

[Seal]

Notary Public, State of Texas
EXHIBIT D

List of Property Information Documents

1. As-Built Plans for existing Medina River Sewer Outfall sewer line on Land
2. Survey of parent tract
3. Agricultural Lease
4. EAA Permitted rights documents:
   a. EAA Permit No. P100-089
   b. Application to Amend (for base designation)
   c. Base designation survey
   d. Base designation aerial
   e. Irrevocable Designation of Historically Irrigated Lands
   f. Prior EAA approval of transfer
5. All environmental, Geotech and engineering reports in Seller’s possession to the extent pertaining to the Property, if any.
AGENDA ITEM NO. 31

TO: San Antonio Water System Board of Trustees

FROM: Douglas Evanson, Senior Vice President/Chief Financial Officer, and Mary Bailey, Vice President, Customer Experience and Strategic Initiatives

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

SUBJECT: APPROVAL OF CONSULTING AGREEMENT FOR RATE CONSULTING SERVICES IN CONNECTION WITH 2019 COST OF SERVICE AND RATE DESIGN STUDY

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached Resolution approves a consulting agreement (“Contract”) in an amount not to exceed $462,430.00 with Raftelis Financial Consultants, Inc., a non-local, non-SMWVB firm, for rate consulting services in connection with the 2019 Cost of Service and Rate Design Study (“2019 Rate Study”).

- San Antonio Water System (SAWS) periodically undergoes a Rate Study. The last comprehensive cost of service and rate design study was completed in 2015. The purpose of these studies is:
  - To ensure adherence to cost of service principles in accordance with industry standards and
  - To develop pricing structures that are fair and equitable and reflect the objectives established by SAWS and the community we serve.

- Similar to prior rate studies conducted by SAWS, the 2019 Rate Study will be conducted with the assistance of the Board appointed Rate Advisory Committee (RAC). The RAC will assist staff in establishing and prioritizing the underlying objectives of the 2019 Rate Study, review and analyze the results of the cost of service study performed by a rate consultant and provide input regarding potential changes to SAWS existing rate and fee structures.

- In March 2019, SAWS issued a Request for Proposals for a rate consultant to assist SAWS in conducting the 2019 Rate Study. Three national rate consultants submitted proposals that were evaluated by a selection committee that consisted of six individuals from the CEO’s Office, Customer Service, Legal, Contracting and Financial Services areas within SAWS. After interviewing the top two highest scoring firms, Raftelis Financial Consultants, Inc. (“Raftelis”) was selected as having the best qualified proposal. Raftelis
is a nationally recognized expert in the rate field, having worked on rate issues for many of the largest U.S. cities.

- The scope of work to be performed by Raftelis includes: determination of SAWS cost to provide service and the appropriate allocation of those costs to various customer classes, providing recommendations regarding alternative rate structures, development of a rate model that allows for rates to be analyzed under various structures and scenarios, assessment of overall affordability, providing adequate education and support to SAWS staff, the Board and the RAC to ensure sufficient understanding of the rate setting principles and objectives as well as the development of appropriate recommendations for the modifications to SAWS existing rates and fees.

- The amount to be paid to Raftelis for services provided under this Contract is not to exceed $462,430.00. The term of the Contract is for a period of eighteen months beginning on the date of this Contract is executed. The term may be extended for additional periods of time upon the mutual consent of SAWS and Raftelis and subject to any required Board approval. The Contract can be terminated by SAWS with 30 days notice to the consulting firm.

Staff recommends that the Board approve this resolution.

**FINANCIAL IMPACT:**

Funds will be made available from the System Fund. The total amount of the contract is not to exceed $462,430.00.

The services will be paid from System Fund budgeted in the 2019 budget (Company: 1000, Accounting Unit: 5016000, Account: 511312, Total 2019 amount: $462,430.00). Any applicable expenditures for 2020 and subsequent years shall be made pursuant to the appropriations made in the annual budgets approved by the Board with a line item for such expenditures.

**SUPPLEMENTARY COMMENTS:**

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

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Carollo Engineers, Inc.</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td><strong>Raftelis Financial Consultants, Inc.</strong>*</td>
<td><strong>Non-Local/Non-SMWVB</strong></td>
</tr>
<tr>
<td>ScottMadden, Inc.</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
</tbody>
</table>

*Selected Firm
Each proposal was scored on its response to the scope of work, and each interviewed firm was scored on its capabilities, response to the assignment, responses to questions that were asked of each firm, presentation and quality of work.

Raftelis Financial Consultants, Inc. was selected by the committee as the best-qualified proposer, based on demonstrated competence and qualifications and the firm offering best value to SAWS.

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>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>3.10%</td>
</tr>
<tr>
<td>SMWVB Total</td>
<td>3.10%</td>
</tr>
</tbody>
</table>

APPROVED:

Douglas Evanston
Senior Vice President/Chief Financial Officer

Mary Bailey
Vice President
Customer Experience & Strategic Initiatives

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES APPROVING A CONSULTING AGREEMENT FOR RATE CONSULTING SERVICES TO RAFTELIS FINANCIAL CONSULTANTS, INC. WITH A TERM OF EIGHTEEN MONTHS IN A TOTAL AMOUNT NOT TO EXCEED $462,430.00 WITH ALLOWANCE FOR ADDITIONAL PERIODS OF TIME UPON MUTUAL CONSENT OF THE PARTIES AND SUBJECT TO ANY REQUIRED BOARD APPROVAL; AUTHORIZING THAT AN AMOUNT NOT TO EXCEED THE SUM OF $462,430.00 BE MADE AVAILABLE FROM THE SYSTEM FUND FOR FISCAL YEAR 2019; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSULTING AGREEMENT WITH RAFTELIS FINANCIAL CONSULTANTS, INC., AND TO PAY RAFTELIS FINANCIAL CONSULTANTS, INC. A TOTAL AMOUNT NOT TO EXCEED $462,430.00 FOR RATE CONSULTING SERVICES IN CONNECTION WITH THE 2019 COST OF SERVICE AND RATE DESIGN STUDY; AUTHORIZING THAT APPLICABLE EXPENDITURES FOR FISCAL YEAR 2019 AND SUBSEQUENT YEARS SHALL BE MADE PURSUANT TO THE APPROPRIATIONS MADE IN THE ANNUAL BUDGET APPROVED BY THE BOARD; 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 San Antonio Water System (the “System”) is desirous of undertaking a comprehensive rates, fees, and charges study; and

WHEREAS, the last comprehensive cost of service and rate design study was completed in 2015; and

WHEREAS, the System set out through a competitive process to obtain proposals from various consulting firms to provide rate consulting services in connection with the 2019 Cost of Service and Rate Design Study; and

WHEREAS, after issuing a “Request for Proposals” that was sent to many local and national firms and posted on the System web site, reviewing three responses and interviewing
two firms, the selection committee recommends Raftelis Financial Consultants, Inc., a non-local, non-SMWVB firm, as the best firm to provide rate consulting services; and

WHEREAS, Raftelis Financial Consultants, Inc. is a nationally recognized expert in the rate field, having worked on rate issues for many of the largest US cities; and

WHEREAS, the total amount of the contract is not to exceed $462,430.00; and

WHEREAS, any option to extend the term of the contract shall be presented to the Board of Trustees for approval and appropriation of funds; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to approve a consulting agreement for rate consulting services to Raftelis Financial Consultants, Inc. in connection with the 2019 Cost of Service and Rate Design Study with a term of eighteen months in a total amount not to exceed $462,430.00 with allowance for additional periods of time upon mutual consent of the parties and subject to any required Board approval, (ii) to authorize that an amount not to exceed the sum of $462,430.00 be made available from the System Fund for fiscal year 2019, (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a consulting agreement with Raftelis Financial Consultants, Inc., and pay Raftelis Financial Consultants, Inc. a total amount not to exceed $462,430.00 for rate consulting services, and (iv) to authorize that applicable expenditures for fiscal year 2019 and subsequent years shall be made pursuant to the appropriations made in the annual budgets approved by the Board; now, therefore:

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

1. That a consulting agreement with Raftelis Financial Consultants, Inc. for rate consulting services, attached as Attachment 1, is hereby approved with a term of eighteen months in a total amount not to exceed $462,430.00 with allowance for additional periods of time upon mutual consent of the parties and subject to any required Board approval.

2. That an amount not to exceed the sum of $462,430.00 is hereby made available from the System Fund for fiscal year 2019.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute the attached consulting agreement with Raftelis Financial Consultants, Inc., and to pay an amount not to exceed $462,430.00 to Raftelis Financial Consultants, Inc. for the provision of rate consulting services.

4. That the applicable expenditures for fiscal year 2019 and subsequent years shall be made pursuant to the appropriations made in the annual budgets approved by the Board.

5. It is officially found, determined and declared that the meeting at which this resolution is adopted was open to the public, and that publish 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 2\textsuperscript{nd} day of July, 2019.

   

   Berto Guerra, Jr., Chairman

ATTEST:

______________________________

Amy Hardberger, Secretary

Attachment 1: Agreement for Comprehensive Cost of Service and Rate Design Study
ATTACHMENT I

SAN ANTONIO WATER SYSTEM
CONSULTING AGREEMENT

AGREEMENT FOR

2019 Cost of Service and Rate Design Study
(the “Project”)

Contract No. S-19-009-RL

THIS IS A CONSULTING AGREEMENT (this “Agreement”) by and between

Raftelis Financial Consultants, Inc.
5619 DTC Parkway, suite 850
Greenwood Village, CO 80111

(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.
(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 to make the above requirement apply to any and all sub-consultant agreements in which the Consultant has a contractual relationship for the services to be performed under the Agreement. All sub-consultants shall agree that the Water System or its authorized representatives shall have access during normal business hours to any and all books, documents, papers, and records of the sub-consultant which are directly pertinent to the services to be performed under the Agreement for the purposes of making audits and examinations.

(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).

(1) 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, and that he has not for the purpose of soliciting or securing this Agreement paid or agreed to pay any company or person, other than a bona fide employee working solely for the 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 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  
Contract Administration  
2800 US Hwy 281 North  
San Antonio, Texas 78212  
Attn: Mary Bailey, Vice President - Customer Service  
Email: Mary.Bailey@saws.org

With copy to:  
San Antonio Water System  
2800 U.S. Hwy. 281 North  
San Antonio, Texas 78212  
Attn: Nancy Belinsky, Vice President & General Counsel  
Email: Nancy.Belinsky@saws.org

If to Consultant:  
Raftelis Financial Consultants, Inc.  
5619 DTC Parkway, Suite 850  
Greenwood Village, CO, 80111  
Attn: Richard D. Giardina, CPA - Executive Vice President  
Email: rgiardina@raftelis.com

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, G, and H 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.

(l) **Authority** The individuals executing this Contract each represent and warrant to the other party that he/she has full authority to execute this Contract on behalf of his/her respective party.
DULY EXECUTED and delivered by the parties to this Agreement, effective on the date counter signed by the Water System.

THE WATER SYSTEM: San Antonio Water System

By: ________________________________
   Philip C. Campos, Jr., CPA
   Director – Contracting

__________________________________
Date

CONSULTANT: Raftelis Financial Consultants, Inc.

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 H: Consultant and Contractor Reimbursable Expense Policy
EXHIBIT A
COMPENSATION FOR CONSULTING AGREEMENT

Section 1 - Basis of Compensation

1.1 Compensation for all fees, costs, reimbursable expenses and services defined by this Contract shall be compensated at a Not-To-Exceed amount of $462,430.00 – Four Hundred Sixty-Two Thousand Four Hundred Thirty Dollars and No Cents (the “Contract Price”), and it is agreed and understood that this amount, when earned, will constitute full compensation to the Consultant.

1.2.1 The Contract Price is the sum of the Tasks and Not to Exceed Travel amount detailed in the following schedule of values:

<table>
<thead>
<tr>
<th>Task Descriptions</th>
<th>Total Fees</th>
<th>Start Date</th>
<th>End Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task 1: Project Kickoff Meeting</td>
<td>$13,110</td>
<td>7/10/19</td>
<td>7/31/19</td>
</tr>
<tr>
<td>Task 2: Analysis of Customer Water Consumption Characteristics</td>
<td>85,070</td>
<td>7/10/19</td>
<td>9/10/19</td>
</tr>
<tr>
<td>Task 3: Water, Wastewater, and Recycled Water Financial Plans and Revenue Requirement Projections</td>
<td>58,450</td>
<td>7/10/19</td>
<td>11/10/19</td>
</tr>
<tr>
<td>Task 4: Water, Wastewater, and Recycled Water Cost of Service Studies</td>
<td>65,060</td>
<td>11/10/19</td>
<td>3/10/20</td>
</tr>
<tr>
<td>Task 5: Water, Wastewater, and Recycled Water Rate Design</td>
<td>65,710</td>
<td>7/10/19</td>
<td>6/10/20</td>
</tr>
<tr>
<td>Task 6: Rate Advisory Committee Meetings</td>
<td>87,530</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 7: Development of Draft and Final Reports</td>
<td>37,850</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task 8: Other Presentations and Meetings</td>
<td>14,750</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Fees</td>
<td>$427,530</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Not-to-Exceed Travel Expenses</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Contract Price</td>
<td>$462,430</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
1.3 For the purpose of establishing costs to the Water System for any additional services payable on an hourly rate basis authorized in writing by the Water System, the following Hourly Billing Rate Table of the fees shall apply:

<table>
<thead>
<tr>
<th>DISCIPLINE</th>
<th>HOURLY RATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>CONSULTANT</td>
<td></td>
</tr>
<tr>
<td>Chair</td>
<td>$425</td>
</tr>
<tr>
<td>Chief Executive Officer/President</td>
<td>$375</td>
</tr>
<tr>
<td>Executive Vice President</td>
<td>$325</td>
</tr>
<tr>
<td>Vice President/Principal Consultant</td>
<td>$295</td>
</tr>
<tr>
<td>Director of Governmental Services</td>
<td>$295</td>
</tr>
<tr>
<td>Senior Manager</td>
<td>$265</td>
</tr>
<tr>
<td>Director of Florida Operations</td>
<td>$225</td>
</tr>
<tr>
<td>Manager</td>
<td>$240</td>
</tr>
<tr>
<td>Director of Strategic Communication Services</td>
<td>$240</td>
</tr>
<tr>
<td>Director of Data Services</td>
<td>$240</td>
</tr>
<tr>
<td>Senior Consultant</td>
<td>$210</td>
</tr>
<tr>
<td>Consultant</td>
<td>$185</td>
</tr>
<tr>
<td>Creative Director</td>
<td>$175</td>
</tr>
<tr>
<td>Associate</td>
<td>$155</td>
</tr>
<tr>
<td>Graphic Designer</td>
<td>$125</td>
</tr>
<tr>
<td>Analyst</td>
<td>$110</td>
</tr>
<tr>
<td>Administration</td>
<td>$80</td>
</tr>
<tr>
<td>Technology/Communications Charge</td>
<td>$10</td>
</tr>
</tbody>
</table>

(See Note 2)

**Corona Environmental**
Director, Water Economics and Planning | $250
Senior Economist | $185

**Manuel Teodoro, Ph.D.**
Texas A&M University | $300

**KLE Communications**
Kelli Epp | $150

---

<table>
<thead>
<tr>
<th>Note 1</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>If services are required to prepare for and participate in a deposition and trial and/or hearing, the standard billing rates will be increased by an amount up to 50%.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Note 2</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Hourly fee charged monthly for each hour worked on the project to recover telephone, facsimile, computer, postage/overnight delivery, conference calls, electronic/computer webinars, photocopies, etc. This fee is only included for hours incurred by Consultant’s employees and is included in the “Total Fees” amount shown in the table in Section 1.2.</td>
</tr>
</tbody>
</table>
Section 2 - Changes

The Consultant and the Water System acknowledge the fact that the Contract Price Amount contained in paragraph 1.1 above has been established predicated upon the total estimated cost of services to be rendered and the staff assigned to complete those services under the Contract. For additional services or if the Scope of Services are changed materially, or there are staff changes made to this project, compensation shall be re-negotiated for those Tasks impacted by such changes.

Section 3 - Method of Payments

Payment shall be made to the Consultant when earned and upon the successful completion and acceptance of the work by the Water System and in accordance with the schedule of values in Section 1.2 above.

Section 4 - Reimbursable Expenses

4.1 Reimbursable expenses related to travel are not to exceed the amount of $34,900.00 – thirty four thousand nine hundred dollars and no cents and must comply with the Consultant Reimbursable Policy in Exhibit H attached to Contract. Such expenses are included in the not to exceed Contract Price amount.

4.1.1 Reimbursable expenses are in addition to compensation for Total Fees and include actual expenditures made by the Consultant and the Consultant's employees and consultants in the interest of the project.

4.1.2 State and local taxes shall not be reimbursed by the Water System. An exemption certificate for the project will be provided to the Consultant upon request.

4.1.3 Computer time charges shall not be a reimbursable expense.

4.1.4 Meals shall not be a reimbursable expense unless in connection with out of town travel.

4.2 Reimbursable expenses shall be billed at cost with no markup.

4.2 No other reimbursable expenses will be allowed 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.

5.3 For all services rendered, payment by the Water System is due within thirty (30) days after receipt of invoice. If payment of the amounts due, or any portion thereof, is not made as described above, interest on the unpaid balance thereof will accrue at the lesser rate of 6 percent per annum (0.5 percent per month) or the maximum lawful rate under Section 271.005 (c) of the Texas Local Government Code until such payment is made, unless delay in payment is due to improper invoicing procedures followed by the Consultant.

5.4 For all services rendered, Consultant's payment to sub-consultant is due within ten calendar days after receipt of payment from the Water System.

5.5 For services that are to be compensated on an hourly rate basis, the Consultant's invoice shall show the name of all Consultant, employees, titles, charging time to the project, the amount of time billed, the hourly rates, and the activity or activities performed by all
Consultants and employees. Payroll time sheets shall be provided on request of the Water System.

Section 6 - Payment for Additional Services

Payments for Consultant’s additional services shall show the same information required in subparagraphs 5.2 through 5.5 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 provide adequate documentation for reimbursable expenses.
7.2 Consultant's failure to invoice as required in subparagraphs 5.2 through 5.5.
7.3 Errors or mistakes in the Consultant's invoice and/or defects, errors and omissions in the documents prepared by the Consultant/Contractor or Consultant’s sub-consultants which are the basis for the payment request.
7.4 Water System's receipt of evidence that the Consultant's sub-consultants have not been duly paid for 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.
7.5 Failure of the Consultant to render any service as stipulated by this Agreement.

If any of these conditions exist, then interest charges will not be applicable. The Water System shall provide the Consultant with written notice of its intention to withhold, amend, or reject any request for payment by the Consultant. Upon written request by the Consultant to the Water System made within ten (10) days after the date of notice sent by the Water System, representatives of the Water System will meet with representatives of the Consultant at a mutually agreed time to discuss the circumstances surrounding the determination to withhold, amend, or reject any request for payment by the Consultant.
EXHIBIT B
SCOPE OF SERVICE

For this study the attached Scope of Services is influenced by the following three (3) primary project objectives:

1) Financial planning and revenue requirement forecasting
2) Cost of service analysis
3) Rate design analysis

Each of these objectives requires a comprehensive understanding of the water consumption characteristics of SAWS customers. For example, a central focus of the consulting engagement is an analysis of potential modifications to SAWS’ existing water, wastewater, and recycled water rate designs and their application to the various customer classes. This analysis requires a highly detailed understanding of customer water demand for each customer class, at each consumption Tier. A critical component of the financial planning and revenue requirement forecasting process is the development of a demand forecast based on realistic assumptions regarding future customer water demands. Finally, the allocation of costs to customer classes requires an accurate assessment of their test year units of service. Consultant’s analysis of customer water consumption characteristics will provide the foundation for the successful completion of all project objectives. For this reason, it is listed as the first item in the Consultant’s proposed work plan.

The Consultant shall perform the following Scope of Work (also referred to herein as a “Scope of Services”) in accordance with the terms and conditions of the Agreement.

TASK 1: PROJECT KICK-OFF MEETING

- Prepare for and conduct a half-day Project Kick-off meeting; this meeting will be coordinated with the start of Task 2 and other related project activities
- Prepare and forward to the Water System staff the draft meeting agenda in advance of the meeting
- In advance of the meeting Consultant shall send the initial/first data request

Number of On-Site Meetings: 1

Required Data:
- Draft and final agenda
- Initial data request

TASK 2: ANALYSIS OF CUSTOMER WATER CONSUMPTION CHARACTERISTICS

- Analysis of annual and monthly billed water consumption of each customer class
- Calculation of winter average water consumption – this data is calculated within the Water System billing system and will be provided to the Consultant
- Development of estimated customer class maximum day and maximum hour peaking factors
Completion of a bill frequency for each customer class showing annual and monthly billed water consumption by Tier
Analysis of the correlation between billed water consumption with San Antonio climatic and economic conditions
Price and income elasticity analysis
Analysis of the impact of the Water System conservation plan and drought restrictions on the billed water consumption
Evaluation of and potential recommendations on customer class modifications (based on consultations with the Water System staff)

Number of On-Site Meetings: 2

Required Data:
- Historical monthly billed consumption data by customer class (20 years)
- Historical annual year-end customer account total (20 years)
- Historical temperature and precipitation data (20 years)
- Historical San Antonio household income and economic activity data (20 years)
- Historical water treatment plant annual, maximum day, and maximum hour production metrics (5 years)
- Historical wastewater treatment plant daily and monthly influent volumes (5 years)

TASK 3: WATER, WASTEWATER, AND RECYCLED WATER FINANCIAL PLANS AND REVENUE REQUIREMENT PROJECTIONS (FOR THE 5-YEAR PERIOD 2020 – 2024)

- Development of separate “standalone” financial plans for water supply, water delivery, wastewater, and recycled water and combined plans/rates for water supply and water delivery.
- Projection of customer account growth based on SAWS’ existing customer classes
- Comprehensive water, wastewater, and recycled water demand forecasts based on the Water System existing customer classes
- Prepare a projection of revenues at existing rates
- Projection of impact fee revenues
- Projection of Operation & Maintenance (O&M) expenses with special emphasis on the cost impacts of the Vista Ridge Pipeline
- Projection of Capital Improvement Program (CIP) expenditures
- Projection of existing debt service
- Analysis of the variability in the Water System billed rate revenues considering changing climatic and economic conditions (see Task 2)
- Review SAWS’ cash reserve and debt service coverage targets considering the risk of revenue variability
- Develop an “optimal” capital financing strategy based on scenario analysis using differing proportions of rate revenue and proposed external debt financing (based on consultations with and input from SAWS staff)
• Identification of required annual percentage rate increases over the 5-year planning horizon
• Projection of revenue requirements over the 5-year planning horizon on a total system cash basis and a total system utility basis as those terms are used in American Water Works Association (AWWA) Manual M1

Number of On-Site Meetings:  3

Required Data:
• Data from the analysis of customer water consumption characteristics (Task 2)
• Historical actual capital expenditures compared to actual (10 years)
• Historical actual O&M expenditures compared to actual (10 years)
• Historical billed volumetric revenue by customer class (20 years)
• Projected existing debt service expenditures
• Budgeted O&M expenditures for 2019 and 2020
• Projected O&M expenses beyond 2020
• Projected CIP expenditures (5 years)

TASK 4: WATER, WASTEWATER, AND RECYCLED WATER COST OF SERVICE (COS) STUDIES

• Development of separate “standalone” COS studies for water supply, water delivery, wastewater, and recycled water and combined studies for water supply and water delivery.
• Determination of the cash basis and utility basis revenue requirements for Inside City Limit (ICL) customers and Outside City Limit (OCL) customers
• Assignment of the net book value or replacement cost of existing utility infrastructure to the correct functional categories
• Assignment of test-year capital costs (PAYGO or cash financing and projected debt service), O&M expenses, and non-rate revenue offsets to the correct functional categories
• Allocation of test-year capital cost, O&M expenses, and non-rate revenue offsets to the correct demand parameters
• Distribution of the test-year capital costs, O&M expenses and non-rate revenue offsets to potentially revised customer classes (see Task 2)
• Development of test-year revenue requirements for each customer class on a cash and utility basis as those terms are used in Manual M1
• Development of a customer class revenue requirement without differentials on the rates charged OCL customers
• Development of updated wastewater extra strength surcharge rates for biochemical oxygen demand the total suspended solids (a natural outcome of the wastewater COS process)
• Development of recycled water revenue requirements for Edward Exchange customers and Non-Edward Exchange customers. Evaluate recycled rates in comparison to potable. Determine if rates should vary based on the type of usage (e.g., industrial vs irrigation).
• Development of a revenue requirement for Fire Line charges based on industry standard methods discussed in Manual M1
Number of On-Site Meetings: 3

Required Data:
- Inputs from the analysis of customer water consumption characteristics (Task 2)
- Inputs from the financial plans and revenue requirement projections (Task 3)
- Historical water treatment plant annual, maximum day, and maximum hour production metrics (5 years)
- Historical wastewater treatment plant daily and monthly influent volumes and strength loadings (5 years)
- Fixed asset subsidiary ledger shown the original cost, accumulated depreciation, depreciable life, and net book value of utility assets

TASK 5: WATER, WASTEWATER, AND RECYCLED WATER RATE DESIGN

- Conduct a Pricing Objectives Workshop or at a minimum, seek input from the SAWS Board; receive direction and input from the Board to share with the Rate Advisory Committee (RAC). (This estimated cost for this Board meeting is included in Task 8). This will be important to better understand the genesis of the Water System current rate structures, and critical issues that should be considered in the development of alternative rate designs
- Brief the RAC on the feedback received from the SAWS Board regarding pricing objectives and other important rate study considerations (meeting included in Task 6).
- Conduct a Pricing Objectives Workshop with the RAC to determine key rate structure considerations to be utilized for rate design scenarios (the cost of this meeting included in Task 6).

Rates under SAWS’ Existing Rate Structures:
- Development of fair and equitable updated test year water, wastewater, and recycled water rates, and customer bill impacts, for potentially revised customer classes (see Task 2) under SAWS’ existing rate structure.

Rates under Proposed Alternative Rate Structures Developed by the Consultant:
- As appropriate, and based on consultations with the SAWS Board, the Consultant will develop potential alternative water, wastewater, and recycled water rate structures. At present, the Consultant assumes key rate structure considerations will include:
  - Revenue sufficiency
  - Revenue volatility
  - Conservation price signal
  - Customer bill affordability

As appropriate, this list shall be modified based on input from the SAWS Board and the RAC.

Special Rate Design Tasks:
- Development of proposed rate structures that incorporate either lower rates or discounts for qualified affordability customers
• Incorporate features in the model to allow for consideration of various Tiers and fixed and variable rate components
• Development of a single rate structure to recover the combined costs for the water supply and water delivery
• Development of residential wastewater rate structures based on average winter consumption or actual monthly water usage
• Develop and evaluate water and wastewater rate structures that could eliminate the ICL/OCL differential
• Develop a rate structure for Fire Line Charges
• Develop wastewater extra strength surcharges (an outcome of the COS process – see Task 4)
• Develop potential modifications to the current SAWS recycled water rate structure based on the results of the COS study process (Task 4), long-term water supply considerations, and SAWS recycled water market penetration objectives

Number of On-Site Meetings: 2

Required Data:
• Staff inputs from the pricing objectives workshop (see Work Plan Activities this Task)
• Inputs from the analysis of customer water consumption characteristics (Task 2)
• Inputs from the financial plans and revenue requirement projections (Task 3)
• Inputs from the cost of COS study process (Task 4)

TASK 6: RATE ADVISORY COMMITTEE (RAC) MEETINGS

• Provide education and transfer of knowledge to SAWS staff and the RAC members by holding up to ten (10) formal meetings about the following (at a minimum) items:
  ▪ Overview of the SAWS Rate Study
  ▪ Development of Mission Statement
  ▪ Review By-Laws
  ▪ Cost of Service/Rate Design Fundamentals
  ▪ Affordability Considerations
  ▪ Prioritize Rate Design Objectives
  ▪ Water Rate Design
  ▪ Wastewater Rate Design
  ▪ Other rates and charges (recycled, sewer surcharges, fire lines, and other fees). SAWS will perform a cost of service evaluation for all other miscellaneous fees. The results of this analysis would be presented by SAWS at one of the RAC meetings.
  ▪ Final Recommendations (Draft report shall be presented)

Number of On-Site Meetings: 10

TASK 7: DEVELOPMENT OF DRAFT AND FINAL REPORTS

• Prepare comprehensive draft reports summarizing Consultant’s analyses, Consultant’s findings, and recommendations for review and comment by SAWS staff
• Prepare comprehensive final reports

**Required Data:**
• Inputs from all phases of the consulting engagement

**TASK 8: OTHER PRESENTATIONS AND MEETINGS**

• Brief various stakeholders, which may include City and the SAWS staff, the SAWS Board of Trustees, and the RAC.
• Prepare presentation materials and participate in formal meetings for SAWS, City Council and other stakeholder groups. One (1) of the meetings may be a Pricing Objectives Workshop with the SAWS Board, as described in Task 5.

