

**BEXAR COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. TEN**

8601 MIDCROWN  
SAN ANTONIO, TEXAS 78239-2445

---

---

REGULAR BOARD MEETING MINUTES  
JANUARY 19, 2017

- I. **CALL REGULAR BOARD MEETING TO ORDER AND TAKE ATTENDANCE AND PLEDGE OF ALLEGIANCE:** The Regular Board Meeting of January 19, 2017, was called to order at 6:37 p.m. by the President of the Board, Ms. Sue Alexander, at the City of Windcrest Council Chambers, 8601 Midcrown Drive, Windcrest, Texas, for the purpose of considering the following agenda. The Board's President determined that a quorum was present. Board members present were Ms. Alexander, Snead, Scheibler, Mr. Fagin and Mr. Reese. Also in attendance were Ruben Barrera, Attorney, Richard Frazor, President of Sunbelt Engineering, and David Wallace, General Manager.
- II. **ANNOUNCEMENTS:** The Board of Directors of the Bexar County Water Control and Improvement District No. 10 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 Directors 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 441 of the Texas Open Meetings Act.
- III. **READ, CORRECT/AMEND, AND APPROVE THE REGULAR BOARD MEETING MINUTES OF DECEMBER 8, 2016.** Motion was made by Ms. Scheibler to accept the minutes of December 8, 2016 with corrections to New Business 8F (spelling of distribute). This was seconded by Ms. Snead. Motion passes.

5 YES    0 ABSTAIN    0 NO    0 ABSENT

**READ, CORRECT/AMEND, AND APPROVE THE SPECIAL BOARD MEETING MINUTES OF DECEMBER 19, 2016.** Mr. Reese recommended that the comments from the Board President be stricken from the minutes. The Board President called for a vote of the Board to have the comments of the Board President stricken from the minutes.

2 YES    0 ABSTAIN    3 NO    0 ABSENT

Ms. Scheibler made a motion that the minutes from the December 19, 2016 Special Board Meeting be approved as written This was seconded by Ms. Snead.

Discussion Reese Comments for the Minutes

During the special board meeting on December 19, 2016 the President of the Board (without consulting or notifying the board), decided that each Board member would have 10 minutes to make comments regarding the presentation. Primarily because it was clear that we did not have enough information to proceed, comments focused the need for additional research before making a decision. The President of the Board decided she would go last. When her time for comments came, she directed that the entirety of her written remarks be placed in the minutes. This decision was unprecedented and she acted totally alone. She did not communicate with the Board that they would be able to make comments and have them included in the minutes. When her comments were made, she even attempted to stop any discussion of the claims she made.

These written comments might be misconstrued as speaking for the Board. For that reason and the fact that there were some degrading remarks and personal opinions, this

speech should not be included as part of the official record of the meeting. Should someone want view these remarks, they can go on line and view them.

In the spoken and written remarks, she denigrated previous members of the board and their decisions. She repeatedly said that "previous boards" made political decisions that were "purposeful and hasty". She stated that "these boards" wanted to impose their will "regardless of what the citizens wanted." She assumes that these "other boards" had no communication with "citizens" (the real term should be rate payers). She also does not give any credence to the fact that several of the decisions made were made after months of discussion.

She appears to believe that just because there is an election coming up, the sitting board should not make any decisions. She states that the Randolph property was purchased for "more than 2 times the appraised value" for \$215k. Since the property was recently appraised for \$230k either the value has skyrocketed since it was purchased or she misquoted the appraised value.

She states that "the previous board" hastily to award a "flawed if not illegal" contract. The "previous board" included everyone on the current board with the exception of Ms. Schreiber. That vote was 4 to 1 to proceed. This contract has been reviewed by at least two outstanding attorneys and found to be legal and binding. She fails to acknowledge that she actually voted for the design of the building on the Randolph property.

She makes a huge assumption by stating that "the land at the Windcrest maintenance facility under a lease agreement would be virtually free. She fails to acknowledge that this would put the Water District in clear dependent relationship with the City of Windcrest.

