

**MINUTES**  
**BEXAR METROPOLITAN WATER DISTRICT**  
**REGULAR BOARD MEETING**  
**2047 W. MALONE, SAN ANTONIO, TEXAS 78225**  
**P.O. BOX 245994, SAN ANTONIO, TEXAS 78224**  
**November 26, 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 26th day of November 2007**, in the Board Room of Bexar Metropolitan Water District, 2047 W. Malone, San Antonio, Texas.

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

Ms. Wenger departed the meeting at 10:29 PM.

**STAFF MEMBERS PRESENT:** F. Gilbert Olivares; Adolfo Ruiz; Edna Wigfall Crute; Laura Stryjewski; Phil Hopkins; Andrew Vasquez; Jesse Morin; Helen Casias; Nathan Riggs; Scott Oakland; Roger Placencia; Carl Daylong; Laura Soto; Janie Carrasco; James Neal; Angelita Vasquez.

**GUESTS PRESENT:** Joseph Thaxton (United Water); Miriam Cantu, Andrew Cantu; Keith Pyron (CH2MHill); Hank Waggy (Carter & Burgess); Mickey Fishbeck (Rimrock Consulting Company); Lee Niles (Pape Dawson); Mike Lopez (Webhead Group); Cathy Hill (Verity National); Michael Albach (Laguana Water); Chris Powers (SAWS); Frances Corderu; Buck Benson (PBP & C).

**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 4:30 p.m. (Mr. Gallegos and Ms. Eaton not present)

**Item 2. Executive Session.**

Upon motion by Mr. Clement, the Board adjourned into Executive Session at 4:33 p.m.

**Item 3. Open Session.**

The Board reconvened in Open Session at 8:51 p.m. and took the following actions per discussion in Executive Session.

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

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

**Item 2b. To declare as surplus the following BexarMet properties: Straus Medina Ranch, Uptmore Tracts, Kearney Reservoir, Applewhite Road, Malone two (2) acres located in Bexar County, Texas and Cole Farm located in Uvalde County, Texas.**

Mr. Clement moved to declare as surplus the following BexarMet properties: Straus Medina Ranch, Uptmore Tracts, Kearney Reservoir, Applewhite Road, Malone two (2) acres located in Bexar County, Texas and Cole Farm located in Uvalde County, Texas. Mr. Villarreal seconded the motion.

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

**Nays:** Wenger

**Item 2c. To authorize the General Manager and the Real Estate Committee to negotiate a Purchase and Sale Agreement with Galo Inc., for the sale of the Straus Medina Ranch Property to include the Uptmore Tracts in Bexar County, Texas.**

Mr. Clement moved to authorize the General Manager and the Real Estate Committee to negotiate a Purchase and Sale Agreement with Galo Inc., for the sale of the Straus Medina Ranch Property to include the Uptmore Tracts in Bexar County, Texas. Mr. Villarreal seconded the motion.

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

**Nays:** Wenger

**Item 2d. To authorize the General Manager and the Real Estate Committee to negotiate a Purchase and Sale Agreement with Gran Van for the sale of the Kearney Reservoir Property in Bexar County, Texas.**

Mr. Villarreal moved to authorize the General Manager and the Real Estate Committee to negotiate a Purchase and Sale Agreement with Gran Van for the sale of the Kearney Reservoir Property in Bexar County, Texas. Ms. Atkinson seconded the motion.

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

**Nays:**

**Abstained:** Wenger

Motion carried.

**Item 2e. To authorize the General Manager and the Real Estate Committee to negotiate a Purchase and Sale Agreement with Kenneth Cole/Cole Farms and Ranch for the sale of the Cole Farm Property in Uvalde County, Texas.**

Ms. Wenger moved to authorize the General Manager and the Real Estate Committee to negotiate a Purchase and Sale Agreement with Kenneth Cole/Cole Farms and Ranch for the sale of the Cole Farm Property in Uvalde County, Texas. Mr. Gallegos seconded the motion.

Motion carried unanimously.

**Item 2f. To authorize the General Manager and the Real Estate Committee to negotiate a Purchase and Sale Agreement with the City of San Antonio for the sale of the Applewhite Road Property in Bexar County, Texas.**

Ms. Atkinson moved to authorize the General Manager and the Real Estate Committee to negotiate a Purchase and Sale Agreement with the City of San Antonio for the sale of the Applewhite Road Property in Bexar County, Texas. Mr. Clement seconded the motion.

Motion carried unanimously.

**Item 2g. Real Estate Matters.**

**Item 2h. Ratification of extension and amendment to General Manager's Contract.**

The Board will meet on December 10, 2007 for finalization of contract.

