

Port O'Connor Improvement District
P.O. Box 375
Port O'Connor, Texas 77982

Pursuant to notice duly posted on October 27, 2017, a Special meeting of the Port O'Connor Improvement District was called to order on Monday, October 30, 2017 at 1:00 p.m. in the District's office located at 39 Denman Drive, Port O'Connor, Texas.

A. CALL TO ORDER

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

DIRECTORS PRESENT: Leon Brown, Marshall Bradford, and Bobby Raybon

DIRECTORS ABSENT: James Martin, Nathan O'Neill

ALSO PRESENT: Ronald Kettelman, USW Utility Group, Personnel
Callie Stafford, USW Utility Group, Personnel

B. CONSIDER AND TAKE APPROPRIATE ACTION ON THE FOLLOWING

1. Approve the District Engineer Services agreement between the Port O'Connor Improvement District and CP&Y, Inc. and designate CP&Y, Inc. as District Engineer.

MOTION: Bobby Raybon

SECOND: Marshall Bradford

To authorize CP&Y, Inc. as Port O'Connor's District Engineer.

Motion approved: 3-0

2. Approve the professional services agreement between Port O'Connor Improvement District and CP&Y, Inc. for Water Distribution Improvements - TWDB Project 21750 and designate CP&Y, Inc. as successor Engineer as authorized by General Conditions, Section 1.01(k) of the TWDB Project 21750 Agreement.

MOTION: Bobby Raybon

SECOND: Marshall Bradford

To approve services agreement between Port O'Connor Improvement District and CP&Y, Inc. for Water Distribution Improvements - TWDB Project 21750 and designate CP&Y, Inc. as successor Engineer as authorized by General Conditions, Section 1.01(k) of the TWDB Project 21750 Agreement.

Motion approved: 3-0

3. Request District Engineer to prepare a Request for Proposals for Full Service Operations, Maintenance and Management of the Water and Wastewater Facilities for the Port O'Connor Improvement District and LaSalle WCID No. 1A, (RFP), with review by General Counsel and the Board President and to authorize the Board president and District Engineer to advertise the RFP.

MOTION: Bobby Raybon

SECOND: Marshall Bradford

To Request District Engineer to prepare a Request for Proposals for Full Service Operations, Maintenance and Management of the Water and Wastewater Facilities for the Port O'Connor Improvement District and LaSalle WCID No. 1A, (RFP), with review by General Counsel and

the Board President and to authorize the Board president and District Engineer to advertise the RFP.

Motion approved: 3-0

4. Authorize the District Engineer to prepare an advertisement for a District Manager/Operator for the operations and maintenance of the Water and Wastewater Facilities with review by the President and General Counsel and to authorize advertisement by the District Engineer.

MOTION: Bobby Raybon

SECOND: Marshall Bradford

To Authorize the District Engineer to prepare an advertisement for a District Manager/Operator for the operations and maintenance of the Water and Wastewater Facilities with review by the President and General Counsel and to authorize advertisement by the District Engineer.

Motion approved: 3-0

5. Authorize the President with input from the District Engineer and General Counsel to bring back for consideration by the Board a USWater transition plan for the full service operations and maintenance of the Water and Wastewater Facilities and also, include a provision to provide for the retention of current employees of USWater by the new operator or new District Manager as selected by the Port O'Connor Improvement District.

MOTION: Bobby Raybon

SECOND: Marshall Bradford

To Authorize the President with input from the District Engineer and General Counsel to bring back for consideration by the Board a USWater transition plan for the full service operations and maintenance of the Water and Wastewater Facilities and also, include a provision to provide for the retention of current employees of USWater by the new operator or new District Manager as selected by the Port O'Connor Improvement District.

Motion approved: 3-0

6. Authorize purchase of two Stoddard intake silencers.
Port O' Connors current intake silencers are rusted out beyond repair, the board reviewed a quote for two Stoddard intake silencers for \$2,880.00.

MOTION: Bobby Raybon

SECOND: Marshall Bradford

To approve purchased of two Stoddard intake silencers not to exceed \$2,880.00.

Motion approved: 3-0

7. Request for water well drilling for 174 McCown Street
The board reviewed application for water well drilling at 174 McCown Street.

MOTION: Bobby Raybon

SECOND: Marshall Bradford

To approve request for water well drilling at 174 McCown Street.

Motion approved: 3-0

8. Renewal proposal for Windstorm insurance by Victor O. Schinnerer & Company, Inc.
Item postponed till regular meeting on November 16, 2017.

C. RULES, REGULATIONS AND POLICY STATEMENTS **

Review and discuss revisions and updates to existing Rules and Regulations, including, but not limited to Customer Service Agreement and Application Packet and Section 6.4 of rules regarding easements required as a condition of service.

The Board requested that this item be removed from the agenda.

D. EXECUTIVE SESSION ***

The Port O'Connor Improvement District may consider in Executive Session any of the identified items posted on the agenda pursuant to the following exceptions:

Texas Government Code Ann. § 551.071: Consultation with Attorney

Texas Government Code Ann. § 551.072: Real Property

Texas Government Code Ann. § 551.074: Personnel Matters

Consultation with General Counsel pursuant to Texas Government Code Section 551.071, Consultation with Attorney, on pending or contemplated litigation; or a settlement offer; or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with Texas Government Code Chapter 551 for the purpose of receiving legal advice concerning status of pending projects, including but not limited to:

1. October 2, 2017 Notices and Demands Letter from Port O'Connor Improvement District ("POCID") to Lester Contracting Inc. ("LCI") under a certain contract between POCID and LCI dated June 22, 2016 for Construction of Water Distribution Improvements for POCID under Texas Water Development board Project No. 21750 and POCID legal remedies.

The Board of Directors convened into Executive Session at 1:01 p.m. and reconvened the meeting at 2:04 p.m. No action was taken in Executive Session.

E. ACTION AS A RESULT OF EXECUTIVE SESSION

1. October 2, 2017 Notices and Demands Letter from Port O'Connor Improvement District ("POCID") to Lester Contracting Inc. ("LCI") under a certain contract between POCID and LCI dated June 22, 2016 for Construction of Water Distribution Improvements for POCID under Texas Water Development board Project No. 21750 and POCID legal remedies.

There was no action taken as a result of Executive Session.

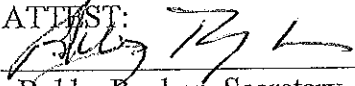
F. ITEMS FROM BOARD MEMBERS (Note: Board members may request specific factual information, recitation of existing policy, or placement of items on the Agenda for discussion at a later meeting.)

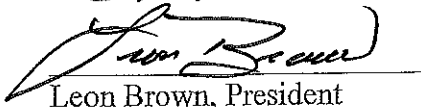
G. ADJOURN

MOTION: Bobby Raybon
SECOND: Marshall Bradford
To adjourn at 2:24 p.m.
Motion approved: 3-0

Minutes APPROVED by the Board of Directors on the 16 day of ^{November} ~~September~~, 2017.

ATTEST:


Bobby Raybon, Secretary


Leon Brown, President