The item in question was informational but not complete. All other Directors recognized that more information as needed prior to real debate. The President of the Board decided to give her opinion - stating that "all other factors being equal, I would select to lease the property" She goes on to indicate how the maintenance team we could operate on the property on Jim Seal. She states that the area around the Windcrest Maintenance facility has "no problem with vandalism or theft." In fact, the current City of Windcrest Maintenance facility is adjacent to an unprotected area that has indeed been had problems with theft and vandalism.

She ends with pointing out that there were some permitting issues with San Antonio. The permitting process is designed to make sure all building meet building codes. Different cities enforce codes in different ways. Building codes are put into place for consistency and to keep the occupants safe. There seems to be the insinuation that if we just build in Windcrest, we won't have to follow as many rules.

I believe that it is clearly inappropriate for the President of the Board to arbitrarily decide that her comments should be put in their entirety in the minutes. I hope that this practice will stop, if it does not, the entire board should be afforded the opportunity to place written speeches into the minutes of a meeting.

Board President asked that the motion be restated: Ms. Scheibler made a motion that the minutes from the December 19, 2016 Special Board Meeting be approved as written. This was seconded by Ms. Snead. Motion passes.

4 YES 0 ABSTAIN 1 NO 0 ABSENT

THE BOARD PRESIDENT WENT TO AGENDA V. *CONSENT AGENDA ITEMS*:

V. CONSENT AGENDA ITEMS:

A. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION AUTHORIZING A PARTIAL PAYMENT TO BLACK CASTLE GENERAL CONTRACTOR FOR WORK PERFORMED ON THE DISTRICT'S WATER MAIN REPLACEMENT 2016 PROJECT IN ACCORDANCE WITH THE PROJECT CONTRACT AND BASED ON THE RECOMMENDATIONS OF THE DISTRICT'S ENGINEER AND THE DISTRICT'S GENERAL MANAGER.

B. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION APPROVING THE RENEWAL OF A CERTIFICATE OF DEPOSIT WITH A MATURITY DATE OF FEBRUARY 1, 2017 AT FELLOWSHIP FEDERAL CREDIT UNION (FCU).

C. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION APPROVING THE RENEWAL OF A CERTIFICATE OF DEPOSIT WITH A MATURITY DATE OF FEBRUARY 3, 2017 AT SECURITY SERVICE FEDERAL CREDIT UNION (SSFCU).

D. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION TO IDENTIFY AND CONFIRM THE DISTRICT OFFICERS AND EMPLOYEES NO LONGER AUTHORIZED TO CONDUCT BUSINESS AND / OR BE DESIGNATED AS OFFICIAL SIGNATORIES WITH SAN ANTONIO CREDIT UNION (SACU) AND AUTHORIZING AND DIRECTING THE GENERAL MANAGER TO PRESENT THIS RESOLUTION TO SACU AND ENSURE THAT ALL CHANGES DIRECTED BY THIS RESOLUTION BE COMPLETED.

E. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO PURCHASE A SEWER JETTER MACHINE FROM KINLOCK FOR \$44,738.82.

F. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION ADOPTING THE SAN ANTONIO WATER SYSTEM'S (SAWS) REVISED WHOLESALE WASTEWATER (SEWER) RATES FOR 2017. RATES WOULD CHANGE FROM:

Mr. Reese made a motion to approve V. Items A through F. This was seconded by Mr. Fagin. Motion passed.

5 YES    0 ABSTAIN    0 NO    0 ABSENT

VI. ITEMS FOR INDIVIDUAL CONSIDERATION:

A. PRESENTATION AND DISCUSSION ON AN UPDATE OF THE DISTRICT'S 2016 CIP MAINTENANCE BUILDING PROJECT LOCATED AT 5507 RANDOLPH BLVD, SAN ANTONIO, TEXAS. Mr. Richard Frazor updated the Board on all items still pending with San Antonio regarding the permits for the property at 5507 Randolph Blvd.

