

MINUTES
BEXAR METROPOLITAN WATER DISTRICT
REGULAR BOARD MEETING
2047 W. MALONE, SAN ANTONIO, TEXAS 78225
P.O. BOX 245994, SAN ANTONIO, TEXAS 78224
June 25, 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 25th day of June, 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; Laura Stryjewski; Karl Kirk; Jesse Morin; Phil Hopkins; Andrew Vasquez; Liliana Oranday; Nathan Riggs; Scott Oakland; Helen Casias; Juan Lozano; Prashant Dalvi; Steve Sandoval; Janie Carrasco; Angelita Vasquez.

GUESTS PRESENT: Chris Powers (SAWS); Lee Niles (Pape-Dawson); Felix Bernal (Klotz Associates); Joe Thaxton (United Water); TJ Connolly (Connolly and Company); Buddy Barnes (Carter & Burgess); Dina Villarreal (Resident); Diane Pfeil (Resident); Bob Anderson (Resident); .

PRESS PRESENT: Jaime Castillo [*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 4:30 p.m.

Item 2. Executive Session.

Upon motion by Mr. Villarreal the Board adjourned into Executive Session at 4:33 PM.

Item 3. Open Session.

The Board reconvened in Open Session at 7:25 pm and took the following actions per discussion in Executive Session

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

Ms. Eaton moved to authorize the General Manager to commence or to begin the process of preparing property, BexarMet properties, for marketing as discussed in Executive Session. Mr. Sosa seconded the motion.

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

Motion carried.

2b. Real Estate Matters.

No discussion.

2c. Ground Lease Agreement with The City of Hill Country Village ("HCV") to lease property in order to construct additional water wells.

No discussion.

2d. To consider 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.

Item 2d tabled.

2e. Personnel Matters.

No discussion.

2f. Investigation of Impropriety concerning District 6 Director, Lesley Wenger.

No discussion.

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

Ms. Bob Anderson, waived his right to speak.

Ms. Tim McCallum, 537 Ventura, Hollywood Park, Texas addressed the Board with regard to the new rate plans.

Item 5. To authorize the General Manager to approve construction of a temporary pump station at the proposed Staggs Facility, including the purchase and rental of necessary items, in an amount not to exceed \$53,527.00 provided from the Staggs Water Production Facility funding (District 5) (BP#060760).

Mr. Clement moved to authorize the General Manager to approve construction of a temporary pump station at the proposed Staggs Facility, including the purchase and rental of necessary items, in an amount not to exceed \$53,527.00 provided from the Staggs Water Production Facility funding (District 5) (BP#060760). Ms. Wenger seconded the motion.

Motion carried unanimously.

Item 6. To authorize the purchase of a disinfection system from the MIOX Corporation for use at Staggs Ranch (new purchase) for an amount not to exceed \$374,480.00, from the Capital Budget (BP# 060760) (District 5).

Mr. Villarreal moved to authorize the purchase of a disinfection system from the MIOX Corporation for use at Staggs Ranch (new purchase) for an amount not to exceed \$374,480.00, from the Capital Budget (BP# 060760) (District 5). Mr. Sosa seconded the motion.

Motion carried unanimously.

Item 7. To authorize the General Manager to execute a ten-year agreement to lease 97.2 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 \$ 12,422.16 per year.

Ms. Wenger moved to authorize the General Manager to execute a ten-year agreement to lease 97.2 acre-feet annually of Edwards's water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order Request; for an amount not to exceed \$ 12,422.16 per year. Mr. Clement seconded the motion.

Motion carried unanimously.

Item 8. To authorize the General Manager to execute a ten-year agreement to lease 496 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 \$ 63,388.80 per year.

Ms. Atkinson moved to authorize the General Manager to execute a ten-year agreement to lease 496 acre-feet annually of Edwards's water rights from the Regional Water Resource Development Group in order to meet BexarMet's 2008 Order

Request; for an amount not to exceed \$ 63,388.80 per year. Mr. Gallegos seconded the motion.

Motion carried unanimously.

Item 9. Consideration and adoption of an "amended and restated order authorizing the issuance of "Bexar Metropolitan Water District waterworks system revenue refunding bonds, series 2007"; approving and authorizing agreements, instruments, and procedures relating thereto; delegating authority to authorized representatives to finalize certain sale terms relating to the bonds; and authorizing other matters relating to the foregoing".

Mr. Villarreal moved for the Consideration and adoption of an "amended and restated order authorizing the issuance of "Bexar Metropolitan Water District waterworks system revenue refunding bonds, series 2007"; approving and authorizing agreements, instruments, and procedures relating thereto; delegating authority to authorized representatives to finalize certain sale terms relating to the bonds; and authorizing other matters relating to the foregoing". Ms. Atkinson seconded the motion.

Motion carried unanimously.

