

contingencies, authorizing the President/Chief Executive Officer to execute a construction contract with R. L. Jones, LP, and to pay R. L. Jones, LP, the amount of \$170,595.25 for the project work. This project is located in Council District 3. Total expenditures are: \$188,190.50.
(KELLEY NEUMANN – CINDY KOVACIC)

Professional Services

16. A Resolution ratifying the actions of the Vice-President of Facilities Engineering and Construction in approving Contract Amendment No. 2 in the amount of \$171,649.00 in connection with the Six Mile Creek Sewer Replacement Project, amending Resolution No. 02-181, as amended by Resolution No. 04-303, by approving additional expenditures in an amount not to exceed \$171,649.00 for additional professional engineering design services by CDS/Muery Services in connection with the Six Mile Creek Sewer Replacement Project, approving that an amount not to exceed \$171,649.00 be made available and expended from the System's Project Fund for the additional professional engineering services, authorizing the President/Chief Executive Officer to execute Contract Amendment No. 2 and to pay CDS/Muery Services an amount not to exceed \$171,649.00 for additional professional engineering services. Total expenditures are: \$171,649.00.
(KELLEY NEUMANN – CINDY KOVACIC)
17. A Resolution amending Resolution No. 04-124 by approving additional expenditures in the amount not to exceed \$15,000.00 for additional engineering services by Poznecki-Camarillo & Associates, Inc., in connection with the Commerce: Railroad to S. Palmetto Road Project, approving the expenditure of an additional amount not to exceed \$15,000.00 for additional engineering services in connection with the project, approving an amount not to exceed \$15,000.00 be made available and expended from the System's Project Fund for the additional engineering design services, authorizing the President/Chief Executive Officer to pay Poznecki-Camarillo & Associates, Inc., an amount not to exceed \$15,000.00 for additional engineering design services in connection with the project. Total expenditures are: \$15,000.00. (KELLEY NEUMANN – CINDY KOVACIC)
18. A Resolution amending Resolution No. 00-008 by approving additional expenditures in an amount not to exceed \$20,000.00 for additional engineering design services by Turner Collie & Braden, Inc., in connection with the Loop 410: Blanco to McCullough Project, approving that an amount not to exceed \$10,000.00 be made available and expended from the System's Project Fund for the sewer related additional engineering design services, approving that an amount not to exceed \$10,000.00 be made available and expended from the System's Project Fund for the water main related additional engineering design services, authorizing the President/Chief Executive Officer to pay Turner Collie & Braden, Inc., an amount not to exceed \$20,000.00 for the additional engineering design services in connection with the project. Total expenditures are: \$20,000.00.
(KELLEY NEUMANN – CINDY KOVACIC)
19. A Resolution ratifying the actions of the Vice-President of Facilities Engineering and Construction in approving Contract Amendment No. 1 in the amount of \$19,600.00 in connection with the Ave Maria Drainage Project, amending Resolution No. 03-168 by approving additional expenditures in an amount not to exceed \$19,600.00 for additional engineering design services by Turner Collie & Braden,

Inc., in connection with the Ave Maria Drainage Project, approving that an amount not to exceed \$10,200.00 be made available and expended from the System's Project Fund for the sewer related additional engineering design services, approving that an amount not to exceed \$9,400.00 be made available and expended from the System's Project Fund for the water related additional engineering design services, authorizing the President/Chief Executive Officer to execute Contract Amendment No. 1 and to pay Turner Collie & Braden, Inc., an additional amount not to exceed \$19,600.00 for the additional engineering design services in connection with the project. Total expenditures are: \$19,600.00.

(KELLEY NEUMANN – CINDY KOVACIC)

