

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

8601 MIDCROWN  
SAN ANTONIO, TEXAS 78239-2445

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REGULAR BOARD MEETING MINUTES  
DECEMBER 13, 2018

- I. CALL REGULAR BOARD MEETING TO ORDER AND TAKE ATTENDANCE AND PLEDGE OF ALLEGIANCE: The Regular Board Meeting of December 13, 2018, was called to order at 6:38 p.m. by the President of the Board, Ms. 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. Scheibler, Mr. Richards and Mr. Guerrero. Also, in attendance were Ruben Barrera, Attorney, David Wallace, General Manager, Leonard Young, Engineer, Tom Spurgen, Financial Advisor and Matthew Dustin, Financial Advisor. Ms. Snead was absent.
- 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 NOVEMBER 15, 2018. Mr. Richards made a motion to approve the minutes as written. This was seconded by Ms. Scheibler. Motion Passes.
- 4 YES      0 ABSTAIN      0 NO      1 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: No Comments currently.

V. CONSENT ITEM:

A. THE BOARD WILL DELIBERATE AND MAY TAKE ACTION ON A RESOLUTION AUTHORIZING THE GENERAL MANAGER TO CASH-OUT THE CERTIFICATE OF DEPOSIT WITH FELLOWSHIP CREDIT UNION (FCU) WITH A MATURITY DATE OF JANUARY 16, 2019, AND TO DEPOSIT THESE MONIES INTO THE FROST BANK OPERATING ACCOUNT. Ms. Scheibler made a motion to approve this resolution. This was seconded by Mr. Richards. Motion Passes.

4 YES      0 ABSTAIN      0 NO      1 ABSENT

VI. ITEMS FOR INDIVIDUAL CONSIDERATION:

A. A PRESENTATION BY THE GENERAL MANAGER AND THE DISTRICT'S ENGINEER REGARDING AN UPDATE OF THE DISTRICT'S 2018 AND 2019 CAPITAL IMPROVEMENTS PLAN; AND BOARD DELIBERATION REGARDING AN UPDATE OF THE DISTRICT'S 2018 AND 2019 CAPITAL IMPROVEMENT PLAN.

B. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION ACCEPTING A BID FOR THE ELECTRICAL WORK ON WELLS 2 & 4 FOR THE DISTRICT; AWARDED A CONTRACT FOR THE ELECTRICAL WORK ON WELLS 2 & 4 FOR THE DISTRICT; AUTHORIZING AND DIRECTING THE DISTRICT'S GENERAL MANAGER TO NEGOTIATE, FINALIZE AND SIGN A CONTRACT AND ANY OTHER REQUIRED DOCUMENTS INVOLVING THE ELECTRICAL WORK ON WELLS 2 & 4 FOR THE DISTRICT, AND TO CARRY OUT ALL OF THE DISTRICT'S OBLIGATIONS UNDER THE CONTRACT. Mr. Young recommended that the District accept the bid for Well 4 with HSC Electric in the amount of \$157,247 and reject the bid for Well 2 in the amount of \$199,328. Ms. Scheibler made a motion to accept Mr. Young's recommendation and accept the bid from HSC Electric for Well 4 in the amount of \$157,247 and to reject the bid from HSC Electric for Well 2 in the amount of \$199,328. This was seconded by Mr. Richards. Motion Passes.

4 YES      0 ABSTAIN      0 NO      1 ABSENT

C. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION ACCEPTING A BID FOR THE PURCHASE OF A GENERATOR FOR THE DISTRICT; AWARDED A CONTRACT FOR THE PURCHASE OF A GENERATOR FOR THE DISTRICT; APPROVING A CONTRACT BETWEEN THE DISTRICT AND THE SELECTED BIDDER FOR THE PURCHASE OF A GENERATOR FOR THE DISTRICT; AUTHORIZING AND DIRECTING THE DISTRICT'S GENERAL MANAGER TO NEGOTIATE, FINALIZE AND SIGN A CONTRACT AND ANY OTHER REQUIRED DOCUMENTS INVOLVING THE PURCHASE OF A GENERATOR FOR THE DISTRICT, AND TO CARRY OUT ALL OF THE DISTRICT'S OBLIGATIONS UNDER THE CONTRACT. Mr. Young stated that two (2) bids were submitted: Holt Cat \$231,921 and Cummings \$145,654. Mr. Young recommended that the District purchase the Generator from Cummings in the amount of \$145,654. Mr. Richards made a motion to accept Mr. Young's recommendation to purchase the generator from Cummings in the amount of \$145,654. This was seconded by Ms. Scheibler. Motion Passes.

4 YES      0 ABSTAIN      0 NO      1 ABSENT

D. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION APPROVING A PLAN OF FINANCE TO ISSUE A SERIES OF REVENUE NOTES TO MAKE EXTENTIONS AND IMPORVEMENTS TO THE DISTRICT'S WATERWORKS AND SEWER SYSTEM, AND AUTHORIZING THE DISTRICT'S STAFF, ATTORNEY AND ENGINEER, AND PROFESSIONAL ADVISORS TO PREPARE AND DISTRIBUTE ALL DOCUMENTS AND TAKE ALL ACTIONS DEEMED NECESSARY IN CONNECTION WITH PREPARING FOR THE ISSUANCE OF SUCH NOTES. Mr. Dustin and Mr. Spurgen made a presentation to the Board. Ms. Scheibler made a motion to approve this resolution. This was seconded by Mr. Richards. Motion Passes.