Item 10. To authorize the expenditure of \$31,202.82, to CPS Energy, for the installation of approximately 1180 feet of primary cable and poles to serve overhead electric service to Wild Turkey Well pump 5 (Capital Budget # BP-070815) (District 6).

Mr. Clement moved to authorize the expenditure of \$31,202.82, to CPS Energy, for the installation of approximately 1180 feet of primary cable and poles to serve overhead electric service to Wild Turkey Well pump 5 (Capital Budget # BP-070815) (District 6). Mr. Gallegos seconded the motion.

Motion carried unanimously.

Item 11. To authorize the General Manager to negotiate and execute a contract with Moody Bros., Inc. for chlorination at Stein Tract well collection line for an amount not to exceed \$410,000.00 (District 6) (BP# 070822).

Ms. Villarreal moved to authorize the General Manager to negotiate and execute a contract with Moody Bros., Inc. for chlorination at Stein Tract well collection line for an amount not to exceed \$410,000.00 (District 6) (BP# 070822). Mr. Clement seconded the motion.

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

Motion carried.

Item 12. To authorize the General Manager to obtain a water utility line easement at Stein Tract 24" well transmission line project from Reitmeyer Investments, Ltd. for an amount not to exceed \$200,000.00 (District 6) (BP# 070822).

Mr. Clement moved to authorize the General Manager to obtain a water utility line easement at Stein Tract 24" well transmission line project from Reitmeyer Investments, Ltd. for an amount not to exceed \$200,000.00 (District 6) (BP# 070822). Ms. Atkinson seconded the motion.

Motion passed unanimously.

Item 13. To authorize the General Manager to negotiate and execute a contract with Ryan Herco for the purchase of filtration equipment for Facility #65, Bitters Rd. in an amount not to exceed \$178,390.90, and a reallocation of funds from Capital Budget # BP-070829 (District 6).

Mr. Villarreal moved to authorize the General Manager to negotiate and execute a contract with Ryan Herco for the purchase of filtration equipment for Facility #65, Bitters Rd. in an amount not to exceed \$178,390.90, and a reallocation of funds from Capital Budget # BP-070829 (District 6). Ms. Wenger seconded the motion.

Motion passed unanimously.

Item 14. To approve engagement of Bobby Maldonado as an outside counsel.

Mr. Clement moved to approve engagement of Bobby Maldonado as an outside counsel. Ms. Atkinson seconded the motion.

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

Motion carried.

Item 15 b and d CONSENT ITEMS:

Ms. Wenger moved to approve consent items b and d. Mr. Clement seconded the motion.

Motion carried unanimously.

Item 15a. To approve the revisions to the District's Employee Handbook including certain corrections, additions, clarifications, and a general reorganization of material to reflect best practices (Olivares/Wigfall Cruté).

Mr. Clement moved to approve the revisions to the District's Employee Handbook including certain corrections, additions, clarifications, and a general reorganization of material to reflect best practices. Mr. Sosa seconded the motion.

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

Motion carried.

Item 15c. On the approval of payment for legal fees for professional services provided to the District.

Mr. Villarreal move to approve the payment for legal fees for professional services provided to the District. Mr. Clement seconded the motion.

Ayes: Clement, Atkinson, Villarreal, Eaton, Sosa.

Opposition: Wenger, Gallegos.

Motion carried.

16. ACTION ITEMS ADMINISTRATION: BOARD MINUTES

Mr. Villarreal moved to approve item a, b, c, and d. Ms. Atkinson seconded the motion.

Ayes: Clement, Atkinson, Gallegos, Villarreal, Eaton, Sosa.

Opposition: Wenger.

Motion carried.

17. REPORT ITEMS:

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

No Discussion.

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

Mr. Joe Thaxton gave a report on the fees for United Water.

Item 17c. Top 25 Delinquent accounts.

No Discussion.

Item 17d. General Manager's monthly reports.

(i) Stein Tract Project.

Mr. Barnes gave a report on the status of the Stein Tract Project.

(ii) Paystation.

Mr. Morin presented to the Board a slide show of the progress at the Southcross paystation.

(iii) Mt. Laurel West (Holly Hills) USA.

Mr. Ruiz gave an update on Mt. Laurel West (Holly Hills) USA.

Item 17e. Professional Services Monthly Reports.

No Discussion.

Item 18. Date and Time of Next Board Meeting.

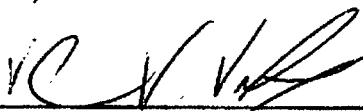
Mr. Villarreal moved to hold the next Regular Board Meeting on July 30, 2007 at 4:30 p.m. for Executive Session and 6:00 p.m. for Open Session.

Motion carried unanimously.


Item 19. Adjournment.

With no opposition from the Board, the meeting was adjourned at 9:45 p.m.

Minutes approved this 8 day of August, 2007.



Victor V. Villarreal, President
BexarMet Water District



Blanche Atkinson, Secretary
BexarMet Water District