20. A Resolution accepting the proposal of HNTB Corporation in the amount not to exceed \$30,722.00 for the design of water and wastewater facility replacement in connection with the City of San Antonio's El Jardin: Northington Road to Dead End Project, awarding a professional services contract to HNTB Corporation in an amount not to exceed \$30,722.00 for engineering services in connection with the project, approving the expenditure of funds in an amount not to exceed \$17,986.00 from the System's Project Fund for the sewer project engineering work, approving the expenditure of funds in an amount not to exceed \$12,736.00 from the System's Project Fund for the water project engineering work, authorizing the President/Chief Executive Officer to execute a professional services contract with HNTB Corporation and to pay HNTB Corporation an amount not to exceed \$30,722.00 for the project engineering work in connection with the project. Total expenditures are: \$30,722.00. (KELLEY NEUMANN – CINDY KOVACIC)
21. A Resolution accepting the proposal of Garcia & Wright Consulting Engineers, Inc., in the amount not to exceed \$37,000.00 for the design of water and wastewater facility replacements and adjustments in connection with the City of San Antonio's Inez Avenue: N. San Joaquin to N.W. 34th Street Project, awarding a professional services contract to Garcia & Wright Consulting Engineers, Inc., in an amount not to exceed \$37,000.00 for engineering services in connection with the project, approving the expenditure of funds in an amount not to exceed \$14,000.00 from the System's Project Fund for the sewer project engineering work, approving the expenditure of funds in an amount not to exceed \$23,000.00 from the System's Project Fund for the water project engineering work, authorizing the President/Chief Executive Officer to execute a professional services contract with Garcia & Wright Consulting Engineers, Inc., and to pay Garcia & Wright Consulting Engineers, Inc., an amount not to exceed \$37,000.00 for the project engineering work in connection with the project work. Total expenditures are: \$37,000.00. (KELLEY NEUMANN – CINDY KOVACIC)
22. A Resolution accepting the proposal of Garcia & Wright Consulting Engineers, Inc., in the amount not to exceed \$35,000.00 for the design of water and wastewater facility replacements and adjustments in connection with the City of San Antonio's Elson Avenue: N. San Joaquin to N.W. 34th Street Project, awarding a professional services contract to Garcia & Wright Consulting Engineers, Inc., in an amount not to exceed \$35,000.00 for engineering services in connection with the project, approving the expenditure of funds in an amount not to exceed \$16,000.00 from the System's Project Fund for the sewer project engineering work, approving the expenditure of funds in an amount not to exceed \$19,000.00 from the System's Project Fund for the water project engineering work, authorizing the President/Chief Executive Officer to execute a professional services contract with

Garcia & Wright Consulting Engineers, Inc., and to pay Garcia & Wright Consulting Engineers, Inc., an amount not to exceed \$35,000.00 for the project engineering work in connection with the project. Total expenditures are: \$35,000.00. (KELLEY NEUMANN – CINDY KOVACIC)

WATER RESOURCES PROJECTS

Professional Services

23. A Resolution further amending Resolution No. 03-432, to provide for additional engineering services to the existing professional services contract with URS Corporation, in an amount not to exceed \$129,236.00 in connection with the Aquifer Storage and Recovery Program, Well Addition Project; approving additional expenditures in an amount not to exceed \$129,236.00 for a total authorization not to exceed \$939,236.00; approving the expenditure of funds in an amount not to exceed \$129,236.00 from the System's Project Fund for additional engineering services, authorizing the President/Chief Executive Officer to execute an Amendment to the existing professional services agreement with URS Corporation and to pay URS Corporation an additional amount not to exceed \$129,236.00 for additional engineering services. Total expenditures are: \$129,236.00. (KELLEY NEUMANN – FRANCES PLOCEK)
24. A Resolution amending Resolution No. 98-342, as previously amended by Resolution No. 01-011, by Resolution No. 01-207, by Resolution No. 02-143, and by Resolution No. 04-090 by approving the additional expenditure of funds in an amount not to exceed \$25,000.00 for additional engineering services by Chiang, Patel & Yerby, Inc., in connection with the Recycled Water Interbranch Connection, Segment 2 & 3 Project, approving additional expenditure of funds in an amount not to exceed \$25,000.00 from the System's Project Fund for the additional engineering services associated with the project, authorizing the President/Chief Executive Officer to pay an additional amount not to exceed \$25,000.00 to Chiang, Patel & Yerby, Inc., for the additional engineering services. Total expenditures are: \$25,000.00. (KELLEY NEUMANN – ASHOK KAJI)

MISCELLANEOUS PROJECTS

25. A Resolution ratifying the actions of the Vice President of Facilities Engineering and Construction in authorizing additional payment in an amount not to exceed \$27,020.65 to Insituform Technologies, Inc., in connection with the Annual 2003 Pipe Bursting Work Order Construction Contract Project, amending Resolution No. 03-280, as amended by Resolution No. 04-266, by approving additional expenditures in an amount not to exceed \$27,020.65 for the additional project work, approving that an amount not to exceed \$27,020.65 be made available and expended from the System's Project Fund for the additional project work, approving Recapitulation Change Order No. 2 in the increased amount of \$27,020.65 to the construction contract, authorizing the President/Chief Executive Officer to pay to Insituform Technologies, Inc., an amount not to exceed \$27,020.65 for the additional project work, authorizing the President/Chief Executive Officer to execute Recapitulation Change Order No. 2 and to close the contract. Total expenditures are: \$27,020.65. (KELLEY NEUMANN – CINDY KOVACIC)
26. A Resolution accepting the bid of Utility Service Company, in the amount of \$768,800.00 for maintenance of water facilities in connection with the 2005 Water