B. THE BOARD WILL HOLD A DISCUSSION ON THE GENERAL MANAGER'S AND CITY ENGINEER'S PRESENTATION FOR THE CONSTRUCTION OF THE DISTRICT'S MAINTENANCE BUILDING AT THE DISTRICT'S PROPERTY LOCATED AT 5507 RANDOLPH BLVD, SAN ANTONIO, TEXAS OR AT ANOTHER LOCATION INCLUDING BUT NOT LIMITED TO THE CITY OF WINDCREST'S MAINTENANCE YARD LOCATED AT 9319 JIM SEAL DRIVE, WINDCREST, TEXAS. Presentation was given by Mr. Young, City of Windcrest Engineer and Mr. Wallace, General Manager.

Mr. Reese requested that before the Board accepted visitor comments that item VI. G. be heard at this time. The Board President denied this request.

THE BOARD PRESIDENT WENT TO AGENDA ITEM IV. *ACCEPT VISITOR COMMENTS*:

IV. ACCEPT VISITOR COMMENTS (STRICT 5 MINUTE TIME LIMIT PER VISITOR). VISITORS THAT WISH TO SPEAK MUST SIGN IN ON THE SIGN-UP SHEET LOCATED AT THE DOORWAY. VISITORS MUST SIGN IN BEFORE THE MEETING BEGINS. VISITOR COMMENT WILL NOT BE ALLOWED / ACCEPTED AFTER THIS TIME.

ANNOUNCEMENT REGARDING  
PUBLIC COMMENT SESSION OF MEETING

The Board will now open the floor to members of the public for the "Open Form – Citizens to be Heard" portion of our meeting. Individuals will be called in the order they registered on the sign-in sheet prior to the beginning of the meeting. While the Board welcomes comments and participation from the public, please be advised of the following guidelines:

1. Remarks shall be limited to five (5) minutes per individual.
2. Remarks or comments should be directed to the entire Board and not to one individual member of the Board.
3. The Board strives to maintain open, courteous and respectful communications with the public. Please extend the same courtesy to the Board when addressing your remarks.

The Board further expects that all members of the public shall exercise decorum during the conduct of the meeting. Any individual engaging in disruptive behavior, including shouting, the use of vulgar language or gestures, or derogatory comments and statements intended to incite a breach of the peace, may be asked to leave the meeting.

Pursuant to Section 551.042 of the Texas Open Meetings Act, the Board may not deliberate or decide on any inquiry or concern raised by a member of the public or member of the board that has not been posted on the agenda. The Board may, however, consider a proposal to place the subject on the agenda item for a future meeting, or respond to a question presented to the Board if the response is limited to either a statement of specific factual information or a recitation of existing policy.

VISITOR SPEAKERS:

1. Paul Greenwood, 6110 Windy Knoll. Speak on two items: 1) He was a Board Director for 15 yrs. Between 2008 the board formed a committee to look at properties for the District to purchase because there was a need due to the limited space for all the employees of the District (2008 & 2014) this is why the Administrative Fund was started. Eight different sites were brought before the board 4 inside Windcrest, 2 in the County and 2 in San Antonio. 2) He has concerns about building a building at Maintenance Yard on Jim Seal. He suggested that the board watch the joint meeting between the City & District on July 2011 as well as look over the Raba Kistner Report of Sept 2011, specifically the maintenance building assessment.
2. Donna Ridenour, 505 Tidecrest. Commented on the need for the construction of a Maintenance facility at 5507 Randolph Blvd., San Antonio, Texas and the safety in the area.

