

**PORT O'CONNOR IMPROVEMENT DISTRICT**  
**P.O. BOX 375**  
**PORT O'CONNOR, TX 77982**

Pursuant to notice duly posted on March 7, 2016, a Regular meeting of the Port O'Connor Improvement District was called to order on Thursday, March 10, 2016, at 7:00 p.m. in the District's office located at 39 Denman Drive, Port O'Connor, Texas.

**CALL TO ORDER**

President Allen Junek called the meeting to order and established that a quorum was present and welcomed everyone.

**DIRECTORS PRESENT:** Allen Junek, Joe Newsome, Bryan Redding, Leon Brown and Marshall Bradford

**DIRECTORS ABSENT:** None

**ALSO PRESENT:** Jody Weaver, G&W Engineers  
Darron Gann, G&W Engineers  
Darel Ball, GBRA  
Stephanie Shelly, GBRA  
John Kelly, Wavenet Wireless  
Shane Dworaczyk, Wavenet Wireless  
Kelli Schmidt, District Personnel

**MEMBERS OF THE PUBLIC PRESENT:**

Terry Ruddick	Marilyn Miller
Bobby Raybon	Susan Raybon
Vicki Dworaczyk	

**PUBLIC COMMENTS:**

None.

**APPROVAL OF MINUTES:**

Minutes of Regular Meeting February 11, 2016

**MOTION:** Bryan Redding

**SECOND:** Joe Newsome

To accept the minutes from the February 11, 2016 Regular meeting.

Motion Approved: 5-0

**APPROVAL OF MINUTES:**

Minutes of Emergency Meeting February 22, 2016

**MOTION:** Leon Brown

**SECOND:** Bryan Redding

To accept the minutes from the February 22, 2016 Emergency meeting.

Motion approved: 5-0

**APPROVAL OF MINUTES:**

Minutes of Special Meeting February 23, 2016

**MOTION:** Joe Newsome

**SECOND:** Bryan Redding

To accept the minutes from the February 23, 2016 Special meeting.

Motion approved: 5-0

**APPROVAL OF PAYABLES:**

**MOTION:** Bryan Redding

**SECOND:** Joe Newsome

To approve the payables.

Motion Approved: 5-0

**REPORTS AND RELATED ITEMS FOR CONSIDERATION****DISTRICT STATUS**

Jody Weaver with G&W Engineers presented the Board with the Weekly POCID Activity Report and the Regional Wastewater Treatment Plant Summary and Water Production Report. There was discussion among the Board regarding water accountability issues. The Board was presented with a proposed Interlocal Agreement with the City of Port Lavaca. The Agreement will go before the City Council for approval. GL coding and software issues were discussed among the Board. Jody Weaver will assist with the GL coding.

**REPORT OF G&W ENGINEERS**

Jody Weaver with G&W Engineers presented and briefly discussed the District Engineer's Report.

**ITEMS FOR CONSIDERATION**

1. PRESENTATION RELATED TO INCREASES TO SURFACE WATER CHARGES FROM DAREL BALL WITH GBRA

Darel Ball and Stephanie Shelly with GBRA presented the Board with documentation regarding a Total Trihalomethane Mitigation Project. Feasibility study findings and recommendations

were included in the report, along with estimated costs impact to customers from operations and maintenance expenses. No action taken.

## 2. WAVENET WIRELESS PRESENTATION

John Kelly and Shane Dworaczyk with Wavenet Wireless presented the Board with a Tower Lease Agreement, pictures and tower equipment placement documentation. There was discussion among the Board.

**MOTION:** Leon Brown

**SECOND:** Bryan Redding

To table and send to General Counsel to review the Tower Lease Agreement and report back to the Board.

Motion Approved: 5-0

## 3. DISCUSS SUBMITTED FULL SERVICE OPERATIONS, MAINTENANCE, AND MANAGEMENT PROPOSAL

Allen Junek advised the Board that the contract terms are still being negotiated. There was discussion among the Board regarding start-up costs. The current proposed start-up cost is based on 3 years. There was discussion among the Board regarding 3 years versus 5 years. The Board was presented with documentation regarding a lawsuit in which USWUG is involved. There was discussion among the Board and Jody Weaver. The Board will obtain additional information regarding the legal dispute.

**MOTION:** Leon Brown

**SECOND:** Marshall Bradford

To rescind any proposal and cease and desist any further action into entering into a contract with USW Utility Group.

Motion Failed: 2-3

Opposed: Allen Junek, Joe Newsome, and Bryan Redding

**MOTION:** Allen Junek

**SECOND:** Joe Newsome

To proceed with the USW Utility Group proposed contract based on a 3 year agreement start-up fee.

Motion Approved: 3-2

Opposed: Leon Brown and Marshall Bradford

## 4. QUADVEST, LP PROPOSAL

The Board received a letter regarding Quadvest's interest in purchasing the Port O'Connor water and sewer system. There was discussion among the Board.

**MOTION:** Marshall Bradford

**SECOND:** Leon Brown

Not to consider the proposal.