Production Facility Painting and Rehabilitation Project-Package 2, awarding a construction contract in the amount of \$768,800.00 to Utility Service Company, for the project work, authorizing the expenditure of funds in an amount not to exceed \$768,800.00 for the project work, authorizing construction contingency expenses in an amount not to exceed \$15,400.00 in connection with the project work, amending Resolution No. 04-472 by authorizing additional expenditures of \$152,120.00 for resident inspection and additional construction phase services, authorizing total expenditures in an amount not to exceed \$936,320.00 from the System Fund for the project work, construction contingencies and the resident inspection and additional construction phase services, authorizing the President/Chief Executive Officer to execute a contract with Utility Service Company, and to pay Utility Service Company, the amount of \$768,800.00 for the project work, authorizing the President/Chief Executive Officer to pay an additional amount not to exceed \$152,120.00 to Tetra Tech, Inc., for resident inspection and additional construction phase services. Total expenditures are: \$936,320.00.

(KELLEY NEUMANN – ASHOK KAJI)

27. A Resolution accepting the bid of and awarding a contract to Magro A/C & Cooling in an amount not to exceed \$299,556.00 for mechanical system upgrades and roof repairs at the Dos Rios Water Recycling Center, authorizing the expenditure of funds in an amount not to exceed \$299,556.00 from the System Fund, \$272,324.00 of which will be for the mechanical systems upgrades and roof repairs at the Dos Rios Water Recycling Center and \$27,232.00 for construction contingency, authorizing the President/Chief Executive Officer to execute a contract with Magro A/C & Heating and to pay Magro A/C & Heating an amount not to exceed \$299,556.00 for a contract for mechanical system upgrades and roof repairs at the Dos Rios Water Recycling Center. Total expenditures are: \$299,556.00.

(STEVE CLOUSE – MEG CONNER)

Professional Services

28. A Resolution accepting the proposal of Bill Reiffert and Associates, Inc., in the amount of \$250,000.00 for Structural Engineering Services in connection with various Capital Improvement Program Projects, awarding a professional services contract to Bill Reiffert and Associates, Inc., in an amount not to exceed \$250,000.00 in connection with these projects, authorizing the expenditure of funds in an amount not to exceed \$250,000.00 for Structural Engineering Services from the System's Project Fund for these Capital Improvement Program Projects, authorizing the President/Chief Executive Officer to execute a professional services contract with Bill Reiffert and Associates, Inc., and to pay an amount not to exceed \$250,000.00 to Bill Reiffert and Associates, Inc., for Structural Engineering Services in connection with these Capital Improvement Projects. Total expenditures are: \$250,000.00. (KELLEY NEUMANN – ASHOK KAJI)

EASEMENTS AND REAL PROPERTY

Water Resources Projects

29. A Resolution approving the purchase of a 1.895-acre permanent easement and 1.925-acre temporary easement located south of Eisenhower Road and west of Woodlake Parkway on a tract of land out of New City Block 15894, Tract I owned by Zachry Realty, Inc., for a purchase price of \$52,400.00, further approving the purchase of a 0.930-acre permanent easement and 0.861-acre temporary easement

located between Walzem Road and Woodlake Parkway on a tract of land out of New City Block 15894, Tract III owned by Zachry Realty, Inc., for a purchase price of \$204,300.00 approving total expenditures in the amount of \$256,700.00 from the System's Project Fund for the purchase of the permanent and temporary easements, authorizing the President/Chief Executive Officer or his designated representative to execute all documents necessary to effect the conveyance of the permanent and temporary easements to the City of San Antonio for the use and benefit of the San Antonio Water System, authorizing the President/Chief Executive Officer or his designated representative to pay Zachry Realty, Inc., the sum of \$256,700.00 for the purchase of the permanent and temporary easements, authorizing the President/Chief Executive Officer to accept the conveyance of the permanent and temporary easements. Total expenditures are: \$256,700.00. (KELLEY NEUMANN – GERALD BORCHERS)