**Number of On-Site Meetings:** 2

**Required Data:**
• Inputs from all phases of the consulting engagement

**KEY ASSUMPTIONS**

• The Agreement includes 23 on-site meetings of which up to twelve (12) are formal meetings (the RAC, SAWS Board, City Council and other stakeholders). Exactly how these twelve (12) formal meetings are used, is at the discretion of SAWS.
• Any additional formal meetings beyond the twelve (12) included in this scope of services will only be undertaken upon written authorization and approval by SAWS accompanied by an associated increase in the contract amount.
• The cost per additional formal meeting will be fixed at $9,500.00; this amount includes all fees and expenses, and assumes total presentation time for consultants will not exceed two (2) hours per additional meeting.
EXHIBIT C
SAWS STANDARD INSURANCE SPECIFICATIONS

1. Commercial Insurance Specifications (“Specifications”):

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

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

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

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

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

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

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

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

      This line of insurance coverage shall:

      - Cover independent contractors;
• Not include any exclusions relating to blasting, explosion, collapse of buildings or
damage to underground property;

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

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

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

This line of insurance coverage shall be endorsed:

- Naming SAWS, and the City as an Additional Insured for both ongoing and
completed operations; and
- To provide a Waiver of Subrogation in favor of SAWS and the City.

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

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

This line of insurance coverage shall be endorsed:

- Naming SAWS, and the City as an Additional Insured; and
- To provide a Waiver of Subrogation in favor of SAWS and the City.

5) Professional Liability (PL) (errors and omissions) insurance with minimum coverage
limits of $1,000,000 per claim, $1,000,000 in the aggregate and, if this line of coverage is
written on a “Claims Made” form, the CONSULTANT must maintain this line of insurance
coverage for a period of at least twenty-four (24) months after the date of Contract
termination.

NOTE - For Professional Liability, include in writing on the Certificate of Liability
Insurance (“Certificate”) the coverage form under which the respective line of coverage is
written – either:

- **Claims-made form:** if the coverage form declared on the Certificate is the Claims-
made form, the “Retroactive-date” for this line of coverage must also be included on
the Certificate as well; or

- Occurrence basis – no additional wording required.
b. CONSULTANT shall require all Sub-consultants to carry lines of insurance coverage appropriate to their scope of Work and submit copies of Sub-consultants’ Certificates of Liability Insurance upon request by SAWS.

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

d. CONSULTANT shall, upon request of SAWS, provide copies of all insurance policies and endorsements required under Contract.

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

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

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

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

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

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

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

l. In addition to any other remedies, SAWS may have, upon the CONSULTANT's failure to provide and maintain any insurance or policy endorsements to the extent and within the time herein required, SAWS shall have the right to order the CONSULTANT to stop performing services hereunder and/or withhold any payment(s) which become due to the CONSULTANT hereunder until the CONSULTANT demonstrates compliance with the Specifications hereof.
m. Nothing herein contained shall be construed as limiting, in any way, the extent to which the CONSULTANT may be held responsible for payments for damages to persons or property resulting from the CONSULTANT’s or its sub-consultant's performance of the services covered under this Contract.

n. It is agreed that the CONSULTANT’s insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by SAWS, the City and their employees and agents for liability arising out of operations under this Contract.

o. CONSULTANT agrees that all lines of insurance coverage required by these Specifications shall be with insurance companies, firms or entities that have an A.M. Best rating of "A- ("A"- minus)" and a Financial Size Category of a “VII" or better. All lines of insurance coverage shall be of an "Occurrence" type except for the Professional Liability line of insurance coverage.

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

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

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

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

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

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

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

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

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

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

f. Additional Insured:

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

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

EITHER use,

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

OR use,

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

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

g. Waiver of Subrogation:

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

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

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

OR use,

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

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

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

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

San Antonio Water System  
c/o Ebix BPO  
PO Box 100085-ZD  
Ref. # [Lawson Number]-[Contract Number]  
Duluth, GA 30096

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

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

1) Send Original:
   a) By **E-Mail**: saws@ebix.com
   b) By **Fax**: 1-770-325-6502
   c) To Upload Online: [https://www.ebix.com](https://www.ebix.com) *(preferred method)*

2) Send Copy to the following:
k. CONSULTANT shall be responsible for obtaining Certificates of Insurance from the first tier Sub-consultant, and upon request furnish copies to SAWS.

3. **SURVIVAL**

Any and all representations, conditions and warranties made by Consultant under this Contract including, without limitation, the provisions of Section 1.a.2), 1.a.3) and 1.a.4) of these **Commercial Insurance Specifications and Certificates of Liability Insurance Requirements** are of the essence of this Contract and shall survive the execution and delivery of it, and all statements contained in any document required by SAWS whether delivered at the time of the execution, or at a later date, shall constitute representations and warranties hereunder.
EXHIBIT D
TIME FRAME FOR DELIVERABLES

I. The Term of this Agreement is made and entered into as of the dates set forth beneath the signatures, effective upon the date the Amendment is fully executed by both parties, by and between SAWS and the Consultant, for a term of eighteen (18) months.

II. The parties may extend the Agreement for additional periods of time on mutual consent of both parties and subject to any required San Antonio Water System Board of Trustees approval.
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 are 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 requirements 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 F
LIST OF SUB-CONSULTANTS

Corona Environmental Consulting

Manuel Teodoro, Ph.D.

KLE Communications
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.
EXHIBIT H
CONSULTANT AND CONTRACTOR
REIMBURSABLE EXPENSE POLICY

Consultant
And
Contractor
Reimbursable Expense Policy

San Antonio Water System
Consultant & Contractor
Reimbursable Expense Policy

1. GENERAL

1. Introduction
The Reimbursable Expense Policy should be used as a basis for submitting expenses relating to any Consultant and/or Contractor Agreement for the San Antonio Water System (SAWS). This policy also pertains to all reimbursable expenses by sub-consultants/contractors on any SAWS project.

2. Policy
Official reimbursable expenses shall be properly authorized, processed, conducted, reported, and reimbursed in accordance to this Policy. Consultants/Contractors are expected to exercise good judgment in the type and amount of expense incurred.

The Consultant/Contractor is responsible for becoming familiar with and adhering to the Policy as applicable for each reimbursable expense submitted.

For travel expenses, Consultants/Contractors are expected to plan in advance of the departure date to obtain lowest cost fares, rates and accommodations. In addition, Consultant/Contractors are encouraged to use all practical means, including internet discounters, to obtain the lowest cost fares, rates, and accommodations.

3. Definitions
The following definitions apply to this Policy:

Domestic Travel – Travel between business points within the continental United States (CONUS).

Actual and Reasonable Expenses – The specific, itemized expenses incurred, based on original receipts up to the amount judged by the SAWS Contracting Director to justifiable under the circumstances.

Official Travel Time – For computing per diem allowances, official travel starts at the day (time) the consultant leaves their home, office, or other authorized point and ends on the day (time) the consultant returns home, to the office, or other authorized point.
1. **GENERAL continued**

3. **Definitions continued**

   Travel Expenses – Includes meals, lodging, transportation and incidental expenses for less than 30 consecutive days.

   Extended Travel Expenses - Includes meals, lodging, transportation and incidental expenses for 30 or more consecutive days.

   Reimbursable expenses – those official expenses directly related to a project or assignment related to an executed contract or agreement.

4. **Reimbursements**

   Expenses incurred by the Consultant/Contractor performed outside the scope of the Consultant/Contractor Agreement will be denied. This includes, but is not limited to, expenses incurred:
   - Prior to the execution of the Agreement;
   - After the expiration of the Agreement;
   - At a location not included in the Agreement;
   - At a cost in excess of those costs allowed within the Agreement and/or within this Policy.
   - In connection with other agreements the Consultant/Contractor has with other clients.

   Only those expenses which are ordinary and necessary, and within the allowable budget, to accomplish the official business purpose are eligible for reimbursement.

   Entertainment expenses, including alcohol, are not reimbursable.

   Consultants/Contractors will be responsible for all unapproved travel and related expenses.

5. **Interrupted Itinerary**

   If official business travel is interrupted for personal convenience, any resulting expense shall be borne by the Consultant/Contractor.
2. Transportation Expenses

1. Guideline
Consultants must utilize the most economical mode of transportation and the most usually traveled route consistent with the business purpose of the trip.

2. Air Travel

Lowest Available Airfare
Airfare reimbursement shall not exceed the lowest practical, available cost of competing airfare. When all considerations are equal (e.g. travel time, dates, times, destination, and work impacted by travel), the consultant must choose the lowest fare available at that time, regardless of personal preferences for air carrier.

Use of Business or First Class
No reimbursement will be made for Business or First Class travel without advance written approval from the SAWS Contracting Director (or designee).
(Note: Business or First Class accommodations obtained through use of frequent flyer programs or at Consultant’s expense will not require advance approval. However, Consultant must be able to the lowest available price of Coach accommodations in order to be reimbursed from that portion of the expense.)

First Class travel may be approved under the following circumstances:
• Required to accommodate a disability or special medical need (requires proof from a medical doctor);
• No other class of service (coach or business) is available within 24 hours of the proposed departure or arrival time.

Business Class travel may be approved under the following circumstances:
• No other class of service is provided on regularly scheduled flights between origin and destination.
• Required to accommodate a disability or special medical need.
• An overall savings (subsistence costs, overtime, lost productivity time) compared to waiting for coach class.

Extended Travel to Save Costs
The additional expenses associated with travel that includes an extended stay (e.g. Saturday night stay) may be reimbursed when the overall savings is at least $150 compared to the cost if the Consultant had not extended the trip.

The additional expenses that must be considered for the extended stay savings include but not limited to are, additional cost of lodging, rental car, meals and parking.
2. Transportation Expenses  

3. Travel by Private Automobile

Reimbursement for Travel by Private Automobile
When a private automobile is used due to business necessity, actual mileage will be reimbursed at the most current rate allowable by the Internal Revenue Service. The number of miles driven must be documented by the Consultant. No additional reimbursement is made for expenses related to the use of the automobile. Routine repairs, cleaning, detailing, tires, gasoline, or other automobile expense items are not reimbursed for privately owned automobiles.

When two or more persons share a privately owned automobile, only the driver may claim the reimbursement for mileage. Two or more persons traveling to the same destination, for the same purpose, and same or approximately the same time span on the same days or days shall be expected to share a privately owned automobile whenever possible.

Charges for parking and toll roads are allowed; however receipts must be provided.

Reimbursement for Travel by Private Automobile in Lieu of Air Travel
When a private automobile is used instead of available air travel for the personal convenience of the Consultant, reimbursement of transportation costs by private automobile shall not exceed the documented amount of airfare Consultant would have paid had the Consultant traveled by air.

Reimbursement for Travel To or From a Common Carrier Terminal
When a Consultant drives a privately owned automobile to or from a common carrier terminal, the mileage and tolls for one round trip, plus parking for the duration of the trip may be claimed for reimbursement. Documented miles driven and receipts must be provided. Consultant is expected to use the lowest, reasonable cost parking option available.

4. Rental Vehicles
Rental cars may be used for transportation to or from a common carrier terminal. Rental cars may also be used upon arrival at the official business destination when the use of public transportation or other transportation such as taxis is not practical when cost, number of miles to be traveled and other factors are taken into consideration. Only commercial agencies may be used. Consultants are strongly encouraged to request the lowest available rate when making rental car reservations.
2. Transportation Expenses  continued

4. Rental Vehicles  continued

Reimbursement
Reimbursement is limited to standard sedans or a vehicle commensurate with the requirements of the trip. The cost of the rental car and gasoline will be reimbursed. Documented miles driven and receipts are must be provided.

The car must be turned in promptly. Daily charges, outside Official Travel Time, will not be reimbursed.

Insurance
The Consultant assumes all risks and expenses associated with obtaining insurance deemed necessary when using a rental car. Car rental insurance, including collision damage waivers, is not reimbursable.

5. Ground Transportation

The following guidelines apply to ground transportation to or from a common carrier terminal at the business point.

Taxis
The cost of the taxi ride plus gratuity will be reimbursed. Receipts must be provided.

Airport Shuttle Service
The cost of the airport shuttle ride plus gratuity will be reimbursed. Receipts must be provided.

Local Buses and Subways
Local bus and subway fares are reimbursable; however, receipts are not required.
3. **Living Expenses**

1. **Lodging**

Lodging expenses for travel within the Continental United States (CONUS) are reimbursed at actual cost, up to the maximum rate established in the U. S. General Services Administration (GSA) Federal Travel Regulation Domestic Per Diem Rates. Lodging taxes, although not included in the GSA per diem rate for lodging, are additionally reimbursable. Consultants are strongly encouraged to request the lowest available rate when making the lodging reservations.

Hotel bills should show the hotel name and locations, dates room was occupied and the rate per day. Other items appearing on the hotel bill should be identified as to the business reason for the charges.

Consultant will not be reimbursed for the following expenses appearing on the hotel bill:

- Alcohol (alone or part of meal)
- Entertainment
- Personal services in general
- Laundry/Dry cleaning if travel is less than five days

When accommodations are shared with other than an official Consultant, reimbursement is limited to the cost that would have been incurred had the Consultant been traveling alone.

2. **Non-Commercial Lodging**

Consultants lodging in non-commercial facilities such as house trailers or field camping are reimbursed actual expenses up to the maximum applicable GSA lodging rate. No reimbursement for housing as a guest in a private home.

3. **Meals Expense**

Meals expense for travel within the Continental United States (CONUS) are reimbursed at actual cost, up to the maximum rate established in the U. S. General Services Administration (GSA) Federal Travel Regulation Domestic Per Diem Rates.
3. **Living Expenses continued**

3. **Meals Expense continued**

Meals expense for the first and last day of travel are reimbursed at the lower of actual costs or the pro-rated GSA per diem rate listed below:

<table>
<thead>
<tr>
<th>Beginning of “Official Travel Time” Date of Departure</th>
<th>Ending of “Official Travel Time” Date of Departure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prior to 11:00 am</td>
<td>Prior to 11:00 am</td>
</tr>
<tr>
<td>11:01 am to 5:00 pm</td>
<td>11:01 am to 5:00 pm</td>
</tr>
<tr>
<td>After 5:00 pm</td>
<td>After 5:00 pm</td>
</tr>
<tr>
<td>100% per diem</td>
<td>33% per diem</td>
</tr>
<tr>
<td>66% per diem</td>
<td>66% per diem</td>
</tr>
<tr>
<td>33% per diem</td>
<td>100% per diem</td>
</tr>
</tbody>
</table>

For travel of more than 12 hours but less than 24 hours, meals are reimbursed at the pro-rated GSA per diem rates defined above.

Daily expenses incurred within the vicinity of the Consultant’s primary work site shall not be reimbursed.

4. **Incidental Expenses**

Payments for tolls, parking charges, cab fares can be reimbursed with proper documentation. Reasonable laundry and dry cleaning expenses will be allowed if travel is over a period of 5 consecutive days. Additionally, reasonable gratuities shall be reimbursed.

Expenses for entertainment and personal convenience items such as alcohol, in-room movies, reading materials and clothing are not reimbursable.

5. **Daily Allowance and Lodging Allowance for Extended Travel**

A Consultant remaining at one location for 30 days or more but not more than six months shall be considered extended travel. The 30 days begins on the first day at the assignment location. The Consultant’s return home for weekends does not break the continuity of an extended travel assignment.

The maximum reimbursable rate for extended travel will be the lesser of actual costs of lodging (housekeeping, utilities and furniture rental), meals, and incidentals (as previously outlined above) or 60% of the maximum rate established in the U. S. General Services Administration (GSA) Federal Travel Regulation Domestic Per Diem Rates.

All extended travel must be approved in advance by the Contracting Director or designee prior to Consultant committing to any extended lodging arrangement.
3. **Living Expenses continued**

5. **Daily Allowance and Lodging Allowance for Extended Travel continued**

Consultants are encouraged to require employees to relocate to the primary work site, when practical, to avoid excessive Extended Travel and/or repetitive Travel for weekly commute to the primary work site from Consultant or Consultant’s employees’ homes.
4. Miscellaneous Expenses

1. General
Miscellaneous expenses that are ordinary and necessary to accomplish the official business purpose of the trip are reimbursable. Receipts are required for all miscellaneous expenses. The most common of these expenses are as follows:

- Use of computers, printers, faxing machines, and scanners.
- Postage and delivery.
- Office supplies specific to the project.

Expenses that will not be reimbursed will be items for personal use or items that do not have a direct business reason or benefit to the project. Examples of these expenses are:

- Business gifts.
- Snacks or other entertainment items for staff meetings and/or meetings with sub-consultants.
- Mileage expense for purchase of items, where the direct project related item was purchased was not the sole reason for the trip.
- Carrying cases for cell phones or computers.
- Items that could be used on more than one project.

2. Telephone Calls
Telephone calls should be made in the most economical method possible. Claims for phone call require a statement of the date, person called, phone number, and business reason for the call.

Personal phone calls are not reimbursable.
5. Travel Expense Statements

1. Reimbursement
A travel expense statement must be prepared and submitted with the appropriate supporting documents. Expenses should be itemized chronologically according to the nature and type of travel expense (i.e. airfare, hotel, meals, etc.). The completed and supported travel expense statement should be submitted in the next billing cycle closest to the actual expense.
TO: San Antonio Water System Board of Trustees

FROM: Jose De La Cruz, Director, Customer Service, and Mary E. Bailey, Vice President, Customer Experience and Strategic Initiatives

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

SUBJECT: AWARD OF CONSULTING SERVICES CONTRACT IN CONNECTION WITH THE ADVANCED METERING INFRASTRUCTURE (AMI) PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a consulting services contract to VASS Solutions, LLC, a non-local, non-SMWVB firm, for consulting services related to the Advanced Metering Infrastructure (AMI) Project. This consulting services and program management contract will cover the initial two phases of the project (Phases 1&2) with an amount not to exceed $1,967,556.00. There is also an option for a third phase (Phase 3) in an amount not to exceed $6,725,180.00 for the full rollout of the AMI system. The third phase will not be exercised without future Board approval to proceed.

- In 2017, the San Antonio Water System (the “System”) hired West Monroe Partners to conduct an AMI Business Case that was presented to Executive Leadership and the Board of Trustees.

- The AMI Business Case assumed that the cost of implementing an AMI system will be significantly or completely offset by revenue associated with improved accuracy of meter registration and increased operational efficiencies.

- The AMI system is expected to provide information technology that will (a) significantly enhance the customer experience by providing more information to customer about their water usage, (b) enhance analytics and reporting that would improve operational efficiencies and reduce costs and (c) improve resiliency and security by optimizing the distribution system and its assets.

- The Selection Committee evaluated the proposals pursuant to the criteria established in the Request for Proposals to determine the most qualified firm to provide the required scope of services, interviewing three of the respondents.

- Based on the review of the proposals, interviews, and follow up questions, the Selection Committee recommends that VASS Solutions be awarded a contract to provide AMI consulting and program management services.
• VASS Solutions will work with staff to deploy the AMI system across three distinct phases: Phase 1 will set up the program infrastructure and will gather requirements for the AMI system, Phase 2 will consist of the design and deployment of an AMI pilot, and Phase 3 will consist of a System wide AMI deployment.

Staff recommends that the Board approve this resolution.

FINANCIAL IMPACT:

This consulting services contract will be in an amount not to exceed $1,967,556.00 for the first two phases of the project. There is an additional option for consulting services for a third phase in an amount not to exceed $6,725,180.00 which will not be exercised without future Board approval to proceed with the third phase (Company: 1000; Accounting Unit: 1000000; Account: 115000; Job Number: 19-8604 Automated Meter Infrastructure).

Total cumulative contract amount: $8,692,736.00

SUPPLEMENTARY COMMENTS:

System staff prepared a Request for Proposals (RFP) to acquire these services. This approach has been used in the past and has been effective.

The evaluation team were able to balance between price and qualifications in the selection of a contractor to perform these services. Documentation required for submission with the proposals included a) Explanation of Project Understanding and Approach, b) Record of Firm’s Past Performance, c) Team Member’s Qualifications, d) Compensation Proposal and e) Small, Minority and Woman-owned Business Program Compliance.

Responses to this RFP were submitted on Friday, March 15, 2019 at 10:00 a.m.

Staff recommends that contract be awarded to VASS Solutions as the consultants that will provide the services at the best value for the System based on the selection criteria set forth below. All properly submitted proposals were reviewed by an Evaluation Committee. The Evaluation Criteria listed below have been considered and weighted as shown.

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Explanation of Project Understanding and Approach</td>
<td>30%</td>
</tr>
<tr>
<td>Record of Firm’s Past Performance</td>
<td>25%</td>
</tr>
<tr>
<td>Team Member’s Qualifications</td>
<td>20%</td>
</tr>
<tr>
<td>Compensation Proposal</td>
<td>10%</td>
</tr>
<tr>
<td>SMWB Program Compliance</td>
<td>15%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>
The System received proposals from the following companies:

<table>
<thead>
<tr>
<th>Name of Firm</th>
<th>Local/SMWVB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Black &amp; Veatch Management Consulting,</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>Bridgewater Consulting Group, Inc.</td>
<td>Local/MBE-AABE</td>
</tr>
<tr>
<td>Ernest &amp; Young, LLP</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>UtiliWorks Consulting, LLC</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td>VASS Solutions, LLC*</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td>West Monroe Partners, LLC</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
</tbody>
</table>

*Selected Firm

---

Jose De La Cruz  
Director  
Customer Service

Mary E. Bailey  
Vice President  
Customer Experience and Strategic Initiatives

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

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSULTING SERVICES CONTRACT TO VASS SOLUTIONS IN CONNECTION WITH CONSULTING AND PROGRAM MANAGEMENT SERVICES FOR THE INITIAL TWO PHASES OF THE ADVANCED METERING INFRASTRUCTURE (AMI) PROJECT IN AN AMOUNT NOT TO EXCEED $1,967,556.00 WITH AN OPTION TO EXTEND TO A THIRD PHASE, UPON BOARD APPROVAL, IN AN AMOUNT NOT TO EXCEED $6,725,180.00; APPROVING THE EXPENDITURES OF FUNDS IN AN AMOUNT NOT TO EXCEED $1,967,556.00 FROM THE SYSTEM FUND FOR PHASE 1&2; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSULTING SERVICES CONTRACT WITH VASS SOLUTIONS, AND TO PAY VASS SOLUTIONS AN AMOUNT NOT TO EXCEED OF $1,967,556.00 FOR PHASE 1&2 OF CONSULTING AND PROGRAM MANAGEMENT SERVICES FOR THE AMI PROJECT; DIRECTING STAFF TO RETURN TO THE BOARD FOR APPROVAL TO PROCEED WITH PHASE 3 AND FUNDING IN AN AMOUNT NOT TO EXCEED OF $6,725,180.00 IN THE EVENT STAFF RECOMMENDS PROCEEDING TO PHASE 3; FINDING THE RESOLUTION TO HAVE BEEN CONSIDERED PURSUANT TO THE LAWS GOVERNING OPEN MEETINGS; PROVIDING A SEVERABILITY CLAUSE; AND ESTABLISHING AN EFFECTIVE DATE

WHEREAS, VASS Solutions, provide AMI consulting and program management services with expertise in the water utility industry would benefit the System in the deployment of an AMI system; and

WHEREAS, the San Antonio Water System Board of Trustees desires to (i) award a consulting services contract to VASS Solutions in an amount not to exceed $1,967,556.00 in connection with consulting and program management services for Phases 1&2 of the AMI Project, with an option for additional consulting services for Phase 3 of the AMI Project in an amount not to exceed $6,725,180.00, which will not be exercised without future Board approval to proceed with Phase 3, (ii) approving the expenditures of funds in an amount not to exceed $1,967,556.00 from the System Fund for Phase 1 & 2 of the AMI Project, (iii) authorizing the President/Chief Executive Officer or his duly appointed designed to execute a consulting services contract with VASS Solutions, and to pay VASS Solutions an amount not to exceed $1,967,556.00 for Phase 1&2 of the AMI Project, and (iv) directing staff to return to the Board for approval to proceed with Phase 3 and funding in an amount not to exceed $6,725,180.00 in the event that staff recommends
BE IT RESOLVED BY THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES:

1. That a consulting services contract with VASS Solutions in connection with consulting and program management services for Phases 1&2 of the AMI Project, in substantially the form attached hereto as Attachment I, in an amount not to exceed $1,967,556.00 with an option, for additional consulting services for Phase 3 of the AMI Project in an amount not to exceed $6,725,180.00 which will not be exercised without future Board approval is hereby approved.

2. That the expenditure of funds in an amount not to exceed $1,967,556.00 for Phases 1&2 is hereby approved from the System Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a consulting services contract with VASS Solutions, and to pay VASS Solutions an amount not to exceed $1,967,556.00 for Phase 1 & 2 of the AMI Project consulting and program management services.

4. That staff is hereby directed to return to the Board for approval to proceed with Phase 3 and funding in an amount not to exceed $6,725,180.00 for the AMI Project in the event staff recommends proceeding to Phase 3.

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 2\textsuperscript{nd} day of July, 2019.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

_____________________________
Amy Hardberger, Secretary

Attachment:
I. Agreement for Advanced Metering Infrastructure (AMI) Consulting and Program Management Services
SAN ANTONIO WATER SYSTEM
CONSULTING AGREEMENT

AGREEMENT FOR

Advanced Metering Infrastructure (AMI) Consulting and Program Management Services
(the “Project”)

Contract No. S-19-007-RL

THIS IS A CONSULTING AGREEMENT (this “Agreement”) by and between

VASS SOLUTIONS, LLC
4360 MAY APPLE DRIVE
ALPHARETTA, GA 30005

(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.
(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 to make the above requirement apply to any and all sub-consultant agreements in which the Consultant has a contractual relationship for the services to be performed under the Agreement. All sub-consultants shall agree that the Water System or its authorized representatives shall have access during normal business hours to any and all books, documents, papers, and records of the sub-consultant which are directly pertinent to the services to be performed under the Agreement for the purposes of making audits and examinations.

(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 SMWVB’s 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 SMWVB or non-SMWVB, 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](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, and that he has not for the purpose of soliciting or securing this Agreement paid or agreed to pay any company or person, other than a bona fide employee working solely for the 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 any amounts due and owing under the Agreement to the Water System, or the Water System may withhold such amounts from sums then due and owing the Consultant.

(b) Termination for Cause. Water System may terminate this Agreement at any time for "Cause" in accordance with the procedures provided below. Termination by Water System of this Agreement for "Cause" shall mean termination upon (i) the neglect, breach or inattention by Consultant of its duties hereunder, and such neglect, breach or inattention has not been cured within five (5) days after written notice thereof given by Water System to Consultant, (ii) the engaging by Consultant in willful or fraudulent conduct that is injurious to Water System, monetarily or otherwise, (iii) the failure by Consultant to otherwise perform its duties hereunder and such failure has not been cured within five (5) days after written notice thereof given by Water System to Consultant. Notice shall be deemed given as provided in Section 3(a) of this Agreement. Upon such termination for cause, the Consultant shall not be entitled to any further compensation under this Agreement, except for the compensation which has been earned for services rendered by Consultant in accordance with this Agreement through the date of notice of such termination, subject to offset for damages as set forth in Section 1(n) above, and which shall be paid only after final completion of the work provided for under this Agreement by the Water System.

In the event termination for cause is not proper under this Section, the termination shall be deemed to constitute a termination for convenience as set forth in Section 2(c) below.

