

**MINUTES  
BEXAR METROPOLITAN WATER DISTRICT  
REGULAR BOARD MEETING**

**2047 W. MALONE, SAN ANTONIO, TEXAS 78225  
P.O. BOX 245994, SAN ANTONIO, TEXAS 78224  
June 30, 2008**

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 **Regular Board of Directors Meeting at 4:00 p.m. on the 30th day of June 2008**, in the Board Room of Bexar Metropolitan Water District, 2047 W. Malone, San Antonio, Texas 78225.

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**BOARD MEMBERS PRESENT:** Victor Villarreal, Jim Clement, Debra Eaton, Blanche Atkinson, Jose Gallegos, Andy Carr and Lesley Wenger.

Ms. Eaton departed the meeting at 7:43 PM.

**STAFF MEMBERS PRESENT:** F. Gilbert Olivares; Adolfo Ruiz; Edna Wigfall Crute; Caryn Geller, Phil Hopkins; Andrew Vasquez; Helen Saldivar; Jesse Morin; Humberto Ramos; Mike Thuss; Roger Placencia; Valerie Dorado; Mike Lopez; Israel Guerra; Deena Borden; Juan Lozano; Laura Soto; Nathan Riggs; Rosie Castillo; and Angelita Vasquez.

**GUESTS PRESENT:** Dina Villarreal (Resident); Susan Butler; Heather Himmelberger (NMEFC); Shirley Buckhanan; Robert Zeiser (Standard Insurance Company); Dan Cummings (TG & C Financial Group); Ples D. Walker (H.N.A.); Hank Waggy (Jacobs Carter and Burgess); Joseph R. Thaxton (United Water); Chris Powers (SAWS); Melissa Dozier; Ileana Barboza; Angelica Martinez (SAO); Bobby Perez; Paul Barkhurst (OBHT); Tim McCullom (HPhOA); David Mcbeth; Steve Walden (SWC-NMTEFC); Anita Starks (Search Associates); Felix Bernal (Klotz Associates); Lee Niles (Pape-Dawson); Michael Albach (Laguna Water); Bobby Maldonado (Attorney) and Humberto Ramirez (Resident).

**PRESS PRESENT:** Jerry Needham (Express News).

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**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 4:00 p.m.

**Item 2. Executive Session.**

Upon motion by Mr. Clement and seconded by Ms. Atkinson, the Board adjourned into Executive Session at 4:01 p.m.

**Item 3. Open Session.**

The Board reconvened in Open Session at 6:02 p.m. and took the following actions per discussion in Executive Session.

**Item 6. Announcements.**

Mr. Adolfo Ruiz introduced BexarMets Associate Attorney, Ms. Deena Borden.

**Executive Items:**

**Item 2c. To authorize the General Manager to negotiate a purchase and Sale Agreement with SJWTX Water Inc., for the sale of the Comal County Water System and/or the Medina County Water System as per the terms discussed in Executive Session and to bring a negotiated agreement back to the Board for approval.**

Ms. Wenger moved to authorize the General Manager to finalize a purchase and Sale Agreement with SJWTX Water Inc., for the sale of the Comal County Water System and/or the Medina County Water System as per the final offer outlined in Executive Session and to bring the agreement back to the Board for approval. Mr. Clement seconded the motion.

Motion carried unanimously.

**Item 8. Requests by interested citizens to address the Board.**

Mr. Humberto Ramirez addressed the Board in regards to the campaigning of a candidate for BexarMet.

Mr. Ples D. Walker addressed the Board in regards to Item #9, To approve a Resolution regarding BexarMet employees' participation in campaigns of candidates for BexarMet Board of Directors.

Ms. Lisa M. Pfeiffer addressed the Board in regards to repair and clean up issues for BexarMet Water District.

**ACTION ITEMS:**

**THE BOARD WILL BE ASKED TO CONSIDER AND TAKE ACTION:**

**ITEMS FOR INDIVIDUAL CONSIDERATION:**

**Item 9. To approve a Resolution regarding BexarMet employees' participation in campaigns of candidates for BexarMet Board of Directors.**

Ms. Wenger moved to approve a Resolution regarding BexarMet employees' participation in campaigns of candidates for BexarMet Board of Directors. Mr. Gallegos seconded the motion.

**Ayes:** Wenger, Gallegos, Carr  
**Nays:** Villarreal, Clement, Atkinson.  
**Abstained:** Eaton  
Motion did not carry.

**Item 10. To authorize the General Manager to negotiate a Lease Agreement with Steves & Sons, Inc., regarding an approximate three (3) acre tract of the Malone property and to bring back a negotiated agreement for Board approval.**

Ms. Wenger moved to table Item 10, to authorize the General Manager to negotiate a Lease Agreement with Steves & Sons, Inc., regarding an approximate three (3) acre tract of the Malone property and to bring back a negotiated agreement for Board approval. Mr. Gallegos seconded the motion.