WATER RESOURCES ITEMS

30. A Resolution approving a Joint Funding Agreement between the San Antonio Water System and the United States Geological Survey for the period of October 1, 2005 to September 30, 2006 in an amount not to exceed \$777,000.00, authorizing the expenditure of funds in an amount not to exceed \$777,000.00 from the System Fund to pay for obligations incurred pursuant to the Joint Funding Agreement, authorizing the President/Chief Executive Officer to execute the Joint Funding Agreement with the United States Geological Survey and to pay an amount not to exceed \$777,000.00 to the United States Geological Survey pursuant to the Joint Funding Agreement. Total expenditures are: \$777,000.00. (JANELLE OKORIE – SCOTT HALTY)

MISCELLANEOUS ITEMS

31. A Resolution ratifying the actions of the President/Chief Executive Officer in accepting the proposal of and awarding a contract to Office Communications Systems, Inc., - a Toshiba Company ("OCS") for the lease of fax/copy/print/scan ("multifunctional") equipment and related services to be provided from July 20, 2005 through October 31, 2008, authorizing the President/Chief Executive Officer or his designee to pay OCS and/or Toshiba Financial Services for multifunctional equipment and related services from July 20, 2005 through October 31, 2008, directing System staff to return to the Board of Trustees at the appropriate time to exercise any extension options with OCS. (STACEY ISENBERG – MICHAEL BRINKMANN)
32. A Resolution approving an Agreement between the San Antonio Water System and the University of Texas at San Antonio, providing that the San Antonio Water System shall contribute \$25,000.00 to the Pre-Freshman Engineering Program and that the Program shall include Water Quality and Resource issues in the curriculum, authorizing the expenditure of funds in the amount of \$25,000.00 from the System Fund, authorizing the President/Chief Executive Officer to execute the Agreement with the University of Texas at San Antonio and to pay to the University of Texas at San Antonio the sum of \$25,000.00 for support of the Pre-Freshman Engineering Program. Total expenditures are: \$25,000.00. (KELLEY NEUMANN – SAM MILLS)
33. A Resolution approving funding in an amount not to exceed \$33,000.00 for the third year of a five year Marketing Agreement with the San Antonio Economic

Development Foundation, ("EDF"), for the identification and development of potential customers for the San Antonio Water System, authorizing the expenditure of funds in an amount not to exceed \$33,000.00 from the System Fund to pay the EDF for the third year of a five year Marketing Agreement, authorizing the President/Chief Executive Officer to pay the EDF an amount not to exceed \$33,000.00 for the third year of a five year Marketing Agreement. Total expenditures are: \$33,000.00. (JANELLE OKORIE – RUDY FARWAGI)

ITEMS FOR INDIVIDUAL CONSIDERATION

CAPITAL IMPROVEMENT CONTRACTS

IMPROVEMENTS, EXTENSIONS AND ADDITIONAL CAPACITY

Developer Customer Contracts

34. A Resolution accepting the bid of Holloman Corporation, in the amount of \$1,102,942.00 for the construction of 24-Inch water main to the Braun Leslie Commercial Tract, a 55-acre tract of land located along Braun Road, in connection with the Sunset Station 24-Inch Oversize (12-Inch required) Border Water Main Project, awarding a construction contract to Holloman Corporation in the amount of \$1,102,942.00 for the project work, authorizing the expenditure of System Impact Fee Credits in the amount of \$909,927.15 for the System's proportionate share of the project work and design fees, authorizing the System's proportionate share of the construction contingency expenses in an amount not to exceed \$22,058.84 in connection with the project work, authorizing a total amount not to exceed \$931,985.99 in Impact Fee Credits for the System's proportionate share of the project work, engineering fees, and construction contingency expenses related to the project work, authorizing the President/Chief Executive Officer to execute a contract with Holloman Corporation, and provide a reimbursement in an amount not to exceed \$931,985.99 to F.C. Properties One, Ltd., the Developer, for the System's proportionate share of the cost to oversize the proposed water main. Total reimbursement amount is: \$931,985.99
(KELLEY NEUMANN – SAM MILLS)