(c) Other Termination. The Water System may terminate this Agreement at any time for any reason upon thirty (30) days written notice to the Consultant. Upon termination of this Agreement, the Consultant will be entitled only to the compensation and expenses which have been earned for services rendered in accordance with this Agreement through the date of such termination. No termination of this Agreement shall impair or defeat those obligations set forth elsewhere in this Agreement which require either party to do or refrain from doing any specified act or acts after termination of this Agreement, or to perform any obligation which by its terms or normal meaning survives termination of this Agreement.
(d) **Suspension.** The Water System reserves the right to suspend work under this Agreement at any time and from time-to-time work for the convenience of the Water System by issuing a written notice of suspension, which notice outlines the reasons for the suspension and the then estimated duration of the suspension, but in no way will guarantee the total number of days of suspension. Such suspension shall take effect immediately upon the date specified in the notice and if no date is specified, the date of delivery of the notice of suspension to the Consultant. Upon receipt of a notice of suspension in excess of one hundred eighty (180) days, the Consultant shall have the right to terminate this Agreement by written notice to the Water System. Consultant may exercise this right to terminate any time after a suspension has continued for more than one hundred eighty (180) days, but before the Water System gives Consultant written notice to resume the work. Termination (under this paragraph) by Consultant shall be effective immediately upon the Water System’s receipt of said written notice from Consultant.

(e) **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  
Contract Administration  
2800 US Hwy 281 North  
San Antonio, Texas 78212  
Attn: Jose De La Cruz, Director Program Delivery  
Email: jose.delacruz@saws.org

With copy to:  
San Antonio Water System  
2800 U.S. Hwy. 281 North  
San Antonio, Texas 78212  
Attn: Nancy Belinsky, Vice President & General Counsel  
Email: Nancy.Belinsky@saws.org

If to Consultant:  
Mark Michaels  
VASS Solutions, LLC  
4360 May Apple Drive  
Alpharetta, GA 30005  
Attn: Mark Michaels Consultant & EVP, Operations  
Email: mark.michaels@vasssolutions.com
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, G and H all of which are incorporated herein by reference for all purposes. Should any conflict arise between the terms of this document and the attached Exhibits, this document shall be controlling.

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

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

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

(k) **Non-Appropriation.** Consultant agrees that the Water System has projected costs for this Agreement and Water System expects to pay all obligations of this Agreement from projected revenues of the Water System. All obligations of the Water System are subject to annual appropriations by its Board of Trustees. Accordingly, notwithstanding anything in this Agreement to the contrary, in the event that the Water System should fail to appropriate funds to pay any of Water System’s obligations under the terms of this Agreement, then the Water System’s obligations under this Agreement shall terminate, and the Consultant’s sole option and remedy shall be to terminate this Agreement by written notice to Water System, and neither the Water System nor the Consultant shall have any further duties or obligations hereunder, except those which expressly survive.
DULY EXECUTED and delivered by the parties to this Agreement, effective on the date counter signed by the Water System.

THE WATER SYSTEM:  
San Antonio Water System

By:__________________________
Philip C. Campos, Jr., CPA
Director – Contracting

______________________________________
Date

CONSULTANT:  
VASS Solutions, LLC

By:__________________________
Scott Stein
President

______________________________________
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 H: Consultant Reimbursable Policy
EXHIBIT A
COMPENSATION FOR CONSULTING AGREEMENT
NOT TO EXCEED PAYMENT METHOD

Section 1 - Basis of Compensation

1.1 The total of all fees, costs and expenses for the services set forth in Exhibit B of this Contract shall be a not to exceed amount of $8,692,736.00 – Eight Million, Six Hundred Ninety Two Thousand, Seven Hundred Thirty Six Dollars and No Cents (the “Contract Price”).

Consultant agrees that the Base Contract Price is defined as Task 1 (TABLE 2) and Task 2 (TABLE 3) and will proceed upon the SAWS Board of Trustee’s approval in the amount not to exceed $1,967,556.00. Task 3 (TABLE 4) will be optional in the amount not to exceed $6,725,180.00 and Task 3 fees will be subject to SAWS Board of Trustee’s approval.

Consultant agrees that the Contract Price, when earned, is full and complete compensation for the full and timely performance of the services in this Contract, and Consultant shall not be entitled to any compensation in excess of the Base Contract Price.

Consultant acknowledges that compensation will be paid upon the completion of a task as provided in Section 3.1 and monthly for Sections 3.2 and 3.3. Consultant shall not undertake a task until given written authorization from the Water System to proceed. Upon completion of a task the Water System will determine whether to proceed to the next task. If a determination is made by the Water System that no further tasks are required to be completed, Consultant shall only be entitled to compensations for the tasks completed to that point.

1.2 For the purpose of establishing costs to the Water System for any additional services payable on an hourly rate basis authorized in writing by the Water System, the following Hourly Billing Rate Table (TABLE 1) of the fees shall apply:
## TABLE 1. Skills, Resources & Hourly Work for Extra Work

<table>
<thead>
<tr>
<th>Skills</th>
<th>Resource Name Note 3</th>
<th>2019 (Base Yr) Note 1</th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
<th>2023</th>
<th>2024</th>
<th>2025</th>
<th>2026</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMI Prog. Design, Procurement, Implementation, Bus. Case SME</td>
<td>Mark Michaels</td>
<td>$225.00</td>
<td>$231.19</td>
<td>$237.55</td>
<td>$244.08</td>
<td>$250.79</td>
<td>$257.69</td>
<td>$264.77</td>
<td>$272.05</td>
</tr>
<tr>
<td>Implementation, Testing, Project Mgmt, Water, MDMS SME</td>
<td>Toni Pietrantoni</td>
<td>$210.00</td>
<td>$215.78</td>
<td>$221.71</td>
<td>$227.81</td>
<td>$234.07</td>
<td>$240.51</td>
<td>$247.12</td>
<td>$253.92</td>
</tr>
<tr>
<td>AMI, Bus. Case, OCM, Bus. Process, Cust. Comms, Technology SME</td>
<td>Jeff Evans</td>
<td>$225.00</td>
<td>$231.19</td>
<td>$237.55</td>
<td>$244.08</td>
<td>$250.79</td>
<td>$257.69</td>
<td>$264.77</td>
<td>$272.05</td>
</tr>
<tr>
<td>Soln Architect, IT, SL, Integration &amp; MDMS SME</td>
<td>Scott Stein</td>
<td>$225.00</td>
<td>$231.19</td>
<td>$237.55</td>
<td>$244.08</td>
<td>$250.79</td>
<td>$257.69</td>
<td>$264.77</td>
<td>$272.05</td>
</tr>
<tr>
<td>Systems Integrator (Oversight Mgmt, Testing &amp; Support</td>
<td>Milestone Utility Services</td>
<td>$160.00</td>
<td>$164.40</td>
<td>$168.92</td>
<td>$173.57</td>
<td>$178.34</td>
<td>$183.24</td>
<td>$188.28</td>
<td>$193.46</td>
</tr>
<tr>
<td>Technical Architect</td>
<td>TBD</td>
<td>$160.00</td>
<td>$164.40</td>
<td>$168.92</td>
<td>$173.57</td>
<td>$178.34</td>
<td>$183.24</td>
<td>$188.28</td>
<td>$193.46</td>
</tr>
<tr>
<td>Trainer</td>
<td>TBD</td>
<td>$150.00</td>
<td>$154.13</td>
<td>$158.36</td>
<td>$162.72</td>
<td>$167.19</td>
<td>$171.79</td>
<td>$176.52</td>
<td>$181.37</td>
</tr>
<tr>
<td>Developer</td>
<td>TBD</td>
<td>$110 - $160</td>
<td>$150.00</td>
<td>$154.13</td>
<td>$158.36</td>
<td>$162.72</td>
<td>$167.19</td>
<td>$171.79</td>
<td>$176.52</td>
</tr>
<tr>
<td>Tester</td>
<td>TBD</td>
<td>$130 - $160</td>
<td>$150.00</td>
<td>$154.13</td>
<td>$158.36</td>
<td>$162.72</td>
<td>$167.19</td>
<td>$171.79</td>
<td>$176.52</td>
</tr>
</tbody>
</table>

**Note 1** Annual escalation of 2.75% per year assumed starting 2020 and every year thereafter.

**Note 2** The rate provided for the Developer and Tester may vary based on the systems SAWS chooses to implement.

**Note 3** SAWS reserves the right to review and approve additional Resources to this project that are not currently identified in the table above and their chargeable rate to this project.

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### Section 2 - Changes

2.1 The Consultant and the Water System acknowledge the fact that the Contract Price Amount contained in paragraph 1.1 above has been established predicated upon the total estimated cost of services to be rendered and the staff assigned to complete those services under the Contract. For additional services or if the Scope of Services are changed materially, or there are staff changes made to this project, compensation shall be re-negotiated for those Tasks impacted by such changes.
Section 3 - Method of Payments

3.1 For Phase 1 (Tasks 1.1 and 1.2), payment for the Lump Sum Labor identified below will be made to the Consultant upon the completion of each task and the expenses incurred will be paid in accordance to Exhibit H, after the acceptance and approval of each task by the Water System, based upon TABLE 2 below:

<table>
<thead>
<tr>
<th>Task #</th>
<th>Task Description</th>
<th>Lump Sum Labor</th>
<th>Estimated Expenses*</th>
<th>Estimated Total</th>
<th>Est. Start Date</th>
<th>Est. End Date</th>
<th>No. Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.1</td>
<td>Program Infrastructure and Requirements Gathering</td>
<td>$78,069.00</td>
<td>$14,803.00</td>
<td>$92,872.00</td>
<td>7/10/19</td>
<td>8/23/19</td>
<td>1.4</td>
</tr>
<tr>
<td>1.2</td>
<td>For Meter-to Cash Pilot: Develop Requirements, Assess As-Is BP’s, Develop Use Case; Assess Function and System Requirements &amp; System Architecture</td>
<td>$167,966.00</td>
<td>$30,034.00</td>
<td>$198,000.00</td>
<td>7/10/19</td>
<td>8/23/19</td>
<td>1.4</td>
</tr>
<tr>
<td></td>
<td><strong>Sub Total Tasks 1.1 &amp; 1.2</strong></td>
<td><strong>$246,035.00</strong></td>
<td><strong>$44,837.00</strong></td>
<td><strong>$290,872.00</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Expenses will be paid pursuant to SAWS’ Consultant Reimbursement Policy in Exhibit H. The amounts shown in Table 2 are “not to exceed” amounts for Expenses.

3.2 For the Pilot Phase 2 (Tasks 2.1 through 2.4), payment for the Lump Sum Labor identified below will be made monthly to the Consultant on a prorated basis calculated by dividing the Lump Sum Labor by the number of months shown, plus monthly payment of the expenses incurred and submitted in accordance to Exhibit H on a monthly basis, based upon TABLE 3 below.

<table>
<thead>
<tr>
<th>Task #</th>
<th>Task Description</th>
<th>Lump Sum Labor</th>
<th>Estimated Expenses*</th>
<th>Estimated Total</th>
<th>Est. Start Date</th>
<th>Est. End Date</th>
<th>No. Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>2.1</td>
<td>Develop Pilot Request For Proposal (RFP)</td>
<td>$213,998.00</td>
<td>$48,501.00</td>
<td>$262,499.00</td>
<td>8/24/19</td>
<td>4/26/20</td>
<td>8.1</td>
</tr>
<tr>
<td>2.1</td>
<td>Option 1: 1 to 3-Month extension of time to Task 2.1</td>
<td>$93,303.00</td>
<td>$14,367.00</td>
<td>$107,670.00</td>
<td>9/24/19</td>
<td>5/5/20</td>
<td>3.0</td>
</tr>
<tr>
<td>2.2</td>
<td>Develop Pilot Implementation Plan</td>
<td>$152,737.00</td>
<td>$27,269.00</td>
<td>$180,006.00</td>
<td>9/24/19</td>
<td>5/5/20</td>
<td>7.3</td>
</tr>
<tr>
<td>2.3</td>
<td>Manage AMI Pilot Deployment</td>
<td>$737,303.00</td>
<td>$131,394.00</td>
<td>$868,697.00</td>
<td>5/6/20</td>
<td>1/26/21</td>
<td>8.7</td>
</tr>
<tr>
<td>2.4</td>
<td>Provide AMI Pilot Performance Reporting</td>
<td>$226,657.00</td>
<td>$31,155.00</td>
<td>$257,812.00</td>
<td>7/29/20</td>
<td>3/29/21</td>
<td>8.0</td>
</tr>
<tr>
<td></td>
<td><strong>Sub Total Tasks 2.1 thru 2.4</strong></td>
<td><strong>$1,423,998.00</strong></td>
<td><strong>$252,686.00</strong></td>
<td><strong>$1,676,684.00</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Expenses will be paid pursuant to SAWS’ Consultant Reimbursement Policy.

Task 2.1 includes “Option 1: 1 to 3 Month extension of time to Task 2.1”. The Labor costs for this Option will be pro-rated based on the actual duration of the extension of time, such extension of time being up to a maximum of 3 months.
Written approval to proceed with Option 1 shall be provided by SAWS if this Option 1 is deemed necessary.

If Option 1 is not approved, then the Estimated Start and Estimated End Dates for Tasks 2.2, 2.3 and 2.4 will change and will occur up to 3 months earlier than shown.

The amounts shown in Table 3 are “not to exceed” amounts for Expenses.

3.3 For the optional Full-Scale Implementation Phase 3 (Tasks 3.1 through 3.6), payment for the Lump Sum Labor identified below will be made monthly to the Consultant on a prorated basis calculated by dividing the Lump Sum Labor by the number of months shown, plus monthly payment of the expenses incurred and submitted in accordance to Exhibit H on a monthly basis, based upon TABLE 4 below.

<table>
<thead>
<tr>
<th>Task #</th>
<th>Task Description</th>
<th>Lump Sum Labor</th>
<th>Estimated Expenses*</th>
<th>Estimated Total</th>
<th>Est. Start Date</th>
<th>Est. End Date</th>
<th>No. Months</th>
</tr>
</thead>
<tbody>
<tr>
<td>3.1</td>
<td>Refine Pilot Assessment Artifacts for Full-Scale Implementation</td>
<td>163,179.00</td>
<td>$23,513.00</td>
<td>$186,692.00</td>
<td>3/30/21</td>
<td>5/28/21</td>
<td>1.9</td>
</tr>
<tr>
<td>3.2</td>
<td>Develop &amp; Execute Contract Option for Full-Scale Implementation</td>
<td>$296,523.00</td>
<td>$35,506.00</td>
<td>$332,029.00</td>
<td>5/29/21</td>
<td>10/27/21</td>
<td>5.0</td>
</tr>
<tr>
<td>3.3</td>
<td>Execute IT Services for Full-Scale Implementation</td>
<td>$461,299.00</td>
<td>$56,371.00</td>
<td>$517,670.00</td>
<td>9/27/21</td>
<td>1/25/22</td>
<td>3.9</td>
</tr>
<tr>
<td>3.4</td>
<td>Provide Full-Scale Implementation Plan</td>
<td>$178,594.00</td>
<td>$17,918.00</td>
<td>$196,512.00</td>
<td>9/27/21</td>
<td>12/26/21</td>
<td>3.0</td>
</tr>
<tr>
<td>3.5</td>
<td>Manage Full-Scale Implementation</td>
<td>$2,679,330.00</td>
<td>$264,130.00</td>
<td>$2,943,460.00</td>
<td>12/27/21</td>
<td>12/26/24</td>
<td>36.0</td>
</tr>
<tr>
<td>3.5 (Opt. 2)</td>
<td>Option 2: 1 to 12-Month extension of time to Task 3.5</td>
<td>$880,681.00</td>
<td>$86,532.00</td>
<td>$967,213.00</td>
<td>12/27/24</td>
<td>12/26/25</td>
<td>12.0</td>
</tr>
<tr>
<td>3.6</td>
<td>Provide AMI Performance Monitoring</td>
<td>$1,159,793.00</td>
<td>$111,412.00</td>
<td>$1,271,205.00</td>
<td>12/27/21</td>
<td>4/27/25</td>
<td>39.9</td>
</tr>
<tr>
<td>3.6 (Opt. 2)</td>
<td>Option 2: 1 to 12-Month extension of time to Task 3.6</td>
<td>$283,219.00</td>
<td>$27,180.00</td>
<td>$310,399.00</td>
<td>4/28/25</td>
<td>4/27/26</td>
<td>12.0</td>
</tr>
<tr>
<td>Sub Total Tasks 3.1 thru 3.6</td>
<td>$6,102,618.00</td>
<td>$622,562.00</td>
<td>$6,725,180.00</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*Expenses will be paid pursuant to SAWS’ Consultant Reimbursement Policy.

As specified in Table 3 above, if “Option 1: 1 to 3 Month extension of time to Task 2.1” is not approved, then the Estimated Start and Estimated End Dates for Tasks 3.1 through 3.6 will change and will occur 3 months earlier than shown.

Table 4 also includes: “Option 2: 12-Month extension of time to Task 3.5”; and “Option 2: 12-Month extension of time to Task 3.6”, as shown. The Labor costs for Option 2 will be pro-rated based on the actual duration of the extension of time, such extension of time being up to a maximum of 12 months.

Written approval to proceed with Option 2 shall include Option 2 for both Tasks 3.5 and 3.6, and shall be provided by SAWS if this Option is deemed necessary.
If Option 2 is not approved, then the Estimated End Date for Task 3.5 will change and will occur 12 months earlier than shown; and the Estimated Start and Estimated End Dates for Task 3.6 will change and will occur 12 months earlier than shown.

The amounts shown in Table 4 are “not to exceed” amounts for Expenses.

Section 4 - Reimbursable Expenses

4.1 Expenses will be reimbursable pursuant to SAWS’ Consultant Reimbursement Policy in Exhibit H.

4.2 Expenses for meals and incidentals will be billed during the contract period based on the current GSA Per Diem rates for Bexar County at the time expense is incurred.

4.3 Expenses for hotels will be billed during the contract period based on the current GSA Per Diem rates for Bexar County at the time expense is incurred, plus an estimated 18% additional for taxes and fees charged by hotels.

Section 5 - Payment for Services

5.1 No initial payment shall be paid to the Consultant prior to rendering services.

5.2 Invoices shall identify the tasks completed and per diem expenses incurred during the billing period covered and submitted monthly to the designated Director of Program Delivery in accordance with Section 3.

5.3 For all services rendered, payment by the Water System is due within thirty (30) days after receipt of invoice. If payment of the amounts due, or any portion thereof, is not made as described above, interest on the unpaid balance thereof will accrue at the lesser rate of 6 percent per annum (0.5 percent per month) or the maximum lawful rate under Section 271.005 (c) of the Texas Local Government Code until such payment is made, unless delay in payment is due to improper invoicing procedures followed by the Consultant.

5.4 For all services rendered, Consultant’s payment to sub-consultant is due within ten calendar days after receipt of payment from the Water System.

5.5 For services that are to be compensated on an hourly rate basis, the Consultant's invoice shall show the name of all Consultant, employees, titles, charging time to the project, the amount of time billed, the hourly rates, and the activity or activities performed by all Consultants and employees. Payroll time sheets shall be provided on request of the Water System.

Section 6 - Payment for Additional Services

6.1 Payments for Consultant’s additional services shall show the same information required in subparagraphs 5.2 through 5.5 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 provide adequate documentation for reimbursable expenses.
7.2 Consultant's failure to invoice as required in subparagraphs 5.2 through 5.5.
7.3 Errors or mistakes in the Consultant's invoice and/or defects, errors and omissions in the
documents prepared by the Consultant/Contractor or Consultant’s sub-consultants which
are the basis for the payment request.
7.4 Water System's receipt of evidence that the Consultant's sub-consultants have not been
duly paid for 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.
7.5 Failure of the Consultant to progress on assigned work 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

Consultant shall provide the following services in accordance with the terms and conditions of the Agreement:

The Consultant shall provide reports, solicitation assistance, scopes of work, and other documentation to implement an AMI Program. The SAWS Director of Program Delivery will work with the Consultant to monitor the work of all contractors/vendors that will perform work on the AMI Project. The Consultant shall assist in validating that all AMI project objectives identified are achieved by the end of the project for SAWS business units through weekly written updates and a 4-week schedule outlook provided weekly.

For each of the following Phases, the Consultant’s scope of services is as follows:

PHASE 1: PROGRAM INFRASTRUCTURE AND REQUIREMENTS GATHERING

Task 1.1 Program Infrastructure and Requirements Gathering

Subtask 1.1.1 - Refine the vision and program objectives for the SAWS AMI Program.

Refine the Vision & Program Objectives. SAWS has completed considerable work in developing a successful AMI business case. The AMI business case serves as a foundational step for proceeding with pilots and, if validated, full-scale deployment. Consultant assumes that this business case includes a vision and program objectives for the full deployment of an AMI solution.

Consultant will facilitate a series of interviews with SAWS Executive/Key stakeholders to review key expectations of an AMI solution implementation and to discuss new strategic drivers or externalities that may have arisen since business case approval. These interviews help to solidify the core vision and expectations; primary service, business and operational drivers; and primary technology drivers and constraints. Based on these discussions, the vision and objectives of the AMI program will be adjusted accordingly. It is imperative that SAWS’ leadership support and drive the achievement of the AMI vision.

Consultant will conduct a series of workshops with representatives of the various business and operational areas to validate the business and operational needs to be addressed by AMI. These workshops help us better understand key drivers affecting individual business units such as customer service, cost management, system reliability & safety, asset utilization, innovation & technology considerations, and environmental & social responsibility.

The inputs from these interviews and workshops will be used to refine the vision and program objectives of an AMI Solution. A revised vision and program objectives will be communicated across SAWS.

Key Assumptions
• SAWS to identify key stakeholders for interviews, meetings, workshops, work sessions and final review sessions.
• SAWS to provide information about current and planned business strategies, goals and initiatives.
• SAWS will make every effort to provide access to appropriate Business Case documentation that was developed as part of a previous effort.

Key Workshops/Meetings

• Conduct interviews with SAWS Executive/Key Stakeholders.
• Conduct working sessions with business and operational areas.

Minimum Deliverables

• Deliver a revised vision and objectives based on SAWS Executive/Key Stakeholder business and operational area inputs.

SubTask 1.1.2 - Develop and Maintain Appropriate Project Documents to Help Guide Project Success.

Develop and Maintain Project Documents:

Consultant will develop key project artifacts applicable to the five phases of a project lifecycle: Initiating, Planning, Executing, Monitoring & Controlling, and Closing (aka Transition-to-Operations).

At project initiation, Consultant will work in close coordination with SAWS to develop a Project Management Plan (“PMP”) and to review and finalize the project plan elements and compile these into a collection of documents suitable for project use (the “PMP Documents”). The PMP Documents are based on the initial estimates established at the time the project is executed, are revisited during the detailed project planning preparation, and will serve as the basis for project execution during the Pilot and Full Implementation phases. The PMP includes a continuous process of eliciting feedback, updating plans, executing plans and monitoring the execution of plans in an effort to mitigate impacts to project scope, cost, schedule or allocated resources.

The development of PMP includes:

• Definition of Scope.
• Determination of comprehensive roles and responsibilities.
• Well defined deliverables.
• Development of an Integrated Master Schedule (IMS).
• Identification of potential risks and mitigation strategies.
• Identification of key performance metrics and Service Level Agreements (SLAs).

The PMP includes the development of baseline documents that address the following:
• **Project Charter.** Established at project inception provides the high-level requirements, and formally recognizes and authorizes the project. It provides the authorization to the project manager to commit the resources of the company to the project.

• **Project Baseline Management.** Ensures that the various elements of the project are properly documented, coordinated and managed throughout the project execution.

• **Quality Management.** Ensures the project will satisfy the needs for which it was undertaken. Quality management consists of quality planning, quality assurance, quality control, and configuration management. See SubTask 1.2.5.

• **Change Management or Configuration Management.** Is the process of identifying, and reviewing potential changes to deliverables or other work products as defined in the standards and various PMP baseline documents. Change Management ensures requests for changes or deviations from the project baseline are properly vetted and, if approved, integrated into the project management plan. As part of change management, Consultant will work with SAWS to establish a process that includes approval by a “Change Control Board” (CCB). The CCB is staffed with SAWS personnel knowledgeable in the technical, operational, business and financial aspects of SAWS business.

• **Scope Management.** Ensures that the work is properly documented, and is accomplished in accordance with the respective Statements of Work (SOWs) for all of the work required to complete the project successfully.

• **Time/Schedule Management.** Ensures the timely completion of the project. Schedule management consists of activity definition, activity sequencing, activity duration estimating, and schedule development & control, and is documented in the project Integrated Master Schedule (IMS).

• **Cost Management.** Ensures the project is completed within the approved budget. Cost management consists of resource planning, cost estimating, cost budgeting, and cost control.

• **Vendor and Resource Management.** Ensures qualified (i.e. background, training received, etc.) resources are available to perform each task defined in the respective SOWs in accordance with the project baseline.

• **Risk Management.** Identifies and analyzes project risks as early as possible, and respond to those risks in an organized and timely fashion to minimize the occurrence of issues. See SubTask 1.1.3.

• **Issue Management.** Ensures that system performance, technical, functional and service issues are identified, tracked, resolved, and documented in a timely manner.

• **Stakeholder Management.** Ensures that any person who has an interest in the project is pro-actively identified, and requires that the team perform an assessment of their needs and influence. The outputs of this process will be the development of the Stakeholder Register which will be reviewed and updated throughout the project.

• **Requirements Traceability Matrix (RTM) Plan.** The RTM is a critical document developed to ensure project requirements are collected, analyzed, documented, and managed properly throughout the life of the project. The initial RTM will be developed during the RFP development process.

• **Reporting and Status Information Management.** The Project Manager will ensure timely and appropriate generation, collection, distribution, and storage of project reporting information.
The Consultant will review the project methodology and PMP at a kickoff meeting with SAWS. The kickoff meeting is used to introduce the team, review initial project plans, and start preparation for detailed requirements validation and refinement workshops, business process work, and refinement of the Solution Architecture. The team will work together to clarify purpose, align systems, and unleash the talent of the overall project team.

**Key Assumptions**

- None.

**Key Workshops/Meetings**

- Initial kick off and ongoing review of PMP with project leadership and team.
- Refinement workshops.

**Minimum Deliverables**

- Provide ongoing updates and refreshes of the PMP documents throughout the project.
- Provide ongoing reporting of the project progress against the baseline plans throughout the project.

**SubTask 1.1.3 - Assist SAWS in Interpreting and Identifying Risks Associated with the AMI Program.**

**Risk Management.**

Consultant will adopt a formal process for risk identification, analysis and response process characterized by two major components: planning and managing.

- **Planning Risk.** Risks are identified at not only at project inception, but continuously throughout the project lifecycle. Risks are scored based on probability (“likelihood”) and “impact”, the product of these yielding a “risk score” that results in a risk ranking such as a “high”, “medium” or “low”. Risks may also be grouped and assigned to a specific risk category (e.g. schedule, quality, budget, technology, etc.). Planning also includes i) Identification of the triggers or metrics that indicates a risk may be imminent; and ii) Development of the risk mitigation plan that will be executed if the risk is triggered. These results will be documented in the risk register.

- **Managing Risk.** As risks are identified and quantified through the risk planning process, the team has the opportunity to work on risk avoidance plans. As suggested, avoidance is another form of managing and includes the development of low or less impactful plans to deflect, forestall or reduce the risk. On the other hand, if a risk is actually triggered and
realized, the risk management process then provides for the execution of the pre-defined risk mitigation plans already established.

**Key Assumptions**

- None.

**Key Workshops/Meetings**

- Conduct initial risk planning. Perform ongoing reviews of risk register.
- Conduct initial risk mitigation planning. Perform ongoing review of risk mitigation plans.

**Minimum Deliverables**

- Develop initial draft of risk register and updates as needed.
- Develop initial draft of risk mitigation plans and updates as needed.

**Subtask 1.1.4 - Review the Latest SAWS AMI Business Case Report.**

Consultant will develop an analysis that reflects updated assumptions, costs and benefits to support the continuation of the AMI program to a Pilot phase and then Full System-wide Roll Out.

**Business Case Review & Analysis.** Consultant will utilize its experience, the information gleaned from the interviews and workshops, and the modified AMI solution vision and objectives (SubTask 1.1) to assess the comprehensiveness of the existing business case, and to propose changes to AMI business case assumptions, costs, and benefits. These changes will be considered during the design of the AMI pilot.

- A further review of the SAWS AMI business case information will occur during and after AMI pilot deployment and operation. The pilot allows SAWS to validate assumptions and vet costs incurred and benefits realized.

**Key Assumptions**

- SAWS will make every effort to provide access to appropriate Business Case documentation that was developed as part of a previous effort.

**Key Workshops/Meetings**

- Initial review of appropriate business case documentation and assumptions therein.
- Proposed changes or updates to the AMI business case.
- Ongoing consideration of AMI business case during and after AMI pilot.

**Minimum Deliverables**

- Review and provide a written analysis of current business case.
• Provide a summary of proposed changes to AMI business case assumptions, costs, and benefits.


