

**MINUTES**  
**BEXAR METROPOLITAN WATER DISTRICT**  
**SPECIAL BOARD MEETING**  
**2047 W. MALONE, SAN ANTONIO, TEXAS 78225**  
**P.O. BOX 245994, SAN ANTONIO, TEXAS 78224**  
**October 24, 2006**

In accordance with Chapter 551 of the Texas Government Code, Vernon's Annotated Civil Statutes, Section 31, the Board of Directors for the BEXAR METROPOLITAN WATER DISTRICT held a **Special Board of Directors Meeting at 5:00 p.m. on the 24<sup>th</sup> day of October, 2006**, in the Board Room of Bexar Metropolitan Water District, 2047 W. Malone, San Antonio, Texas.

---

**BOARD MEMBERS PRESENT:** Victor Villarreal; Lesley Wenger; Jim Clement; Robert Morin; David Sosa; Jose Gallegos Jr.

**BOARD MEMBERS ABSENT:** James Fenimore

**STAFF MEMBERS PRESENT:** Gilbert Olivares; Adolfo Ruiz; Miyoung Squire; Mike Albach; Helen Casias; Phil Hopkins; Nathan Riggs; Monique Quitugua; Diana Sanchez; Marty Martinez; Laura Stryjewski.

**CONSULTANTS PRESENT:** William McKamie & Jacob Limon (McKamie Law); TJ Connolly, Matt McReynolds & Erin Klingensmith (Connolly & Company)

**GUESTS PRESENT:** Buck Benson (Earl & Asscts); Charles Turner (Terramark); Joan Spears (J. Spears Realty); Ric Bunger (MMS); Carmen Gonzales and Rolando Gonzales (Stone Crest HOA); Fred Magee (RHNA); Bob Graham (AHNA); John McFarland; Gil Perez; Lee Niles (Pape-Dawson); Chris Powers (SAWS); Dina Villarreal.

**PRESS PRESENT:** Jerry Needham (*Express-News*); V.M. and Keyhla Calderon (*KWZX, Univision*); R. Noriega (*Telemundo*); Karen Grace, Wes Sewell and Patty Norman (*KENS-TV 5*); Johnny Garcia and Tim Gerber (*KSAT-12*); Russ Pyne (*WOAI*); Stephanie Rivas and Jack Greene (*KABB*).

---

**MINUTES**

The open session of this meeting was tape recorded. These minutes are a summary record of the Board's actions at the meeting. For a detailed record of discussions and statements made by persons speaking at the meeting, please consult the audio files at the District's office.

**Item 1.**

Mr. Villarreal called the meeting to order at 5:00 p.m.

Upon a motion by Ms. Wenger, seconded by Mr. Clement and passed without opposition, the Board adjourned to Executive Session at 5:01p.m.

**Item 3. Reconvene Open Meeting.**

The Board reconvened in Open Session at 6:09pm and took the following actions per discussion in Executive Session.

**Item 5. Redistricting Plan.**

Ms. Wenger moved to approve BexarMet's 2006-B Redistricting Plan, as reached in Mediation on October 19, 2006.

The motion was seconded by Mr. Sosa.

Mr. Villarreal asked to amend the motion to add that public hearings will be held. Ms. Wenger accepted the amendment.

Mr. Villarreal asked Mr. McKamie, BexarMet's Redistricting attorney, to describe the Plan and requested the lights be dimmed so that the Board and the audience could view the power point presentation.

Mr. McKamie presented the map and explained that it was produced as a result of the mediated settlement in the case of Rios vs. BexarMet. He reminded the Board that we were under a court order to delay the November 7, 2006 election of three Board members to May 12, 2007 and to engage in the mediation which was held last Thursday and which produced an agreement in principal on revisions to our previous submission to the Department of Justice (DOJ). The primary goal was to meet the one-man-one-vote requirement of the U.S. Constitution. Secondly we agreed to maintain Hispanic majority voting districts in five of the seven single-member districts, which included maintaining certain percentages of Hispanic voting age population in those districts. The displayed map accomplishes those goals. The Plan, which was just completed yesterday, was presented to the plaintiff for review and analysis and plaintiff's attorney has informed us that they will support preclearance of this Plan.

He advised the Board that if the Plan is approved tonight it will be submitted to Justice by Friday, in accordance with Judge Garcia's deadline, and then the 60-day period will begin during which we will be prepared to answer questions and provide any additional information DOJ may require.

Mr. Villarreal noted that copies of the plan were available, for the public, at the front desk. Mr. McKamie then proceeded to the next slide with the breakdown of each district, based on the 2000 Census, along with the racial makeup by overall population and by voting age. He emphasized that the most important numbers were at the bottom, where the deviation is indicated. This had been a concern of the Board since last year, prompting the strong action this past January. To protect the Constitutional strength of all BexarMet voters, deviation between all seven districts should not exceed 10 percent. The highest deviation in the new

Plan is in District 4 at plus 4.80%, and the smallest is in District 6 at minus 0.20%—added all together we get a deviation of about six percent—well under the ten percent goal.