Production, Transmission and Treatment Improvements

35. A Resolution approving Contract Amendment No. 1 to Resolution No. 04-017 by approving the additional expenditure of funds in an amount not to exceed \$2,283,000.00 for design and construction phase services by Pape-Dawson Engineers, Inc., in connection with the Medio Creek Water Recycling Center Expansion Project, approving the additional expenditure of funds in the amount not to exceed \$2,283,000.00 from the System's Project Fund for continued engineering services associated with the project, authorizing the President/Chief Executive Officer to execute Contract Amendment No. 1 and to pay Pape-Dawson Engineers, Inc., an amount not to exceed \$2,283,000.00 for continued engineering services in connection with the project. Total expenditures are: \$2,283,000.00.
(KELLEY NEUMANN – ASHOK KAJI)
36. A Resolution ratifying the actions of the President/Chief Executive Officer in executing a contract in the amount of \$596,996.00 with All Construction Werks, L.L.C., for the construction of sanitary sewer infrastructure for the South

Suppliers of the Toyota Manufacturing Facility Project, awarding a construction contract to All Construction Werks, L.L.C., in the amount of \$596,996.00 for the project work, authorizing the expenditure of funds in the amount of \$596,996.00 for the project work, authorizing construction contingency expenses in an amount not to exceed \$60,000.00 in connection with the project work, approving total expenditures in an amount not to exceed \$656,996.00 from the System's Project Fund for the project work and related construction contingencies, authorizing the President/Chief Executive Officer to execute a contract with All Construction Werks, L.L.C., and to pay All Construction Werks, L.L.C., the amount of \$596,996.00 for the project work. Total expenditures are: \$656,996.00.
(KELLEY NEUMANN – ASHOK KAJI)

37. A Resolution amending Resolution No. 00-354, as previously amended by Resolution Nos. 01-286, 02-196, 02-278, 03-124, 03-143, 03-335, and 03-375, by approving the expenditure of additional funds in the amount not to exceed \$980,996.07 for delay charges in connection with the Loop 1604: Culebra to U. S. 90 Project, approving that an amount not to exceed \$980,996.07 be made available and expended from the System's Project Fund for the additional project work costs, authorizing the President/Chief Executive Officer to pay the Texas Department of Transportation an amount not to exceed \$980,996.07 for the additional project work. Total expenditures are: \$980,996.07.
(KELLEY NEUMANN – CINDY KOVACIC)

REPLACEMENTS

Professional Services

38. A Resolution awarding professional services contracts to the following consulting engineers; Bain, Medina, Bain, Inc., San Antonio Design Group, Inc., Claunch & Miller, Inc., RJN Group, Inc., and Sunland Group, in the total amount of \$1,000,000.00 for the design of water and wastewater facility replacements in connection with the 2006 and 2007 City Street Maintenance Water and Sewer Replacement Projects, approving the expenditure of funds in an amount not to exceed \$500,000.00 from the System's Project Fund for the sewer project engineering work, approving the expenditure of funds in an amount not to exceed \$500,000.00 from the System's Project Fund for the water project engineering work, authorizing the President/Chief Executive Officer to execute professional services contracts with the following consulting engineers: Bain, Medina, Bain, Inc., San Antonio Design Group, Inc., Claunch & Miller, Inc., and Sunland Group, and to pay the following consulting engineers: Bain, Medina, Bain, Inc., San Antonio Design Group, Inc., RJN Group, Inc., Claunch & Miller, Inc., and Sunland Group, an amount not to exceed \$1,000,000.00 for the project engineering work in connection with the projects. Total expenditures are: \$1,000,00.00.
(KELLEY NEUMANN – CINDY KOVACIC)

MISCELLANEOUS ITEMS

39. A Resolution authorizing expenditures in an amount not to exceed \$13,650,000.00 from the System Fund for Self Insured Medical Benefits, Administrative Services and Stop Loss Insurance with Blue Cross Blue Shield of Texas from January 1 through December 31, 2006; directing the staff of the System to return to the Board of Trustees for appropriation of funds for subsequent fiscal years; authorizing the President/Chief Executive Officer to pay Blue Cross Blue Shield of Texas an amount

not to exceed \$13,650,000.00 for self insured medical benefit services from January 1 through December 31, 2006. Total expenditures are: \$13,650,000.00.
(NEIRA S. WHITE)

