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December 9, 2016

OFFICIAL PUBLIC NOTICE OF THE REGULAR MEETING OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES

The San Antonio Water System Board of Trustees will hold its regular meeting on December 14, 2016, at 9:00 a.m., in the 6th floor Board Room (Room 609) of the San Antonio Water System Administrative Offices located at 2800 U. S. Highway 281 North, San Antonio, Texas. Please reference accompanying agenda.

The San Antonio Water System Buildings and meeting rooms are accessible to individuals with disabilities. Accessible visitor parking spaces as well as the accessible entrance and ramp are located at the west side main entrance of the SAWS Headquarters Building, Tower I, 2800 U.S. Highway 281 North. Individuals with disabilities in need of auxiliary aids and services, including Deaf interpreters, must request such aids and services forty-eight (48) hours prior to the meeting. For assistance, contact the Board Administrator at 210-233-3690 or 711 (Texas Relay Service for the Deaf).

Questions concerning the meeting may be referred to the Board Administrator at 210-233-3690.

A handwritten signature in blue ink, appearing to read 'R. Puente'.

Robert R. Puente
President/Chief Executive Officer



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AGENDA

MEETING OF THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES

December 14, 2016, 9:00 A.M.

6th Floor Board Room #609

Administrative Offices

2800 U. S. Hwy 281 North, San Antonio, Texas 78212

1. MEETING CALLED TO ORDER.
2. Announcements.
 - A. The San Antonio Water System Board of Trustees will, during the Meeting, close the Meeting and hold an Executive Session pursuant to and in accordance with Chapter 551 of the Texas Open Meetings Act. The Board of Trustees may, at any time during the Meeting, close the Meeting and hold an Executive Session for consultation with its attorneys concerning any of the matters to be considered during the Meeting pursuant to Chapter 551 of the Texas Open Meetings Act.
3. Minutes.
 - A. Approval of the Minutes of the San Antonio Water System Board of Trustees Regular Board Meeting of October 4, 2016.
4. Ceremonial and Recognition Items.
5. Public Comment.

SAN ANTONIO WATER SYSTEM HANDICAPPED ACCESSIBILITY STATEMENT

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CONSENT AGENDA ITEMS

Items 6 – 27

ITEMS CONCERNING THE PURCHASE OF EQUIPMENT, MATERIALS AND SUPPLIES

6. **A Resolution accepting recommendations regarding the contracting for certain services, equipment, materials, and supplies, and authorizing the acceptance of bids as follows: (DOUG EVANSON – YVONNE TORRES)**
- A. **Award of New One Time Purchases of Materials, Equipment and Services.**
- No items for this meeting.**
- B. **Award of New and Renewal Annual Goods & Services Requirement Contract and Maintenance Agreements. Estimated annual purchases are based on unit prices bid. Actual totals and quantities may vary from the estimate.**
1. **Acceptance of the bid of A-Ram Plumbing, Inc. to provide: annual contract for plumbing services for sewer lateral locates, Package 1, Bid No. 16-16114, for a total of \$446,675.00.**
 2. **Authorizing the extension of an existing contract of Safety Supply, Inc. to provide: annual contract for safety hard hats, Bid No. 13-0773, for a total of \$72,472.02.**
 3. **Acceptance of the bid of Burnett Lime Company, Inc. to provide: annual contract for two phases of 30% hydrated lime slurry, Bid No. 16-15071, for a total of \$98,500.00.**
 4. **Authorizing the direct award of a contract to Celico Partnership dba Verizon Wireless to provide: annual contract for Verizon Unlimited and 5GB wireless broadband access, DIR-TSO-3415, Bid No. 16-1149, for a total of \$633,420.00.**
 5. **Authorizing the direct award of a contract to Vulcan Construction Materials, LLC to provide: annual contract for asphalt and pothole paving materials, COSA Bid No. 6100007453, Bid No. 16-0211, for a total of \$893,750.00.**
 6. **Authorizing additional funding to an existing contract with WaterSmart Software, Inc. to provide: customer consumption reporting tool, Bid No. 16-16050, for a total of \$169,000.00.**
 7. **Acceptance of the bid of Pencco, Inc. to provide: annual contract for fluorosilicic acid, Bid No. 16-2008, for a total of \$841,365.00.**
 8. **Authorizing the extension of the existing sole source contract of Kapsch Trafficcom USA, Inc. to provide: annual contract for maintenance and service renewal for DYNAC SCADA, Bid No. 15-15131, for a total of \$60,000.00.**
 9. **Acceptance of the sole source bid of Solutions II to provide: annual contract for network performance monitoring, Bid No. 16-16108, for a total of \$99,999.47.**

10. Authorizing the direct award of a contract to Freit Data Solutions, Inc. to provide: annual contract for Nimble Storage shelves, DIR-TSO-2640, Bid No. 16-16126, for a total of \$97,464.04.
11. Authorizing the direct award of a contract to Teqsys, Inc. to provide: annual contract for Netbackup licensing and one year of maintenance, DIR-SDD-1917, Bid No. 16-16125, for a total of \$209,850.00.
12. Acceptance of the sole source bid of MARS Co. to provide: one-time data migration and system configuration and annual water meter test equipment software licensing, Bid No. 16-16136, for a total of \$101,790.00.