**Ayes:** Villarreal, Eaton, Clement, Wenger, Gallegos, Carr  
**Abstained:** Atkinson  
Motion tabled.

**Item 11. To approve the retention of a condemnation attorney for the District.**

No action on Item 11.

**Item 12. To adopt a Resolution documenting BexarMet Board of Director's election cycle.**

Mr. Gallegos moved to adopt a Resolution documenting BexarMet Board of Director's election cycle. Ms. Wenger seconded the motion.

**Ayes:** Villarreal, Clement, Atkinson, Gallegos, Wenger, Eaton  
**Nays:** Carr  
Motion carried.

**Item 13. To authorize the General Manager to issue a Request for Qualifications ("RFQ") for Lobbyist Services.**

Mr. Clement moved to authorize the General Manager to issue a Request for Qualifications ("RFQ") for Lobbyist Services. Ms. Atkinson seconded the motion.

**Ayes:** Villarreal, Clement, Atkinson, Carr, Eaton  
**Nays:** Wenger  
**Abstained:** Gallegos  
Motion carried.

**Item 14. To approve an Invoice from Garza/Gonzalez & Associates, for various meetings with the State Auditor's Office and the Oversight Committee in an amount not to exceed \$7,810.00 (Olivares/Vasquez) (Item tabled at the May 28, 2008 Board Meeting).**

Mr. Gallegos moved to approve an Invoice from Garza/Gonzalez & Associates, for various meetings with the State Auditor's Office and the Oversight Committee in an amount not to exceed \$7,810.00. Mr. Villarreal seconded the motion.

Motion carried unanimously.

**Item 15. To approve the freezing of the District's retirement income plan, contract # 502804.**

Mr. Villarreal moved to approve the freezing of the District's retirement income plan, contract # 502804. Ms. Wenger seconded the motion.

**Ayes:** Villarreal, Clement, Atkinson, Eaton, Carr, Wenger  
No vote from Mr. Gallegos.  
Motion carried.

**Item 16. To approve terminating the retirement income plan medical account, contract # 502960.**

Mr. Villarreal moved to approve terminating the retirement income plan medical account, contract # 502960. Ms. Wenger seconded the motion.

**Ayes:** Villarreal, Clement, Atkinson, Eaton, Carr, Wenger  
No vote from Mr. Gallegos.  
Motion carried.

**Item 17. To approve amending the 457 deferred compensation plan, contract # 502920.**

Mr. Villarreal moved to approve amending the 457 deferred compensation plan, contract # 502920. Ms. Wenger seconded the motion.

**Ayes:** Villarreal, Clement, Atkinson, Eaton, Carr, Wenger  
No vote from Mr. Gallegos.  
Motion carried.

Ms. Eaton departed the meeting at 7:43 PM.

**Item 18. To enter into an agreement with Search Associates & Consultants for recruitment of a Chief Engineer.**

Mr. Villarreal moved to enter into an agreement with Search Associates & Consultants for recruitment of a Chief Engineer. Mr. Clement seconded the motion.

**Ayes:** Villarreal, Clement, Atkinson, Carr

**Nays:** Gallegos, Wenger

Motion carried.

**Item 19. To approve additional temporary staff to respond to HB 1565 mandated audits and to amend the Operating Budget by an additional amount of \$50,000.00 to cover said additional costs.**

Mr. Villarreal moved to approve additional temporary staff to respond to HB 1565 mandated audits and to amend the Operating Budget by an additional amount of \$50,000.00 to cover said additional costs. Mr. Clement seconded the motion.

**Ayes:** Villareal, Clement, Atkinson

**Nays:** Wenger, Carr, Gallegos

Motion did not carry.

**Item 20. To approve an amendment to the State Auditor's Office engagement letter for the increased estimated hours and estimated cost for the HB 1565 mandated audit and to amend the Operating Budget by an additional \$150,000.00 to cover said additional costs.**

Ms. Wenger moved to approve an amendment to the State Auditor's Office engagement letter for the increased estimated hours and estimated cost for the HB 1565 mandated audit and to amend the Operating Budget by an additional \$150,000.00 to cover said additional costs. Mr. Villarreal seconded the motion.

Motion carried unanimously.