40. A Resolution accepting the proposal of Caremark to provide Pharmacy Benefit Management Services for the System's Self Funded Health Benefits Program from January 1, 2006 through December 31, 2008, awarding a contract to Caremark to provide Pharmacy Benefit Management Services from January 1, 2006 through December 31, 2008, with successive one-year terms, approving expenditures from the System Fund in an amount not to exceed \$3,600,000.00 for Pharmacy Benefits Management Services to be provided in FY 2006, authorizing the President/Chief Executive Officer to further negotiate and execute a new contract and all related documents with Caremark to provide such services from January 1, 2006 through December 31, 2008 and to pay Caremark an amount not to exceed \$3,600,000.00 for FY 2006, directing the staff of the System to return to the Board of Trustees for appropriation of funds for subsequent fiscal years. Total expenditures are: \$3,600,000.00. (NEIRA S. WHITE)
41. A Resolution authorizing expenditures in an amount not to exceed \$820,000.00 from the System Fund for self insured Dental Benefits Administrative Services with MetLife from January 1 through December 31, 2006, directing the staff of the System to return to the Board of Trustees for appropriation of funds for subsequent fiscal years; authorizing the President/Chief Executive Officer to pay MetLife an amount not to exceed \$820,000.00 for self insured Medical Benefit Services from January 1 through December 31, 2006. Total expenditures are: \$820,000.00.
(NEIRA S. WHITE)
42. A Resolution accepting the proposal of Principal Financial Group to provide Basic Term Life Insurance, Accidental Death and Dismemberment Insurance, Long Term Disability Insurance and Group Supplemental Term Life Insurance from January 1, 2006 through December 31, 2008; awarding a contract to Principal Financial Group to provide Basic Term Life Insurance, Accidental Death and Dismemberment Insurance, Long Term Disability Insurance and Group Supplemental Term Life Insurance from January 1, 2006 through December 31, 2008, with successive one-year terms, approving expenditures from the System Fund in an amount not to exceed \$540,000.00 for Basic Term Life Insurance, Accidental Death and Dismemberment Insurance, and Long Term Disability Insurance to be provided in FY 2006 and expenditures in FY 2007 and FY 2008 will be made available pursuant the Board's approval of the FY 2007 and FY 2008 budget with a line item for the expenditure for the contract, authorizing the President/Chief Executive Officer to further negotiate and execute a new contract and all related documents with Principal Financial Group to provide such insurance coverage from January 1, 2006 through December 31, 2008 and to pay Principal Financial Group an amount not to exceed \$540,000.00 for FY 2006. (NEIRA S. WHITE)
43. A Resolution accepting the proposal of and awarding a contract to Deer Oaks EAP Services to provide Employee Assistance Program Services for the System's Employee Benefits Program from January 1, 2006 through December 31, 2008, approving expenditures in an amount not to exceed \$26,928.00 for FY 2006 for such services from the System Fund and that FY 2007 and FY 2008 expenditures be made available pursuant the Board's approval of the FY 2007 and FY 2008 budget with a line item for the expenditure for the contract, authorizing the President/Chief Executive Officer or his designee to further negotiate and execute a contract and all

related documents with Deer Oaks EAP Services and in an amount not to exceed \$80,784.00 for the services. Total expenditures are: \$80,784.00. (NEIRA S. WHITE)

44. A Resolution approving contracts for professional legislative consultant services for the 2005-2006 legislative interim and the 80th Session of the Texas Legislature from November 1, 2005 to October 31, 2007, authorizing funds from the System Fund in the total amount not to exceed \$447,000.00 for these individual firms: Baker Botts, J.E. Buster Brown, and Marc Rodriguez in connection with these services; authorizing the President/Chief Executive Officer to execute contracts with Baker Botts, J.E. Buster Brown and Marc Rodriguez in the amounts not to exceed \$182,000.00, \$150,000.00 and \$115,000.00 respectfully, authorizing the President/Chief Executive Officer to pay the following amounts not to exceed \$182,000.00, \$150,000.00 and \$115,000.00 to Baker Botts, J.E. Buster Brown, and Marc Rodriguez respectively. Total expenditures are: \$447,000.00.
(JANELLE OKORIE – ANDREW SMITH)

45. **BRIEFING SESSION.**

No items for this Meeting.

46. Chairman of the Board's Initiative.
47. President/Chief Executive Officer's Report.
48. Inquiries.
49. The Regular Session of the September 13, 2005, meeting is hereby recessed to hold an Executive Session for purposes of consulting with its attorneys and deliberating about real property and personnel matters pursuant to Sections 551.071, 551.072, 551.073, 551.074 and 551.076 of the Texas Open Meetings Act.