The work elements described under Task 1.2 build on the work conducted under Task 1.1 and are critical in laying the foundation for successful Phase 2 pilots and (future) full-scale system solution planning and development.

SubTask 1.2.1 - Gather Existing System Requirements. Assess the Criteria for Successfully Deploying an AMI System with the Selected Vendor.

Gather System Requirements. As discussed in Task 1.1, successful AMI solution implementation requires a clear understanding of the business case. The business case outlines the benefits that the utility stakeholders expect to achieve, at an expected cost to implement. The benefits are derived in part by looking at a series of “use cases” that describe discreet sets of activities that the utility performs, and then extrapolates how those activities will change or improve through the application and integration of the new (proposed) technologies.

Utilizing this approach, the team can work through a series of use cases that focus on the higher impact benefits as defined in the business case, and start the process of identifying system requirements by:

• Identifying the various enterprise systems and business processes that are currently used to support the “As-Is” activities;
• Reviewing changes to existing and new business processes to determine how the AMI solution will interact with the existing enterprise systems;
• Defining the changes needed in the existing enterprise systems;
• Defining the attributes that the new technology solutions must provide to support the future business processes; and
• Defining the changes in the existing interfaces between the systems, or the creation of new interfaces between the existing and/or new systems, that are needed to support the future business processes.

The changes described above are typically translated or captured in a library of attributes, including:

• Initial functional & technical requirements
• “Interfaces” (e.g. integration framework and requirements) for the solution.
• Solution architecture documentation detailing the phasing in of changes.

These artifacts become content that is used for internal project planning and implementation, as well as content for the proposed AMI / MDMS and Meter & End Point Installation RFP.

Consultant will provide a library of related information and artifacts that it can draw upon to
supplement this effort.

**Key Assumptions**

- None.

**Key Workshops/Meetings**

- Working sessions with appropriate IT and SAWS business unit personnel

**Minimum Deliverables**

- Provide Solution architecture phasing document.
- Develop Requirements for existing systems to be integrated to successfully deploy an AMI system.
- Provide initial technical and functional requirements for the AMI & MDMS Systems, and the Meter & End Point Installation Services to be procured.

**SubTask 1.2.2 - Assess As-Is business processes affected by the implementation of an AMI Program. Evaluate Opportunities for Streamlining.**

**Assess Business Processes.** Many business processes will fundamentally change due to the implementation of an AMI solution.

Starting with “As-Is” business process documentation provided by SAWS, Consultant will identify the business processes impacted by the implementation of an AMI solution. This typically includes those of business units such as Meter Reading, Revenue Protection, Billing, Credit/Collections, Customer Operations, Call/Contact Center, Distribution Operations, and Distribution Planning. Consultant will meet with each business unit to discuss the impacts to business processes, propose changes due to AMI solution implementation that increase operational efficiencies, and secure buy-in to implement the changes. Consultant will assist SAWS with documentation of the new and revised business practices. Changes in process require changes in labor and operations costs and become the foundation of a change management plan – supporting communication and training efforts.

**Key Assumptions**

- SAWS to provide existing documentation of “as-is” business processes.

**Key Workshops/Meetings**

- Workshops with business units.

**Minimum Deliverables**

- Provide documentation of new, revised and/or improved business practices.
• Develop gap analysis based on comparison of “as-is” business processes with “to-be” business processes.

SubTask 1.2.3 - Work with SAWS staff to Develop Customer Personas and Use Cases for a Successful AMI Program.

Develop Use Cases & Personas. In addition to considering operational changes and benefits, Consultant will utilize personas and use cases to understand how AMI pilots might be received by external stakeholders. Consultant will work with SAWS to identify the stakeholder’s specific to its AMI implementation. External stakeholders include residential and commercial customers, municipal officials, regulatory bodies, and interveners. Use cases associated with each stakeholder will vary – each presenting its own opportunities and challenges. For each stakeholder, Consultant will identify key use cases that should be prepared for during the AMI pilots. Ultimately, the lessons learned during the pilots will improve the success of a full AMI deployment.

Key Workshops/Meetings

• Review of personas and use cases with project team.

Minimum Deliverables

• Personas representative of key external stakeholders affected by AMI, MDMS and Meter & End Point Installation services.
• Use cases associated with each persona affected by AMI, MDMS and Meter & End Point Installation services.

SubTask 1.2.4 - Set up integration layer services. Assist SAWS with scaling of back end systems for the Pilot in accordance with systems architecture assessment and SAWS IT Enterprise Standards.

Set Up Integration Services. Consultant will develop a system architecture design strategy based on the AMI business case, initial AMI Pilot use cases, current “As-Is” enterprise IT solution architecture, desired integration flows, security standards, IT standards, and industry best practices and standards.

Consultant will use the following approach to deliver this work package:

• Kick-off meeting with SAWS
• Data Gathering. Understanding previous use cases, typical AMI Vendor integration methodology, and through SAWS IT workshops, review and become knowledgeable about systems impacted and new systems required for implementation of the AMI and MDMS solution(s).
• Establishment of the Design Review Board. Consultant will form a board consisting of appropriate SAWS IT resources (e.g. infrastructure, integration, application, security, and networking). This board will participate in periodic and ad hoc meetings and work sessions to review, propose modification, and/or approve solution requirements and integrations.
• **Generation of Enterprise AMI Design Basis Memorandum (DBM) Context Model.**
  Key tasks include:
  o Generating workshop plans & agendas;
  o Identifying & documenting solution business drivers and key objectives;
  o Identifying existing systems impacted and new systems required for AMI/MDMS solution implementation;
  o Identifying solution requirements necessary for business case benefits realization;
  o Identifying integrations between existing and new systems;
  o Developing various architectural overviews including logical, physical, integration flow, environment, and capacity;
  o Determining the solution implementation plan and schedule; and
  o Defining IT standards (IT O/S, DB, Security, HW, etc.) both required and desired.

• **Generation of the System Architecture Design Strategy for the Pilots.**
  Key tasks include:
  o Minimizing DB baseline functions in consideration of the Pilots;
  o Determining “required” vs. “desired” architectural standards;
  o Identifying required integration points for the Pilots;
  o Identifying required integration information flows for the Pilots;
  o Identifying temporary or manual integration functions for the Pilots; and
  o Defining scalability estimations and hardware sizing requirements.

• **Generation of the AMI / MDMS / CIS Integration Flow Specifications required for the pilots.**

• **Execution of the Agile sprint methodology for Pilot execution.**
  Key tasks include:
  o Providing sprint schedule and agile project plan;
  o Managing project sprints;
  o Working with AMI & MDMS vendors during the initiation phase to identify appropriate vendor integration stories;
  o Coordinating appropriate features and timing with the respective SAWS and vendor teams;
  o Assisting SAWS with implementing planned Agile methodology;
  o Identifying the “I CAN” (features to create sprint backlog);
  o Breaking down features into user stories;
  o Breaking down user stories into tasks for sprint team assignments; and
  o Guiding the sprint lead to create burndown charts to identify the progress and backlog.

**System Architecture Data Gathering.** Consultant recommends that this effort not only examines the direct components of the AMI System, MDMS, Communications and CIS; but also, examines the full Enterprise Roadmap including WFMS, IVR, GIS, Asset Management, Network Management, Customer Portal, and other key business solutions currently in place or planned. Inclusion of this Enterprise level information will ensure the resulting architecture design, planned standards, and implementation phasing account for the best possible incremental implementation opportunity.

**Generation of AMI / MDMS / CIS Specifications for Meter-to-Cash shall include:**
• Endpoint and Meter inventory processing (may be done manually for pilots);
• Meter exchange and field data collection (MWFM) processing;
• Meter provisioning and data processing;
• Meter data analysis (leak detection, alerts, events filtering, etc.);
• Meter and Endpoint Data repository provisioning;
• Online presentment of usage information;
• AMI System performance management.

Key Assumptions

• SAWS to provide information and existing documentation on Enterprise Architecture and IT Standards.

Key Workshops/Meetings

• Working sessions with appropriate IT personnel.
• Review sessions with project team.
• Agile methodology sprints.

Minimum Deliverables

• Creation of charter for SAWS Design Review Board.
• Development of enterprise AMI Design Basis Memorandum (DBM) Context Model.
• Development of AMI pilot System Design Architecture Strategy.
• Development of integration inventory and specifications.
• Development of sprint schedule and agile project plan.

Subtask 1.2.5 - Develop a Quality Assurance (QA) / Quality Control (QC) Process for Pilot Testing.

Development of QA/QC Plan. Consultant will establish a QA/QC framework for the SAWS AMI project which can be implemented for the pilot and used continuously through full-scale deployment. The QA/QC Plan will be established with the overall goal to validate, verify and rigorously test that a Vendor’s solution can deliver the functionality and benefits identified in the business case and as contracted with SAWS. Defining the QA/QC Plan for the entire program will encompass multiple stages beginning with a discovery phase to understand what existing quality artifacts may exist. Thereafter, Consultant will build the QA/QC plan, a large component of which will be the development of:

• Test collateral including the program test strategy;
• Roles and responsibilities;
• Test plans;
• Test environments;
• Status report templates;
• Defect reporting;
- Customer/utility Personas;
- Use cases and scripts.

In addition, as a key aspect of the QA/QC Plan the Consultant shall establish a Pilot Requirements Traceability Matrix (RTM) which will assist the Project in determining that the system requirements have been appropriately tested.

**Key Assumptions**

- The roles and responsibilities for the development of test plans, test/use cases and test scripts; the management and execution of test cases; and the evaluation and assessment of test results; is provided in the RACI matrix in SubTask 2.2.2.

**Key Workshops/Meetings**

- Review of QA/QC plan with project team.
- Review of Requirements Traceability matrix with project team.

**Minimum Deliverables**

- Provide initial draft of and ongoing updates to QA/QC plan.
- Provide updates to the Requirements Traceability Matrix (RTM).

**Task 1 Workshops/Work Sessions**

- Consultant will work with SAWS to establish appropriate interviews, meetings, workshops and work sessions to enable discovery of information, and development of key deliverables, as described above.

**Task 1 SAWS Responsibilities**

- “SAWS Responsibilities” will be to provide the appropriate personnel to support the requests for information; to support meetings, workshops and work sessions as needed; and to provide supplemental information as needed in support of the development of the of key deliverables, as described above.

**PHASE 2: - METER-TO-CASH PILOT**

This phase covers the development of the detailed requirements and supporting documentation required for SAWS to release a Request for Proposal (RFP) for an Advanced Metering Infrastructure (AMI) vendor(s), an MDMS solution vendor, Meter & End Point Installation services provider; the execution of the associated contract(s); and the execution of the Meter-to-Cash Pilot itself.

It is anticipated that in this phase, SAWS will execute contracts that cover both the Pilot phase, as well as the optional full-scale implementation phase of the project. However, like this Agreement,
those contracts will award funding for only the Pilot phase of the project, with award of the full-scale implementation phase being contingent on SAWS’ election to exercise that option and Board of Trustees’ approval thereon. SAWS will award only the scopes of work that cover the Pilot phase of the project. This will allow SAWS to perform a deeper technical and functional analysis of the ability of the respective technologies and service providers to meet the requirements of the Pilot criteria and RFP specifications.

SAWS will contract with a single Meter & End Point Installation vendor who will provide both water meter installation and AMI water communications module installation services, and that this single vendor will be contracted for both the Pilot and full-scale deployment phases of the project.

With the knowledge gained from the Pilot, additional analysis will be performed in Phase 3 to:
  i) determine whether or not to move forward with full-scale implementation,
  ii) to update the specifications and contractual obligations based on lessons learned in the Pilot, and
  iii) if moving forward, to determine which vendor(s) with whom SAWS would intend to award that full-scale implementation to; and
  iv) execute the appropriate contractual documents.

Task 2.1 Develop Pilot Request for Proposal (RFP)

Subtask 2.1.1 - Assist SAWS with Pilot Selection. Model specific technology performance attributes to select pilot areas that represent extreme conditions of SAWS’ service territory, and develop methodology to assess service territory to identify optimum pilot locations.

Pilot Selection. Consultant will work with internal SAWS stakeholders to gather inputs and developed a model (matrix) of the various pilot requirements. Consultant will then work with the team to examine the service territory for candidate areas that meet the widest range of critical attributes needed to appropriately test the AMI technologies. Criteria for these pilots may include consideration of:

- Difficult ground terrain and topology.
- Manmade clutter such as buildings and structures, including high rise areas of downtown San Antonio.
- Impact of facilities located on Department of Defense (DoD) properties, and impact of DoD RF emissions on network performance.
- Building locations which included interior meter closets and/or basement meter sets.
- Subterranean and RF challenged areas such as the downtown, Riverwalk areas of San Antonio.
- Customer segments/rate classes.
- Known performance of the CPSE system used jointly for AMI and Distribution Automation areas.
- Comparison of technology performance in areas where a competing AMI technology had been deployed by CPSE.
- The impact on customer perception of the new technology.
• The technical performance of the Pilot Areas and their ability to meet/exceed contractual Service Level Agreements (SLAs) for the various meter types.

Consultant will also work with SAWS to design, develop and implement a suitable test lab(s), designed to include one or more lower AMI environments (e.g. “QA”, “Development” and/or “Sandbox”), so that SAWS can simulate operation of AMI water end points with various water meters, under a variety of operating conditions, using fully functioning (lower environment) instances of the AMI Head End System. These test labs are typically used extensively during testing and qualification of devices and software and will continue to be used to test new hardware and software prior to promoting those into the “Production” environment.

Key Assumptions

- SAWS will proceed with development and construction of suitable test lab(s).

Key Workshops/Meetings

- Working session to affirm model of AMI pilot requirements (matrix) and examine service territory for candidate pilot areas.
- Review of requirements for test lab.

Minimum Deliverables

- Develop model of AMI pilot requirements.
- Identify pilot areas for each selected AMI pilot technology
- Identify test lab(s) requirements.

SubTask 2.1.2 - Develop Procurement and Vendor Management Plans for SAWS’ AMI Pilot and potential Full-scale System roll out.

Vendor Procurement & Management Planning. Consultant’s design of vendor procurement and management plans shall start first with researching the documented plans and processes used by SAWS. Consultant will then hold collaborative discussions with the SAWS Project Team, the appropriate Procurement Team, Legal and/or any other relevant organizations who have a stake in the procurement process, to clearly understand the municipal policies and requirements that must be followed for procurement and vendor management of the specified AMI/MDMS technology and Meter & End Point Installation services. Consultant will then follow this with the development of a written procurement and vendor management plan that would be approved by SAWS. In addition to documenting the formal procurement process, this management plan will include elements such as Customer-Vendor communication, confidentiality, and non-disclosure.

Key Assumptions

- SAWS to provide overview of procurement processes and requirements.

Key Workshops/Meetings
• Workshop to review SAWS’ procurement processes and requirements.
• Review of procurement and vendor management plan.

**Minimum Deliverables**

- Procurement and vendor management plan.
- Creation of technical procurement documents in accordance with SAWS’ procurement practices and policies, as part of the RFP development process.

**Subtask 2.1.3** - Assist in identifying qualified AMI Vendors and Technologies. Assess their long-term viability.

**Assess Suitable Technologies & Solutions.** Consultant will review the requirements already identified by SAWS and identify any additional requirements for consideration based on validation of the business case completed in Task 1.1. Consultant will provide an overall AMI solution market assessment, leveraging the benefits, vision, impacts and requirements along with market knowledge and experience. The assessment will be focused on those market technologies that will best meet SAWS’ goals, objectives, current initiatives, technologies, infrastructure, primary business processes, and constraints that will drive benefits realization. At the end of this task, potential AMI solution vendors will be identified by the Consultant.

**Key Assumptions**

- None.

**Key Workshops/Meetings**

- Workshop to review AMI solution market assessment.

**Minimum Deliverables**

- Provide AMI solution market assessment.
- Identify potential AMI vendors for AMI pilot

**Subtask 2.1.4** - Develop success criteria for SAWS AMI Pilot Deployment. Take into account methods to track non-revenue water, meter accuracy, meter reliability, network reliability, data transfers and overall health of the AMI system.

**Develop Success Criteria.** An AMI pilot validates business case assumptions and affirms some of the potential benefits and costs.

Consultant will assist SAWS with identifying the business case benefits and costs that can be validated as part of an AMI pilot. This will include, at a minimum, the ability to track non-revenue water, meter accuracy, meter reliability, network reliability, data transfers and overall health of the AMI system. Based on the calculations documented within the SAWS business case and assuming the availability of data from various SAWS’ systems (e.g. AMI, CIS), Consultant shall identify
the key success criteria and propose the methodologies to measure achievement.

**Key Assumptions**

- Data is available to measure achievement of AMI pilot key success criteria.

**Key Workshops/Meetings**

- Working session to review summary of benefits and costs to be tracked and validated during AMI pilot.

**Minimum Deliverables**

- Develop Pilot design and Pilot Project Success Criteria Matrix.
- Provide summary of benefits, costs and/or solution performance to be tracked and validated during AMI pilot.

**Subtask 2.1.5** - Develop and consolidate the AMI and MDMS Functional, Technical, Integration and Implementation Requirements with Standard SAWS RFP Templates, Terms and Conditions, etc. Assist in the production and finalization of a complete RFP package to be issued by SAWS Staff.

Provide recommendations on future-proofing the solution, including installation of metering equipment and hardware to withstand environmental conditions for the next fifteen to twenty (15-20) years.

Assist in developing performance-related clauses and penalty items in the RFP to implement a future solution that is cost effective, timely, and will ensure that equipment and standards are met for the duration of deployment.

**Develop & Consolidate Solution Requirements for RFP.** In “Task 1.2, Develop Requirements”, Consultant describes recommended processes that will result in the development of initial functional and technical specifications, the definition of key integrations, consideration of service level agreements (SLA’s) and key performance indicators (KPI’s) and other artifacts required for success. In this SubTask 2.1.5, Consultant will review the outputs from Task 1.2, gather any remaining requirements, and develop any additional artifacts needed for a comprehensive RFP. Consultant will work with SAWS to assemble these and other templates (e.g. pricing, schedule, resources, etc.), and format them in preparation for issuance of the RFP.

**Support Future Proofing.** The AMI and MDMS investments represent a significant investment whose components are typically depreciated over a variety of years, ranging from 3 to 7 years for computing hardware, 5 to 15 years for network equipment, and 10 to 20 years for metering and end point communications equipment. Regardless of the depreciation schedule, and assuming that the AMI/MDMS technology solution is robust and open enough to support SAWS long term operational and business benefits, it is not unreasonable to expect a 15 to 20+ year overall lifespan of the solution. This expectation typically includes: i) Periodic computer (head end) hardware
refreshes on a 4 to 5-year cycle; ii) 6 to 12 month “minor release” software updates, and bi-annual (2 to 3) year “major upgrades” to the core system software; iii) Network equipment upgrades and/or battery replacements, and/or changes to backhaul components on the order of a 6 to 10 year cycle; and iv) Operation of the meters and end point communication devices on the order of 15 to 20+ years, with some portion of these devices potentially requiring battery exchange or device replacement in the final 25% years of life.

Consultant finds that future proofing requires:

i) A strong understanding of the component operating and failure characteristics;
   ii) Strong warranty provisions which clearly describe the terms and conditions under which these apply, including (or not) the labor costs associated with these; and
   iii) Strong “catastrophic failure” provisions to protect against early and unexpected failures that exceed “industry norm” failure rates.

Consultant will include such provisions as part of the RFP functional and technical requirements.

As an additional hedge to better understand real life expectancy, Consultant also recommends that SAWS consider placing a “control group” of such devices into its Test Lab(s) for long term, controlled operation, interspersed with periodic inspections and calibration testing. This control group may represent large families of meters and devices whose overall impact to SAWS is high. This process can provide valuable operational insights into the long-term performance characteristics of these devices.

**Develop Performance Related Clauses.** Consultant will work with SAWS to develop performance related clauses, and the associated incentives or penalties that accompany them. These clauses may address items such as: schedule performance, resource staffing & performance, system performance provisions, warranty provisions, catastrophic equipment failures, compromising of client data, and other like items. In the development of such provisions, Consultant will work closely with SAWS to understand:

i) The pain points;
   ii) The drivers;
   iii) The impacts; and
   iv) Outcomes that SAWS is trying to protect against or to incentivize.

Consultant will work with SAWS to draft language, collaborate with internal stakeholders, and strive to present the opportunity to achieve the best outcome for SAWS. Consultant will provide a long-term perspective that will gain the attention of the vendor, without imposing undue or long-term financial health on the vendor partner. Consultant understands that the contractual relationship between SAWS and the vendor represents a long-term relationship that requires mutual trust because the implemented technologies and solutions have a 15 to 20-year lifespan; thus, requiring a long and healthy vendor partnership.

**Meter Installation Services (MIS) Support.** The procurement of Meter Installation Services (MIS) follows a similar process as the procurement of an AMI and MDMS solutions. While all
contain a software component (a Work Order Management System in the case of MIS), a key difference is that MIS procurements are more people, customer focused and services intensive. This necessitates a high degree of pre-RFP collaboration with the SAWS customer services, billing & communications, procurement/purchasing, and water metering and operations teams and requires more specificity around items such as customer communication and projections of installation volumes.

**Key Assumptions**

- SAWS will contract with a single Meter & End Point Installation vendor who will provide both water meter installation and AMI water communications module installation services, and that this single vendor will be contracted for both the Pilot and full-scale deployment phases of the project.
- SAWS will own creation and issuance of the final RFP with support of Consultant.
- Consultant will assist SAWS in developing requirements, scopes of work and contract terms for the issuance of the RFP.

**Key Workshops/Meetings**

- Working session to review RFP content

**Minimum Deliverables**

- Provide standardized templates to support development of components of the RFP such as pricing, warranties and other related items.
- Support SAWS in the release of RFP(s) for Pilot project.

**SubTask 2.1.6** - Provide Regular Coordination with the SAWS Director of Program Delivery, Contract Administration, and Other Designated or Key Staff, to Review and Participate as Needed by SAWS.

This shall include but is not limited to:

- Developing a timeline that meets SAWS needs and is structured around SAWS Board meeting preparation schedule;
- Answering questions from vendors. Reviewing answers in a timely manner. Reviewing and providing feedback on addendums for the RFP. Attending meetings with SAWS staff, potential vendors, and/or interviews with vendors;
- Representing SAWS’ interests to the fullest extent possible;
- Assisting during the evaluation process, as a non-voting member of the evaluation committee.
- Supporting SAWS in and during contract negotiations to complete procurement of the AMI / MDMS System, and Meter & End Point Installation Services.

**Evaluation & Negotiation Support.** Consultant will provide the support requested. Consultant shall work very closely with SAWS during the procurement and evaluation process, and will bring
subject matter expertise and lessons learned to the table for this effort. In addition, Consultant will provide recommendations on contract structure and content, as well as providing subject matter expertise throughout the contract negotiations process.

**Key Assumptions**

- The SAWS team has overall responsibility for evaluating the RFP’s. Consultant will provide subject matter expertise to the evaluation team.

**Key Workshops/Meetings**

- Periodic review sessions to support evaluation of technical, performance and financial components of the project.

**Minimum Deliverables**

- Develop an overall procurement timeline that meets SAWS broader executive and Board timelines.
- Provide written responses to Vendor questions during the bid process as requested.
- Provide contract negotiations support to the SAWS evaluation team.
- Provide documented vendor negotiation in the form of meeting and status minutes.

**Task 2.2 Develop Pilot Implementation Plans**

**Subtask 2.2.1 - Provide an Implementation Plan, inclusive of critical elements, including those elements below (See SubTasks 2.2.2 & 2.2.3 for those details.)**

**Develop Pilot Implementation Plan.** Consultant will develop an implementation plan that will provide the oversight to ensure that the pilots are installed efficiently and in a manner with minimum disruption to existing utility systems and business processes during a directed period of time. Consultant will provide subject matter expertise, templates and processes to support SAWS in the following planning activities:

- Developing and maintaining the overall project implementation roadmap and implementation phasing plan. This defines what technologies, features and capabilities will be implemented, at various points in the project lifecycle, in a careful and thoughtful way that is communicated to all stakeholders.
- Managing the activities of the team and subcontractors; working with SAWS and the pilot vendors (AMI, MDMS, Customer Portal, Meter & End Point Installation, and the SAWS IT Systems Integrator/Contractor) Teams to assure all understand the expectations and deliverables expected from them, and ensure the project’s success.
- Identifying and accounting for all deliverables that are required to be produced by the team, in accordance with contractual obligations and project commitments.
- Delivering and planning a quality Integrated Master Schedule (IMS) to ensure all planned activities are completed within budget (size, effort, and cost).
- Supervising the project budget (size, effort, and cost) and managing the project schedule.
Consultant will guide SAWS in this effort by conducting a set of interactive workshops with key SAWS stakeholders to elicit information regarding the implementation plan.

**Key Assumptions**

- None.

**Key Workshops/Meetings**

- Working sessions to review and revise Pilot implementation plan(s).

**Minimum Deliverables**

- Create design of AMI Pilot.
- Develop an AMI Pilot implementation plan that encompasses all Pilot components and systems.
- Establish Pilot Project timeline with associated meter deployment rates.
- Provide updated Pilot project documents (i.e. project charter, stakeholder register, budget tracking model, invoices, etc.).

**SubTask 2.2.2 - The Implementation Plan Shall Include:**

- Deployment of relevant information systems including formal requirement specifications, installation, configuration, integration, and verification of all systems.

**Information Systems Planning & Support.** AMI solutions are a complex mix of water end point metrology and communications devices, radio frequency (RF) network devices, and a sophisticated head end system that manages these devices and interfaces with the respective SAWS operational, customer billing and customer data presentation information systems to ensure delivery of AMI data to the respective systems.

Consultant and their sub-consultant will develop an information systems implementation plan for the Pilot AMI Solutions. Key elements of the information systems implementation plan include:

**Requirements Gathering:** Detailed requirement specifications will be generated through the joint vendor / solution workshops with review of each use case in adherence to SAWS Enterprise Context model that details the key IT systems architectural components and their interactions with each other, operational process, and architectural standards. These requirements will be collected and categorized into a logical, functional grouping such as Inventory Management, Device Rollout, etc. Requirements will then be reviewed with the SAWS core team for accuracy and any updates are added. The workshops will first evaluate the vendor “out-of-box” available interfaces, translation rules, interface methods and security to ensure compliance with SAWS overall architectural context. Where appropriate, vendor supplied integration will be leveraged to simplify the integration, testing and avoid customizations. These requirements are then approved by SAWS core team as the final approved requirements.
Installation. During the initial phases of the project implementation, the sub-consultant technical architect will work with the implementation team and IT staff to develop a technology blueprint document, identifying all required technology components and determining the total number of required environments and supporting integrated systems for the implementation effort. This document will contain a to-be environment landscape diagram complete with required-by delivery dates and tracking mechanisms for the build-out and completion of these environments, documenting the required software for each environment. Any additionally required software, toolsets and software development kits will be identified and specified as well within the technology blueprint documentation. During this time, the technical architect will work with the SAWS IT staff to understand the department’s standards regarding hardware and software platforms and the platform familiarity residing with the IT department. The software list will be reviewed with the IT department to denote which software is already utilized / licensed by SAWS and which software will need to be procured. Sign-off recipients will be determined, with review and follow up sessions held in order to obtain agreement and sign-off from all required resources on the technology blueprint.

Combined with the technology blueprint documentation, the technical architect will also generate a technology capacity plan. The capacity plan will document any throughput and performance targets, as well as additional SLAs to be considered when determining the appropriate hardware sizing. Non-functional requirements will be reviewed and documented as well as any non-functional design considerations (such as redundancy failover and disaster / recovery requirements) which may have an impact on the hardware requirements. The new AMI infrastructure specifications will be determined based on scaled performance requirements satisfying the performance demands of the AMI system through the various phases of the implementation and future growth. The technical architect will leverage existing performance metrics of affected systems alongside with vendor sizing metrics and prior implementation metrics to determine the hardware requirements of the production environments. The new production system will be architected with scalability in mind to future-proof the performance of the system. Scalability may be achieved both vertically and horizontally, with options being presented and discussed with the client IT department before receiving sign-off on the finalized approach. Through Performance Testing executed prior to Go-Live the platform will be vetted to ensure readiness. Specifications for the remaining environments in the landscape will also be determined based on usage and documented. The Consultant will create a table outlining all environments required for the implementation and the hardware / software requirements that accompany them. This information will be used to determine the appropriate hardware to leverage for the implementation, as well as licensing requirements for all software necessary for the implementation.

