

BEXAR COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. TEN

8601 MIDCROWN
SAN ANTONIO, TEXAS 78239-2445

REGULAR BOARD MEETING MINUTES
JUNE 15, 2017

- I. CALL REGULAR BOARD MEETING TO ORDER AND TAKE ATTENDANCE AND PLEDGE OF ALLEGIANCE: The Regular Board Meeting of June 15, 2017, was called to order at 6:31 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, Ms. Snead and Ms. Scheibler, Mr. Fagin and Mr. Reese. Also in attendance were Ruben Barrera, Attorney, Leonard Young, Engineer 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 MAY 18, 2017. Ms. Scheibler made a motion to approve the minutes as written. This was seconded by Ms. Snead. Motion passes.
- 5 YES 0 ABSTAIN 0 NO 0 ABSENT
- 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.

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:

Henry Berman, 409 Windcrest, Mr. Berman wanted to address agenda item VI A. He stated, "I understand that there was a \$103,000 loss on this whole operation. Could you give me and the Citizens out there a full rundown of the costs." Mr. Wallace stated that he has this already prepared. It includes everything from the beginning up to today. Mr. Berman stated that he would wait for this agenda item.

V. CONSENT AGENA ITEMS:

None at this time.

VI. ITEMS FOR INDIVIDUAL CONSIDERATION:

A. THE BOARD WILL DISCUSS THE TOTAL COST OF THE BUILDING PROJECT, LOCATED AT 5507 RANDOLPH BOULEVARD, SAN ANTONIO, TEXAS ("PROPERTY"); TO INCLUDE THE CANCELLATION COSTS. The General Manager gave a presentation of all Costs associated with the Property which included the cancellation costs. The total costs came to \$132,388.07. The Board president requested that each Board member receive a hard copy of Mr. Wallace's presentation.

B. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON THE RECOMMENDATIONS OF THE GENERAL MANAGER REGARDING THE "NEEDS ASSESSMENT" ANALYSIS COMPLETED ON BEXAR COUNTY W.C.I.D. #10. The General Manager gave a presentation on all space available for the District at the City Maintenance Yard located at 9319 Jim Seal Drive, Windcrest, Texas. Ms. Scheibler requested that Mr. Wallace provide an estimated cost for automation of all Administrative records to be given to the Board at the next meeting.

C. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON THE RECOMMENDATION OF THE GENERAL MANAGER AND THE DISTRICT'S ENGINEER REGARDING THE 2017-2018 CIP PROJECT. The District's Engineer provided a presentation of areas within the District where Water and Sewer replacements have taken place in the past. He then provided areas in the District where improvements need to be made.

D. THE BOARD WILL DISCUSS THE COMPARISON OF COMMERCIAL WATER RATES AND RESIDENTIAL WATER RATES OF LOCAL WATER SYSTEMS PROVIDED BY THE GENERAL MANAGER. The General Manager provided a presentation for the Board to view the different water rates of surrounding Water Districts. The Board president asked that a committee be compiled to look at the Commercial and Residential Water Rates.

E. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION APPROVING THE EMPLOYMENT OF A REAL ESTATE / LEASING AGENT / BROKER TO ASSIST THE GENERAL MANAGER IN EXPLORING THE DISTRICT'S OPTIONS IN LEASING OR SELLING THE PROPERTY LOCATED AT 5507 RANDOLPH BOULEVARD, SAN ANTONIO, TEXAS ("PROPERTY"); APPROVING A REAL ESTATE SERVICES AGREEMENT BETWEEN THE DISTRICT AND THE REAL ESTATE / LEASING AGENT / BROKER; AUTHORIZING THE GENERAL MANAGER TO EXECUTE THE REAL ESTATE SERVICES AGREEMENT BETWEEN THE DISTRICT AND THE REAL ESTATE / LEASING AGENT / BROKER AND TO CARRY OUT ALL OBLIGATIONS UNDER THE AGREEMENT; AND INSTRUCTING AND DIRECTING THE GENERAL MANAGER TO REPORT THE RECOMMENDATIONS OF THE REAL ESTATE / LEASING AGENT / BROKER TO THE BOARD FOR THEIR CONSIDERATION AND POSSIBLE ACTION AT A FUTURE MEETING. Ms. Alexander made the motion to table this item, as no one showed up. This was seconded by Ms. Scheibler. Motion Passed.

5 YES 0 ABSTAIN 0 NO 0 ABSENT

F. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION APPROVING THE DISTRICT FIRE HYDRANT RULES AND AUTHORIZING THE DISTRICT'S GENERAL MANAGER TO INCORPORATE THE DISTRICT FIRE HYDRANT RULES IN THE DISTRICT POLICY AND PROCEDURES. Ms. Alexander made a motion to table this item. This was seconded by Mr. Fagin. Motion Passed.

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: MAY 2017
 - a. Operating Revenue: \$167,381.17
 - b. Operating Expenses: \$179,633.08
 - c. Operating Income \$(12,251.91)
 - d. Non-Operating Income \$1,106.26 (Interest Income)
 - e. Total Income \$(11,145.65)

2. INVESTMENT REPORT:
 - a. Operating Account Balance \$258,399.14
 - b. Investments: \$1,010,989.35
 - c. Grand Total \$1,269,388.49

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 / May 2017	\$61,803.72
EAA	Management / Program Fee	\$ 9,275.00

2. Water Usage Update: We are now in Normal Water Restrictions. Our current pumpage for May 2017 was 26,842,000 gals, Total pumpage for the year was 392.30 acre/ft. Total Edwards permit 1625.00 acre/ft. The Edwards Aquifer is currently around 674 ft. 14 ft. above STAGE 1 Restrictions. We are currently pumping 800,000 gals/per/day.

3. We are still replacing old water meters that no longer function. This will be a normal operational procedure. Large Commercial meters are being installed. The meter change-out program is on schedule to replace 400 residential meters this year. We are still replacing bad curb-stops on meter change outs.

4. We are training the new field crew on operations and use of the equipment that the District has.

5. The General Manager is working with the District's Engineer and his Staff on the current CIP projects. The District is assisting in location of water and sewer mains.

VIII. THE REGULAR SESSION OF THE JUNE 15, 2017, REGULAR BOARD MEETING IS HEREBY RECESSED 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. The Board of Directors ***Did Not*** Recess into Executive Session.

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.

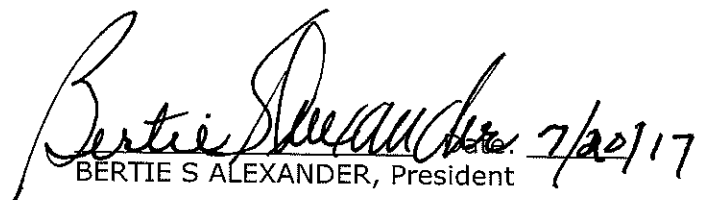
B. TO DELIBERATE THE EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF THE DISTRICT'S EMPLOYEES, AS AUTHORIZED BY TEXAS GOVERNMENT CODE 551.074.

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 MATTER DELIBERATED IN A CLOSED MEETING WILL BE MADE IN AN OPEN MEETING.

- X. THE REGULAR SESSION OF THE REGULAR BOARD MEETING OF JUNE 15, 2017, IS HEREBY RECONVENED. The Board of Directors ***Did Not*** Recess Into Executive Session.
- 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 June 15, 2017 is hereby adjourned at 7.57 p.m.


JOHN E FAGIN, Secretary

 7/20/17
BERTIE S ALEXANDER, President