50. **EXECUTIVE SESSION.**

- A. Consultation with attorneys and deliberation regarding the appointment, employment, reassignment, duties, discipline, or dismissal of a public officer or employee. (FRANK STENGER-CASTRO – BILL CROW)
- B. Consultation with attorneys and deliberation regarding Cause No. 2004-ED-0013 in the Probate Court No. 1 of Bexar County, Texas; City of San Antonio, acting by and through the San Antonio Water System v. SWLN/Delaware, Inc., and John M. Schaefer regarding 2.285 acres owned by SWLN/Delaware, Inc., and John M. Schaefer located on the south side of U.S. Highway 87, between Foster Road and Loop 410, Bexar County, Texas. (FRANK STENGER-CASTRO – NANCY BELINSKY)
- C. Consultation with attorneys regarding legal issues relating to matters in anticipation of potential litigation, including matters related to the Applewhite Road from Zarzamora to Watson Road Project.
(FRANK STENGER-CASTRO)
- D. Consultation with attorneys and deliberation regarding a proposed Settlement Agreement with Marsh McLennan Companies, Inc.
(FRANK STENGER-CASTRO – KEITH MARTIN)

- E. Consultation with attorneys and deliberation regarding the potential sale of the SAWS property located at 2222 N. Alamo, consisting of 12.644 acres and commonly known as the "Playland Park" property.
(FRANK STENGER-CASTRO – NANCY BELINSKY)
 - F. Consultation with attorneys and deliberation regarding Cause No. 2004-CL-02288 in the 224th Judicial District Court of Bexar County, Texas; BSR Water Company, et. Al, v. the City of San Antonio as owner of the San Antonio Water System. (FRANK STENGER-CASTRO – STEVE KOSUB)
 - G. Consultation with attorneys and deliberation regarding opposition to the Application of Bexar Metropolitan Water District in State Office of Administrative Hearings Docket Number 582-03-3725 (Texas Commission on Environmental Quality Docket Number 2003-0664-UCR) to amend Water Certificate of Convenience and Necessity Number 10675 relating to an approximate 5,000 acre tract of land between Borgfeld Road, Cibolo Creek, Blanco Road, and US Highway 281 North.
(FRANK STENGER-CASTRO – STEVE KOSUB)
 - H. Consultation with attorneys and deliberation regarding the legal issues related to Water System participation in emergency relief efforts to those directly and indirectly impacted by Hurricane Katrina.
(FRANK STENGER-CASTRO – KEITH MARTIN)
 - I. Briefing and deliberation regarding issues relating to the employment, performance, evaluation, and duties of the President/Chief Executive Officer.
 - J. Consultation with attorneys for the San Antonio Water System and its Board of Trustees, and consideration of matters in which the duty of the attorney to the San Antonio Water System and its Board of Trustees under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with the provisions of the Texas Open Meetings Act.
51. The Regular Session of the meeting of September 13, 2005, is hereby reconvened.
52. A Resolution depositing the amount of the Special Commissioners' Award into the Registry of the Court for the condemnation of a 2.285 acre permanent easement located on the south side of U.S. Highway 87, between Foster Road and Loop 410, being a portion of that tract of land located in the Nepomancio Montoya Survey No. 21, Abstract No. 469, NCB 35132, Bexar County, Texas owned by SWLN/Delaware, Inc., and John M. Schaefer in the amount of \$285,000.00, approving the acquisition of the permanent easement for the total amount of \$285,000.00, authorizing the total expenditure in the amount of \$285,000.00 from the System's Project Fund for the acquisition by condemnation of the permanent easement, authorizing the President/Chief Executive Officer to pay SWLN/Delaware, Inc., and John M. Schaefer the amount of \$285,000.00 for the permanent easement, authorizing the President/Chief Executive Officer or his authorized representative to execute all documents necessary to convey the permanent easement to the City of San Antonio for the use and benefit of the San Antonio Water System, authorizing the President/Chief Executive Officer to take possession of the permanent easement on behalf of the San Antonio Water System Board of Trustees, authorizing the System's attorneys to file objections to the Award of the Special Commissioners with the Judge of Bexar County Probate Court No. 1, authorizing the System's attorneys to continue to prosecute this condemnation proceeding (Cause No. 2004-ED-0013)

through conclusion (including final judgment and all necessary appeals). Total expenditures are: \$285,000.00. (KELLEY NEUMANN – FRANCES PLOCEK)