Mr. McKamie said he appreciated that the motion now pending before the Board included requests that public hearings be held. He pointed out that in this compressed time frame there has been virtually no opportunity to educate the public or to invite their input. However a lot of effort was made in that aspect this Spring, with regard to the Plan of which this Plan is a revision. He recommended that the Board continue with the public education because it also serves to energize the electorate for the May election and to attract candidates. It is hoped that this Plan will survive the scrutiny of DOJ and produce the possibility of a series of stable elections for BexarMet. He asked if there were any questions.

Mr. Gallegos said he was disappointed that we had to have a redistricting, but that the mediation and the work that went into it speaks well to our intent. He was sorry that the last attempt did not include a lot of public input, and now we are taking this to the public, again, after the fact. He asked if the 60-day period mentioned by Mr. McKamie allows for community input and/or comments. Mr. McKamie replied that during that period, DOJ will seek information, on their own, from the community. However the Board may begin to solicit that input at any time--all the way up to the election.

Ms. Wenger stated that contrary to Mr. Gallegos' statement, we had an extraordinary amount of input in the last Redistricting Plan—nothing like it had ever been done before by BexarMet. We had a noticed public hearing the night the Plan was approved, plus eleven separate, well-attended homeowner association meetings throughout the seven districts, all of which were publicized in advance and posted on our website. We listened to people, and everyone seemed to like the Plan.

Mr. Villarreal said he wanted to thank Mr. McKamie and the Redistricting Committee on the strenuous and tedious task involving a complicated issue that very few people comprehend, and which most people want to avoid.

Ms. Wenger said she would like the record to indicate our thanks to the mediator, Michael Morrison, without whom we could not have accomplished what we have before us tonight.. Mr. McKamie concurred.

Mr. Villarreal noted the motion had been made and seconded and called for the vote.

Motion carried unanimously

**Item 6. Emergency Resolution to Avert a Crisis in the Hill Country System, Timberwood Park and the Area South of 1604.**

Mr. Olivares pointed out that since this was a Special Call Meeting, no **Citizens to be Heard** was scheduled on the Agenda. However a couple of people had signed up to speak and the sign-up sheets had mistakenly been given to him, rather than to the President. Mr. Villarreal asked if the Board objected to hearing from citizens.

Mr. Sosa asked if the citizens were from the community we were about to discuss. Mr. Olivares said they were, and Mr. Sosa said he had no objection.

Ms. Wenger said she had inquired about citizens when the Board reconvened since they might want to comment on the Redistricting and she asked that they be allowed to speak.

Mr. Gallegos questioned past precedent where he claimed citizens had not been able to speak at Special Call meetings. Mr. Ruiz said that may have been true, but that it was a matter within the Board's discretion. Mr. Villarreal said that since there was no objection from the Board, he would call upon the citizens to speak on either of the two Agenda items.

Roland Gonzalez identified himself as the President of the Stonecrest at Lookout Canyon HOA in District 6. He noted his community is in Stone Oak, adjacent to Timberwood Park. Residents have been experiencing severe water pressure problems which, among other things causes water softeners to break down. Stonecrest is downhill from a large apartment complex currently under construction at 281 and Overlook Parkway, where a mega church also is being planned. It is expected that the completion of these projects will exacerbate the current water pressure problems. Mr. Gonzalez inquired about a planned water tank and pumping station at Overlook Parkway and requested that, within the Emergency Resolution, the Board consider moving up the timeframe for the construction of said water tank if it will relieve the pressure problems currently being experienced.

Fred Magee, representing the Rainbow Hills Neighborhood Association, currently in District 6 in the Northwest sector, asked for details on the new Redistricting Plan, so they can understand where they're being moved. It appears that District 2, which they had understood they were being moved into, is now intermingled with District 3, so there is no clear Northwest district. He was upset at the lack of public input, and said this matter should at least have been included in the water bills, so that affected residents would have known what was being proposed. He also complained that the numbers that were shown on the screen were not included in the handout, so it was difficult to understand how the one-person-one-vote issue was being addressed, and he suggested the figures be overlaid on the map so people could understand what is being done.

Mr. Villarreal read Item 6: A Resolution to avert the emerging crisis in BexarMet's Hill Country, Timberwood Park and Southernmost service areas and to direct staff to proceed with all prudent and lawful action to expedite construction of facilities and infrastructure required for continuous and adequate water service.

Mr. Clement moved to approve and Ms. Wenger seconded the motion.

Mr. Olivares explained that the drought conditions we experienced this past summer were far worse than anyone had expected. To avert a continuation of problems for the coming summer, we have a capital improvement plan. The problems in the areas described--which includes Stone Oak--have been identified and they require immediate attention. The normal process of hiring engineering firms and contractors to design the infrastructure and lay the pipes and storage facilities, would take many months. But under certain circumstances, Section 49.213J of the Water Code, allows for bypass of the usual competitive bidding system, in order to shorten the timeframe in emergency conditions.