**Item 8. Election of Vice President for the BexarMet Board of Directors.**

Ms. Eaton moved to nominate Mr. Clement as Vice President for the BexarMet Board of Directors. Mr. Carr seconded the motion.

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

**Nays:**

**Abstained:** Gallegos

Motion carried.

**Item 9. To amend the March 27, 2006 Resolution of the BexarMet Board of Directors to withdraw its uniform impact fee application submission to the TCEQ and to commence with the process for adoption of new impact fees pursuant to V.T.C.A., Local**

**Government Code Section 395 and to direct staff to initiate all required procedures pursuant to Section 395 to implement and levy said fees.**

Mr. Villarreal moved to amend the March 27, 2006 Resolution of the BexarMet Board of Directors to withdraw its uniform impact fee application submission to the TCEQ and to commence with the process for adoption of new impact fees pursuant to V.T.C.A., Local Government Code Section 395 and to direct staff to initiate all required procedures pursuant to Section 395 to implement and levy said fees. Ms. Atkinson seconded the motion.

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

**Item 10. To approve an expenditure as per task order with Brown and Caldwell for engineering design services at Lost Pond (Colorspot) Water Transmission Facilities for an amount not to exceed \$48,319.00 and to reallocate funds from Capital Budget BP# 070824.**

Mr. Villarreal moved to approve expenditure as per task order with Brown and Caldwell for engineering design services at Lost Pond (Colorspot) Water Transmission Facilities for an amount not to exceed \$48,319.00 and to reallocate funds from Capital Budget BP# 070824. Mr. Clement seconded the motion.

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

**Item 11. To authorize the expenditure of funds for a 12" main extension along Borgfeld Road in an amount not to exceed \$260,000.00 and to reallocate funds from BP# 070824 (District 6) (Non-Budgeted Project).**

Mr. Villarreal moved to authorize the expenditure of funds for a 12" main extension along Borgfeld Road in an amount not to exceed \$260,000.00 and to reallocate funds from BP# 070824 (District 6) (Non-Budgeted Project). Mr. Clement seconded the motion.

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

**Item 12. To authorize the General Manager to negotiate and execute a contract with N.G. Painting, L.P., the low bidder based on Request for Proposal #07295 as advertised for the rehabilitation of an elevated storage tank at Vestal Facility #013 for an amount not to exceed \$1,128,000.00 and to approve reallocation of \$266,700.00 from Capital Budget BP# 070824 (District 5) (BP# 070830).**

Mr. Clement moved to authorize the General Manager to negotiate and execute a contract with N.G. Painting, L.P., the low bidder based on Request for Proposal #07295 as advertised for the rehabilitation of an elevated storage tank at Vestal Facility #013 for an amount not to exceed \$1,128,000.00 and to approve reallocation of \$266,700.00 from Capital Budget BP# 070824 (District 5) (BP# 070830). Mr. Gallegos seconded the motion.

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

**Item 13. To authorize the General Manager to execute a six year agreement to lease 7 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$902.06 per year.**

Ms. Wenger moved to authorize the General Manager to execute a six year agreement to lease 7 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$902.06 per year. Mr. Clement seconded the motion.

Motion carried unanimously.

**Item 14. To authorize the General Manager to execute a six year agreement to lease 80 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$10,309.20 per year.**

Ms. Wenger moved to authorize the General Manager to execute a six year agreement to lease 80 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$10,309.20 per year. Mr. Clement seconded the motion.

Motion carried unanimously.

**Item 15. To authorize the General Manager to execute a six year agreement to lease 200 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$25,773.00 per year.**

Ms. Wenger moved to authorize the General Manager to execute a six year agreement to lease 200 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$25,773.00 per year. Mr. Clement seconded the motion.

Motion carried unanimously.

**Item 16. To authorize the General Manager to execute a six year agreement to lease 200 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$25,773.00 per year.**

Ms. Wenger moved to authorize the General Manager to execute a six year agreement to lease 200 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$25,773.00 per year. Mr. Clement seconded the motion.

Motion carried unanimously.

**Item 17. To authorize the General Manager to execute a ten year agreement to lease 65 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$7,960.88 per year for the first to fifth years and \$9,691.50 per year for the sixth to tenth years.**

Ms. Wenger moved to authorize the General Manager to execute a ten year agreement to lease 65 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$7,960.88 per year for the first to fifth years and \$9,691.50 per year for the sixth to tenth years. Mr. Clement seconded the motion.

Motion carried unanimously.