53. A Resolution ratifying the actions of the Vice-President of Facilities Engineering & Construction in approving Change Order No. 37 in the amount of \$38,796.21 in connection with the Applewhite Road: Zarzamora to Watson Road Project, authorizing the President/Chief Executive Officer to pay to the Texas Department of Transportation an amount not to exceed \$38,796.21 for the additional work. Total expenditures are: \$38,796.21. (KELLEY NEUMANN – CINDY KOVACIC)
54. A Resolution authorizing a settlement with Marsh McLennan Companies, Inc., authorizing the President/Chief Executive Officer to execute the Settlement Agreement. Total settlement received: \$17,243.03 (FRANK STENGER-CASTRO)
55. A Resolution approving a Utility Service Agreement to provide water and wastewater service (4,031 Water Equivalent Dwelling Units and 4,031 Wastewater Equivalent Dwelling Units) to the Kinder, Friesenhahn, and Bass Tract, 1,258-acre tract located north of Estate Gate, west of US Highway 281, being developed by Bitterblue, Inc., Developer. (KELLEY NEUMANN – SAM MILLS)
56. A Resolution authorizing an Interlocal Agreement with Bexar Metropolitan Water District for temporary water service to two areas within the Certificate of Convenience and Necessity of Bexar Metropolitan Water District for a period not to exceed 18 months, replacing Resolution No. 04-402, dated November 2, 2004. (KELLEY NEUMANN – SAM MILLS)
57. A Resolution authorizing the President/Chief Executive Officer to negotiate and execute a License Agreement with the American Red Cross for the use of approximately 40,000 square feet of space in the San Antonio Water System's Northwest Service Center located at 8764 Hwy 151, San Antonio Texas. (DON LAFFERE)
58. A Resolution directing the President/Chief Executive Officer to take such actions and spend such funds as may be reasonable and necessary to provide emergency relief efforts to those impacted by Hurricane Katrina, authorizing the President/Chief Executive Officer to enter into contracts, as reasonably necessary, to carry out the foregoing directive, directing the President/Chief Executive Officer to supply the Board with update reports of the emergency relief efforts detailing the types of goods or services being provided by the System and the cost of providing same, directing the President/Chief Executive Officer or his designated representative to pursue reimbursement from the Federal Emergency Management Agency, the requesting entity or any other entity for funds expended in connection with such emergency relief efforts. (DAVID CHARDAVOYNE)
59. Adjournment.

THE SAN ANTONIO WATER SYSTEM BOARD OF TRUSTEES MEETING OF SEPTEMBER 13, 2005, IS HEREBY ADJOURNED.

Exhibit L

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SAN ANTONIO EXPRESS-NEWS

WEDNESDAY, SEPTEMBER 14, 2005

SAWS agrees to serve disputed tract

The utility decides to give BexarMet some competition.

By JERRY NEEDHAM
EXPRESS-NEWS STAFF WRITER

Trustees of the San Antonio Water System agreed late Tuesday to provide water to about 4,000 homes in a disputed 5,000-acre North Bexar County tract that both SAWS and Bexar Metropolitan Water District are applying to serve.

Under the agreement with developer Bitterblue Inc., SAWS

would provide water and wastewater service for the equivalent of 4,031 homes in four as-yet-unplanned developments on 1,258 acres.

The agreement is contingent upon SAWS being granted a certificate by the Texas Commission on Environmental Quality to provide retail water service in that area, located west of U.S. 281, east of Camp Bullis, south of Cibolo Creek and north of the Estates of Stonegate.

BexarMet officials contend that SAWS signed an agreement five years ago bowing out of the two utilities' fight to serve the area. But SAWS

Board Chairman Jim Mayor said the validity of that agreement is questionable, as the utilities' boards never approved it.

The SAWS board last month voted to oppose BexarMet's long-pending application to serve the area and to file its own application after Bitterblue's chief executive sent a letter to SAWS asking it to provide service to the area due to concerns about BexarMet's ability to do so.

BexarMet has had problems with water pressure this summer in the Stone Oak and Timberwood Park neighborhoods near the proposed development,

but utility officials say they are working to fix the problems. "We've applied to serve that area because we think we can better service it because of all of BexarMet's interconnect problems and everything else," Mayor said. "So the state is going to make the decision as to who gets that area."

The board also approved an agreement to provide up to 18 months of water service to BexarMet customers in a new subdivision near Potranco and Talley roads until BexarMet can construct the mains to serve those customers.

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