3. Gale Baker, 422 Zephyr Drive. Commented that the District should sell the property at 5507 Randolph Blvd., and keep employees at City Hall.
4. Rita Davis, 701 Fenwick Drive. Commented on 5 points: a) More cost effective to build at 5507 Randolph than to build at Jim Seal Dr. b) Caution: City taking over the District. For this to happen, District & City boundaries must be the same. Efforts have been made to change the boundaries for the city of Windcrest. c. Bexar County appraisal does not mean that is what your property is worth. This is determined by what the pricing is in area and what the buyer will give you. d. Robert Rules of Order Standards regarding "Appealing the Decision of the Chair". It is a demand and does not require recognition. e. What is the policy of the Board regarding citizen's petitions? If you don't have a plan it goes to the government code. Mr. Barrera responded to her question regarding citizen's petitions.
5. Irv Gerrow, 642 Candleglo Drive. The District needs to get over this business that they don't trust the City. He said that the decision to build at 5507 Randolph Blvd., San Antonio was done in haste. And so that the City of Windcrest would not take over the District. We need to save the money for our infrastructure.
6. Mona Ottinger, 6415 Spindriff. The District should build on the 5507 Randolph Blvd. property rather than lease land from the City.

THE BOARD PRESIDENT WENT TO AGENDA ITEM *VIII. & IX. EXECUTIVE SESSION:*

VIII. THE REGULAR SESSION OF THE JANUARY 19, 2017, REGULAR BOARD MEETING IS HEREBY RECESSED AT 8:32 P.M. TO HOLD AN EXECUTIVE SESSION AND DISCUSS THE MATTERS LISTED BELOW PURSUANT TO SECTIONS 551.071, 552, 072 AND 552.074 OF THE TEXAS OPEN MEETINGS ACT.

IX. EXECUTIVE SESSION

A. TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY AND WATER RIGHTS AS AUTHORIZED BY TEXAS GOVERNMENT CODE § 551.072.

B. TO DELIBERATE THE EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF THE DISTRICT'S EMPLOYEES, AS AUTHORIZED BY TEXAS GOVERNMENT CODE 551.074.

C. THE BOARD WILL CONSULT WITH THE DISTRICT'S LEGAL COUNSEL IN A CLOSED SESSION, AS AUTHORIZED BY TEXAS GOVERNMENT CODE § 551.071(2), TO DISCUSS AND SEEK ADVICE UPON ONE OR MORE MATTER(S) IN WHICH THE DUTY OF THE ATTORNEY TO THE DISTRICT UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH CHAPTER 551, TEXAS GOVERNMENT CODE.

\*\*AS USED HEREIN, "CLOSED MEETING" SHALL HAVE THE DEFINITION ASCRIBED TO THAT TERM BY TEXAS GOVERNMENT CODE § 551.001. AS REQUIRED BY TEXAS GOVERNMENT CODE § 551.102, THE FINAL ACTION, DECISION, OR VOTE ON A MATER DELIBERATED IN A CLOSED MEETING WILL BE MADE IN AN OPEN MEETING\*\*.

X. THE REGULAR SESSION OF THE REGULAR BOARD MEETING OF JANUARY 19, 2017, IS HEREBY RECONVENED AT 9:06 P.M.

THE BOARD PRESIDENT WENT TO AGENDA ITEM VI. C. ITEMS FOR INDIVIDUAL CONSIDERATION:

VI. C. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION TO (1) DELAY OR STOP CONSTRUCTION OF THE DISTRICT'S MAINTENANCE BUILDING LOCATED AT THE DISTRICT'S PROPERTY AT 5507 RANDOLPH BLVD., SAN ANTONIO, TEXAS; AND/OR) BUILD THE DISTRICT'S MAINTENANCE BUILDING AT A DIFFERENT LOCATION. Mr. Reese made a motion to table this item until the regularly scheduled Board Meeting in February and authorize the General Manager to spend, not to exceed \$15,000, to investigate the costs associated with building a building. This was seconded by Mr. Fagin. Motion Passed.

3 YES 0 ABSTAIN 2 NO 0 ABSENT

D. THE BOARD WILL DISCUSS AND MAY TAKE ACTION TO APPOINT A COMMITTEE TO COMPLETE A COMPREHENSIVE REVIEW OF THE DISTRICT'S POLICIES AND PROCEDURES MANUAL AND PERSONNEL POLICY MANUAL AND MAKE RECOMMENDATIONS TO THE BOARD ON CHANGES AND/ OR UPDATES. Board members nominated were Ms. Scheibler, Ms. Alexander, Mr. Wallace, General Manager, and Windcrest Citizens Gwen Mosley and Janice Leader. Ms. Scheibler made a motion that the above nominees be approved for appointment on the Committee to review the District's Policies and Procedures Manual and Personnel Policy Manual. This was seconded by Ms. Snead. Motion passed.

