

MINUTES
BEXAR METROPOLITAN WATER DISTRICT
REGULAR BOARD MEETING
2047 W. MALONE, SAN ANTONIO, TEXAS 78225
P.O. BOX 245994, SAN ANTONIO, TEXAS 78224
JULY 30, 2007

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 4:30 p.m. on the 30th day of July 30, 2007**, in the Board Room of Bexar Metropolitan Water District, 2047 W. Malone, San Antonio, Texas.

BOARD MEMBERS PRESENT: Victor Villarreal; David Sosa; Jim Clement; Blanche Atkinson; Debra Eaton; Lesley Wenger; Jose Gallegos Jr.

STAFF MEMBERS PRESENT: F. Gilbert Olivares; Adolfo Ruiz, Edna Wigfall Cruté; Serina Rivela; Laura Stryjewski; Karl Kirk; Phil Hopkins; Andrew Vasquez; Liliana Oranday; Nathan Riggs; Helen Casias; Juan Lozano; Steve Sandoval; Janie Carrasco; Angelita Vasquez.

GUESTS PRESENT: Chris Powers (SAWS); Lee Niles (Pape-Dawson); Felix Bernal (Klotz Associates); Joe Thaxton (United Water); Michael Albach (Laguna Water); Erin Klingensmith (Connolly and Company); Buddy Barnes, Mike Persyn (Carter & Burgess); David Davenport (Canyon Regional Authority); Mark Anthony Sanchez, Bryan M. Kerr (Gale, Wilson, and Sanchez); Rolando Rios; Angie Garcia, Romana Pena, Hortencia Marrozos, Lily Dorsey, Annette SanMiguel, Frank SanMiguel, Yolanda Martinez (Lulac); Victor SanMiguel (Brown Beret); Dina Villarreal (Resident); Diane Pfeil (Resident).

PRESS PRESENT: Jaime Castillo, Jerry Needman [*Express News*].

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 4:36 p.m.

Item 2. Executive Session.

Upon motion by Mr. Villarreal the Board adjourned into Executive Session at 4:37 PM.

Item 3. Open Session.

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The Board reconvened in Open Session at 7:22 pm and took the following actions per discussion in Executive Session.

Mr. Gallegos moved to suspend the orders for the day and take up Item 4, citizens to be heard. Mr. Villarreal seconded the motion. Motion carried.

Item 4. Requests by Interested Citizens to Address the Board.

Ms. Angela Garcia addressed the Board with regard to concerns with employee problems.

Mr. Hector Garcia Delgado addressed the Board with regard to his support and gratitude to Mr. Villarreal.

Mr. Johnny Harris addressed the Board with regard to the great work BexarMet is accomplishing in moving forward.

Ms. Lisa Pfeiffer addressed the Board with regards to the importance of the BexarMet Board to work as a team.

Mr. Alfonso Reina addressed the Board with regard to his support of the General Manger, Mr. Gil Olivares and the Board President, Mr. Villarreal.

2a. General litigation matters involving ongoing, pending or contemplated litigation and settlement offers.

Mr. Gallegos moved to authorize the General Manager on behalf of BexarMet Water District to settle the McCall V. Bexar Metropolitan Water District case as per the terms discussed in Executive Session. Mr. Clement seconded the motion.

Motion carried unanimously.

2b. Real Estate Matters.

No Discussion.

2c. Salary Ranges.

Ms. Eaton moved to approve the District's salary, pay wages and titles to include the position of the District of Water Director of Water Resources as presented in Executive Session. Mr. Clement seconded the motion.

Motion carried unanimously.

2d. To consider and approve a resolution approving a bond resolution to be adopted by the Board of trustees of the Canyon Regional Water Authority authorizing the issuance of obligations designated as "Canyon Regional Water authority tax-exempt contract revenue bonds (Wells Ranch Project), series 2007"; approving a water supply contract between the Bexar Metropolitan Water District, Green Valley Special Utility

District, East Central Special Utility District, the city of Cibolo, Texas, the city of Marion, Texas, Crystal Clear Water Supply Corporation, Springs Hill Water Supply Corporation and the Canyon Regional Water Authority; authorizing the president or vice president of the Board of Directors or the General Manager of the Bexar metropolitan Water District to execute on behalf of the Bexar Metropolitan Water District all documents in connection with this transaction; and other matters in connection therewith.