Based on the information captured in the technology blueprint and capacity plan created by the Consultant, hardware and software platform specifications will be recommended and finalized. The technical architect will review the solution with SAWS resources to provide for shared understanding of the implementation needs over time and allow for any questions or feedback to be incorporated into the design. A coordinated effort between the technical architecture team and the SAWS IT resources will occur to order and set up the hardware. A RACI (Responsibility) matrix will be generated to confirm roles and responsibilities for the setup of the hardware.
Regularly occurring status calls and PMO (Project Management Office) updates will track the following:

- Confirming Data Center requirements
- Placing the hardware order
- Hardware arrival and set up at the data center
- Operating System installation and configuration
- Networking and storage attachment
- External access established

During this time the list of software will be reviewed by Consultant, for licensing requirements and associated costs. Licensing and procurement of software will be coordinated with the appropriate SAWS IT department resources. Once received, software installations and accompanying install guide documentation will occur by the technical architecture team based on timelines set in the project plan to satisfy the requirements for each phase of the implementation. Validations and smoke tests will be performed on each environment created prior to handoff to project resources to ensure application stability and base functionality are working as expected. Where possible, automation tools and replication technology will be employed to guarantee consistency in application installations and data contents.

**Configuration.** Functional Design documents are developed off of the finalized approved business requirements. These Functional Design documents will outline the necessary base product configurations, and SAWS-specific business requirement configurations to build out the AMI system and accompanying integrations to external systems. A review and sign-off process will be performed by Consultant prior to handing off the functional designs for any accompanying technical design documents where applicable. The AMI system will then be configured per the signed-off document designs, ensuring the platform will meet SAWS business needs. The application build of functional configuration will be tracked by Consultant with status communicated out to all relevant parties on a regular basis.

In addition to application functional requirements, technical system requirements configuration such as non-functional volumetric requirements, determined performance SLAs and security configurations will be fully outlined and signed off in technical design documentation with SAWS IT resources. These configurations will be implemented in each environment and fully tested prior to environment hand-off for testing.

**Systems Integration** requirements will be derived from the solution blueprint and design discussions with relevant SAWS or external vendor staff as appropriate. An assessment of all vendor supplied productized (e.g. vendor application program interfaces (API’s)) integrations between systems will be performed to determine the number of custom integrations where necessary. All custom integrations will be analyzed to determine the appropriate integration mechanism for the systems in consideration (for example, web services or queue-based messaging, etc.). Integration-specific design documents will then be generated with a review and sign-off being performed with SAWS IT resources to ensure consistency with existing architecture standards. Integrations will then be developed according to the design documentation, and unit testing will be performed as code sets are released. Sub-consultant will track status per integration
and communicate out on a regular basis with all relevant parties.

**System Verification** will be performed on the fully integrated solution set leveraging SAWS and applicable vendors’ subject matter experts and a select set of business and operational users to operate the system in mock operational exercises. The test lead will keep track of the test cases executed and their pass/fail results. Failed test cases will be restarted or re-executed after the identified issues are resolved. Issues may be identified and resolved through both development related defects as well as base product related defects. In addition to tracking against development related defects, the test team will track any open product service requests in work with the appropriate vendor product development team. The testing team will document issues found and work with the functional and technical teams, identified business process owner and vendor product support where necessary on solutions to the issues as required. A defect tracker will be created by the Consultant to report out status on a recurring basis, outlining the number of defects aligned to predetermined categories such as Critical, High, Medium and Low.

A brief description of each project testing phase is as follows:

- **Unit test** - as each code module is developed, unit tests are generated and executed to validate each particular function / method handles the inputs and outputs correctly.
- **System test** - testing the basic functionality of the converted extension, interface or report in a development environment to ensure the code is performing according to the design. This would include contrived data.
- **Integration test** - testing including external systems that will send or receive data and verifying how each system interacts with the converted interface
- **Performance / Stress test** - Load testing will be performed against the system under maximum load to verify end user interaction page responsiveness / page load times, integrated systems interactions and batch full volume testing to ensure SAWS SLAs are met.
- **User Acceptance test** - Business users performing testing to confirm that the result is expected based on the defined business process. Parallel Testing, Monitoring / Alerting Testing and Failover Testing also occur during this stage.

The roles and responsibilities for testing are detailed in the RACI matrix provided in the Key Assumptions section, below.

**Key Assumptions**

- This effort builds from the baseline efforts completed in Task 1.2.
- Roles and responsibilities specific to testing are captured in the following RACI matrix where:
  - R = The Responsible party owns execution of the work.
  - A = The Accountable party must sign off (approve) work that the Responsible party provides.
  - C = The Consulted party provides input and subject matter expertise.
  - I = The Informed party is kept up-to-date on progress and results.
For avoidance of doubt, while roles and responsibilities between Consultant and Sub-consultant are delineated for clarification, Consultant owns responsibility for both its and its Sub-consultant’s responsibilities and deliverables.

<table>
<thead>
<tr>
<th>Unit Test</th>
<th>Consultant</th>
<th>SAWS</th>
<th>Sub-Consultant</th>
<th>AMI Vendors</th>
</tr>
</thead>
<tbody>
<tr>
<td>Develop Test Plan</td>
<td>C</td>
<td>I, A</td>
<td>C</td>
<td>R</td>
</tr>
<tr>
<td>Develop Test/Use Cases</td>
<td>I</td>
<td>I, A</td>
<td>C</td>
<td>R</td>
</tr>
<tr>
<td>Develop Test/Use Case Scripts</td>
<td>I</td>
<td>I, A</td>
<td>C</td>
<td>R</td>
</tr>
<tr>
<td>Manage Testing</td>
<td>I</td>
<td>I, A</td>
<td>R</td>
<td>C</td>
</tr>
<tr>
<td>Execute Test Cases</td>
<td>C</td>
<td>I, A</td>
<td>C</td>
<td>R</td>
</tr>
<tr>
<td>Evaluate and Assess Test Case Results</td>
<td>I</td>
<td>I, A</td>
<td>C</td>
<td>R</td>
</tr>
</tbody>
</table>

| System Test                   |            |      |                |             |
| Develop Test Plan             | C          | C, A | R              | C           |
| Develop Test/Use Cases        | I          | C, A | R              | C           |
| Develop Test/Use Case Scripts | I          | R, A | C              | C           |
| Manage Testing                | I          | C, A | R              | C           |
| Execute Test Cases            | C          | R, A | I              | C           |
| Evaluate and Assess Test Case Results | R  | I, A | R              | C           |

| Integration Test              |            |      |                |             |
| Develop Test Plan             | C          | C, A | R              | C           |
| Develop Test/Use Cases        | I          | C, A | R              | C           |
| Develop Test/Use Case Scripts | I          | R, A | C              | C           |
| Manage Testing                | I          | C, A | R              | C           |
| Execute Test Cases            | C          | R, A | I              | C           |
| Evaluate and Assess Test Case Results | R  | I, A | R              | C           |

| Performance/Stress Test       |            |      |                |             |
| Develop Test Plan             | C          | C, A | R              | C           |
| Develop Test/Use Cases        | I          | C, A | R              | C           |
| Develop Test/Use Case Scripts | I          | R, A | C              | C           |
| Manage Testing                | I          | C, A | R              | C           |
| Execute Test Cases            | C          | R, A | I              | C           |
| Evaluate and Assess Test Case Results | R  | I, A | R              | C           |

| User Acceptance Test          |            |      |                |             |
| Develop Test Plan             | C          | C, A | R              | C           |
| Develop Test/Use Cases        | I          | C, A | R              | C           |
| Develop Test/Use Case Scripts | I          | R, A | C              | C           |
| Manage Testing                | I          | C, A | R              | C           |
| Execute Test Cases            | C          | R, A | I              | C           |
| Evaluate and Assess Test Case Results | R  | I, A | R              | C           |
Key Workshops/Meetings

- Working sessions to review and revise information systems implementation plans.

Minimum Deliverables

- Create the information systems implementation plan.

SubTask 2.2.3 - The implementation plan shall include:

- Technology communications network design, installation and verification; and
- Technology meter planning, provisioning, installation, network acquisition, verification, and exception handling.

Meter Technology and Network Communications Plan Development. Consultant will conduct a series of interactive workshops with the selected AMI and MDMS partner(s) and Meter & End Point Installation contractor(s) to prepare for installation of pilot network equipment, water meters and water AMI communications devices. These workshops will be used to:

- Facilitate joint review and refinement of the business processes, construction requirements, labor standards and installation plans for the AMI communications network, water meters and water AMI communications devices.
- Review the basis of network design with the AMI vendor.
- Present industry best practices for the planning and installation of all network equipment and water meter and AMI devices and work with SAWS to tailor these processes to the specific requirements and standards of the SAWS pilot project.
- Provide advice and consulting to SAWS to leverage or share experience from similar meter and end point deployment projects in North America, providing the deployment team with the opportunity to leverage these lessons learned.
- Review the state of readiness of the various SAWS IT systems that form a part of or will be impacted by the pilot solution deployment(s), and define a phased plan to account for the changes in IT systems and business processes expected to occur over the course of the project.
- Produce process flow diagrams (high level and detailed) that define the pilot planning, materials procurement, meter first article testing, network installation, water AMI device installation, and the exception/problem handling processes relevant to the SAWS project installation.
- Refine and validate material procurement schedules for AMI network communications equipment, water meters and water AMI devices.
- Identify and document installation, construction and customer contact standards.
- Identify and document supporting resources needed for activities such as customer side repairs that may be discovered during the installation process.

Consultant will organize deployment requirements, process and schedule information into the
Meter and Network Infrastructure Deployment Plan.

Based on the planning activities described previously, Consultant will support SAWS in preparing for and executing deployment processes including the identification and implementation of the various logistics and data management steps involved in the addition of a device on the AMI system. These steps will follow the process from meter manufacture or retrofit at the factory through delivery to the cross dock or warehouse, selection of pilot locations, determination of meter counts installation in the field, provisioning on the communications network, and the synchronization of end point data between the AMI system and other SAWS systems such as the customer billing system.

As part of this effort, Consultant will support SAWS, the AMI and Meter & End Point Installation partners and coordinate the following activities:

- Determine initial installation plans for the meter installation
  - Number of Vendor technologies to be selected for pilots
  - Meter Counts for each of the pilot areas
  - Daily Deployment Run Rates that each vendor will need to deploy to complete pilot installs within the scheduled timeframe.
- Create a materials supply plan, and monitor and adjust material requirements to confirm that sufficient, but not excess, materials are available for all installation activities.
- Create inventory management processes and support periodic inventory reviews.
- Create, monitor and adjust the specific meter installation work sequence to confirm that the network devices are installed and operational prior to the meter installations.
- Produce materials, installation, provisioning, and activation summary reports.
- Produce exception management reports; participate in exception handling meetings as may be required from time to time.
- Provide ongoing planning and management support to SAWS, for supervising work logistics, material planning and ordering, and related installation activities to help assure a smooth roll out of the system, based on the final deployment plan.

Key Assumptions

- Working sessions with SAWS stakeholders and vendors to facilitate creation of key implementation artifacts.

Key Workshops/Meetings

- Working sessions with AMI vendor to kick off network design.
- Working sessions to review and revise meter and network infrastructure logistics and deployment plans.
- Workshops with AMI and endpoint installation partners to coordinate deployment planning efforts.

Minimum Deliverables
- Perform review of preliminary network design.
- Document meter and network logistics plan(s) including materials forecasting.
- Provide preliminary meter and network infrastructure deployment plan.
- Develop meter and network deployment exception reporting.

**Subtask 2.2.4 - Provide high-level program and AMI system deployment plans, including:**

- Vetting the program, plans and schedules for feasibility with respect to SAWS operating practices (e.g., existing billing and meter reading routes, political and/or geographic constraints, facility and/or resource proximity, etc.) resulting in an optimized deployment plan;
- Developing a recommended project timeline that includes meter deployment run rates based on industry experience and SAWS-specific constraints and considerations;

**High-Level AMI Plan Development.** Consultant will conduct workshops to gather information and confirm the initial installation estimates. Once the overall deployment planning and logistics are established for the complete AMI pilot installations, the installation process will begin. Installation will commence based on the provided timeline with the installation of AMI network communications infrastructure prior to the AMI meters.

Consultant will establish monitoring and reporting frameworks to monitor the overall deployment activities, and provide SME support leveraging experience gained deploying similar AMI pilot solutions. These activities will include:

i) Monitoring and reporting on the materials logistics (shipping, receiving, inspections and returns); and

ii) Monitoring installation status through regular installation and materials status reports and meetings of meters and network equipment.

Consultant will support SAWS in the analysis and tracking of route completion as required supporting SAWS achievement of key operational benefits in its business case (e.g. scheduled meter readings reduction). Finally, Consultant will identify deployment risks and early mitigation of issues as a key part of this monitoring and reporting activity.

In addition, Consultant will assist SAWS in managing the Meter & End Point Installation partner, including the following activities:

- Support daily route planning and route management activities.
- Support routine testing of new meters and AMI water communications devices, prior to release for installation, in accordance with agreed meter configuration parameters.
- Help ensure quality assurance, controls, and validation of all newly installed water meters and AMI water communications devices.
- Track and assess all meter related exceptions encountered during installation, and such exception flags as the AMI system logs throughout the deployment period.
- Report to SAWS on revisits required for appointment setting.
- Facilitate reporting of registration of all devices at the AMI headend system.
Monitor reporting and posting of all meter installation transactions in the EPI, Work Order Management System (WOMS), AMI headend, MDMS (if used), customer portal, progress dashboards (KPI’s) and SAWS billing system.

Monitor and audit inventory management activities.

Support conversion of meter routes from manual meter reading to AMI automated billing status. This step includes establishing and implementing a final quality check that compares manual reads to AMI system reads, for final billing comparison, prior to discontinuance of manual meter read.

Support ongoing testing and implementation of new meter configurations and rate codes as may be required from time to time in support of other SAWS initiatives.

**Key Assumptions**

- Working sessions with SAWS and its Meter & End Point Installation vendors to develop and tune deployment plan.

**Key Workshops/Meetings**

- Working sessions with SAWS, AMI and Meter & End Point Installation vendors to coordinate development of detailed deployment plan.

**Minimum Deliverables**

- Provide detailed AMI and Meter & End Point deployment plan including geographic or route sequence of meter rollout, and planned Run Rates.
- Develop plan for reporting on Meter & End Point installation activities.
- Provide preliminary plan for converting Meters & End Points from manual meter reading to Over-the-Air (OTA) automated reading by the AMI System.

**Subtask 2.2.5 - Provide an Organizational Change Management Plan for SAWS to Implement AMI Technology in a Manner That Will Integrate with All Levels of the Organization.**

**Organizational Change Management.** Building upon the business process mapping executed in Task 1.2, Consultant will work with SAWS to identify, develop and assist with the coordination of internal and external stakeholder communications and training, enabling SAWS resources to execute the necessary organizational changes that results from implementing an AMI solution.

So as not to introduce a new change management process or methodology, Consultant will review and adapt any existing SAWS change management processes to the AMI specific models. An AMI change management plan will be developed in the following manner:

- Vet previously identified AMI impact areas, and identify process owners, and stakeholders.
- Facilitate an organizational change readiness assessment by interviewing the key process owners and stakeholders.
- Identify key internal and external communications messages and channels. External communications via Customer Engagement planning is discussed later in this section.
• Identify key training opportunities to address the business process change identified.
• Develop a workforce transition plan based on general utility experience.

**Key Assumptions**

• SAWS to provide overview of existing change management practices and methodologies.
• SAWS will execute the components of the organization change management plan.

**Key Workshops/Meetings**

• Workshops to review and revise organizational change management plan

**Minimum Deliverables**

• Develop organizational change management plan.

**Subtask 2.2.6** - Support SAWS by working with the Communications Department and other key staff to develop a public outreach plan for AMI pilot deployment, subject to SAWS’ Customer Service and Communications Department reviews, including:

  - Assisting SAWS Staff to serve as the public face of the AMI Program;
  - Providing prompt responses to SAWS related to public requests;
  - Providing public-friendly reporting of progress; and
  - Upon request, making presentations to the public, SAWS management, or other relevant stakeholders.

**Customer Communications & Outreach.** Consultant will work directly with SAWS to develop and execute a consumer confidence plan that includes public outreach. Consultant does not anticipate the need for outside agency help unless TV and radio communications channels are envisioned.

Consultant believes that a consumer confidence plan consists of six key steps that, when executed, demonstrate the key elements necessary to instill customer confidence.

  - Steps 1-3 (Security/Safety, Privacy, System Accuracy) address known consumer concerns and provide the foundation for subsequent consumer messaging.
  - Steps 4-6 (Deployment, System Verification, and Customer Ownership) are executed sequentially after the foundation is established.

Together, these steps provide a framework that SAWS might execute when implementing an AMI solution.

Consultant has advised previous clients in communications with internal and external stakeholders – including communication with media, municipal governing bodies, and public utility regulatory bodies. Consultant will apply this experience in its consulting to enable SAWS to clearly and effectively communicate with and respond to external stakeholders. Consultant has provided
proactive and reactive written communications and presentation materials to previous clients and will advise similarly to SAWS. Consultant is comfortable both advising SAWS’ customer facing personnel and acting as SAWS’ customer facing personnel.

Consultant recommends creation and implementation of an Opt-Out Policy and program thereon prior to the start of AMI solution deployment. The cost associated with implementing the plan early outweighs the negative publicity associated with the small number of dissenters and the cost of changing deployment processes in the middle of deployment to implement opt-out. Dissenting customers can be skipped during deployment. Direct communication and further education are often sufficient to address concerns, but some customers will ultimately pay to continue to have their meter read manually.

**Key Assumptions**

- SAWS to provide overview of existing external communications practices and methodologies.
- SAWS will execute the components of the Customer Communications and Outreach Plan.
- Consultant will work in close coordination with SAWS communications and customer services teams to develop the technical components of the plan.

**Key Workshops/Meetings**

- Workshops to draft, review and revise Customer Communications and Outreach plan.

**Minimum Deliverables**

- Develop Customer Communications and Outreach Plan.
- Assist SAWS with the development of an Opt-Out Policy.

**Task 2.3 Manage AMI Pilot Deployment**

**SubTask 2.3.1** - Assist in the Program Management of a Pilot Scale AMI Deployment (and System Integration by the System Integrator Contractor, SubTask 2.3.2).

**Pilot Program Management.** Leveraging the strategy outlined and collateral generated in Phase 1, Consultant will use the developed project management practices and tools to ensure that the AMI Pilot schedules, and deliverables (and quality thereof) are in compliance with the SAWS Pilot Project expectations. Furthermore, Consultant will be working with Vendors to ensure plans and agreements are being met. Consultant will oversee the daily deployment efforts (resources, routes, etc.), track performance, be responsible for the Risk Actions Issues Decision (RAID) Log, and ensure the Pilot RTM is being utilized as planned. In addition, Consultant will provide financials (cost/benefits) tracking for use during the final pilot evaluations.

In support of these efforts and the reporting mentioned Consultant will establish a weekly cadence with vendors which is critical due to the complexity and size of the project to obtain the most accurate information. The weekly reporting cycle is initiated with written project status reports.
which vendors and key project organizations complete based on Consultant templates. This effort will help ensure that the Pilot Systems will be properly vetted and issues recorded to make final evaluations and recommendations run smoothly.

Periodically, potential scope changes to the project (e.g. technical baseline, schedule, cost, etc.) may be identified. Consultant recommends that a separate Change Control Board (CCB) (documented as part of the Change Control or Configuration Management Plan) meeting take place.

**Key Assumptions**

- None.

**Key Workshops/Meetings**

- Weekly vendor partner meetings with each vendor.
- Hold periodic Change Control Board (CCB) meetings.

**Minimum Deliverables**

- Support deployment of meters and network to test AMI system.
- Provide templates for vendor partner weekly reports.
- Provide documentation of CCB outcomes.
- Manage project validation of the rollout, deployment and testing in accordance with QA/QC plans developed in Phase I.

**SubTask 2.3.2** - Provide program management services during the Pilot including but not limited to:

- Oversight of System Integrator Contractor/Vendor(s) work supporting AMI (i.e. Meter Shop, etc.), installation of systems, analytic tools, customer portal, and equipment, all of which should minimize disruption to existing SAWS operations.

**Oversight of System Integrator Contractor/Vendor(s).** Consultant and sub-consultant will work with the appropriate resources to ensure that integrations are mapped and built such that key milestone dates are achieved.

The master integration project plan will be developed and be inclusive of:

- Specifications and requirements phase.
- Development forecasts and commitments from all supporting solutions.
- Environment Deployment and Configuration of all required solutions.
- Unit / Interface / Integration testing phases.
- Final system user acceptance testing.

This project plan will be optimized under dependent deliverables to gain the best efficiencies in
time and level of effort. Weekly project up-dates and status meetings will be held to ensure schedule adherence, assess risks, mitigate issues, and communicate next steps. These sessions are intended to be brief and focused to maintain communication amongst the stakeholders.

**Installation of Systems.** Sub-consultant technical architects will work with SAWS to first generate a solution blueprint demonstrating all systems and required integrations at a high level, then subsequent logical / physical architecture diagrams, outlining all architectural components of the solution. These documents are reviewed, modified as required and then signed off by all relevant parties prior to installation beginning. The technical architects will outline the number of required environment tiers to support the pilot implementations, both during implementation as well as post Go-Live, determining hardware / software requirements per environment tier based on vendor specifications, SAWS non-functional requirements and prior implementation experience, ensuring compliance with existing SAWS IT standards. Environment build status is regularly communicated to the project PMO (Project Management Office) to ensure project timelines are met, alongside documentation of the entire process for future SAWS environment needs. Sub-consultant technical architects will architect and implement an AMI solution that is scalable both vertically and horizontally, leveraging platform capabilities for load balancing and clustering to support high availability and localized / remote site failover (disaster / recovery), leveraging existing SAWS IT standards and toolsets where possible, and suggesting industry best practices where applicable standards / toolsets are not yet defined.

**Analytic Tools.** Consultant and sub-consultant will work with SAWS to identify and implement its analytic tools to verify the results of the AMI pilots. Sub-consultant’s analytic tools at past engagements have included:

- Developing cubes and reports using different BI tools, like Cognos, Crystal Reports, OBIEE, to analyze exceptions, missing intervals and estimated reads for the missing data.
- Developing data models which can be used by different level in the organization analyzing the data.

**Key Assumptions**

- Consultant assumes two AMI technologies will be selected and tested for the Pilots.
- SAWS will utilize Sub-consultant’s analytics tool configured to track pilot analytics. Sub-consultant will adapt these tools for the SAWS Pilots.

**Key Workshops/Meetings**

- Workshops to develop, review and revise master integration project plan.
- Workshops to develop, review, and revise solution blueprint.
- Workshops to develop, review, and finalize requirements for analytics tool.

**Minimum Deliverables**

- Develop master integration project plan.
- Provide Solution blueprint.
• Implement analytics tool and associated reporting.
• Manage project validation of the rollout, deployment and testing in accordance with QA/QC plans developed in Phase I.

SubTask 2.3.3 - Provide Program Management Services during Pilot Including, but not limited to:

• Manage and Maintain all Contract Documentation. Consultant shall provide to SAWS on a Monthly Basis, such services that will include, but not limited to:
  
  • Managing Documentation between 3rd Party Vendors, Program Manager, etc.
  • Providing submittal review logs, RFI’s, inspection reports, change order logs, photographs, asset management logs, action item log, schedules, vendor claims, meeting minutes, etc.,
  • At least weekly, providing project updates (including upcoming 4 week schedules).
  • Assisting in responding to day to day issues raised by vendors, SAWS customers, SAWS staff, and any other stakeholders;
  • Providing weekly AMI implementation schedule updates.

Provide Contract Oversight & Reporting. Consultant will ensure that vendors comply with the solution functionality, financial terms and programmatic requirements defined in their contracts. Consultant will apply proven tools and processes to track and report against contract releases, service level agreements and other contractual milestones with the vendors; identify any gaps in performance by vendors; and report on key contractual metrics, clauses and conditions. Many of these will have been developed as part of work under previous Tasks. Key elements include:

• Documentation: Control of documentation is vital and a critical responsibility. Consultant will establish a document management system and management process.
• Baseline Changes: Management of requests for change to the project baseline (i.e. deliverables, schedules, etc.) must be done in a structured way. Consultant will use the formal Change Control Board (CCB), discussed above as a framework to provide stakeholders opportunities to request and seek approval of changes to the project baseline.
• Provision of Weekly Schedule Updates & Reports: Consultant will share its catalog of reports as templates for weekly reporting, inclusive of project level issues, risks, actual cost vs. approved budget, deployment progress, forecasts, Safety, and KPI’s (Read Rates, Install Rates, Install, Exceptions etc.).
• Monitoring the analytics dashboard for compliance with KPI’s.
• Address of Day-to-Day Issues: Consultant will monitor the progress of the Pilots. As needed, Consultant will facilitate short daily meetings, as needed, to assess and resolve specific issues for short periods of time.
• Budget Management: Consultant will assist SAWS in establishing a process outlining budget submittal, review and approval to ensure that any changes which may impact the budget are reviewed and approved by the identified key stakeholders. A similar process will be implemented for the payment of vendor invoices to ensure proper budgetary management.
Key Assumptions

- Consultant will have access to all vendor contracts.

Key Workshops/Meetings

- Periodic meetings with AMI vendors will be held to review and address issues.

Minimum Deliverables

- Perform document management process. Publish logs, registers or other key artifacts.
- Manage Issues tracking log.
- Develop and provide oversight of budget management and vendor payment process.
- Provide weekly written project updates and a 4-week schedule outlook.

Subtask 2.3.4 - Recommend Corrective Actions to Mitigate Cost Increases to SAWS if Anticipated Deviations from the Schedule or Costs arise.

- Assist in resolving issues and provide technical assistance to SAWS in support of any dispute that may arise if a Third-Party vendor fails to provide services required.
- Manage monthly project invoicing, schedule, budget; and changes to work, project quality, or any other issues arising during the AMI Pilot (such changes which will require SAWS prior approval).

Provide Corrective Actions, Issue Resolution & Technical Support. As part of the program management activities, Consultant will work with SAWS to develop tools such as key performance indicators (KPI’s), schedule performance indicators against the approved project baseline, financial (budget) performance indicators against the approved budget baseline, metrics, Service Level Agreements (SLAs) and other tools to track solution implementation, deployment progress and overall AMI System performance. In addition, Consultant’ Risk Planning and Management process (described in SubTask 1.1.3) provides additional best practices for managing the solution implementation. The active use of these tools will provide advance indications of potential deviations from the expected performance. Should deviations start to appear, Consultant will work with all stakeholders to implement the risk mitigation plans already in place, or to craft enhanced or new mitigation plans to address or eliminate new deviations. Task 3.6 provides some additional insights into the presentation of these items.

Finally, Consultant will provide issue resolution and SME technical assistance in support of any dispute, should those conditions arise.

Key Assumptions

- None.

Key Workshops/Meetings
- Support periodic meetings as needed as issues are identified.

**Minimum Deliverables**

- Manage to existing project management plan artifacts.
- Manage project validation of the rollout, deployment and testing in accordance with QA/QC plans developed in Phase I.

**SubTask** - 2.3.5 Assist SAWS’ meter maintenance staff in the transition to AMI meter asset management.

**Support Meter Asset Management.** AMI Meter Asset Management will initiate through the inventory handling of all procured and installed service points. Validation, and where appropriate, correction of meter badge, register channel, and endpoint device information should be considered from the beginning of the AMI Pilot. Assuming data collection and exception management processes are in place, and that SAWS will physically visit and retrofit each of the 500,000+ meters in its service territory, the AMI deployment provides an opportunity to catch and correct any outstanding meter/device/service point relationship information.

In most AMI solutions, the register device channel ID / meter badge ID / AMI endpoint device ID is critical for provisioning. Mobile workforce management processes should be evaluated to ensure handling of a variety of these workflows. Where required, the initial pilot integrations should address workflow implementation for meter exchange, register replacement, endpoint AMI device exchange, independent (depending upon regulatory availability for register exchange) or as a collective unit. The development of these workflows will ensure proper maintenance activity post AMI installation and ensure the retained accuracy of premise relationships.

Additional asset management functions may include the following:

- Lat / long data capture into GIS (for service distribution connectivity modeling, i.e.: non-revenue water).
- Backflow prevention data collection.
- Lead inspection and data collection.
- Aged meter testing and replacement.

**Key Assumptions**

- SAWS to provide understanding of existing meter asset management processes.