5 YES 0 ABSTAIN 0 NO 0 ABSENT

E. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON THE RECOMMENDATION OF THE COMMITTEE SELECTED TO REVIEW ENGINEERING COMPANIES. Ms. Snead made a motion to table this item due to the fact that the committee has only had two (2) days to review these. This was seconded by Mr. Reese. Motion passed.

5 YES 0 ABSTAIN 0 NO 0 ABSENT

F. THE BOARD WILL DISCUSS AND MAY TAKE ACTION TO AUTHORIZE THE GENERAL MANAGER TO MEET WITH THE WINDCREST CITY MANAGER TO DISCUSS A REVISION TO ITEM III, "FIRE HYDRANTS" IN THE INTERLOCAL COOPERATION CONTRACT IN ORDER TO CLARIFY THE FOLLOWING ITEMS: (1) WHO OWNS THE FIRE HYDRANTS IN WINDCREST; (2) WHO IS RESPONSIBLE FOR HYDRANT INSPECTION; (3) HOW FREQUENTLY WILL THE HYDRANTS BE INSPECTED, AND; (4) HOW WILL THESE INSPECTIONS BE RECORDED. Ms. Scheibler made a motion to authorize the General Manager to meet with the City Manager. This was seconded by Ms. Alexander. Motion passed.

5 YES 0 ABSTAIN 0 NO 0 ABSENT

G. THE BOARD WILL HOLD A DISCUSSION ON A PRESENTATION BY THE GENERAL MANAGER ON THE PROCESS THAT WAS TAKEN TO PURCHASE THE PROPERTY AT 5507 RANDOLPH BOULEVARD, SAN ANTONIO, TEXAS AND THE OTHER PROPERTIES THAT WERE CONSIDERED PRIOR TO THE PURCHASE OF THIS PROPERTY. Mr. Reese made a motion that this item be tabled until the next meeting in February. Mr. Reese respectfully requested that this item be placed on the next agenda prior to any decision to the

Randolph Property and that the Board be provided any and all documentation available for this presentation. This was seconded by Mr. Fagin.

5 YES 0 ABSTAIN 0 NO 0 ABSENT

VII. BRIEFING SESSION

A. STATEMENT OF OPERATIONS AND INVESTMENT REPORT. SUMMARY OF INCOME AND EXPENSES FOR PREVIOUS MONTH. IN-DEPTH REPORT ON AREAS THAT EXPERIENCED SIGNIFICANTLY HIGHER OR LOWER LEVELS THAN EXPECTED. UPDATE ON INVESTMENTS, INCLUDING BALANCES, RATES OF RETURN, MATURITY DATES, AND MARKET CONDITIONS.

1. STATEMENT OF OPERATIONS: DECEMBER 2016
  - a. Operating Revenue: \$152,490.76
  - b. Operating Expenses: \$195,840.00
  - c. Operating Income (\$43,349.24)
  - d. Non-Operating Income \$900.57 (Interest Income)
  - e. Total Income (\$42,448.67)
  
2. INVESTMENT REPORT:
  - a. Operating Account Balance \$364,200.87
  - b. Investments: \$1,006,506.28
  - c. Grand Total \$1,489,275.56

B. MANAGER'S REPORT. SUMMARY OF SIGNIFICANT ACTIVITY THAT AFFECTED OPERATIONS OR HAS POTENTIAL OF AFFECTING OPERATIONS. INCLUDES PERSONNEL UPDATE, SIGNIFICANT EXPENDITURES, WEATHER CONDITIONS, CAPITAL IMPROVEMENT PROJECT STATUS, OPERATIONAL STATISTICS, AND RESPONSES TO INQUIRIES FROM THE BOARD AND / OR VISITORS.