**CAPITAL IMPROVEMENT CONTRACTS
PROJECTS INVOLVING IMPROVEMENTS,
EXTENSIONS AND ADDITIONAL CAPACITY**

Developer Customer Contracts

7. A Resolution approving Utility Service Agreements to provide water and/or wastewater service to the tracts listed below requiring potential oversizing of mains (OVR), and/or are located outside the San Antonio Water System water and/or wastewater Certificate of Convenience and Necessity (CCN). (GENOVEVA GOMEZ – SAM MILLS)

| No. | Tract Name | Developer | Acres | W EDUs | WW EDUs | CoSA / CoSA ETJ / Outside | EARZ/CZ | Board Reason | W CCN | WW CCN |
|---------------|----------------------------------|------------------------------|---------------|--------------|--------------|---------------------------|---------|--------------|-------|--------|
| 1 | M2G Stone Oak Tract | M2G Stone Oak, Ltd | 22.09 | 307 | 300 | COSA | EARZ | CCN | OUT | IN |
| 2 | Crestway Tract | Dale Slinkard | 42.58 | 200 | 0 | COSA ETJ | OUTSIDE | CCN | OUT | OUT |
| 3 | Anaqua Springs Unit 7 Tract | Anaqua Springs Ranch, Inc. | 15.52 | 10 | 0 | COSA ETJ | EARZ | CCN | OUT | OUT |
| 4 | Steubing Tract | XJ 1869 Development, L.P. | 448.9 | 2,420 | 2,015 | COSA | EARZ | OVR | IN | IN |
| 5 | BCB Unit 15 Tract | Brooks Development Authority | 60.1 | 240 | 240 | COSA | OUTSIDE | CCN | OUT | IN |
| 6 | Comanche Ridge Subdivision Tract | Ovaro Investments, LLC | 135.84 | 715 | 715 | COSA | OUTSIDE | CCN | IN | OUT |
| Totals | | | 725.03 | 3,892 | 3,270 | | | | | |

8. A Resolution awarding a construction contract to Pesado Construction, Inc. in an amount not to exceed \$5,343,000.00 in connection with the Highlands Estates, Unit 1 PUD Montana Pass Floating Ground Storage Tank Project; approving a contract between the System, SA Highland Estates, Inc., and Pesado Construction, Inc. for the project work; authorizing the expenditure of funds in the amount of \$5,099,421.10 for the System's proportionate share of the project work payable to Pesado Construction, Inc., and the expenditures of funds in the amount of \$534,300.00 for the System's

proportionate share of the engineering design fees payable to SA Highland Estates, Inc.
Total expenditures: \$5,633,721.10. (GENOVEVA GOMEZ – SAM MILLS)

Production, Transmission and Treatment Improvements

9. **A Resolution approving Contract Amendment No. 14 in the amount not to exceed \$455,541.32 payable to Civil Engineering Consultants in connection with the Water Resources Integration Pipeline Project 1: Pipeline, Segment II Project. (GENOVEVA GOMEZ – MICHAEL MYERS)**
10. **A Resolution approving Contract Amendment No. 5 in the amount not to exceed \$881,005.00 payable to Freese and Nichols, Inc. in connection with the Water Resources Integration Pipeline Project 1: Pipeline, Segment III Project. (GENOVEVA GOMEZ – MICHAEL MYERS)**

REPLACEMENT AND ADJUSTMENT PROJECTS

Governmental Relocations and Replacements

11. **A Resolution ratifying the actions of the Vice President of Engineering and Construction in approving the additional expenditure of funds in the amount of \$14,104.25 for the adjustment of water and sewer facilities by the City of San Antonio in connection with the Old Grissom Road from Culebra (FM 471) to Grissom Road Project. (GENOVEVA GOMEZ – KATHLEEN PRICE)**
12. **A Resolution approving an Advance Funding Agreement with Texas Department of Transportation; authorizing the expenditure of funds in the amount not to exceed \$83,179.41 for the adjustment of water facilities by Texas Department of Transportation in connection with the FM 1560 Culvert Replacement Project. (GENOVEVA GOMEZ – KATHLEEN PRICE)**