**Key Workshops/Meetings**

- Periodic meetings with SAWS’ Meter Maintenance Staff

**Minimum Deliverables**
• Identify asset requirements during planning. Establish requirements for asset information to be collected/provided as part of the AMI Pilot.

**Task 2.4 Provide AMI Pilot Performance Reporting**

**SubTask 2.4.1 -** Provide an independent project validation of the rollout, deployment and testing in accordance with the QA/QC plans developed in Phase 1.

**Perform Project Verification.** In SubTask 1.2.5 Consultant is to develop a QA/QC plan. Consultant will build on these efforts to work with SAWS and execute the verification activities in this plan. Rigorous testing by Consultant in collaboration with SAWS and the selected pilot partners for the pilots and reporting of pilot progress, are cornerstones of this effort.

Consultant will drive solution testing efforts including:

(i) Stand-alone solution (Unit Testing),
(ii) Integrated solution (System Integration Testing) and
(iii) User Acceptance Testing (from the perspective of the end users of the system); along with associated process and reporting requirements.

The progress from one iteration to another will entail meeting specific gates as defined in the Plan. In addition, security and performance testing of the pilot Solution(s) will be conducted to ensure the product can handle the number of data points to be collected and shared with other SAW Systems. These will provide key inputs to measure the performance of the respective Vendor solutions as part of the vendor evaluation process. These efforts will not be wasted as they will be used in Phase 3 during full system deployment.

These efforts will continue in parallel with Consultant lead efforts to collect the data outlined in Phase 2 for pilot evaluations. Ultimately these inputs will be used to answer some key overarching questions regarding the SAWS pilot Vendors:

1. Does the technology fit into the SAWS business and operational requirements and culture?
2. Has SAWS gained a greater understanding of potential impacts to business processes and understanding of potential day-to-day SAWS operational impacts?
3. Has SAWS gained a greater understanding of the impacts to and opportunities for SAWS customers?
4. What will be the true cost to SAWS look like?

**Key Assumptions**

None.

**Key Workshops/Meetings**

• Review of deliverables with project team.

**Minimum Deliverables**
• Manage project validation of the rollout, deployment and testing in accordance with QA/QC plans developed in Phase I.

Subtask 2.4.2 - Provide weekly written performance reporting updates on the AMI Pilot to SAWS leadership, including key performance indicators (KPI’s) and project risks.

Provide Performance Reporting. As a continuation of Task 2.3, Consultant will assist SAWS by leveraging those efforts to fine tune and present a framework of key performance indicators (KPI’s) such as:

• Meter data read success rates (Register and Interval)
• Deployment rates
• Conversion of meters from manually read to Over-the-Air (OTA) billing status
• Critical Exceptions

Consultant will collaborate with SAWS and its pilot partners to provide the necessary data to develop reports for performance reporting and present them on a weekly basis. Reporting of risks, as discussed in Task 1.1, will be included as a component of performance reporting as well.

As part of the specification for Meter Installation Services (MIS), Consultant expects the MIS vendor’s Work Order Management System (WOMS) to collect and amass a wide range of deployment related data including device types installed, exception counts, errors, actual installs vs. established baselines. As part of the performance reporting, Consultant will drive these reports through the MIS vendor’s portal so that installation level performance information is readily available. Note that Consultant anticipates the MIS reporting to include both physical water meters as well as AMI water communications module installation activities.

In addition to the above installation related reporting, sub-consultant will provide its customer portal (“Sub-consultant’s Customer Portal”) and the necessary resources to produce a dashboard that displays AMI solution performance against key performance indicators (KPI’s). Consultant and sub-consultant anticipate that up to six KPI’s will be tracked for the selected AMI/MDMS Solution vendor(s). To the extent that any SAWS customer data (including but not limited to usage data) that is in the possession, custody or control of Consultant or Sub-consultant, whether on the Sub-consultant’s Customer Portal or elsewhere, Consultant shall work with SAWS to implement an agreed upon solution to ensure that Consultant and its Sub-consultant anonymize such data and store it securely (at a minimum, consistent with reasonable security protocol requirements of SAWS).

The KPI’s are typically based on service level agreements contained within the AMI contract. Sub-consultant and Consultant will work with both SAWS and the AMI vendor to define the KPI’s, identify the data necessary to track performance against the KPI’s, develop the KPI’s, and report performance. This information will be available to the SAWS team for its own viewing and verification.

Key Assumptions
SAWS will utilize sub-consultant’s analytics tool configured to track pilot analytics. Sub-consultant will adapt these tools for the SAWS Pilots.

Sub-consultant’s Customer Portal is exclusively owned and maintained by sub-consultant.

Key Workshops/Meetings

- Hold working meetings with SAWS team to established KPI’s.

Minimum Deliverables

- Provide weekly written performance reporting updates on AMI Pilot that include agreed upon KPI’s.
- Manage project validation of the rollout, deployment and testing in accordance with QA/QC plans developed in Phase I.

Task 2 Workshops/Work Sessions

Consultant will work with SAWS to establish appropriate interviews, meetings, workshops and work sessions to enable Consultant’s discovery of information and development of key deliverables, as described above.

Task 2 SAWS Responsibilities

“SAWS Responsibilities” will be to provide the appropriate personnel to support the requests for information; to support meetings, workshops and work sessions as needed; and to provide supplemental information as needed in support of the Consultant’s development of the of key deliverables, as described above.

PHASE 3: FULL-SCALE ROLLOUT

Phase 3 builds on the Pilot work executed under Phase 2. In Task 2.1 Consultant developed and supported the solicitation of an RFP that covered both the Pilot and full-scale implementation phases of the project. In Tasks 2.2 through 2.4, Consultant planned and executed the Pilot, and performed a deep analysis of the selected vendors to determine that their solutions both met the Pilot criteria and specifications, and were suitable for scaling up to full-scale implementation.

If SAWS determines that it is in its best interests to pursue a full AMI implementation, then it will proceed to the full-scale implementation phase described herein under Phase 3. Under this Phase 3, Consultant will assist SAWS on selecting the final vendor(s) with whom SAWS intends to move forward with, award the scope of work for full-scale implementation of the AMI, MDMS and Meter & End Point Installation services, and execute the appropriate contractual mechanisms to do so.

Consultant will provide support for this full-scale implementation, as described in more detail in Tasks 3.1 through 3.6 below.
Task 3.1 Refine Pilot Assessment Artifacts for Full-scale Implementation

Subtask 3.1.1 - Review business processes, functional and system requirements, use-cases, and architecture for full-scale implementation, with inputs from Phase 2.

Review Business Processes, Use Cases, Requirements & Architecture. Consultant shall work with SAWS to review the to-be business processes identified in SubTask 1.2.2, assess the success or failure of each based on pilot results, determine the changes required to each, and modify the Organizational Change Management Plan to achieve successful implementation.

Consultant shall work with SAWS to identify potential requirements deficiencies in the AMI solutions and facilitate the discussion for ways to resolve the deficiencies. This may require incremental infrastructure by the AMI solutions vendor, changes in meter or module configuration, or changes in SAWS’ expectations. If deficiencies can’t be resolved, the contract with the AMI solution vendor may require renegotiation.

Consultant will work with SAWS to identify potential deficiencies in IT requirements and/or infrastructure and make recommendations to address them accordingly as part of the Task 3 activities.

Key Assumptions

- This SubTask builds on the efforts from the Phase 2 Pilot.

Key Workshops/Meetings

- Working sessions to review business process impacts and changes.
- Working sessions to review AMI / MDMS solution deficiencies and remediations.
- Working sessions to review IT requirements and/or infrastructure deficiencies and remediation.

Minimum Deliverables

- Review “To-Be” business processes. Identify business process gaps.
- Review and update AMI / MDMS Pilot functional and system requirements as needed for full-scale deployment.
- Review and update AMI / MDMS IT Pilot architecture and infrastructure as needed for full-scale deployment.
- Revised Organizational Change Management Plan.

SubTask 3.1.2 - Guide SAWS in objectively assessing the criteria and conditions that must be addressed, with respect to SAWS existing systems, to successfully deploy an AMI system with the chosen vendor(s).

Assess Criteria & Conditions. Expectations for each of the business processes, functional
requirements, system requirements, use-cases, and architecture were set in advance of the AMI pilots as discussed above in previous Tasks. The pilots serve as a validation of these expectations and an opportunity to reset the business case, stakeholder expectations, and the contract with the selected AMI vendor. Consultant will compile information from the Pilot and use this to identify lessons learned and opportunities to improve the implementation and operational practices in support of full-scale deployment.

Key Assumptions

- This SubTask builds on the efforts of SubTask 3.1.1.

Key Workshops/Meetings

- Working sessions to review validations of and changes required to the business case, stakeholder expectations, and the AMI vendor contract.

Minimum Deliverables

- Assist the SAWS team in analyzing the results of the Pilot, and assessing any remaining deficiencies with existing systems that need to be addressed in support of full-scale deployment.
- Provide updates to business case assessment.
- Provide summary of revised stakeholder expectations.

SubTask 3.1.3 - Modify existing business processes and training material based on the pilot deployment results.

Consultant shall tailor the system functional and performance requirements in the baseline advanced metering technology RFP specifications, based on SAWS benefit expectations and the results of the pilot; and review and finalize these requirements with the SAWS Team for inclusion in the full-scale implementation contract.

Learn & Modify (& Update). Consultant will help SAWS differentiate between vendor and non-vendor deficiencies identified during the pilot. Discussion points and a negotiating strategy will be developed to address those deficiencies related to the AMI vendor. Business processes and communications and training plans will be updated to reflect deficiencies not related to the AMI vendor.

Update Functional & Performance Requirements. In Task 1.2, Consultant described the process of reviewing the business case, understanding the underlying use cases, developing the detailed functional and technical requirements, and developing the integration framework and requirements needed for successful pilot implementations.

Execution of the pilots provides a living laboratory to test and validate these requirements. The pilots allow us to validate the extent to which these requirements do in fact support or enable the underlying business and operational benefits sought by the stakeholders. As part of the continuum
of continuous learning and improvement, Consultant will confirm, tweak and update the initial set of requirements, reapply these to support business case benefits realization information, and refine them for the subsequent contracting process. Consultant shall conduct a series of workshops with the SAWS stakeholders to perform a final review of these specifications, the output of which will result in an updated set of criteria based on the lessons learned that will be incorporated into the final contract specifications.

Key Assumptions

- This SubTask builds on the efforts of SubTask 3.1.2.

Key Workshops/Meetings

- Working sessions to identify and differentiate deficiencies that occurred during the AMI pilot.
- Working sessions to update contract specifications based on AMI pilot experiences.

Minimum Deliverables

- Provide updates to Organizational Change Management Plan as required.
- Provide updates to training documents in support of “To-Be” business processes as required.
- Summarize the changes to the AMI / MDMS and Meter & End Point Installation functional & technical requirements needed to support full-scale implementation.

Task 3.2 Develop and Execute Contract Option for Full-scale Implementation

SubTask 3.2.1 - Develop the materials needed for the final contract “Option” for AMI/MDMS system acquisition and installation services suitable for a full-scale implementation.

- Consultant shall consolidate and update the pilot AMI and MDMS functional, technical, integration and implementation requirements, and the Meter & End Point installation services requirements, with standard SAWS contract templates, terms and conditions, etc., to produce a final “Full-scale Implementation” contract package suitable for execution with the selected solution vendor(s).
- Update the requirements for the AMI/MDMS solution and Meter & End Point installation contract packages for final negotiations.

Develop AMI/MDMS Artifacts to Execute Full-scale Implementation Option. In section 2, SAWS completed AMI pilots utilizing a solution that was vetted against the AMI business case (pre-pilot) to provide for the functional, technical and performance requirements necessary to realize the desired AMI benefits. If the results of the AMI pilots prove that an AMI solution achieves the desired results, the next step in the process would be the negotiation and execution of the contract “option” with the AMI solution vendor for full-scale deployment. Consultant would incorporate the results of the Pilot and update the associated technical and functional
specifications, and other relevant contract artifacts developed under SubTask 2.1.5 to prepare a final package suitable for executing the final contract “option” to proceed with full-scale implementation.

If, however, the results of the AMI pilots indicate that no AMI/MDMS solution is worth considering for full AMI deployment, SAWS would need to step back and consider a number of options including starting over with a new AMI pilot RFP that incorporates into a modified RFP the identified weaknesses/ deficiencies. In this case, Consultant would recommend repeating the tasks in sections 1 and 2 and, potentially to produce a modified RFP.

Key Assumptions

- This Subtask leverages the work under SubTask 2.1.5.
- This SubTask also builds on the efforts of Task 3.1.

Key Workshops/Meetings

- Working sessions to review contract

Minimum Deliverables

- Provide updates to AMI / MDMS / and Meter & End Point Installation functional & technical requirements, and other contract specifications, to support negotiations for contract option to proceed to full-scale implementation.

SubTask 3.2.2 - Support negotiations to execute the final contract “Option” for AMI/MDMS system acquisition and installation services suitable for a full-scale implementation.

Provide regular coordination with the SAWS Director of Program Delivery, Contract Administration, and other designated or key staff, to review and participate in the contracting process as needed by SAWS. This may include but is not limited to:

- Developing a timeline that meets the needs of SAWS and is structured around SAWS Board Meeting preparation schedule;
- Answering questions during contract negotiations and reviewing answers in a timely manner; reviewing and providing updates or addendums to the contract package(s); and attending meetings with SAWS staff, and/or interviews with the vendor(s).
- Representing SAWS’ interests to the fullest extent possible;
- Assisting SAWS during the negotiations process; and
- Helping SAWS interpret and identify risks associated with the project.
- Providing recommendations on Future-Proofing the solution to include installation of metering equipment and hardware to withstand environmental conditions for the next fifteen to twenty (15 - 20) years.
- Developing performance-related clauses and penalty items in the RFP documentation, which will help SAWS implement a future solution that is both cost effective and timely, in an effort to keep future vendors on task and on budget.
Support Evaluation & Negotiations. Consultant will work with SAWS to negotiate the final contract option to proceed to full-scale implementation with the selected AMI and MDMS solutions vendors, and Meter & End Point installation services vendor. Key efforts will include:

- **Developing the vendor negotiation strategy.** Preparation is critical to contract negotiations, and establishment of a negotiation strategy is a key part of preparations. Consultant will help SAWS develop a negotiation strategy that may include the following:
  
  o Sharing of risks and rewards with the vendor.
  o Memorializing the desired cash flow, capital, and O&M budget constraints of SAWS.
  o Establishing starting points and targets for negotiations, including for example:
    
    - Services fees, other fixed fees, as well as time and materials (T&M) rates (if any) for the duration of the deployment project;
    - Warranty period and warranty start date/milestone for hardware and services provided, and documentation;
    - Solution performance requirements (e.g. Service Level Agreements (SLA’s), etc.);
    - Hardware and software licensing, upfront and incremental licenses as SAWS grows, if applicable.
  o Annual maintenance and support for major system components, with desired response time, response resources (skilled labor versus phone answering service) and support hours (office hours, extended office hours, 24 X 7), if applicable.
  o Payment methodology, milestones, holdbacks, and penalties.
  o Developing an updated AMI Statement of Work (SOW), inclusive of performance specifications, service level agreements, work acceptance and payment, etc.

- **Supporting contract negotiations.** Consultant has the capability and experience to assist SAWS in the following areas:
  
  o Assist in the preparation of the SAWS negotiation team for each session including the development of an agenda for each session, a review of key issues for the session and expected outcomes.
  o Provide background information prior to each session about industry and vendor developments, if applicable.
  o Participate in technical negotiation sessions where work scope and performance are being addressed.
  o Participate in pricing and commercial terms negotiations sessions as appropriate.
  o Provide post-session wrap-up notes including a list of follow-on tasks.
  o Support team review sessions to discuss the outcome of each negotiating session and to revise the negotiating strategy as appropriate based on outcomes from each session.
Revise the Statement of Work as required per the outcome of the contract negotiations effort.

- Durations and effort associated with these sessions depend on several factors including the following:
  - Business structure options and implementation solution selected by SAWS
  - The number of parties involved in each negotiation (one vendor or multiple shortlist vendors)
  - Speed of progress during the negotiations themselves.

**Risk Management.** Consultant will continue to perform the ongoing risk management activities for full-scale implementation as described in SubTask 1.1.3.

**Future Proofing & Performance Related Clauses.** Consultant will perform similar activities for full-scale implementation as described in SubTask 2.1.5 for the Pilot.

**Key Assumptions**

- This SubTask is an extension of work performed under SubTask 2.1.6.
- This SubTask builds on the efforts from SubTask 3.2.1.

**Key Workshops/Meetings**

- Working sessions to create negotiations strategy.
- Negotiations sessions with AMI / MDMS / and Meter & End Point Installation vendor(s).

**Minimum Deliverables**

- Provide updates to negotiations strategy.
- Support contract evaluation.
- Support contract negotiations.
- Develop future-proofing and performance-related clauses and penalty items in the RFP documentation, to help SAWS implement a future solution that is both cost effective & timely.

**Subtask 3.3 Execute IT Services for Full-scale Implementation**

**SubTask 3.3.1 - Provide IT services for setting up the integration framework for back end office systems for full-scale Implementation.**

**Provide IT Services.** Consultant will leverage its framework and efforts for set up of integration layer services and scaling of systems for systems integration as described in SubTask 1.2.3, “…Develop customer personas & use cases…”, SubTask 1.2.4, “Set Up Integration Services…”, SubTask 1.2.5, “Develop QA/QC Process…”, and SubTask 2.2.2, “Information Systems Planning & Support”. In this SubTask 3.3.1, Consultant will assist in transitioning to full-scale implementation the integration and solution environments by:
• Leveraging the base architectural context model;
• Leveraging the previously implemented pilot integration flows;
• Evaluating and resolving lessons learned from the pilot integration and operation;
• Extending scalability measurements and experience from the initial pilot implementation; and
• Including additional functionality intentionally deferred from the pilot implementation.

Full system implementation will be managed and executed with the same methodology as the initial pilots, but will likely be expedited, and previously defined implementation phases ("releases") will be adhered to. Consultant’s efforts will build on and leverage regression testing previously performed, but applied to the full-scale implementation as applicable to meet the expected production throughput for successful, longer term operation of the solution.

Key Assumptions

• This SubTask is an extension of the work performed under SubTasks 2.2.2 & 2.3.2 for the Pilot.
• Actual performance of IT integration work including coding and configuration of integrations, a.k.a. “fingers on the keyboard”, is out of scope and will be provided by SAWS in house staff or its hired Systems Integrator/Contractor.

Key Workshops/Meetings

• Workshops to review and revise information systems implementation plan.
• Workshops to review and revise the master integration plan.
• Workshops to review and revise the solution blueprint.
• Workshops to review and revise the requirements for the analytics tool.

Minimum Deliverables

• Update the information systems implementation plan.
• Update the master integration project plan.
• Update the solution blueprint.
• Update the analytics tool and associated reporting.
• Provide validation and integration of services for back-end systems to support full-scale implementation of AMI.
• Provide IT Services oversight for setting up the integration framework for back end office systems for full-scale implementation.

Subtask 3.4 Provide Full-scale Implementation Plan

SubTask 3.4.1 - Provide an Implementation Plan for Full-scale Implementation, Including:
• Overall program management of information systems deployment including formal requirements specification, installation, configuration, integration, and verification of all systems;
• Technology communications network design, install and verification;
• Technology meter planning, provisioning, installation, network acquisition, verification, and exception handling;
• Developing high-level program plans and schedules with specific emphasis on AMI system deployment, vetted for feasibility with respect to SAWS operating practices (e.g., existing billing and meter reading routes, political and/or geographic constraints, facility and/or resource proximity) resulting in an optimized deployment plan; and
• Developing (updating) a recommended project timeline, including meter deployment rates based on industry experience and SAWS-specific constraints and considerations.

**Develop Full-scale Implementation Plans:*** In Task 2.2 Consultant detailed approaches for developing the Pilot Implementation Plan. Task 3.4 provides for an opportunity to expand on those pilot planning activities, incorporate lessons learned, fine-tune Consultant’s project management tools, processes and artifacts, and apply those to the development of the full-scale implementation plan.

To fully realize the benefits associated with full-scale solution deployment, the implementation plan will include the identification of manageable chunks of work called “Releases”. Each release is comprised of an independent series of requirements definitions, integration definitions, and systems testing. Equally important, a well-structured “release plan” provides a means to break down a complex AMI and IT Integration project into a series of smaller, more digestible and manageable chunks of work that enables the team to more effectively manage the overall project implementation, and for SAWS to absorb the anticipated changes over a period of time. Each release requires rigorous, independent testing iterations before final implementation. Releases that are implemented over time in a logical sequence enable efficient deployment of the AMI solution and a more predictable timeline for realization of benefits.

**Update Project Implementation Strategy:** Consultant will lead the development of a full system wide implementation strategy and detailed project plan that will be used to guide the project and its team members from inception, through solution deployment “releases” and system acceptance, to successful “transition to operations”. This effort will leverage work performed in earlier Tasks.

**Update Project Management Artifacts; Provide Project Management Support:** Consultant team will provide continued planning and development assistance, developing updated key project artifacts, and providing sustaining implementation support to assure the execution of all activities throughout the five phases of the project lifecycle: Initiating, Planning, Executing, Monitoring & Controlling, and Closing (Transition) discussed in Phase 1 and utilized in Phase 2.

Consultant will lead the effort in updating planning artifacts outlined in Task 2.2 (i.e. Roadmaps, phasing plans, managing selected vendors, tracking progress, tracking KPI’s and performance metrics, contractual obligations, logistics, budgets, RTM, Quality & Configuration Management...
etc.) Refinement of the Integrated Master Project Schedule (IMS), refinement of the phased “Release Plan”, and development of the meter deployment run rates are key components of this.

**Key Assumptions**

- This SubTask leverages the work from SubTasks 2.2.1, 2.2.3 & 2.2.4.

**Key Workshops/Meetings**

- Working sessions with SAWS, AMI and Meter & End Point Installation vendors to re-purpose the Pilot Implementation planning work, and develop and update the detailed full-scale deployment plan.

**Minimum Deliverables**

- Develop the project “Release plan” for full-scale implementation.
- Provide the full-scale implementation plan and schedule that consists of all critical elements for AMI / MDMS / and Meter & End Point installation activities for full-scale implementation.
- Develop the project timeline for full-scale implementation, including meter deployment rates (“run rates”) based on industry experience and SAWS constraints and considerations.
- Provide updated project management plan documents.

**Subtask 3.5 Manage Full-scale Implementation**

**SubTask 3.5.1** - Assist SAWS during installation and activation of the AMI system for full-scale implementation if authorized to proceed to this phase.

**Perform Full-scale Implementation Program Management:** Similar to work performed during the Task 2.3 of the pilots, Consultant will repurpose the framework and PMP collateral and provide subject matter expertise in support of full-scale implementation activities.

**Key Assumptions**

- This SubTask leverages the work from SubTask 2.3.1, 2.3.2, 2.3.3 & 2.3.4.

**Key Workshops/Meetings**

- Weekly vendor partner meetings with each vendor.
- Periodic Change Control Board (CCB) meetings.
- Periodic meetings with vendors to review and address open issues.

**Minimum Deliverables**

- Provide ongoing project planning and program management support for full-scale deployment.
• Support deployment of new meters and full-scale RF Network.

SubTask 3.5.2 - Provide ongoing planning and support to assist with day-to-day management of the full-scale implementation.

Provide Day-to-Day Support. Utilizing the full-scale implementation framework developed in Task 3.4, Consultant will provide day-to-day planning, support and reporting expertise for the systems integration, installation, device activation, and solution testing activities, plus monitoring the conversion of devices to Over-the-Air (OTA) billing status.

Key Assumptions

• Leverage work performed under SubTask 3.5.2
• Key assumptions in SubTask 2.2.2 delineate roles and responsibilities for testing in the RACI matrix provided therein. These same roles and responsibilities will carry forward to this SubTask 3.5.2

Key Workshops/Meetings

• Review the QA/QC plan with the project team.

Minimum Deliverables

• Provide updates to the QA/QC plan.
• Manage project validation of full-scale rollout, deployment & testing in accordance with the QA/QC plan.

SubTask 3.5.3 - Provide expert technical and business support for the changes required to SAWS’ current metering practices as new AMI technologies are implemented.

Provide Business Process Support. Leveraging business process work performed in earlier Tasks, Consultant’s support will extend its support to those aspects of the program that require a shift in focus towards the maintenance and operation of the system. For example, new business processes will be required for meter operations, customer service operations (i.e. credit and collection), revenue diversion, and a host of other business areas; thus, support for these will be included as well.

Key Assumptions

• Leverage work performed under SubTask 3.1.

Key Workshops/Meetings

• Working sessions to identify and review changes to metering practices.

Minimum Deliverables
• Provide updates to metering related business processes (if not already performed under previous business process tasks.)
• Support investigation and testing of new metering technologies as they evolve.

**SubTask 3.5.4** - Consultant will assist in the program management of a full-scale AMI deployment and system integration by the System Integrator Contractor, including:

• Oversight of System Integrator Contractor/Vendor(s) work supporting AMI (i.e. Meter Shop, etc.), installation of systems, analytic tools, customer portal, and equipment all of which should minimize disruption existing SAWS operations.

**Provide Systems Integration Support.** Consultant will provide oversight of the SAWS Systems Integrator/Contractor and SAWS team, and execute the work described and developed under Task 3.3, Execute IT Services for full-scale implementation.

**Key Assumptions**

• Leverage work performed under SubTask 3.3.

**Key Workshops/Meetings**

• Workshops with SAWS Systems Integrator/Contractor and AMI / MDMS vendors to review IT integration plan.

**Minimum Deliverables**

• Provide oversight of IT Services execution in accordance with the framework established in Task 3.3.
• Provide oversight of IT services execution in accordance with the QA/QC plan.

**SubTask 3.5.5** - Manage all contract documentation and provide to SAWS, including, but not limited to:

• Managing and maintaining all appropriate documentation between 3rd party vendors, program manager, etc.
• Maintaining & providing submittal review logs, RFI’s, inspection reports, change order logs, photographs, asset management logs, action item log, schedules, vendor claims, meeting minutes, etc.
• At least weekly, providing project updates (with upcoming 4 week schedules).
• Assisting in responding to day to day issues raised by vendors, SAWS customers, SAWS staff, and any other stakeholders.
• Providing weekly AMI implementation schedule updates.
• If anticipated deviations from the schedule or costs arise, recommending corrective Actions to mitigate and avoid increased costs to SAWS.
• If a third party vendor fails to provide services required, assist in resolving issues if possible, and provide technical assistance to SAWS, in support of any dispute.
• Managing monthly project invoicing, schedule, budget, and changes to work, project quality, or any other issues arising during implementation of AMI. (Such will require SAWS prior approval.)

**Provide Contract Oversight & Reporting.** Consultant will repurpose the Program Management Plan (PMP) processes and artifacts created as part of Tasks 1.2 & 2.3, and apply these to the same activities for Full System Implementation.

**Providing Corrective Actions, Issues Resolution & Technical Support.** Consultant will perform similar activities for full-scale implementation as described in SubTask 2.3.4 for the Pilot.

**Key Assumptions**

• Leverage work performed under SubTasks 2.3.3, & 2.3.4.

**Key Workshops/Meetings**

• Periodic meetings with AMI / MDMS and Meter & End Point Installation vendors to review and address issues.

**Minimum Deliverables**

• Perform document management process.
• Manage issue tracking log.
• Provide oversight of budget management and vendor payment process.
• Provide weekly project updates with a 4-week schedule outlook.
• Manage to existing project management plan artifacts.

**SubTask 3.5.6 -** Assist SAWS’ Meter Maintenance Staff in the Transition to AMI Meter Asset Management.

**Support Meter Asset Management.** Consultant will perform similar activities for full-scale implementation as described in SubTask 2.3.5 for the Pilot.

**Key Assumptions**

• Leverage work performed under SubTask 2.3.5.

**Key Workshops/Meetings**

• Periodic meetings with SAWS’ meter maintenance staff.

**Minimum Deliverables**
• Confirm asset requirements from Pilot. Update as necessary.
• Confirm requirements established for asset information to be collected/provided as part of the full-scale deployment.

Subtask 3.6 Provide AMI Performance Monitoring

Subtask 3.6.1 - Provide an independent project validation of the rollout, deployment and testing in accordance with the QA/QC Plans.

Perform Project Validation: As a continuation of Task 3.5 Consultant will assist SAWS with full deployment reporting efforts. Leveraging the processes and frameworks established in Phase 1 and Phase 2 with the PMP and QA/QC Plan. Consultant will continue to implement the key aspects of each Plan to deliver the best solution for SAWS.