1. SIGNIFICANT EXPENDITURES: (OVER \$5,000)

SAWS	Sewer Service / December 2016	\$57,966.48
EAA	Management / Program Fee	\$ 9,275.00
  
2. Water Usage Update: We are now in Normal Water Restrictions. Our current pumpage for December 2016 was 19,230,000 gals, Total pumpage for the year was 861.946 acre/ft. Total Edwards permit 1625.00 acre/ft. The Edwards Aquifer is currently around 685 ft. 25 ft. above STAGE 1 Restrictions. We are currently pumping 650,000 gal / per / day.
  
3. We replaced 358 meters in 2016. The crew was short 42 meters.
4. Working with the engineer and Contractor on 2016 Capital Improvement Projects. Meeting with contractors on CIP projects. Working with contractor on new Hotel.
  
5. We are working with the contractor and assisting in cleanup when needed. Making sure that all streets are open and drivable (All alleys are now open).

VIII. THE REGULAR SESSION OF THE JANUARY 19, 2017, REGULAR BOARD MEETING IS HEREBY RECESSED AT 9:39 P.M. TO HOLD AN EXECUTIVE SESSION AND DISCUSS THE MATTERS LISTED BELOW PURSUANT TO SECTIONS 551.071, 552, 072 AND 552.074 OF THE TEXAS OPEN MEETINGS ACT.

IX. EXECUTIVE SESSION

A. TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY AND WATER RIGHTS AS AUTHORIZED BY TEXAS GOVERNMENT CODE § 551.072.

B. TO DELIBERATE THE EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF THE DISTRICT'S EMPLOYEES, AS AUTHORIZED BY TEXAS GOVERNMENT CODE 551.074.

C. THE BOARD WILL CONSULT WITH THE DISTRICT'S LEGAL COUNSEL IN A CLOSED SESSION, AS AUTHORIZED BY TEXAS GOVERNMENT CODE § 551.071(2), TO DISCUSS AND SEEK ADVICE UPON ONE OR MORE MATTER(S) IN WHICH THE DUTY OF THE ATTORNEY TO THE DISTRICT UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE STATE BAR OF TEXAS CLEARLY CONFLICTS WITH CHAPTER 551, TEXAS GOVERNMENT CODE.

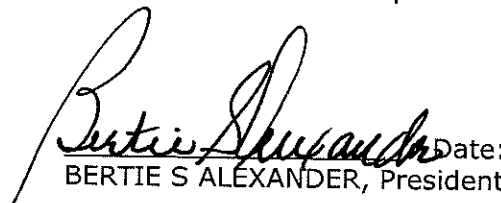
\*\*AS USED HEREIN, "CLOSED MEETING" SHALL HAVE THE DEFINITION ASCRIBED TO THAT TERM BY TEXAS GOVERNMENT CODE § 551.001. AS REQUIRED BY TEXAS GOVERNMENT CODE § 551.102, THE FINAL ACTION, DECISION, OR VOTE ON A MATER DELIBERATED IN A CLOSED MEETING WILL BE MADE IN AN OPEN MEETING\*\*.

X. THE REGULAR SESSION OF THE REGULAR BOARD MEETING OF JANUARY 19, 2017, IS HEREBY RECONVENED AT 10:04 P.M.

XI. OTHER BUSINESS BROUGHT BEFORE THE BOARD. (NO DELIBERATIONS AND / OR DECISION WILL OCCUR EXCEPT TO SCHEDULE AT NEXT SCHEDULED BOARD MEETING IN ORDER TO PLACE SUBJECT ON AGENDA AND GIVE STAFF TIME TO EVALUATE AND MAKE RECOMMENDATIONS.

XII. ADJOURNMENT. The Bexar County Water control and Improvement District No. 10 board of Directors Meeting of January 19, 2017 is hereby adjourned at 10:04 p.m.

  
JOHN E FAGIN, Secretary

 Date: 3/16/17  
BERTIE S ALEXANDER, President