WATER RESOURCES ITEMS

13. **A Resolution approving a Commercial Custom Rebate Agreement with the Dominion Homeowner Association in an amount not to exceed \$97,053.22 for the installation, management and efficiency upgrades included in a Smart Water Management Irrigation System. (DONOVAN BURTON – KAREN GUZ)**
14. **A Resolution approving an agreement with the San Antonio Botanical Garden Society, Inc., for two water conservation education projects; SAWS branding and naming of the new discovery center and a two-phase project consisting of: (i) concept design and (ii) redevelopment of SAWS WaterSaver Lane demonstration garden utilized as an educational showcase to teach about different types of landscapes for the purpose of demonstrating water conservation through landscape design at the Botanical Garden in an amount not to exceed \$350,000.00. (DONOVAN BURTON – KAREN GUZ)**
15. **A Resolution approving a joint funding agreements with the United States Geological Survey in an amount not to exceed \$189,000.00 for the periods of December 2016, and January 1, 2017 through December 31, 2017, for measuring inputs and outputs of the Medina Surface Water and Groundwater System. (DONOVAN BURTON – DARREN THOMPSON)**

16. **A Resolution awarding a professional services contract to LBG-Guyton Associates in an amount not to exceed \$410,000.00 for a period of three years to include a one-year extension option in connection with the Water Resources Engineering Consultant contract. (DONOVAN BURTON – DARREN THOMPSON)**

MISCELLANEOUS ITEMS

17. **A Resolution awarding a construction contract to Texas Pride Utilities, LLC in an amount not to exceed \$823,949.00 in connection with the 2017 Annual Sanitary Sewer Manhole Adjustment, Rehabilitation and Replacement Construction Contract, Package 1. (JEFF HABY – TAMSEN MCNARIE)**
18. **A Resolution awarding a service contract to Grid One Solutions, Inc. in an amount not to exceed \$1,334,439.60 in connection with the 2016 Meter Replacement Program. (AGNES BARARD – TIMOTHY DAVIS)**
19. **A Resolution authorization of expenditures in the amount not to exceed \$1,800,000.00 for the purchase of Cisco System products and services through the State of Texas Department of Information Resources Contract DIR-TSO-2542 and its resellers for various Information Systems projects for the Data Center, Network Engineering and Telephony Groups for 2017. (DOUG EVANSON – SREE PULAPAKA)**
20. **A Resolution approving the recommendation of Wells Fargo Insurance Service USA, Inc. for the comprehensive commercial insurance program in the amount not to exceed \$1,032,315.00 for the period ending December 31, 2017. (SHARON DE LA GARZA)**
21. **A Resolution approving an extension of a contract with various temporary employment agencies in an amount not to exceed \$1,113,311.00 for the period of January 1, 2017 through December 31, 2017 in connection with temporary employment services. (SHARON DE LA GARZA)**
22. **A Resolution approving the expenditure of funds to purchase placement with media outlets and develop advertising materials in an amount not to exceed \$272,250.00 in the aggregate from the Communications & External Relations budget for the period of January 1, 2017 through December 31, 2017. (GAVINO RAMOS – ANNE HAYDEN)**
23. **A Resolution approving Contract Amendment No. 1 in the amount not to exceed \$30,000.00 payable to Blonde Creative LLC and to extend the term of the existing contract for the period of December 23, 2016 through January 31, 2017 for additional services related to advertising development and/or graphic design services. (GAVINO RAMOS – ANNE HAYDEN)**
24. **A Resolution approving an agreement with the City of San Antonio for support of the Coal Tar Sealant Ban Support. (STEVE CLOUSE – SCOTT HALTY)**
25. **A Resolution approving the Internal Audit Risk Assessment and 2017 Annual Audit Plan of the San Antonio Water System. (STACEY ISENBERG)**

- 26. A Resolution adopting revisions to the Investment Policy of the San Antonio Water System pursuant to the guidelines established in the City of San Antonio's Ordinance No. 75686 and the provisions of the Public Funds Investment Act. (DOUG EVANSON)
- 27. A Resolution authorizing a Letter of Engagement with Ruben Barrera of the Law Firm of Langley & Banack, Inc. in an amount not to exceed \$165,000.00 to act as Special Counsel to the Board for the 2017 Calendar Year. (BERTO GUERRA, JR., CHAIRMAN – ANDREA BEYMER)
- 28. **PUBLIC HEARING: 2017 ANNUAL BUDGET**
 - A. Public Hearing Briefing (MARY BAILEY)
 - B. Public Hearing on the Following Items:
 - 1. Annual Budget for the San Antonio Water System for the Fiscal Year ending December 31, 2017
 - 2. Necessity for adjustments to the San Antonio Water System's Water Delivery, Water Supply Fee, Wastewater and Recycled Water Rates
- 29. Public Comment.

