

**NOTICE OF SPECIAL MEETING OF THE BOARD OF DIRECTORS
OF BEXAR METROPOLITAN WATER DISTRICT
2047 W. MALONE, SAN ANTONIO, TEXAS 78225
P.O. BOX 345994, SAN ANTONIO, TEXAS 78224**

FEBRUARY 18, 2005

In accordance with Chapter 551 of the Texas Government Code, Vernon's Annotated Civil Statutes, Section 31, notice is hereby given to the public that the Board of Directors of the BEXAR METROPOLITAN WATER DISTRICT shall have a Special Board of Directors Meeting at 9:00 a.m. on the 18th day of February 2005 in the Board Room of the Bexar Metropolitan Water District, 2047 W. Malone, San Antonio, Texas.

The District provides unrestricted access for the disabled.

AGENDA

1. Meeting called to Order.
2. Presentation of the supplemental audit/agreed upon protocol engagement by Garza, Gonzales & Associates.
3. Executive Session - §551.074 Personnel Matters
 - a. Discussion regarding the discipline, and/or dismissal of the General Manager, Thomas C. Moreno and re-assignment of duties as necessary.
4. The Board will reconvene in open session and take ACTION regarding discussions during Executive Session.
5. Consideration and action regarding attorneys and attorney's fees:
 - a. Instruct Chief Financial Officer, F. Gil Olivares to refrain from paying all outstanding legal bills until these same bills are presented to Board of Directors for review and approval;
 - b. Direct the law firm of West & West to refrain from attending board meetings and to refrain from continuing any further legal work on behalf of the District.
 - c. Direct the Law Office of Louis Rosenberg to refrain from attending board meetings and to limit any further legal work on behalf of the District to that which is necessary to protect the interest of the District and obtain pre-approval for these services from F. Gilbert Olivares, as directed by the Board.
 - d. Direct Chief Financial Officer, F. Gil Olivares to hire special counsel subject to ratification for the interim period until legal counsel is formally retained.

- e. Instructing Chief Financial Officer, F. Gil Olivares to prepare a plan for an In-House Legal Department, including a Chief In House Counsel and support staff; and
- 6. Discussion and appropriate action regarding Bexar Metropolitan Water District's Legislative Agenda for the 79th Session of the Texas Legislature and other legislative issues, to include:
 - a. Placing a cap on the combined lobbyist fees during the 79th Session of the Texas Legislative session
 - b. Status report by lobbyist(s), including specific legislative issues and bills affecting Bexar Metropolitan Water District; and
 - c. Instruct lobbyists to provide monthly reports to include a breakdown of issues and bills, identification of which lobbyist is assigned to which specific issue or bill, and time spent on each specific issue or bill, by each Lobbyist.

The Bexar Metropolitan Board of Directors reserves the right to adjourn into Executive Session at any time to discuss any of the matters listed herein, as authorized by Chapter 551, Texas Government Code, Vernon's Civil Statutes, Subchapter D, as it pertains to private consultation with the Board's attorneys (§551.071); deliberation about Real Property (§551.072); deliberations about Gifts and Donations (§551.073); as it pertains to Personnel (§551.074); deliberations about Security Devices (§551.076); and Economic Development (§551.086). EXECUTIVE SESSION ITEMS MAY BE DISCUSSED AND ACTED UPON, IF APPROPRIATE IN OPEN SESSION.

Approved this 14th day of February, 2005.