**Item 18. To authorize the General Manager to execute a ten year agreement to lease 252.09 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$30,874.72 per year for the first to fifth years and \$37,586.62 per year for the sixth to tenth years.**

Ms. Wenger moved to authorize the General Manager to execute a ten year agreement to lease 252.09 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$30,874.72 per year for the first to fifth years and \$37,586.62 per year for the sixth to tenth years. Mr. Clement seconded the motion.

Motion carried unanimously.

**Item 19. To authorize the General Manager to execute a ten year agreement to lease 670.73 acre-feet annually of Edwards water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$96,091.33 per year.**

Ms. Wenger moved to authorize the General Manager to execute a ten year agreement to lease 670.73 acre-feet annually of Edwards water rights from the Regional Water

Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$96,091.33 per year. Mr. Clement seconded the motion.

Motion carried unanimously.

**Item 20. To approve the nomination of F. Gilbert Olivares, BexarMet General Manager, to the South Central Texas Regional Water Planning Group (RWPG).**

Ms. Wenger moved to approve the nomination of F. Gilbert Olivares, BexarMet General Manager, to the South Central Texas Regional Water Planning Group (RWPG). Mr. Clement seconded the motion.

Motion carried unanimously.

**Item 21. To authorize a change order for the installation, maintenance and removal of ply mats at Kallison Ranch/Canyon Parke Facility #097 with Davenport Drilling and Pump Service for an amount not to exceed \$15,000.00 (District 6) (BP # 060768) (Item tabled on October 29, 2007).**

No action taken.

**Item 22. To approve the proposed 2008 BexarMet Holiday Schedule.**

Mr. Clement moved to approve the proposed 2008 BexarMet Holiday Schedule. Ms. Atkinson seconded the motion.

Motion carried unanimously.

Mr. Gallegos made a substitute motion to include or add Caesar Chavez Holiday to the 2008 BexarMet Holiday Schedule.

Motion failed.

**Item 23. To approve the adoption of the revised derivatives policy (Swap Policy).**

Mr. Villarreal moved to approve the adoption of the revised derivatives policy (Swap Policy). Mr. Clement seconded the motion.

Motion carried unanimously.

**Item 24. Consent Items**

Mr. Clement moved to approve consent items a, b, c, e, h, I, j and k. Mr. Villarreal seconded the motion.

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

**Nays:**

**Abstained:** Wenger

Motion carried.

Mr. Clement moved to table item d. Ms. Wenger seconded the motion.

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

**Nays:** Eaton, Atkinson

Motion carried.

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

**Ayes:** Villarreal, Carr, Clement, Gallegos, Wenger, Eaton

**Nays:** Atkinson

Motion carried.

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

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

**Nays:** Gallegos

Motion carried.

**Item 25. Action Items Administration:**

Mr. Gallegos moved to table Item a. Ms. Wenger seconded the motion.

**Ayes:** Carr, Gallegos, Wenger, Clement

**Nays:** Eaton, Atkinson, Villarreal

Mr. Gallegos moved to table item b. Ms. Wenger seconded the motion.

**Ayes:** Wenger, Gallegos, Clement

**Nays:** Atkinson, Villarreal

**Abstained:** Eaton, Carr

**26. Report Items:**

- a. The purchase of materials necessary for store's inventory or for on-going projects for the month of October 2007.  
No Discussion.
- b. The exceptional expenditures and professional fees for the month October 2007.  
No Discussion.
- c. Top 25 Delinquent accounts.  
No Discussion.
- d. General Manager's monthly reports (Information only)
- I. Directors' Fee  
Mr. Ruiz gave a report on the Directors Fees. The statute indicates that 150.00 is per day per meeting regardless of the meetings that is attended by a Board Member. The compensation or the fee payment is for substantive deliberation of District business

and not including routine or ministerial activities. This does not include reasonable expenses they could be submitted. This includes mileage expenses.

Mr. Villarreal commented the question also in regards to the Development Corporation Board Members. Mr. Ruiz stated the bylaws of Corporation does not provide for compensation but if you're a Bexarmet Board Member serving on the Development Corporation that is another matter. If you're a Development Corporation member who is not a Board Member then there is not compensation. Mr. Villarreal asked if there was any action the Board can take should they wish to pay the Board members on the Development Corporation. Mr. Ruiz commented we will have to look into the Development Corporation Bylaws to see if there is a change or amendment that could be made. Ms. Wenger commented we would have to check with the state on this because they have their own rules on Development Corporation.

- e. Professional Services Monthly Reports.  
No Discussion.

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


Mr. Villarreal moved to hold the next Regular Board Meeting on Wednesday, December 19, 2007 at 4:30 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 10:45 p.m.

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Minutes approved this 19 day of December, 2007.

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

  
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**Blanche Atkinson, Secretary  
BexarMet Water District**