ITEMS FOR INDIVIDUAL CONSIDERATION

- 30. A Resolution approving the annual budget for the fiscal year ending December 31, 2017, authorizing expenditures in an amount not to exceed \$13,065,620.00 for the owner controlled construction changes for the fiscal year ending December 31, 2017, approving adjustments to all water delivery, water supply fee, wastewater and recycled water rates necessary to support the approved annual budget for the fiscal year ending December 31, 2017, finding that all required conditions for full integration of the District Special Project with SAWS have been met, and repealing the District Special Project rates as of January 1, 2017. (MARY BAILEY)

**CAPITAL IMPROVEMENT CONTRACTS
PROJECTS INVOLVING IMPROVEMENTS,
EXTENSIONS AND ADDITIONAL CAPACITY**

Water and Sewer Line Improvements

- 31. A Resolution awarding a construction contract to SAK Construction, LLC in an amount not to exceed \$2,275,490.00 in connection with the C13 Broadway Corridor Project Packages 2C and 4C. (GENOVEVA GOMEZ – KATHLEEN PRICE)
- 32. A Resolution awarding a construction contract to SAK Construction, LLC in an amount not to exceed \$2,082,547.00 in connection with the Castroville Rd. 48-inch Rehab Project, DR # 144. (GENOVEVA GOMEZ – KATHLEEN PRICE)

- 33. **A Resolution awarding a construction contract to Texas Pride Utilities, LLC in an amount not to exceed \$2,241,165.00 in connection with the East Sewershed Package II Project. (GENOVEVA GOMEZ – KATHLEEN PRICE)**
- 34. **A Resolution awarding a construction contract to IPR South Central, LLC in an amount not to exceed \$2,132,891.23 in connection with the Olmos Basin Central Watershed Sewer Relief Line C3 Project – Sewer Rehabilitation at the University of Incarnate Word. (GENOVEVA GOMEZ – KATHLEEN PRICE)**

Production, Transmission and Treatment Improvements

- 35. **A Resolution awarding a construction contract to Archer Western Contractors, LLC in the amount not to exceed \$13,657,000.00 in connection with the 34th Street Pump Station Improvements Project. (GENOVEVA GOMEZ – ASHOK KAJI)**
- 36. **A Resolution awarding a construction contract to Alterman, Inc. in the amount not to exceed \$13,322,100.00 in connection with the Dos Rios Water Recycling Center Electrical System Improvements – Phase 1 Project; authorizing additional expenditures in an amount not to exceed \$197,295.00 to CP&Y, Inc. for construction phase services in connection with the project work. Total expenditures: \$13,519,395.00. (GENOVEVA GOMEZ – ASHOK KAJI)**
- 37. **A Resolution awarding a professional services contract to Tetra Tech, Inc. in the amount not to exceed \$3,293,337.00 in connection with the Water Resources Integration Program, Phase 2 Pump Station Improvements Project. (GENOVEVA GOMEZ – MICHAEL MYERS)**
- 38. **A Resolution awarding a construction contract to Prime Controls, LP in an amount not to exceed \$2,195,332.00 in connection with the Chilled Water System Communication and Controls Replacement Project; authorizing additional expenditures in an amount not to exceed \$141,344.00 to Energy Engineering Associates, Inc. for construction phase services in connection with the project work. Total expenditures: \$2,336,676.00. (JEFF HABY – DANIEL MYERS)**

39. BRIEFING SESSION.

- A. **Briefing and deliberation regarding the Vista Ridge Project**
- B. **Briefing and deliberation regarding the SAWS H2Oaks Desalination Facility**
- C. **Briefing and deliberation regarding the Board Agenda Process**

40. President/Chief Executive Officer’s Report.

- A. **Quintana Road Emergency Project**
- B. **Conservation Agreements**
- C. **Proposed Revisions to Board Agenda Process**

- 41. Inquiries of the Board of Trustees for future briefings and/or follow-up action.**

- 42. The Regular Session of the December 14, 2016, Regular Board Meeting is hereby recessed to hold an Executive Session and discuss the matters listed below pursuant to Section 551.071 of the Texas Open Meetings Act.**

- 43. EXECUTIVE SESSION.**
 - A. Consultation with attorneys regarding legal matters related to the emergency sewer project on Quintana Road, San Antonio, Texas pursuant to Section 551.071 of the Texas Government Code.**

- 44. The Regular Session of the Regular Board Meeting of December 14, 2016, is hereby reconvened.**

- 45. Adjournment. THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF DECEMBER 14, 2016, IS HEREBY ADJOURNED.**