Key Assumptions

• Leverage work performed under SubTask 2.4.1.

Key Workshops/Meetings

• Working sessions to review QA/QC plan.

Minimum Deliverables

• Review and update the QA/QC plan as part of the full-scale implementation planning process.
• Provide project validation of the rollout, deployment and testing in accordance with QA/QC plans.

SubTask 3.6.2 - Provide no less than monthly performance reporting updates on the full-scale implementation to SAWS leadership, including Key Performance Indicators (KPI's) and Project Risks.

Consultant will maintain an electronic dashboard that will be shared with SAWS leadership that will track the progress of the program.

Provide Performance Reporting: Consultant will continue implementation of an executive dashboard (described in SubTask 2.4.2) to provide weekly reports during and after the full deployment as a component of a successful transition. For example, the executive dashboard will include reports that speak to AMI System health (i.e. meter health, read performance, meter-life cycle, critical alerts and alarms to name a few).

This information will provide an invaluable tool for SAWS in order to properly support customer facing service teams as they refine the SAWS communications strategy and message around the major investments made by SAWS. This leveraging of information will build confidence and broad acceptance (internal/external of SAWS) of the investments.
Maintain Electronic Dashboard: In SubTask 2.4.2, Consultant outlined the approach to develop and provide performance reporting for the Pilot. As an extension to that, and as mentioned above in SubTask 3.6.2, Consultant will collaborate with SAWS to fine tune existing KPI’s and recommend new KPI’s based on lessons learned from the pilot for the full-scale deployment. This information will be used as inputs into the fine tuning, maintenance and additional development of dashboards to support not only the implementation work, but to also provide visibility on SLA’s and KPI’s both during and after transition to sustaining system operations.

Key Assumptions

- Leverage reporting developed under Pilot.

Key Workshops/Meetings

- Monthly review of AMI solution performance with SAWS leadership.
- Working session to modify existing KPI’s and identify new KPI’s.

Minimum Deliverables

- Work with SAWS leadership to develop/confirm list of Key Performance Indicators (KPI’s) to track progress of AMI program.
- Provide monthly reporting to SAWS leadership on KPI’s and project risks.
- Develop/update Executive Dashboard. Leverage analytics tools and reporting developed during pilot.

Subtask 3.6.3 - Provide SAWS with a final written report that summarizes the findings of the AMI Program.

Release Final Program Report: Consultant will develop a final report encompassing the results of the deployment utilizing the deployment results, QA/QC Plan results, results extracted from the dashboard, customer outreach efforts and Transition-to-Operations plans to communicate the successful implementation of the selected solutions.

This information will provide SAWS with invaluable information to provide key internal and external SAWS stakeholders with necessary knowledge to understand the success of the implementation and help assure long-term adoption of the solutions selected.

Key Assumptions

- None.

Key Workshops/Meetings

- Working sessions to review and refine final program report.
Minimum Deliverables

- Final Program report.

Task 3 Workshops/Work Sessions

- Consultant will work with SAWS to establish appropriate interviews, meetings, workshops and work sessions to enable discovery of information, and development of key deliverables, as described above.

Task 3 SAWS Responsibilities

- “SAWS Responsibilities” will be to provide the appropriate personnel to support the requests for information; to support meetings, workshops and work sessions as needed; and to provide supplemental information as needed in support of the development of key deliverables, as described above.
List of Project Assumptions

Consultant offers the enclosed “Scope of Work” that defines the project assumptions, the proposed implementation approach and methodology, and the associated deliverables to fulfill this engagement. In addition to this, Consultant also provides the following list of Project Assumptions.

1. Consultant’s “Compensation for Consulting Agreement” (Exhibit A) is aligned with the assumptions of the project schedule as represented in Exhibit D “Time Frame for Deliverables”. If the SAWS project schedule is different than documented in these 2 Exhibits, then the actual resources and associated compensation for the Scope of Services will require adjustment.
2. Consultant assumes that SAWS will provide a Project Manager to lead the execution of the project and the components therein.
3. Consultant assumes that SAWS has staffed and/or intends to staff an internal AMI/MDMS program team consisting of in-house Subject Matter Experts who will be assigned to and/or who will actively participate in the execution of the SAWS AMI/MDMS solution implementation.
4. Consultant assumes that SAWS will provide the appropriate access to knowledgeable SAWS business and operational domain personnel to support the requests for information; to support meetings, workshops and work sessions as needed; and to provide supplemental information as needed in support of the development of the of key deliverables, RFP development and execution of the project plan from inception through transition to operations, as described in this SOW.
5. SAWS will provide a reasonable turnaround of its review of key deliverables, as determined by the teams from time to time, to keep the project on the agreed to schedule.
6. Consultant assumes that SAWS has hired or intends to hire its Systems Integrator/Contractor (SI/C) as discussed in this SOW, and that the contractual obligations of this SI/C are or will be clearly defined and documented. For clarity, this Systems Integrator/Contractor is the entity that provides the “fingers on the keyboard” to perform the IT work necessary for successful project execution.
7. Consultant assumes that the procurement of new water meters, such as “static” meter technologies, is out of scope and will be performed by SAWS.
8. Consultant’s “level of effort” (schedule, resources, costs, etc.) assumes that two Vendor AMI technologies/solutions will be included in the “Pilot”.
9. Consultant assumes that a single MDMS solution provider, and a single water meter and AMI End Point Installation services provider, will be procured for both the Pilot and, assuming it is authorized, Full-scale implementation. The level of work to be performed by the MDMS and Meter & End Point Installation vendors in the Pilot will be determined as part of the planning process executed in this SOW.
10. An “Option 1” to Task 2.1 is included. Option 1 provides for an extension of time of up to 3-months for Task 2.1. Please refer to Exhibit A for details.
11. Consultant “level of effort” (schedule, resources, costs, etc.) for Phase 3 assumes a total full-scale implementation period of ~36 months. This is followed by a 4-month reporting and closeout period.
12. An “Option 2” to Tasks 3.5 and 3.6 is included. Option 2 provides for an extension of time of up to 12-Months for Tasks 3.5 and 3.6. Please refer to Exhibit A for details.
13. For Pilot (Phase 2) and Full-Scale Implementation (Phase 3) Tasks whereby Consultant provides a recurring monthly resource to execute recurring scope(s) of work, the labor and expense costs for these resources will be billed on a monthly basis, for the work completed satisfactorily in that month, as documented in the “Compensation for Consulting Agreement” (Exhibit A).

14. Consultant level of on-site support is assumed and purposefully weighted towards an average of ~75% during Phases 1 & 2, and reduced downward to an average of ~50% for Phase 3.

15. Consultant and SAWS will make every reasonable effort to plan resources in advance of workshops and interviews and maintain the project schedule. Consultant will make every effort to maintain committed named resources, or provide alternative similarly qualified resources based on acceptance by SAWS, to meet the schedule.

16. SAWS will provide on-site workshop facilities and on-screen projection for planned work sessions.

17. Consultant assumes that team members will be embedded with the SAWS AMI project team, working shoulder to shoulder on site at the SAWS offices. SAWS will provide on-site facilities for Consultant resources during on-site visits, including basic work area or conference table, access, and guest wireless (if available).

18. Consultant will provide all required computer, cellular phone, and licensed software in support of project execution and deliverables.

19. Consultant assumes SAWS will provide any and all feedback as the project proceeds to ensure open and clear communication of expectations for success.

20. Sub-consultant’s Customer Portal. Where Sub-consultant provides its customer portal (“Sub-consultant’s Customer Portal”) for use by SAWS as part of Sub-consultant’s services under this SOW, this portal shall be exclusively owned and operated by Sub-consultant, unless specifically granted in writing by Sub-consultant to other designated parties. Ownership of data that is provided by SAWS or by SAWS’ vendors to Sub-consultant for use in this portal shall remain with SAWS. Ownership of data that is produced from Sub-consultant’s Customer Portal shall be retained by SAWS.

21. At SAWS request, Sub-consultant will provide a proposal to SAWS for the continued use of Sub-consultant’s Customer Portal beyond the end date of this SOW.

22. Consultant’s and Sub-consultant’s storage of any and all SAWS customer data (including but not limited to usage data) in its/their possession, custody or control shall be anonymized and secured (at a minimum, consistent with reasonable security protocol requirements of SAWS).

**Consultant Project Team**

The following Consultant personnel will be assigned to perform the services in this Scope of Work. Any replacements or additions to the listed personnel must be approved by SAWS, as well as their billing rates for this project.

Mark Michaels is the executive consultant and will lead this engagement. As such, he will be ultimately responsible for the preparing, reviewing and signing all reports. Mark’s other supporting team members include Toni Pietrantoni, Scott Stein, and Jeff Evans. Consultant is also engaging its Sub-consultant partner as its Systems Integrator performing the duties described below.
The Consultant team shares a common foundation in AMI solution knowledge, vendor selection, project management, and implementation expertise. This common foundation is complemented by specialized experience and skill sets of each individual team member.

- Mark Michaels, Lead Consultant & Engagement Manager: AMI Executive Program Design / Business Case Development / Procurement / Implementation
- Toni Pietrantoni, Consultant: AMI Solutions Design / Business Case Development / Program Implementation / Project Management / Water SME
- Scott Stein, Consultant: AMI Solutions Architect & Design / Enterprise Architecture / AMI Enterprise Integration / Water and IT SME
EXHIBIT C
SAWS STANDARD INSURANCE SPECIFICATIONS

1. Commercial Insurance Specifications ("Specifications"):

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

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

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

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

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

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

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

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

   This line of insurance coverage shall:
• Cover independent contractors;

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

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

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

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

This line of insurance coverage shall be endorsed:

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

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

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

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

This line of insurance coverage shall be endorsed:

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

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

5) **Professional Liability Insurance** (errors and omissions) insurance with minimum coverage limits of $1,000,000 per claim, $1,000,000 in the aggregate **and**, if this line of coverage is written on a “Claims Made” form, the Consultant must maintain this line of insurance coverage for a period of at least twenty-four (24) months after the date of Contract termination.

**NOTE** - For Professional Liability, include in writing on the **Certificate of Liability Insurance** (“Certificate”) the coverage form under which the respective line of coverage is written – either:
• **Claims-made form:** if the coverage form declared on the Certificate is the Claims-made form, the **“Retroactive-date”** for this line of coverage must also be included on the Certificate as well; or

Occurrence basis – no additional wording required.

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

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

d. Consultant shall, upon request of SAWS, provide copies of all insurance policies and endorsements required under Contract.

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

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

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

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

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

j. Within five (5) calendar days of cancellation or non-renewal of any required line of insurance coverage, the Consultant shall provide SAWS a replacement Certificate with all applicable endorsements included. SAWS shall have the option to suspend the Consultant’s performance should there be a lapse in coverage at any time during this Contract.
k. Failure to provide and to maintain the required lines of insurance coverage shall constitute a material breach of this contract.

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

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

n. It is agreed that the Consultant’s insurance shall be deemed primary and non-contributory with respect to any insurance or self-insurance carried by SAWS, the City and their employees and agents for liability arising out of operations under this Contract.

o. Consultant agrees that all lines of insurance coverage required by these Specifications shall be with insurance companies, firms or entities that have an A.M. Best rating of "A- ("A"- minus)" and a Financial Size Category of a "VII" or better. All lines of insurance coverage shall be of an "Occurrence" type except for the Professional Liability line of insurance coverage.

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

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

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

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

Prior to the commencement of any Services under this Contract and once notified by SAWS Contracting Official that your Company has been selected as the apparent successful Consultant pursuant to a Request for Proposal selection process, pending Board final approval, and, a request is made for you to submit your Company’s Certificate of Liability Insurance, that Certificate must meet all of the following requirements:
a. The Consultant shall have completed by its insurance agent(s), and submitted to SAWS Contracting Department within 5 business days, a Certificate(s) of Liability Insurance (“Certificate(s)” providing evidence of the lines of insurance coverage pursuant to Section 1.a.1) through 1.a.5) above.

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

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

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

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

f. Additional Insured:

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

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

EITHER use,

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

OR use,

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

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

g. **Waiver of Subrogation:**

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

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

EITHER use,

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

OR use,

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

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

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

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

San Antonio Water System  
c/o Ebix BPO  
PO Box 100085-ZD  
Ref. # S-19-007-RL  
Duluth, GA 30096
SAWS Contracting Official will include in the above address, the correct, complete Ref# in the written confirmation of your selection as a Consultant pending final Board approval.

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

1) Send Original:
   a) By Mail:
      
      San Antonio Water System  
      C/O Ebix BPO  
      PO Box 100085-ZD  
      Ref. # S-19-007-RL  
      Duluth, GA 30096  
   
   b) By Fax: 1-770-325-6502  
   c) By E-Mail: saws@ebix.com  
   d) To Upload: https://www.ebixcerts.com  

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

k. Consultant shall be responsible for obtaining Certificates of Insurance from the first tier Sub-consultant, and upon request furnish copies to SAWS.

3. SURVIVAL

Any and all representations, conditions and warranties made by Consultant under this Contract including, without limitation, the provisions of Section 1.a.2), 1.a.3) and 1.a.4) of these Commercial Insurance Specifications and Certificates of Liability Insurance Requirements are of the essence of this Contract and shall survive the execution and delivery of it, and all statements contained in any document required by SAWS whether delivered at the time of the execution, or at a later date, shall constitute representations and warranties hereunder.
EXHIBIT D
TIME FRAME FOR DELIVERABLES

I. The Term of this Agreement shall commence on the 10th day of July, 2019 and shall expire on April 27, 2026, unless earlier terminated pursuant to an express provision of this Contract, and shall continue until Consultant has fulfilled all of its duties and obligations provided in this contract.

II. The overall project schedule is as follows:

<table>
<thead>
<tr>
<th>Phase #</th>
<th>Start Date</th>
<th>End Date</th>
<th># of Days</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>7/10/2019</td>
<td>8/23/2019</td>
<td>45</td>
</tr>
<tr>
<td>2</td>
<td>8/24/2019</td>
<td>3/29/2021 (1)</td>
<td>584</td>
</tr>
<tr>
<td>3 - Optional</td>
<td>3/30/2021 (2)</td>
<td>4/27/26 (3)</td>
<td>1490</td>
</tr>
</tbody>
</table>

(1) 3/29/2021 End Date assumes that “Option 1: 3-month extension of time for Task 2.1” has been approved. Otherwise, End Date would be as early as ~12/29/20.

(2) 3/30/21 Start Date assumes that “Option 1: 3-month extension of time for Task 2.1” has been approved. Otherwise, Start Date would be as early as ~12/30/20.

(3) 4/27/2026 End Date assumes that the “Option 1: 3-month extension of time for Task 2.1” has been approved and has run the maximum 3-month extension of time; and that “Option 2: 12-month extension of Time for both Tasks 3.5 and 3.6” have also been approved and have run the maximum 12-months extension of time.

See the New Baseline Schedule, Including Option 1, Below.
Table 1. Master Schedule View: New Baseline plus 3-Month Extension for RFP Process

<table>
<thead>
<tr>
<th>Task No.</th>
<th>WBS</th>
<th>Task Name</th>
<th>Duration</th>
<th>Start</th>
<th>Finish</th>
<th>Predecessors</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>1</td>
<td>PHASE 1: PROGRAM INFRASTRUCTURE &amp; REQUIREMENTS GATHERING</td>
<td>45 days</td>
<td>Wed 7/10/19</td>
<td>Fri 8/23/19</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>1.1</td>
<td>Program Infrastructure &amp; Requirements Gathering</td>
<td>45 days</td>
<td>Wed 7/10/19</td>
<td>Fri 8/23/19</td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>1.1.0</td>
<td>Receive Notice Proceed (NTP)</td>
<td>1 day</td>
<td>Wed 7/10/19</td>
<td>Wed 7/10/19</td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>1.1.1</td>
<td>Review &amp; Refine the Vision &amp; Program Objectives</td>
<td>45 days</td>
<td>Wed 7/10/19</td>
<td>Fri 8/23/19</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>1.1.2</td>
<td>Develop &amp; Maintain Project Management Plan Baseline Documents (~12 Docs)</td>
<td>45 days</td>
<td>Wed 7/10/19</td>
<td>Fri 8/23/19</td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>1.1.3</td>
<td>Conduct Initial Risk Mgmt Identification, Planning &amp; Mgmt Activities</td>
<td>45 days</td>
<td>Wed 7/10/19</td>
<td>Fri 8/23/19</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>1.1.4</td>
<td>Review &amp; Assess Business Case; Analyze &amp; Produce Report</td>
<td>45 days</td>
<td>Wed 7/10/19</td>
<td>Fri 8/23/19</td>
<td></td>
</tr>
<tr>
<td>8</td>
<td>1.2</td>
<td>PHASE 2: METER-TO-CASH PILOT</td>
<td>584 days</td>
<td>Sat 8/24/19</td>
<td>Mon 3/29/21</td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>1.2.1</td>
<td>Gather Requirements &amp; Assess Success Criteria</td>
<td>45 days</td>
<td>Wed 7/10/19</td>
<td>Fri 8/23/19</td>
<td></td>
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<tr>
<td>10</td>
<td>1.2.2</td>
<td>Assess Business Process</td>
<td>45 days</td>
<td>Wed 7/10/19</td>
<td>Fri 8/23/19</td>
<td></td>
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<td>11</td>
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<td>Develop Personas &amp; Use Cases</td>
<td>45 days</td>
<td>Wed 7/10/19</td>
<td>Fri 8/23/19</td>
<td></td>
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<td>12</td>
<td>1.2.4</td>
<td>Set Up Integration Services &amp; Scale Back End Systems</td>
<td>45 days</td>
<td>Wed 7/10/19</td>
<td>Fri 8/23/19</td>
<td></td>
</tr>
<tr>
<td>13</td>
<td>1.2.5</td>
<td>Develop QA/QC Plans</td>
<td>45 days</td>
<td>Wed 7/10/19</td>
<td>Fri 8/23/19</td>
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<td>14</td>
<td>2</td>
<td>PHASE 2: METER-TO-CASH PILOT</td>
<td>337 days</td>
<td>Sat 8/24/19</td>
<td>Sat 7/25/20</td>
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<td>15</td>
<td>2.1</td>
<td>Develop Request for Proposal (RFP) -- Pilot</td>
<td>225 days</td>
<td>Tue 9/24/19</td>
<td>Tue 5/5/20</td>
<td></td>
</tr>
<tr>
<td>16</td>
<td>2.1.1</td>
<td>Support Pilot Selection</td>
<td>31 days</td>
<td>Sat 8/24/19</td>
<td>Mon 9/23/19</td>
<td></td>
</tr>
<tr>
<td>17</td>
<td>2.1.2</td>
<td>Develop Procurement &amp; Vendor Management Plans</td>
<td>31 days</td>
<td>Sat 8/24/19</td>
<td>Mon 9/23/19</td>
<td></td>
</tr>
<tr>
<td>18</td>
<td>2.1.3</td>
<td>Assess Suitable Technologies &amp; Solutions</td>
<td>31 days</td>
<td>Sat 8/24/19</td>
<td>Mon 9/23/19</td>
<td></td>
</tr>
<tr>
<td>19</td>
<td>2.1.4</td>
<td>Develop Success Criteria for Pilot</td>
<td>31 days</td>
<td>Sat 8/24/19</td>
<td>Mon 9/23/19</td>
<td></td>
</tr>
<tr>
<td>20</td>
<td>2.1.5</td>
<td>Develop &amp; Consolidate Solution Requirements for RFP, Support Future Proofing &amp; Develop Performance Clauses</td>
<td>31 days</td>
<td>Sat 8/24/19</td>
<td>Mon 9/23/19</td>
<td></td>
</tr>
<tr>
<td>21</td>
<td>2.1.6</td>
<td>Provide Evaluation &amp; Negotiation Support</td>
<td>286 days</td>
<td>Tue 9/24/19</td>
<td>Sun 7/5/20</td>
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<tr>
<td>22</td>
<td>2.1.6.1</td>
<td>Provide RFP Support</td>
<td>105 days</td>
<td>Tue 9/24/19</td>
<td>Mon 1/6/20</td>
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<td>23</td>
<td>2.1.6.2</td>
<td>Provide Evaluation Support</td>
<td>90 days</td>
<td>Tue 1/7/20</td>
<td>Sun 4/5/20</td>
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<tr>
<td>24</td>
<td>2.1.6.3</td>
<td>Provide Contract Negotiation Support</td>
<td>91 days</td>
<td>Mon 4/6/20</td>
<td>Sun 7/5/20</td>
<td></td>
</tr>
<tr>
<td>25</td>
<td>2.1.7</td>
<td>Pilot Contract(s) Reviewed &amp; Approved by Board</td>
<td>20 days</td>
<td>Mon 7/6/20</td>
<td>Sat 7/25/20</td>
<td></td>
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<td>26</td>
<td>2.1.8</td>
<td>Pilot Contract(s) Signed</td>
<td>0 days</td>
<td>Sat 7/25/20</td>
<td>Sat 7/25/20</td>
<td></td>
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<tr>
<td>27</td>
<td>2.2</td>
<td>Develop Pilot Implementation Plans</td>
<td>225 days</td>
<td>Tue 9/24/19</td>
<td>Tue 5/5/20</td>
<td></td>
</tr>
<tr>
<td>28</td>
<td>2.2.1</td>
<td>Develop Pilot Implementation Plan, Including:</td>
<td>60 days</td>
<td>Tue 9/24/19</td>
<td>Fri 11/22/19</td>
<td></td>
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<td>29</td>
<td>2.2.2</td>
<td>Information Systems Planning &amp; Support</td>
<td>75 days</td>
<td>Fri 2/21/20</td>
<td>Tue 5/5/20</td>
<td></td>
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<tr>
<td>30</td>
<td>2.2.3</td>
<td>Meter Technology &amp; Network Communications Plan Development</td>
<td>75 days</td>
<td>Fri 2/21/20</td>
<td>Tue 5/5/20</td>
<td></td>
</tr>
<tr>
<td>31</td>
<td>2.2.4</td>
<td>High-Level AMI Deployment Plan Development</td>
<td>75 days</td>
<td>Fri 2/21/20</td>
<td>Tue 5/5/20</td>
<td></td>
</tr>
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<td>32</td>
<td>2.2.5</td>
<td>Organizational Change Management</td>
<td>75 days</td>
<td>Fri 2/21/20</td>
<td>Tue 5/5/20</td>
<td></td>
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<tr>
<td>33</td>
<td>2.2.6</td>
<td>Customer Communications &amp; Outreach</td>
<td>75 days</td>
<td>Fri 2/21/20</td>
<td>Tue 5/5/20</td>
<td></td>
</tr>
<tr>
<td>34</td>
<td>2.3</td>
<td>Manage AMI Pilot Deployment</td>
<td>266 days</td>
<td>Wed 5/6/20</td>
<td>Tue 1/26/21</td>
<td></td>
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<tr>
<td>35</td>
<td>2.3.1</td>
<td>Pilot Program Management (AMI and IT Vendors)</td>
<td>266 days</td>
<td>Wed 5/6/20</td>
<td>Tue 1/26/21</td>
<td></td>
</tr>
<tr>
<td>36</td>
<td>2.3.2</td>
<td>Oversight of Systems Integrator Vendor</td>
<td>266 days</td>
<td>Wed 5/6/20</td>
<td>Tue 1/26/21</td>
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<tr>
<td>Task No.</td>
<td>WBS</td>
<td>Task Name</td>
<td>Duration</td>
<td>Start</td>
<td>Finish</td>
<td>Predecessors</td>
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<td>--------------</td>
</tr>
<tr>
<td>37</td>
<td>2.3.3</td>
<td>Provide Contract Oversight &amp; Reporting</td>
<td>266 days</td>
<td>Wed 5/6/20</td>
<td>Tue 1/26/21</td>
<td>27</td>
</tr>
<tr>
<td>38</td>
<td>2.3.4</td>
<td>Provide Corrective Actions, Issue Resolution &amp; Technical Support</td>
<td>266 days</td>
<td>Wed 5/6/20</td>
<td>Tue 1/26/21</td>
<td>27</td>
</tr>
<tr>
<td>39</td>
<td>2.3.5</td>
<td>Support Meter Asset Management</td>
<td>91 days</td>
<td>Wed 10/28/20</td>
<td>Tue 1/26/21</td>
<td>35FF</td>
</tr>
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<td>40</td>
<td>2.4</td>
<td>Provide AMI Pilot Performance Reporting</td>
<td>244 days</td>
<td>Wed 7/29/20</td>
<td>Mon 3/29/21</td>
<td></td>
</tr>
<tr>
<td>41</td>
<td>2.4.1</td>
<td>Provide Project Verification</td>
<td>244 days</td>
<td>Wed 7/29/20</td>
<td>Mon 3/29/21</td>
<td>34FF+62 days</td>
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<tr>
<td>42</td>
<td>2.4.2</td>
<td>Provide Performance Reporting</td>
<td>244 days</td>
<td>Wed 7/29/20</td>
<td>Mon 3/29/21</td>
<td>41SS</td>
</tr>
<tr>
<td>43</td>
<td></td>
<td>3 PHASE 3 – FULL-SCALE ROLL OUT</td>
<td>1490 days</td>
<td>Tue 3/30/21</td>
<td>Sun 4/27/25</td>
<td></td>
</tr>
<tr>
<td>44</td>
<td></td>
<td>3.1 Refine Pilot Assessment Artifacts for Full-Scale Implementation</td>
<td>60 days</td>
<td>Tue 3/30/21</td>
<td>Fri 5/28/21</td>
<td></td>
</tr>
<tr>
<td>45</td>
<td></td>
<td>3.1.1 Review Business Processes, Use Cases &amp; Requirements</td>
<td>60 days</td>
<td>Tue 3/30/21</td>
<td>Fri 5/28/21</td>
<td>40</td>
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<tr>
<td>46</td>
<td></td>
<td>3.1.2 Assess Full Implementation Criteria &amp; Conditions</td>
<td>60 days</td>
<td>Tue 3/30/21</td>
<td>Fri 5/28/21</td>
<td>40</td>
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<tr>
<td>47</td>
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<td>3.1.3 Apply Lessons Learned, Modify Plans. Update Requirements.</td>
<td>60 days</td>
<td>Tue 3/30/21</td>
<td>Fri 5/28/21</td>
<td>40</td>
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<tr>
<td>48</td>
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<td>3.2 Develop &amp; Execute Contract Option for Full-Scale Implementation</td>
<td>152 days</td>
<td>Sat 5/29/21</td>
<td>Wed 10/27/21</td>
<td></td>
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<td>49</td>
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<td>3.2.1 Develop AMI/MDM contract &quot;Option&quot; for Full-Scale Implementation</td>
<td>45 days</td>
<td>Sat 5/29/21</td>
<td>Mon 7/12/21</td>
<td>44</td>
</tr>
<tr>
<td>50</td>
<td></td>
<td>3.2.2 Support Evaluation &amp; Negotiations</td>
<td>107 days</td>
<td>Tue 7/13/21</td>
<td>Wed 10/27/21</td>
<td></td>
</tr>
<tr>
<td>51</td>
<td></td>
<td>3.2.2.1 Develop Artifacts As Needed</td>
<td>46 days</td>
<td>Tue 7/13/21</td>
<td>Fri 8/27/21</td>
<td>49</td>
</tr>
<tr>
<td>52</td>
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<td>3.2.2.2 Provide Evaluation Support</td>
<td>31 days</td>
<td>Sat 8/28/21</td>
<td>Mon 9/27/21</td>
<td>51</td>
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<tr>
<td>53</td>
<td></td>
<td>3.2.2.3 Provide Contract Negotiations Support</td>
<td>30 days</td>
<td>Tue 9/28/21</td>
<td>Wed 10/27/21</td>
<td>52</td>
</tr>
<tr>
<td>54</td>
<td></td>
<td>3.2.2.4 Develop Risk Registry</td>
<td>30 days</td>
<td>Sat 8/28/21</td>
<td>Sun 9/26/21</td>
<td>52SS</td>
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<tr>
<td>55</td>
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<td>3.2.2.5 Develop Future Proofing Strategies</td>
<td>30 days</td>
<td>Sat 8/28/21</td>
<td>Sun 9/26/21</td>
<td>52SS</td>
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<tr>
<td>56</td>
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<td>3.2.2.6 Develop Performance Related Clauses</td>
<td>30 days</td>
<td>Sat 8/28/21</td>
<td>Sun 9/26/21</td>
<td>52SS</td>
</tr>
<tr>
<td>57</td>
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<td>3.3 Provide IT Framework for Full-Scale Implementation</td>
<td>121 days</td>
<td>Mon 9/27/21</td>
<td>Tue 1/25/22</td>
<td></td>
</tr>
<tr>
<td>58</td>
<td></td>
<td>3.3.1 Provide IT Services for Set Up of Integration Framework</td>
<td>121 days</td>
<td>Mon 9/27/21</td>
<td>Tue 1/25/22</td>
<td>54,55,56</td>
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<tr>
<td>59</td>
<td></td>
<td>3.4 Provide Full-Scale Implementation Plans</td>
<td>91 days</td>
<td>Mon 9/27/21</td>
<td>Sun 12/26/21</td>
<td></td>
</tr>
<tr>
<td>60</td>
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<td>3.4.1 Develop Full-Scale Implementation Plans</td>
<td>91 days</td>
<td>Mon 9/27/21</td>
<td>Sun 12/26/21</td>
<td></td>
</tr>
<tr>
<td>61</td>
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<td>3.4.1.1 Provide Updated Project Implementation Strategy</td>
<td>91 days</td>
<td>Mon 9/27/21</td>
<td>Sun 12/26/21</td>
<td>54,55,56</td>
</tr>
<tr>
<td>62</td>
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<td>3.4.1.2 Provide Updated Project Management Artifacts &amp; Project Management Support</td>
<td>91 days</td>
<td>Mon 9/27/21</td>
<td>Sun 12/26/21</td>
<td>54,55,56</td>
</tr>
<tr>
<td>63</td>
<td></td>
<td>3.5 Manage Full-Scale Implementation</td>
<td>1096 days</td>
<td>Mon 12/27/21</td>
<td>Thu 12/26/24</td>
<td></td>
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<td>3.5.0 Full Scale Contract Signed</td>
<td>0 days</td>
<td>Mon 12/27/21</td>
<td>Mon 12/27/21</td>
<td>50FS+61 days</td>
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<td>65</td>
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<td>3.5.1 Provide Full Scale Implementation Program Management</td>
<td>1096 days</td>
<td>Mon 12/27/21</td>
<td>Thu 12/26/24</td>
<td>59</td>
</tr>
<tr>
<td>66</td>
<td></td>
<td>3.5.2 Provide Day-to-Day Support</td>
<td>1096 days</td>
<td>Mon 12/27/21</td>
<td>Thu 12/26/24</td>
<td>59</td>
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<tr>
<td>67</td>
<td></td>
<td>3.5.3 Provide Business Process support</td>
<td>1096 days</td>
<td>Mon 12/27/21</td>
<td>Thu 12/26/24</td>
<td>59</td>
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<td>68</td>
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<td>3.5.4 Provide Systems Integration Oversight</td>
<td>1096 days</td>
<td>Mon 12/27/21</td>
<td>Thu 12/26/24</td>
<td>59</td>
</tr>
<tr>
<td>69</td>
<td></td>
<td>3.5.5 Provide Contract Oversight &amp; Reporting</td>
<td>1096 days</td>
<td>Mon 12/27/21</td>
<td>Thu 12/26/24</td>
<td>59</td>
</tr>
<tr>
<td>70</td>
<td></td>
<td>3.5.6 Support Meter Asset Management</td>
<td>1096 days</td>
<td>Mon 12/27/21</td>
<td>Thu 12/26/24</td>
<td>59</td>
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<td>71</td>
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<td>3.6 Provide AMI Performance Monitoring</td>
<td>1218 days</td>
<td>Mon 12/27/21</td>
<td>Sun 4/27/25</td>
<td></td>
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<td>72</td>
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<td>3.6.1 Perform Project Validation</td>
<td>1096 days</td>
<td>Mon 12/27/21</td>
<td>Thu 12/26/24</td>
<td>65SS</td>
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<tr>
<td>73</td>
<td></td>
<td>3.6.2 Provide Performance Reporting &amp; Maintain Electronic Dashboard</td>
<td>1096 days</td>
<td>Mon 12/27/21</td>
<td>Thu 12/26/24</td>
<td>65SS</td>
</tr>
<tr>
<td>74</td>
<td></td>
<td>3.6.3 Release Final Program Report &amp; Wind Down Project</td>
<td>122 days</td>
<td>Fri 12/27/24</td>
<td>Sun 4/27/25</td>
<td>73</td>
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</table>
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 are 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 requirements 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.
Milestone Utility Services will be utilized for 8.5% of the total contract value.
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.
EXHIBIT H
CONSULTANT REIMBURSABLE POLICY