Motion Approved: 5-0

5. APPROVAL OF THE PRELIMINARY AND FINAL PLAT OF THE KOINONIA  
POINT RESUBDIVISION NO. 1

Jody Weaver presented the preliminary and final plat of the Koinonia Point Resubdivision No. 1.  
There is no impact on the District.

**MOTION:** Bryan Redding

**SECOND:** Marshall Bradford

To approve the preliminary and final plat of the Koinonia Point Resubdivision No. 1.

Motion Approved: 5-0

6. APPROVAL OF PAYMENT REQUEST NO. 4 FROM LESTER CONTRACTING  
FOR THE 2015 WATER IMPROVEMENT PROJECT

**MOTION:** Leon Brown

**SECOND:** Bryan Redding

To approve Payment Request No. 4 from Lester Contracting for the 2015 Water Improvement  
Project.

Motion Approved: 5-0

7. BID TABULATION FOR BIDS RECEIVED FOR THE VACUUM LINE EXTENSION  
FOR FISHERMAN'S CHOICE RV PARK; RECEIPT OF FUNDS FROM BOB  
TURNER FOR A SMALL EXTENSION PROJECT PER SECTION 5.8 OF THE  
RULES & REGULATIONS; AND CONSIDER AWARD OF CONSTRUCTION  
CONTRACT TO LESTER CONTRACTING IN THE AMOUNT OF \$9,612.50

**MOTION:** Leon Brown

**SECOND:** Marshall Bradford

To award the construction contract to Lester Contracting in the amount of \$9,612.50 for  
Fisherman's Choice RV Park.

Motion Approved: 5-0

8. CONSIDER CONCRETE SPLASH PAD FOR FIRE HYDRANT EROSION FROM  
FLUSHING AT THE CORNER OF WASHINGTON AND POLK

Jody Weaver presented the Board with a customer request regarding ditch erosion around the fire hydrant. There was discussion among the Board to purchase 3" foundation pads to temporarily handle the erosion until which time the District can include this project with other concrete projects affected by flushing.

**MOTION:** Leon Brown

**SECOND:** Joe Newsome

For the District to purchase foundation pads to temporarily handle the erosion at the corner of Washington and Polk until a later date in which a concrete pad will be added.

Motion Approved: 5-0

9. RESOLUTION AUTHORIZING MUNICIPAL ACCOUNTS, KATHERINE TURNER & MARK BURTON TO WIRE FUNDS TO AND FROM THE FIRST NATIONAL BANK ACCOUNT AND COMPASS BANK MONEY MARKET ACCOUNT AS NECESSARY TO PAY THE DEBT PAYMENTS (NOT INCLUDING VENDOR PAYMENTS)

**MOTION:** Leon Brown

**SECOND:** Bryan Redding

To authorize Municipal Accounts to wire funds to and from First National Bank and Compass Bank Money Market Account as necessary to pay the debt payments.

Motion Approved: 5-0

10. RULE 15C 2-12 OF THE SECURITIES AND EXCHANGE COMMISSION ANNUAL REPORT AND CONTINUING DISCLOSURE FILING LETTER

**MOTION:** Joe Newsome

**SECOND:** Leon Brown

To authorize the filing of Rule 15C 2-12 of the Securities and Exchange Commission Annual Report and Continuing Disclosure Filing Letter

Motion Approved: 5-0

11. DISCUSS HIRING NEW EMPLOYEES

Tabled.

12. DISCUSSION OF HARDSHIP APPLICATIONS

Tabled.

13. DISCUSSION REGARDING ATTORNEY GENERAL LETTER RULING  
OR2015-19988

Tabled.

14. HANDLING OF DIRECTORS MAIL DELIVERED TO THE DISTRICT OFFICE

Remove per the Director's request.

15. DISCUSSION OF WATER AND SEWER RATES

Marshall Bradford suggested the Board consider assisting the local churches with their rates. The Board was informed that the local churches are not being charged commercial rates and each are provided with trash service. There was discussion among the Board.

**MOTION:** Marshall Bradford

**SECOND:** Leon Brown

To give the churches a 50% rate cut.

Motion Failed: 2-3

Opposed: Allen Junek, Joe Newsome and Bryan Redding

16. DISCUSSION OF PORT O'CONNOR IMPROVEMENT DISTRICT FINANCIAL  
ADVISOR

Remove per the Director's request.

**RULES, REGULATIONS AND POLICY STATEMENTS**

No action was taken. This item was passed.

**EXECUTIVE SESSION.**

There was no executive session.

**ITEMS FROM BOARD MEMBERS**

None.

**ADJOURNMENT**

**MOTION:** Leon Brown


**SECOND:** Joe Newsome

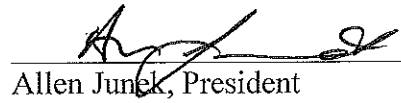
To adjourn the meeting.

The meeting adjourned at 8:52 p.m.

Minutes APPROVED by the Board of Directors on the 14 day of April, 2016.

ATTEST:

  
Bryan Redding, Secretary

  
Allen Junek, President