4 YES 0 ABSTAIN 0 NO 1 ABSENT

E. THE BOARD WILL DISCUSS AND MAY TAKE ACTION ON A RESOLUTION AUTHORIZING AND DIRECTING THE DISTRICT'S ENGINEER TO PROCEED WITH THE DESIGN OF, AND ADVERTISE AND SEEK COMPETITIVE BIDS FOR PHASE ONE OF THE DSITRICT'S 2019 CAPITAL IMPROVEMENTS PLAN (CIP) NOT TO EXCEED EXPENDITURES IN AN AMOUNT OF \$5,000,000' AUTHORIZING AND DIRECTING THE DISTRICT' GENERAL MANAGER AND ENGINEER TO EVALUATE ALL RESPONSIVE BIDS AND PRESENT A RECOMMENDATION TO THE BOARD OF THE BID REPOSE DEEMED TO BE MOST ADVANTAGEOUS TO THE DISTRICT FOR SUBSEQUENT CONSIDERATION AND ACTION BY THE DISTRICT'S BOARD. Mr. Richards made a motion to accept this Resolution. This was seconded by Ms. Scheibler. Motion Passes.

4 YES 0 ABSTAIN 0 NO 1 ABSENT

F. THE BOARD WILL DISCUSS, AND MAY TAKE ACTION TO AUTHORIZE THE DISTRICT'S GENERAL MANAGER TO INVESTIGATE A NOTIFICATION SYSTEM THAT COULD ALERT OUR CUSTOMERS OF DISTRICT EMERGENCIES AND GENERAL DISTRICT NOTIFICATION.

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: NOVEMBER 2018
  - a. Operating Revenue: \$165,481.63
  - b. Operating Expenses: \$220,505.62
  - c. Operating Income (\$55,023.99)
  - d. Non-Operating Income \$11,458.85 (Interest Income)
  - e. Total Income (\$43,565.14)
  
2. INVESTMENT REPORT:
  - a. Operating Account Balance \$ 453,751.24
  - b. Investments: \$ 892,612.94
  - c. Grand Total \$1,794,538.71

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 / November 2018 | \$65,460.30 |
| EAA  | Management / Program Fee      | \$ 9,275.00 |
2. Water Usage Update: Our current pumpage for November 2018 was 21,190 gals, Total pumpage for the year is 886.37 acre/ft. Total Edwards permit 1625.00 acre/ft. The Edwards Aquifer is currently around 885.00 ft. We are in NORMAL Restrictions. We are currently pumping 650,000 gal/per/day.
3. We are still replacing old water meters that no longer function. This will be a normal operational procedure. The meter change-out program is on schedule to replace 200 residential meters this year. Still replacing bad curb-stops on meter change outs.
4. Working with the Engineers, Financial Advisors and Bond Counsel on 2018 - 2019 Capital Improvement Project plans. Final stages bidding out Electrical work on Wells 2 & 4.
5. Well #3 is in electrical shop for repairs and the well pump is being repaired. Will replace existing well pipe and parts.
6. Had major leak on Eaglecrest. Difficult time turning off water to leak area. Working with Engineer to look at adding more turn-off valves in the future.

VIII. THE REGULAR SESSION OF THE DECEMBER 13, 2018, 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 did not go into Executive Session.

IX. EXECUTIVE SESSION

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

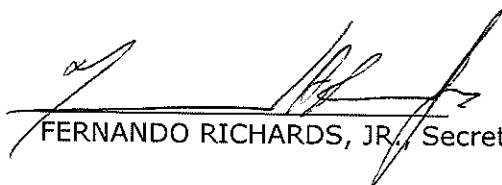
B. THE BOARD WILL CONSULT WITH THE DISTRICT'S LEGAL COUNSEL IN A CLOSED SESSION, AS AUTHORIZED BY TEXAS GOVERNMENT CODE § 551.071(2), TO DISCUSS AND SEEK ADVICE UPON ONE OR MORE MATTER(S) IN WHICH THE DUTY OF THE ATTORNEY TO THE DISTRICT UNDER THE TEXAS DISCIPLINARY RULES OF PROFESSIONAL CONDUCT OF THE 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 DECEMBER 13, 2018, IS HEREBY RECONVENED. The Board did not go into Executive Session.

XI. OTHER BUSINESS BROUGHT BEFORE THE BOARD. (NO DELIBERATIONS AND / OR DECISION WILL OCCUR EXCEPT TO PLACE THE SUBJECT ON THE AGENDA FOR THE NEXT SCHEDULED BOARD MEETING AND GIVE STAFF TIME TO EVALUATE AND MAKE RECOMMENDATIONS. Ms. Alexander mentioned that the Board will need to discuss the alleys and garbage trucks at the next meeting. Mr. Wallace mentioned that the SAWS will have a sewer increase beginning in January. This will need to be discussed by the Board at the next meeting.

XII. ADJOURNMENT. The Bexar County Water Control and Improvement District No. 10 Board of Directors Meeting of December 13, 2018 is hereby adjourned at 7:59 p.m.

  
FERNANDO RICHARDS, JR., Secretary

  
BERTIE S ALEXANDER, President *1/31/19*