He explained that the Board is therefore being asked to pass the Resolution that identifies the emergency condition and authorizes staff to proceed accordingly. The contracts will all be for

a limited period and are subject to Board review and approval. The engineering firms we intend to use have already been approved by the Board some time ago, under the procurement process for professional services. Staff will now go out and solicit bids from contractors using criteria that will include the timeframe. In addition we will require additional equipment which, in some cases, such as pumps, requires lead time, as they must be built to exact specifications.

We intend to approach TCEQ immediately to ask for their cooperation in fast-tracking their review period which is normally 120 days.

Ms. Wenger asked if the fact that we had already identified the engineering firms means they are cleared to move ahead with the design phase with no wait period. Mr. Olivares concurred. Ms. Wenger added that since we were putting additional pressure on staff, the Board must also be prepared to have Special Call Meetings whenever necessary, to approve contracts. Mr. Olivares concurred again.

Mr. Sosa inquired how soon we would be contacting TCEQ and Mr. Olivares responded contact would occur within the next few days, to advise them of the specific projects coming down the pike. He emphasized that our contacts at TCEQ are already aware of the situation and the sense of urgency. However, he noted, TCEQ is an agency with statewide authority which reviews projects throughout the state, with hundreds of utilities submitting plans at any given time. We are hopeful that the emergency nature of our situation, which has never before been declared by BexarMet, will serve to shorten the review process to 60 days, at which point we would be ready to go. We will be in constant communication with TCEQ, but keep in mind that each project is different. Mr. Sosa asked how many days of construction time we were looking at and Mr. Olivares said at least one hundred.

Mr. Morin said it was his impression that the crisis existed before tonight. He wondered why, if this declaration of an emergency would shorten the bidding and review process, we had not thought of it previously. Mr. Olivares said Mr. Morin was correct in that we had experienced a crisis this summer, as a result of which we identified the necessary capital projects to prevent a recurrence. We now know where we need additional wells and infrastructure for those wells. Everything we do must be done within budget. We are now at the point financially where we can do that and further we have completed some financial fixes to assure that if we need to borrow money, we can do so at a better rate. We cannot continue addressing problems as they come up—because they will come up. In order to meet our goals we need to condense the timeframe so that by next May we will be totally self-sufficient. Mr. Morin inquired about the projected cost of the planned projects and Mr. Olivares said it was about \$10 million.

Ms. Wenger stated she would like to clarify some points, since she had proposed the Emergency Resolution because we were experiencing some glitches in proceeding on projects we had already voted on. She emphasized we are not starting from scratch and there should be no assumption that we did not know we had a crisis—we were acting on it. All of the properties identified have already been approved. One of the reasons we had a crisis was that we had some problems with existing wells, which were corrected, but we did not have backup wells. We have to have enough water to serve our customers whether or not we have well problems, and any water utility that utilizes groundwater is likely, under certain circumstances, to experience some well problems--particularly in a severe drought.

Mr. Gallegos stated that he did not feel we were taking a proactive approach by circumventing procedures because of special needs in special parts of the district. He was concerned that the \$50/month ratepayers were being asked to fund the \$10 million projects. Further he was concerned that we were suggesting we have a crisis when people in the poorer districts have been living in a crisis for years, but now we have an emergency situation, and he didn't think it was fair and didn't see the need to move so quickly, especially when the Pay Station, which has also been in the works for some time, is nowhere near completion.

Mr. Clement objected to the diatribe, pointing out that he represents one of the poorest districts in the State and they are awfully glad to have nice, clean water. Finally the neglect of the past 50 years is being addressed. We need to face the fact that this county is expanding and a lot of that expansion is occurring in the deep Southside. He rejected the suggestion that we should slow down. We now have the resources to fix our problems, monies are allocated for every district in BexarMet, and ratepayers are saying that we are not working fast enough.

Ms. Wenger called for the vote.

**AYES:** Villarreal, Wenger, Clement, Sosa

**NAYS:** Gallegos, Morin

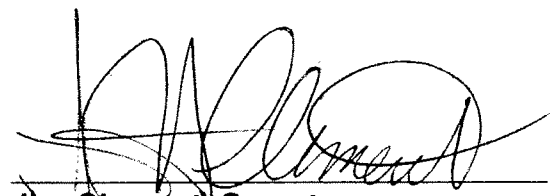
Motion carried.

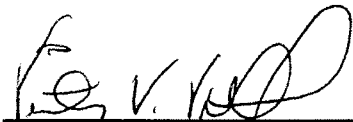
**Item 7. Adjournment.**

Ms Wenger moved to adjourn. Motion was seconded by Mr. Clement.

Motion carried. The meeting was adjourned at 7:17 p.m.

Minutes approved this 27 day of November, 2006.

  
\_\_\_\_\_  
**Jim Clement, Secretary  
BexarMet Water District**

  
\_\_\_\_\_  
**Victor V. Villarreal, President  
BexarMet Water District**