Mr. Clement moved to approve a resolution approving a bond resolution to be adopted by the Board of trustees of the Canyon Regional Water Authority authorizing the issuance of obligations designated as "Canyon Regional Water authority tax-exempt contract revenue bonds (Wells Ranch Project), series 2007"; approving a water supply contract between the Bexar Metropolitan Water District, Green Valley Special Utility District, East Central Special Utility District, the city of Cibolo, Texas, the city of Marion, Texas, Crystal Clear Water Supply Corporation, Springs Hill Water Supply Corporation and the Canyon Regional Water Authority; authorizing the president or vice president of the Board of Directors or the General Manager of the Bexar metropolitan Water District to execute on behalf of the Bexar Metropolitan Water District all documents in connection with this transaction; and other matters in connection therewith. Ms. Atkinson seconded the motion.

Motion carried unanimously.

Ms. Wenger stepped out of the Board room. No vote made by Ms. Wenger.

2e. Extension of General Manager's Contract.

No Discussion.

Item 5. On the acceptance of the resignation of Director David Sosa and the process for appointment of individual to fill the vacant director position for District #2.

Mr. Gallegos moved on the acceptance of the resignation of Director David Sosa. Mr. Clement seconded the motion.

Ayes: Villarreal, Clement, Atkinson, Eaton, Gallegos.
Opposition: Wenger.

Motion carried.

Mr. Gallegos moved to hold an election to fill the unexpired term for representative of District 2 for the Bexar Metropolitan Water District Board in November of 2007. Ms. Wenger seconded the motion.

Motion carried unanimously.

Ms. Wenger moved to petition TCEQ to grant us an extension on the District 2 seat so that we can have an election in November 2007 rather than an appointment. Mr. Clement seconded the motion.

Motion carried unanimously. Ms. Eaton stepped out. No vote from Ms. Eaton.

Item 6. To approve a new designation of the Southcross Paystation to the Bexar Metropolitan Water District ("BexarMet") Customer Service Center.

Mr. Gallegos moved to approve a new designation of the Southcross Paystation to the Bexar Metropolitan Water District ("BexarMet") Customer Service Center. Mr. Villarreal seconded the motion.

Motion carried unanimously.

Item 7. To approve engagement of Rolando L. Rios as an outside counsel.

Mr. Villarreal moved to approve engagement of Rolando L. Rios as an outside counsel. Mr. Gallegos seconded the motion.

Motion Carried unanimously. Mr. Gallegos stepped out. No vote from Mr. Gallegos.

Item 8. To authorize the General Manager to negotiate and execute an Interlocal Agreement with the San Antonio Water System ("SAWS") to allow SAWS to provide temporary water service to a new Toyota dealership (District 2).

Mr. Clement moved to authorize the General Manager to negotiate and execute an Interlocal Agreement with the San Antonio Water System ("SAWS") to allow SAWS to provide temporary water service to a new Toyota dealership (District 2). Ms. Wenger seconded the motion.

Motion carried unanimously.

Item 9. To authorize the General Manager to negotiate and execute an Interlocal Agreement with the San Antonio Water System ("SAWS") for sale of temporary water to SAWS for the Escondido North Subdivision.

Mr. Villarreal moved to authorize the General Manager to negotiate and execute an Interlocal Agreement with the San Antonio Water System ("SAWS") for sale of temporary water to SAWS for the Escondido North Subdivision. Mr. Clement seconded the motion.

Motion carried unanimously.

Item 10. To establish a "Cooperation Initiative" between BexarMet and the San Antonio Water System ("SAWS") to provide water services and resources in a more cost efficient manner to their ratepayers.

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Mr. Gallegos moved with acclamation to establish a "Cooperation Initiative" between BexarMet and the San Antonio Water System ("SAWS") to provide water services and resources in a more cost efficient manner to their ratepayers.

Motion carried unanimously.

Item 11. To authorize the District to enter into a Compliance Agreement with the Texas Commission on Environmental Quality for the Bulverde Hills system PWS# 0460013.

