

MINUTES
BEXAR METROPOLITAN WATER DISTRICT
2047 W. MALONE, SAN ANTONIO, TEXAS 78225
P.O. BOX 245994, SAN ANTONIO, TEXAS 78224

FINANCE / AUDIT COMMITTEE MEETING
September 23, 2009

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 **Finance / Audit Committee Meeting at 5:15 p.m. on the 23rd day of September 2009**, in Conference Room B of Bexar Metropolitan Water District, 2055 W. Malone, San Antonio, Texas 78225.

COMMITTEE MEMBERS PRESENT: John Shackelford, Debra Eaton; Guadalupe Lopez.

STAFF MEMBERS PRESENT: Jesse Morin; Melissa Killen; Rogelio Placencia; Edward Garza; Gary Lofthouse; Liliana Oranday; Dan Garza; David Rush; Jack Tucker.

GUESTS PRESENT: Rogelio Rodriguez (Frost Bank); Daniel Martinez (Winstead P.C.); Paul Martin (Winstead P.C.).

MINUTES

The meeting was tape recorded. These minutes are a summary record of the Committee's discussions 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. Meeting Called to Order.

The meeting was called to order at 5:15 PM.

Mr. Shackelford suspended the orders of the day and proceeded to Item 3.

Item 3. Receive briefing to authorize the Director of Finance to negotiate and execute a Utility Service Agreement (USA) for the Crossbridge Community Church of San Antonio.

Mr. Tucker presented the utility service agreement to the committee. The Crossbridge Community Church is a 24.6 acre multi-purpose commercial development in the Hill County Service Area (District 6/Timberwood Park) and is projected to utilize up to 98 Equivalent Dwelling Units. This is a direct connection with no impact to the ratepayers and will spread out over 12 years. Mr. Tucker recommended the committee approve the USA.

Item 4. Receive briefing to declare all items on the Surplus Vehicle List as surplus and authorize the Director of Finance to dispose of District-owned property in accordance with Chapter 49 of the Texas Water Code.

Mr. Rush presented the Surplus Vehicle List and asked the committee to consider his request to dispose of this property recently relocated to the Carlisle lot. Ms. Eaton asked for a follow up report on the disposition; Mr. Morin said a report would be provided to the committee on the sale proceeds.

Item 6. Briefing and deliberation regarding negotiating and executing a Purchase and Sale Agreement with Canyon Lake Water Supply Corporation for the sale of the Comal County Water System.

This item was moved to the Executive Session for discussion.

Item 5. Receive briefing on Financial Reports for the month of August 2009.

Mr. Lofthouse presented the financial reports for August 2009 as they will be presented at the upcoming Board of Directors regular board meeting and answered questions from the committee members.

Item 7. Executive Session

The committee adjourned into Executive Session to discuss the Purchase and Sales Agreement with Canyon Lake Water Supply Corporation for the sale of the Comal County Water System.

The committee reconvened in Open Session at 6:15 PM.

Item 2. Receive briefing on the order authorizing the issuance of "Bexar Metropolitan Water District Waterworks System Revenue Refunding Bonds, Series 2009"; approving and authorizing agreements, instruments, and procedures relating thereto; delegating authority to authorized representatives to finalize certain sale items relating to the bonds; and authorizing other matters relating to the foregoing.

To free up our credit line to pay for our Capital Improvement Programs, Mr. Morin explained that the District is re-funding both their Commercial Paper and the 1998 revenue bonds


Rogelio Rodriguez, Financial Analyst from Frost Bank, presented a summary of the District's debt refinancing options, including the Bank of America line of credit with Bank of America.

A trip to New York is scheduled for October 4-7 for discussion and feedback meetings with Fitch, Moody's, Standard & Poor's, and Assure Guarantee (a bond guarantee company). Ms. Killen, Ms. Morin and Mr. Mengden will attend with along with Guadalupe Lopez, President, Debra Eaton, Vice-President and John Shackelford, Treasurer.

Item 8. Adjournment

Mr. Shackelford adjourned the meeting at 6:55PM.

Minutes approved this 21 day of October, 2009



John Shackelford
Chair