

BEXAR COUNTY WATER CONTROL AND IMPROVEMENT DISTRICT NO. TEN

8601 MIDCROWN
SAN ANTONIO, TEXAS 78239-2445

REGULAR BOARD MEETING MINUTES
APRIL 19, 2018

- I. CALL REGULAR BOARD MEETING TO ORDER AND TAKE ATTENDANCE AND PLEDGE OF ALLEGIANCE: The Regular Board Meeting of April 19, 2018, was called to order at 6:30 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, Ms. Scheibler, Mr. Fagin and Mr. Richards. Also in attendance were Ruben Barrera, Attorney, 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 MARCH 15, 2018. Ms. Snead made a motion to approve the minutes as written. Ms. Scheibler seconded. 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: No Visitors Spoke.

V. ITEMS FOR INDIVIDUAL CONSIDERATION:

A. THE BOARD WILL DELIBERATE AND MAY TAKE ACTION ON A RESOLUTION APPROVING THE AUDIT REPORT SUBMITTED TO THE DISTRICT BY THE DISTRICT'S AUDITOR'S BAKER TILLY VIRCHOW KRAUSE, LLP. Mr. Richards made a motion to approve this Resolution. This was seconded by Ms. Snead. Motion Passes.

5 YES 0 ABSTAIN 0 NO 0 ABSENT

B. THE BOARD WILL DELIBERATE AND MAY TAKE ACTION ON A RESOLUTION AMENDING THE DISTRICT'S APPROVED ANNUAL BUDGET FOR THE 2018 FISCAL YEAR TO INCREASE THE ADMINISTRATIVE STAFF TO INCLUDE ONE ADDITIONAL EMPLOYEE TO ASSIST WITH THE DAILY OFFICE FUNCTIONS. Mr. Fagin made a motion to approve this Resolution. This was seconded by Mr. Richards. Motion Passes

5 YES 0 ABSTAIN 0 NO 0 ABSENT

C. THE BOARD WILL DELIBERATE AND MAY TAKE ACTION ON A RESOLUTION (A) DESIGNATING FROST BANK TO SERVE AS THE DEPOSITORY OF THE FUNDS OF THE DISTRICT; AND (B) AUTHORIZING AND DIRECTING THE DISTRICT'S GENERAL MANAGER TO EXECTUE ANY AND ALL DOCUMENTS NECESSARY TO ACCOMPLISH THE TRANSFER OF ALL CURRENT FUNDS OF THE DISTRICT ON DEPOSIT WITH THE INTERNATIONAL BANK OF COMMERCE TO FROST BANK AND CLOSE ALL DISTRICT ACCOUNTS WITH THE INTERNATIONAL BANK OF COMMERCE. Ms. Snead made a motion to approve this Resolution. This was seconded by Ms. Scheibler. Motion Passes.

5 YES 0 ABSTAIN 0 NO 0 ABSENT

D. THE BOARD WILL DELIBERATE AND MAY TAKE ACTION ON A RESOLUTION (A) APPROVING THE EXPENDITURE OF \$4,248.90 TO PAY HSC ELECTRIC COMPANY, INC. FOR SUBMISSION OF THE PERFORMANCE BOND FOR THE PROJECT; PROVIDED, THE AMOUNT OF \$4,248.90 IS CREDITED AGAINST AND DEDUCTED FROM THE PROJECT COST OF \$127,785.00; AND (B) AUTHORIZING AND DIRECTING THE DISTRICT'S GENERAL MANAGER TO PAY THE AMOUNT OF \$4,248.90 TO HSC ELECTRIC COMPANY INC. FOR SUBMISSION OF THE PERFORMANCE BOND FOR THE PROJECT; PROVIDED THE AMOUNT OF \$4,248.90 IS CREDITED AGAINST AND DEDUCTED FROM THE PROJECT COST OF \$127,785.00. Ms. Scheibler made the motion to approve this Resolution. This was seconded by Ms. Alexander. Motion Passes.

5 YES 0 ABSTAIN 0 NO 0 ABSENT

E. 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 IMPROVEMENTS PLAN.

IX. 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: MARCH 2018
 - a. Operating Revenue: \$158,277.74
 - b. Operating Expenses: \$169,628.71
 - c. Operating Income (\$11,350.97)
 - d. Non-Operating Income \$862.08 (Interest Income)
 - e. Total Income (\$10,488.89)

2. INVESTMENT REPORT:
 - a. Operating Account Balance \$ 782,308.78
 - b. Investments: \$ 443,043.30
 - c. Grand Total \$1,518,237.10

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 / March 2018 | \$62,765.81 |
| EAA | Management / Program Fee | \$ 9,275.00 |
 2. Water Usage Update: We are now in Normal Water Restrictions. Our current pumpage for March 2018 was 23,075,000 gals, Total pumpage for the year is 64,204 acre/ft. Total Edwards permit 1625.00 acre/ft. The Edwards Aquifer is currently around 667.5 ft. We are in Normal Restrictions. We are currently pumping 750,000 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 400 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.
 5. Have ordered protective glass for our office.
 6. New Car Wash under construction, possible finish by 6/1/2018.
- X. THE REGULAR SESSION OF THE MARCH 15, 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.

XI. EXECUTIVE SESSION

A. TO DELIBERATE THE PURCHASE, EXCHANGE, LEASE, OR VALUE OF REAL PROPERTY DESCRIBED AS LOTS 1-4, BLOCK 1 AND LOTS 14-19, BLOCK 1, NEW CITY BLOCK 13758, BEXAR SUBDIVISION, CITY OF SAN ANTONIO, BEXAR COUNTY, TEXAS AND LOCATED AT 5507 RANDOLPH BLVD, SAN ANTONIO, TEXAS 78239 AND / OR RELATED WATER RIGHTS AS AUTHORIZED BY TEXAS GOVERNMENT CODE § 551.072.

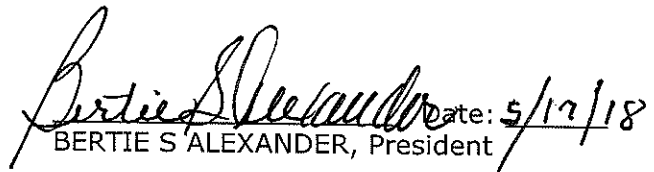
B. TO DELIBERATE THE EMPLOYMENT, EVALUATION, REASSIGNMENT, DUTIES, DISCIPLINE, OR DISMISSAL OF THE DISTRICT'S EMPLOYEES, AS AUTHORIZED BY TEXAS GOVERNMENT CODE 551.074.

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

- XII. THE REGULAR SESSION OF THE REGULAR BOARD MEETING OF MARCH 15, 2018, IS HEREBY RECONVENED. The Board did not go into Executive Session.
- XIII. 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 April 19, 2018 is hereby adjourned at 7:11 p.m.


JOHN E FAGIN, Secretary

 date: 5/17/18
BERTIE S ALEXANDER, President