**ENGINEERING/IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY:**

**Item 21. To authorize the General Manager to negotiate and execute a contract with Holloman Corporation, the lowest bidder for RFP #008149, for construction of electrical equipment for Stein Tract wells (#s190, 191, 193, 194, & 195) for an amount not to exceed \$884,280.00, and to allocate that amount from the Capital Budget (BP-080961) (District 6).**

Mr. Gallegos moved to authorize the General Manager to negotiate and execute a contract with Holloman Corporation, the lowest bidder for RFP #008149, for construction of electrical equipment for Stein Tract wells (#s190, 191, 193, 194, & 195) for an amount not to exceed \$884,280.00, and to allocate that amount from the Capital Budget (BP-080961) (District 6). Mr. Villarreal seconded the motion.

Motion carried unanimously.

**PURCHASE OF EQUIPMENT, MATERIALS AND SUPPLIES:**

**Item 22. To award a contract to Pencco, Inc. the winning bidder for delivery of bulk hydrofluorosilicic acid (fluoride) for an amount not to exceed \$7.03 per gallon (All Districts).**

Mr. Gallegos moved to award a contract to Pencco, Inc. the winning bidder for delivery of bulk hydrofluorosilicic acid (fluoride) for an amount not to exceed \$7.03 per gallon (All Districts). Ms. Atkinson seconded the motion.

**Ayes:** Villarreal, Clement, Atkinson, Gallegos, Carr

**Nays:** Wenger

Motion carried.

**Item 23. To authorize the General Manager to negotiate and execute a contract with Groff Oil, the lowest bidder for IFB #08100, for fuel delivery to the District's Malone facility for the District's fleet, generators, and engines (All Districts).**

Mr. Gallegos moved to authorize the General Manager to negotiate and execute a contract with Groff Oil, the lowest bidder for IFB #08100, for fuel delivery to the District's Malone facility for the District's fleet, generators, and engines (All Districts). Mr. Clement seconded the motion.

Motion carried unanimously.

**24. CONSENT ITEMS:**

**THE BOARD WILL BE ASKED TO CONSIDER AND TAKE ACTION:**

Mr. Clement moved to approve consent items 24 c, d, e, f, g, h, i, j, k, l, m. Mr. Villarreal seconded the motion.

Motion carried unanimously.

Mr. Villarreal moved to approve consent item a. Mr. Clement seconded the motion.

**Ayes:** Villarreal, Clement, Atkinson, Carr

**Nays:** Wenger

**Abstained:** Gallegos

Motion carried.

Mr. Villarreal moved to approve consent item b. Mr. Clement seconded the motion.

**Ayes:** Villarreal, Clement, Atkinson

**Nays:** Wenger, Carr

**Abstained:** Gallegos

Motion carried.

**25. ACTION ITEMS ADMINISTRATION:**

**THE BOARD WILL BE ASKED TO REVIEW AND APPROVE:**

Mr. Clement moved to approve Action Items a and b, the May 28, 2008, Regular Board Minutes and the April 24, 2008, Special Board Minutes. Mr. Villarreal seconded the motion.

**Ayes:** Villarreal, Clement, Atkinson, Gallegos, Carr.

**Nays:** Wenger

Motion carried.

**26. REPORT ITEMS:**

- a. The purchase of materials necessary for store's inventory or for on-going projects for the month of May 2008 (Olivares/Vasquez).  
No Discussion.
- b. The exceptional expenditures and professional fees for the month May 2008 (Olivares/Vasquez).  
No Discussion.
- c. Top 25 Delinquent accounts (Olivares/Vasquez).  
No Discussion.
- d. General Manager's monthly reports (Information only).
  - I. Report on Director Elections for November 2008.  
No Discussion.
  - II. Capital Improvement Advisory Committee Report.  
No Discussion.
  - III. Operations and Engineering monthly report items.  
Mr. Mike Thuss gave a presentation on Operations and Engineering monthly report items.
  - IV. Report on Water Enforcement Activities.  
Mr. Nathan Riggs gave a report on Water Enforcement Activities.
  - V. Theft of water from un-metered fire hydrants.  
Mr. Nathan Riggs and Mr. Marty Martinez gave a report on Theft of water from un-metered fire hydrants.
  - VI. Rounding BexarMet Bills.  
Mr. Andy Vasquez gave a report on Rounding BexarMet Bills.
- e. Professional Services Monthly Reports (Olivares/Ruiz).  
No Discussion.

**Item 27. Date and Time of Next Board Meeting.**

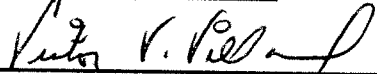
Mr. Villarreal moved to hold the next Regular Board Meeting on Monday, July 28, 2008 at 4:00 p.m. for Executive Session and 6:00 p.m. for Open Session.


**Item 28. Adjournment.**

With no opposition from the Board, the meeting was adjourned at 9:17 p.m.

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Minutes approved this 4 day of August, 2008

  
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Victor V. Villarreal, President  
BexarMet Water District

  
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Blanche Atkinson, Secretary  
BexarMet Water District