Mr. Clement moved to authorize the District to enter into a Compliance Agreement with the Texas Commission on Environmental Quality for the Bulverde Hills system PWS# 0460013. Mr. Villarreal seconded the motion.

Motion carried unanimously.

Item 12. To authorize the General Manager to approve a change order to Payton Construction for the purchase of an 800 KW generator for use at Stevens Ranch for an amount not to exceed \$142,895.00 from the Capital Budget (BP# 060769) (District 6).

Mr. Villarreal moved to authorize the General Manager to approve a change order to Payton Construction for the purchase of an 800 KW generator for use at Stevens Ranch for an amount not to exceed \$142,895.00 from the Capital Budget (BP# 060769) (District 6). Mr. Clement seconded the motion.

Ayes: Villarreal, Clement, Atkinson, Eaton.
Opposition: Gallegos, Wenger.

Motion carried.

Item 13. To authorize the General Manager to approve a change order to Payton Construction for road improvements at Stevens Ranch for an amount not to exceed \$113,200.00 from the Capital Budget (BP# 060769) (District 6).

Mr. Clement moved to authorize the General Manager to approve a change order to Payton Construction for road improvements at Stevens Ranch for an amount not to exceed \$113,200.00 from the Capital Budget (BP# 060769) (District 6). Mr. Villarreal seconded the motion.

Motion carried unanimously.

Item 14. To authorize the General Manager to approve the CPS cost of service for Stevens Ranch facility #178 for an amount not to exceed \$83,295.00 from the Capital Budget (BP# 070836) (District 6).

Mr. Clement to authorize the General Manager to approve the CPS cost of service for Stevens Ranch facility #178 for an amount not to exceed \$83,295.00 from the Capital Budget (BP# 070836) (District 6). Ms. Atkinson seconded the motion.

Motion carried unanimously.

Mr. Clement moved to suspend the orders of the day and go to Report Item No. 17diii. Ms. Wenger seconded the motion. Report Item No. 17diii.

Mr. Karl Kirk gave an update on the Castle Hills customer complaint process.

Item 15. CONSENT ITEMS:

Mr. Clement moved to approve item 15 a, c, e, f, g, i, j, k, and l. Mr. Villarreal seconded the motion.

Motion carried unanimously.

Mr. Clement moved to approve item 15b. Mr. Gallegos seconded the motion.

Motion carried unanimously.

Mr. Villarreal moved to approve item 15d. Ms. Eaton seconded the motion.

Mr. Gallegos abstained. Motion carried.

Mr. Villarreal moved to approve item 15h.

Mr. Gallegos and Ms. Wenger opposed to the vote. Motion carried.

Item 16. ACTION ITEMS ADMINISTRATION: Board Minutes

Mr. Clement moved to approve the June 25, 2007 Board Minutes. Mr. Villarreal seconded the motion.

Motion carried unanimously.

Item 17. Report Items:

17a. The purchase of materials necessary for store's inventory or for on-going projects for the month of June 2007.

No discussion.

17b. The exceptional expenditures and professional fees for the month June 2007.

No discussion.

17c. Top 25 Delinquent accounts.

Discussion was made in regards to a delinquent bill for Continental Homes and the handling of the bill.

17d. General Manager's monthly reports (Information only).

- i. **Paystation Update.**
Mr. Olivares gave a report on the paystation status.
- ii. **Website.**
Item tabled.
- iii. **Castle Hills Customer Complaint Response.**
- iv. **Austin Trip Travel Expenses (HB 1565).**
Item tabled.

17e. Professional Services Monthly Reports .

Item e. tabled.

Ms. Edna Wigfall Crute announced the first Employee of the Month, Demetiro Teniente.

Item 18. Date and Time of Next Board Meeting.


Mr. Villarreal moved to hold the next Regular Board Meeting on August 27, 2007 at 4:30 p.m. for Executive Session and 6:00 p.m. for Open Session.

Motion carried unanimously.

Item 19. Adjournment.

With no opposition from the Board, the meeting was adjourned at 10:34 p.m.

Minutes approved this 27 day of August, 2007.



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



**Blanche Atkinson, Secretary
BexarMet Water District**