Consultant
And
Contractor
Reimbursable Expense Policy

San Antonio Water System
Consultant & Contractor
Reimbursable Expense Policy

1. GENERAL

1. Introduction
The Reimbursable Expense Policy should be used as a basis for submitting expenses relating to any Consultant and/or Contractor Agreement for the San Antonio Water System (SAWS). This policy also pertains to all reimbursable expenses by sub-consultants/contractors on any SAWS project.

2. Policy
Official reimbursable expenses shall be properly authorized, processed, conducted, reported, and reimbursed in accordance to this Policy. Consultants/Contractors are expected to exercise good judgment in the type and amount of expense incurred.

The Consultant/Contractor is responsible for becoming familiar with and adhering to the Policy as applicable for each reimbursable expense submitted.

For travel expenses, Consultants/Contractors are expected to plan in advance of the departure date to obtain lowest cost fares, rates and accommodations. In addition, Consultant/Contractors are encouraged to use all practical means, including internet discounters, to obtain the lowest cost fares, rates, and accommodations.

3. Definitions
The following definitions apply to this Policy:

Domestic Travel – Travel between business points within the continental United States (CONUS).

Actual and Reasonable Expenses – The specific, itemized expenses incurred, based on original receipts up to the amount judged by the SAWS Contracting Director to justifiable under the circumstances.

Official Travel Time – For computing per diem allowances, official travel starts at the day (time) the consultant leaves their home, office, or other authorized point and ends on the day (time) the consultant returns home, to the office, or other authorized point.
1. **GENERAL continued**

3. **Definitions continued**

Travel Expenses – Includes meals, lodging, transportation and incidental expenses for less than 30 consecutive days.

Extended Travel Expenses - Includes meals, lodging, transportation and incidental expenses for 30 or more consecutive days.

Reimbursable expenses – those official expenses directly related to a project or assignment related to an executed contract or agreement.

4. **Reimbursements**

Expenses incurred by the Consultant/Contractor performed outside the scope of the Consultant/Contractor Agreement will be denied. This includes, but is not limited to, expenses incurred:

- Prior to the execution of the Agreement;
- After the expiration of the Agreement;
- At a location not included in the Agreement;
- At a cost in excess of those costs allowed within the Agreement and/or within this Policy.
- In connection with other agreements the Consultant/Contractor has with other clients.

Only those expenses which are ordinary and necessary, and within the allowable budget, to accomplish the official business purpose are eligible for reimbursement.

Entertainment expenses, including alcohol, are not reimbursable.

Consultants/Contractors will be responsible for all unapproved travel and related expenses.

5. **Interrupted Itinerary**

If official business travel is interrupted for personal convenience, any resulting expense shall be borne by the Consultant/Contractor.
2. **Transportation Expenses**

1. **Guideline**

Consultants must utilize the most economical mode of transportation and the most usually traveled route consistent with the business purpose of the trip.

2. **Air Travel**

   **Lowest Available Airfare**

Airfare reimbursement shall not exceed the lowest practical, available cost of competing airfare. When all considerations are equal (e.g. travel time dates, times, destination, and work impacted by travel), the consultant must choose the lowest fare available at that time, regardless of personal preferences for air carrier.

   **Use of Business or First Class**

No reimbursement will be made for Business or First Class travel without advance written approval from the SAWS Contracting Director (or designee). (Note: Business or First Class accommodations obtained through use of frequent flyer programs or at Consultant’s expense will not require advance approval. However, Consultant must be able to the lowest available price of Coach accommodations in order to be reimbursed from that portion of the expense.)

First Class travel may be approved under the following circumstances:

- Required to accommodate a disability or special medical need (requires proof from a medical doctor);
- No other class of service (coach or business) is available within 24 hours of the proposed departure or arrival time.

Business Class travel may be approved under the following circumstances:

- No other class of service is provided on regularly scheduled flights between origin and destination.
- Required to accommodate a disability or special medical need.
- An overall savings (subsistence costs, overtime, lost productivity time) compared to waiting for coach class.

   **Extended Travel to Save Costs**

The additional expenses associated with travel that includes an extended stay (e.g. Saturday night stay) may be reimbursed when the overall savings is at least $150 compared to the cost if the Consultant had not extended the trip.

The additional expenses that must be considered for the extended stay savings include but not limited to are, additional cost of lodging, rental car, meals and parking.
2. Transportation Expenses  

3. Travel by Private Automobile

Reimbursement for Travel by Private Automobile

When a private automobile is used due to business necessity, actual mileage will be reimbursed at the most current rate allowable by the Internal Revenue Service. The number of miles driven must be documented by the Consultant. No additional reimbursement is made for expenses related to the use of the automobile. Routine repairs, cleaning, detailing, tires, gasoline, or other automobile expense items are not reimbursed for privately owned automobiles.

When two or more persons share a privately owned automobile, only the driver may claim the reimbursement for mileage. Two or more persons traveling to the same destination, for the same purpose, and same or approximately the same time span on the same days or days shall be expected to share a privately owned automobile whenever possible.

Charges for parking and toll roads are allowed; however receipts must be provided.

Reimbursement for Travel by Private Automobile in Lieu of Air Travel

When a private automobile is used instead of available air travel for the personal convenience of the Consultant, reimbursement of transportation costs by private automobile shall not exceed the documented amount of airfare Consultant would have paid had the Consultant traveled by air.

Reimbursement for Travel To or From a Common Carrier Terminal

When a Consultant drives a privately owned automobile to or from a common carrier terminal, the mileage and tolls for one round trip, plus parking for the duration of the trip may be claimed for reimbursement. Documented miles driven and receipts must be provided. Consultant is expected to use the lowest, reasonable cost parking option available.

4. Rental Vehicles

Rental cars may be used for transportation to or from a common carrier terminal. Rental cars may also be used upon arrival at the official business destination when the use of public transportation or other transportation such as taxis is not practical when cost, number of miles to be traveled and other factors are taken into consideration. Only commercial agencies may be used. Consultants are strongly encouraged to request the lowest available rate when making rental car reservations.
2. **Transportation Expenses continued**

4. **Rental Vehicles continued**

   **Reimbursement**
   Reimbursement is limited to standard sedans or a vehicle commensurate with the requirements of the trip. The cost of the rental car and gasoline will be reimbursed. Documented miles driven and receipts are must be provided.

   The car must be turned in promptly. Daily charges, outside Official Travel Time, will not be reimbursed.

   **Insurance**
   The Consultant assumes all risks and expenses associated with obtaining insurance deemed necessary when using a rental car. Car rental insurance, including collision damage waivers, is not reimbursable.

5. **Ground Transportation**

   The following guidelines apply to ground transportation to or from a common carrier terminal at the business point.

   **Taxis**
   The cost of the taxi ride plus gratuity will be reimbursed. Receipts must be provided.

   **Airport Shuttle Service**
   The cost of the airport shuttle ride plus gratuity will be reimbursed. Receipts must be provided.

   **Local Buses and Subways**
   Local bus and subway fares are reimbursable; however, receipts are not required.
3. Living Expenses

1. Lodging

Lodging expenses for travel within the Continental United States (CONUS) are reimbursed at actual cost, up to the maximum rate established in the U. S. General Services Administration (GSA) Federal Travel Regulation Domestic Per Diem Rates. Lodging taxes, although not included in the GSA per diem rate for lodging, are additionally reimbursable. Consultants are strongly encouraged to request the lowest available rate when making the lodging reservations.

Hotel bills should show the hotel name and locations, dates room was occupied and the rate per day. Other items appearing on the hotel bill should be identified as to the business reason for the charges.

Consultant will not be reimbursed for the following expenses appearing on the hotel bill:
- Alcohol (alone or part of meal)
- Entertainment
- Personal services in general
- Laundry/Dry cleaning if travel is less than five days

When accommodations are shared with other than an official Consultant, reimbursement is limited to the cost that would have been incurred had the Consultant been traveling alone.

2. Non-Commercial Lodging

Consultants lodging in non-commercial facilities such as house trailers or field camping are reimbursed actual expenses up to the maximum applicable GSA lodging rate. No reimbursement for housing as a guest in a private home.

3. Meals Expense

Meals expense for travel within the Continental United States (CONUS) are reimbursed at actual cost, up to the maximum rate established in the U. S. General Services Administration (GSA) Federal Travel Regulation Domestic Per Diem Rates.
3. **Living Expenses continued**

3. **Meals Expense continued**

Meals expense for the first and last day of travel are reimbursed at the lower of actual costs or the pro-rated GSA per diem rate listed below:

<table>
<thead>
<tr>
<th>Beginning of “Official Travel Time”</th>
<th>Ending of “Official Travel Time”</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Date of Departure</strong></td>
<td><strong>Date of Departure</strong></td>
</tr>
<tr>
<td>Prior to 11:00 am</td>
<td>Prior to 11:00 am</td>
</tr>
<tr>
<td>100% per diem</td>
<td>33% per diem</td>
</tr>
<tr>
<td>11:01 am to 5:00 pm</td>
<td>11:01 am to 5:00 pm</td>
</tr>
<tr>
<td>66% per diem</td>
<td>66% per diem</td>
</tr>
<tr>
<td>After 5:00 pm</td>
<td>After 5:00 pm</td>
</tr>
<tr>
<td>33% per diem</td>
<td>100% per diem</td>
</tr>
</tbody>
</table>

For travel of more than 12 hours but less than 24 hours, meals are reimbursed at the pro-rated GSA per diem rates defined above.

Daily expenses incurred within the vicinity of the Consultant’s primary work site shall not be reimbursed.

4. **Incidental Expenses**

Payments for tolls, parking charges, cab fares can be reimbursed with proper documentation. Reasonable laundry and dry cleaning expenses will be allowed if travel is over a period of 5 consecutive days. Additionally, reasonable gratuities shall be reimbursed.

Expenses for entertainment and personal convenience items such as alcohol, in-room movies, reading materials and clothing are not reimbursable.

5. **Daily Allowance and Lodging Allowance for Extended Travel**

A Consultant remaining at one location for 30 days or more but not more than six months shall be considered extended travel. The 30 days begins on the first day at the assignment location. The Consultant’s return home for weekends does not break the continuity of an extended travel assignment.

The maximum reimbursable rate for extended travel will be the lesser of actual costs of lodging (housekeeping, utilities and furniture rental), meals, and incidentals (as previously outlined above) or 60% of the maximum rate established in the U. S. General Services Administration (GSA) Federal Travel Regulation Domestic Per Diem Rates.

All extended travel must be approved in advance by the Contracting Director or designee prior to Consultant committing to any extended lodging arrangement.
3. **Living Expenses** *continued*

5. **Daily Allowance and Lodging Allowance for Extended Travel** *continued*

Consultants are encouraged to require employees to relocate to the primary work site, when practical, to avoid excessive Extended Travel and/or repetitive Travel for weekly commute to the primary work site from Consultant or Consultant’s employees’ homes.
4. Miscellaneous Expenses

1. General
Miscellaneous expenses that are ordinary and necessary to accomplish the official business purpose of the trip are reimbursable. Receipts are required for all miscellaneous expenses. The most common of these expenses are as follows:

- Use of computers, printers, faxing machines, and scanners.
- Postage and delivery.
- Office supplies specific to the project.

Expenses that will not be reimbursed will be items for personal use or items that do not have a direct business reason or benefit to the project. Examples of these expenses are:

- Business gifts.
- Snacks or other entertainment items for staff meetings and/or meetings with sub-consultants.
- Mileage expense for purchase of items, where the direct project related item was purchased was not the sole reason for the trip.
- Carrying cases for cell phones or computers.
- Items that could be used on more than one project.

2. Telephone Calls
Telephone calls should be made in the most economical method possible. Claims for phone call require a statement of the date, person called, phone number, and business reason for the call.

Personal phone calls are not reimbursable.
5. Travel Expense Statements

1. Reimbursement
   A travel expense statement must be prepared and submitted with the appropriate supporting documents. Expenses should be itemized chronologically according to the nature and type of travel expense (i.e. airfare, hotel, meals, etc.). The completed and supported travel expense statement should be submitted in the next billing cycle closest to the actual expense.
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 E-20: WURZBACH PARKWAY PROJECT – SEGMENT 1

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to S.J. Louis Construction of Texas, Ltd., a local, non-SMWVB contractor, in an amount not to exceed $26,961,646.89 in connection with E-20: Wurzbach Parkway Project – Segment 1 (the “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 “System”), the United States of America, and the State of Texas that was lodged in the United States District Court for the Western District of Texas on July 23, 2013.

- The Project is associated with a capacity constraint that causes Sanitary Sewer Overflows (SSOs) in the vicinity of Northeast Entrance Road at the San Antonio International Airport. The SSOs are currently being addressed under most flow conditions via a long term, temporary bypass currently crossing under Wetmore Road and Union Pacific Right of Way. Completion of the Project will allow for removal of that temporary bypass.

- The Project will replace and upsize approximately 2.2 miles of existing 36 and 42-inch gravity sewer main with 54-inch gravity sewer main and eliminate one siphon. The sewer mains are in the Eastern Sewershed along Salado Creek. The project extends from a point just south of Nacogdoches Road running north along a route east of Towne Lake neighborhood to Wurzbach Parkway, proceeding west along Wurzbach Parkway to a point near the Northeast Entrance Road.

- Competitive Sealed Proposal (CSP) procurement method was used to select the construction contractor. This method allows selection of a contractor based on proposals that offer the “best value” to the System. Best value is determined by score and ranked by weighted criteria published in the solicitation. S.J. Louis Construction of Texas, Ltd. submitted the best value proposal for $26,961,646.89.

Staff recommends that the Board approve this resolution.
**Financial Impact:**

The Project Fund will finance this expenditure included in the CY 2019 Capital Improvement Program. This work is included in the Wastewater Core Business, Main Replacement – Sewer budget line item. The amount is $26,961,646.89 for wastewater related construction work. The job number is 16-4507.

**Supplementary Comments:**

Kimley-Horn and Associates, Inc. prepared the plans and specifications for this project under their professional services contract. The engineer’s estimated construction cost was $22,660,000.00.

Competitive sealed proposals were received on May 15, 2019 at 10:00 AM. S.J. Louis Construction of Texas, Ltd. provided the best value to the System based on the following criteria and weighting:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Team Qualifications and Experience</td>
<td>20%</td>
</tr>
<tr>
<td>Quality, Reputation, and Ability to Deliver Projects on Schedule and within Budget</td>
<td>25%</td>
</tr>
<tr>
<td>Project Approach (including Delivery Schedule)</td>
<td>15%</td>
</tr>
<tr>
<td>Price</td>
<td>30%</td>
</tr>
<tr>
<td>SMWVB Participation</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></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 $22,660,000.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>S.J. Louis Construction of Texas, Ltd* $26,961,646.89</td>
<td>Local/Non-SMWVB</td>
<td></td>
</tr>
<tr>
<td>Oscar Renda Contracting, Inc. $28,385,539.50</td>
<td>Non-Local/Non-SMWVB</td>
<td></td>
</tr>
<tr>
<td>BRH-Garver Construction, LP $38,736,149.00</td>
<td>Non-Local/Non-SMWVB</td>
<td></td>
</tr>
</tbody>
</table>

*Best Value Proposal

The price proposal represents a 19 percent increase from the estimated construction cost. This contract provides 630 days for construction completion.
Additionally, the overall SMWVB analysis is shown in the following table:

<table>
<thead>
<tr>
<th>S. J. Louis Construction of Texas, Ltd.</th>
<th>S.M.W.V.B Analysis – Board Award</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SBE</td>
</tr>
<tr>
<td></td>
<td>MBE – African American</td>
</tr>
<tr>
<td></td>
<td>MBE – Asian</td>
</tr>
<tr>
<td></td>
<td>MBE – Hispanic</td>
</tr>
<tr>
<td></td>
<td>MBE – Other</td>
</tr>
<tr>
<td></td>
<td>WBE – Minority</td>
</tr>
<tr>
<td></td>
<td>WBE – Non–Minority</td>
</tr>
<tr>
<td></td>
<td>S.M.W.V.B Total</td>
</tr>
</tbody>
</table>

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

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

Robert R. Puente  
President/Chief Executive Officer

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

LEGEND
★ PROJECT SITE
EDWARDS AQUIFER RECHARGE ZONE

E-20: WURZBACH PARKWAY PROJECT
SEGMENT 1
SAN ANTONIO WATER SYSTEM
PROJECT SITE MAP
ATTACHMENT II

E-20: WURZBACH PARKWAY PROJECT
SEGMENT 1

LEGEND
- PROJECT LIMITS
RESOLUTION NO.

OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES AWARDING A CONSTRUCTION CONTRACT TO S.J. LOUIS CONSTRUCTION OF TEXAS, LTD. IN AN AMOUNT NOT TO EXCEED $26,961,646.89 IN CONNECTION WITH THE E-20: WURZBACH PARKWAY PROJECT – SEGMENT 1; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $26,961,646.89 FROM THE PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSTRUCTION CONTRACT WITH S.J. LOUIS CONSTRUCTION OF TEXAS, LTD., AND TO PAY S.J. LOUIS CONSTRUCTION OF TEXAS, LTD. AN AMOUNT NOT TO EXCEED $26,961,646.89 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 replace sewer mains in need of upsizing based on capacity; and

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

WHEREAS, S.J. Louis Construction of Texas, Ltd., a local, non-SMWVB contractor, has submitted a price proposal in the amount of $26,961,646.89 for the project work and this proponent has been determined to be the most qualified; and

WHEREAS, System funds in an amount not to exceed $26,961,646.89 are required for the project work; and

WHEREAS, the total amount of $26,961,646.89 is available from the Project Fund for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a construction contract to S.J. Louis Construction of Texas, Ltd. in an amount not to exceed $26,961,646.89 in connection with the E-20: Wurzbach Parkway Project – Segment 1, (ii) to approve the expenditure of funds and make available an amount not to exceed $26,961,646.89 from the 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 S.J. Louis...
Construction of Texas, Ltd., and to pay S.J. Louis Construction of Texas, Ltd. an amount not to exceed $26,961,646.89 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 $26,961,646.89 is hereby awarded to S.J. Louis Construction of Texas, Ltd., who is determined to be the most qualified that submitted the best value proposal, in connection with the E-20: Wurzbach Parkway Project – Segment 1.

2. That the expenditure of funds in an amount not to exceed $26,961,646.89 for the project work is hereby approved and made available from the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with S.J. Louis Construction of Texas, Ltd., and to pay S.J. Louis Construction of Texas, Ltd. an amount not to exceed $26,961,646.89 in connection with the E-20: Wurzbach Parkway Project – Segment 1.

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

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

6. This resolution becomes effective immediately upon its passage.

PASSED AND APPROVED this 2nd day of July, 2019.

______________________________
Berto Guerra, Jr., Chairman

ATTEST:

______________________________
Amy Hardberger, 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 LIFT STATION 251 ELIMINATION PROJECT

Board Action Date: July 2, 2019

SUMMARY AND RECOMMENDATION:

The attached resolution awards a construction contract to D Guerra Construction, LLC, a local, MBE-Hispanic contractor, in an amount not to exceed $3,435,378.28 in connection with the Lift Station 251 Elimination 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 “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.

- Lift Station 251 is being eliminated due to capacity issues that have contributed to sanitary sewer overflows.

- This project will eliminate the lift station and install approximately 1.1 miles of 18 and 24-inch gravity sanitary sewer main along Covel Road and the western boundary of the Solana Ridge and the Vistas of Carmona Hills subdivisions.

- This project is a continuation of a larger plan that eliminates three lift stations 251, 267 and 225 via extension of a gravity collection system that reroutes flows to the Medina River Sewer Outfall (MRSO). This will also reduce operational and maintenance costs associated with upkeep of the lift stations and eliminates the potential for sanitary sewer overflows due to lift station failures.

- D Guerra Construction has submitted the lowest responsible bid of $3,435,378.28.

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

The Project Fund will finance this expenditure included in the CY 2019 Capital Improvement Program. This project is included in the Wastewater Core Business budget line item. The amount is $3,435,378.28 for wastewater related construction work. The job number is 17-2503.

SUPPLEMENTARY COMMENTS:

Ford Engineering Inc. prepared the bid proposal and specifications for the project. The engineer’s estimated construction cost was $4,042,297.97.

A bid opening was held on May 31, 2019, 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>D Guerra Construction, LLC*</td>
<td>$3,435,378.28</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>Harper Brothers Construction, LLC</td>
<td>$3,549,631.98</td>
<td>Non-Local/Non-SMWVB</td>
</tr>
<tr>
<td>Wauters Engineering, Inc.</td>
<td>$3,684,583.88</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Pesado Construction Company</td>
<td>$3,794,439.45</td>
<td>Local/SBE</td>
</tr>
<tr>
<td>Qro Mex Construction Co., Inc.</td>
<td>$3,866,171.26</td>
<td>Local/MBE-Hispanic</td>
</tr>
<tr>
<td>S.J. Louis Construction of Texas, Ltd.</td>
<td>$3,941,561.67</td>
<td>Local/Non-SMWVB</td>
</tr>
<tr>
<td>*Engineer’s Estimate</td>
<td>$4,042,297.97</td>
<td></td>
</tr>
</tbody>
</table>

*Lowest Responsible Bidder

The bid amount represents a 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>Lift Station 251 Elimination Project</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>D Guerra Construction, LLC</td>
<td></td>
</tr>
<tr>
<td>SMWVB Analysis – Board Award</td>
<td></td>
</tr>
<tr>
<td>SBE</td>
<td>3.49%</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>91.88%</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>SMWVB Total</strong></td>
<td><strong>95.37%</strong></td>
</tr>
</tbody>
</table>
Award of Construction Contract
Lift Station 251 Elimination Project

Gail A. 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 D GUERRA CONSTRUCTION, LLC IN AN AMOUNT NOT TO EXCEED $3,435,378.28 IN CONNECTION WITH THE LIFT STATION 251 ELIMINATION PROJECT; APPROVING THE EXPENDITURE OF FUNDS AND MAKING AVAILABLE AN AMOUNT NOT TO EXCEED $3,435,378.28 FROM THE PROJECT FUND FOR THE PROJECT WORK; AUTHORIZING THE PRESIDENT/CHIEF EXECUTIVE OFFICER OR HIS DULY APPOINTED DESIGNEE TO EXECUTE A CONSTRUCTION CONTRACT WITH D GUERRA CONSTRUCTION, LLC, AND TO PAY D GUERRA CONSTRUCTION, LLC AN AMOUNT NOT TO EXCEED $3,435,378.28 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 eliminate the lift station and install approximately 1.1 miles of 18 and 24-inch gravity sanitary sewer main along Covel Road and the western boundary of the Solana Ridge and The Vistas of Carmona Hills subdivisions; and

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

WHEREAS, D Guerra Construction, LLC, a local, MBE-Hispanic contractor, has submitted a bid of $3,435,378.28 for the project work and has been determined to be the lowest responsible bidder; and

WHEREAS, System funds in the amount of $3,435,378.28 are required for the project work; and

WHEREAS, the total amount of $3,435,378.28 is available from the Project Fund for the project work; and

WHEREAS, the San Antonio Water System Board of Trustees desires (i) to award a construction contract to D Guerra Construction, LLC in an amount not to exceed $3,435,378.28 in connection with the Lift Station 251 Elimination Project, (ii) to approve the expenditure of funds and make available an amount not to exceed $3,435,378.28 from the Project Fund, and (iii) to authorize the President/Chief Executive Officer or his duly appointed designee to execute a construction contract with D Guerra Construction, LLC, and to pay D Guerra Construction, LLC
an amount not to exceed $3,435,378.28 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 $3,435,378.28 is hereby awarded to D Guerra Construction, LLC, who is determined to be the lowest responsible bidder, in connection with the Lift Station 251 Elimination Project.

2. That the expenditure of funds in an amount not to exceed $3,435,378.28 for the project work is hereby approved and made available from the Project Fund.

3. That the President/Chief Executive Officer or his duly appointed designee is hereby authorized to execute a construction contract with D Guerra Construction, LLC, and to pay D Guerra Construction, LLC an amount not to exceed $3,435,378.28 in connection with the Lift Station 251 Elimination 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 2\textsuperscript{nd} day of July, 2019.

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Berto Guerra, Jr., Chairman

ATTEST:

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Amy Hardberger, Secretary