

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

MEETING NOTICE AND AGENDA
Special Meeting of Board of Directors

Pursuant to notice duly posted on December 8, 2017, a Special meeting of the Port O'Connor Improvement District was called to order on Wednesday, December 13, 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 at 1 p.m. and established that a quorum was present and welcomed everyone. Director O'Neill came into the meeting at 1:12 p.m.

DIRECTORS PRESENT: Leon Brown, Marshall Bradford, Nathan O'Neill and Bobby Raybon
DIRECTORS ABSENT:

ALSO PRESENT: Dorothy Palumbo, Bojorquez Law Firm, LLC, General Counsel
Ronald Kettelman, USW Utility Group, Personnel
Jeffrey DuPont, USW Utility Group, Personnel
Callie Stafford, USW Utility Group, Personnel
Cathy Gardner, USW Utility Group, Personnel
Ree Emberg, USW Utility Group, Personnel
Joel Valdez, CP&Y, Inc., District Engineer
Allen Junek, Resident

B. ITEMS FOR CONSIDERATION AND TAKE APPROPRIATE ACTION IF NEEDED:

1. Consider and review emergency storm repairs and services work authorization request USW Utility Group.

Jeffrey DuPont gave the presentation and stated that in an event of an Emergency that USW Utility Group does not need Board approval, he referenced to "Additional Services" in the contract between Port O'Connor Improvement District and USW Utility Group that it is not a lump sum agreement.

Director O'Neill came into the meeting at 1:12 p.m. The President recessed the meeting at 1:12 p.m. and then reconvened into open session at 1:15 p.m.

In the Work Authorization request, there were several charges and meals submitted for Gene Chisum. Director Brown questioned if Gene Chisum as an essential person in the storm event. Jeffrey stated that there were daily phone calls between President Brown, Jeffrey DuPont, Ronald Kettelman, Corey Bostick, Gene Chisum, and other USW Personnel. Gene Chisum is a double A Operator and helped with Operations during Hurricane Harvey. General Counsel questioned if that if Gene Chisum was an essential employee, he should have been on the Districts Storm Plan. General Counsel provided USW with the District's Storm plan created by USW.

Cathy Gardner introduced herself and went through the Work Authorization backup with the Board of Directors. President Brown mentioned that the Work Authorization was not at an 18% mark up, Jeffrey let the Board know that the contract does not have an 18% mark up, but an 18% margin which is different. The markup with the 18% margin would be at 21.95%, the contract shows 18% margin on page 47. General Counsel to verify correct charges. President Brown disputes all Tech Support Charges, because there was no authorization given. Cathy let the Board know that there was a credit to the District of \$3,000 for employees during Hurricane Harvey. President Brown would like charges for Gene Chisum on September 5, 2017 and September 6, 2017 taken off the Work Authorization as the Power was back on in Port O' Connor. Cathy let the Board of Directors know that the only reason there are charges for San Antonio and Cuero is that Ron and Gene needed a place to stay during Hurricane Harvey. President Brown asked if LaSalle had been charged for work done during Hurricane Harvey, part of Work Authorization has time worked at LaSalle during Hurricane Harvey. Cathy Gardner will take out Lasalle time worked and will correct Work Authorization for Port O' Connor Improvement District and resubmit the corrected Work Authorization for Approval. President Brown disputes the 18% margin. General Counsel requests that USW Utility Group bring back the corrected Work Authorization with two calculations, one at 18% and one at 18% margin. The Board requests that LaSalle charges be put on a different Work Authorization so it can be billed to LaSalle. General Counsel was concerned with a receipt for a hotel in Hallettsville, Texas that looked like a duplicate charge, USW Utility Group informed the Board that the receipt has two rooms charged on one receipt for Gene Chisum and Ron Kettelman during Hurricane Harvey.

MOTION: Bobby Raybon
SECOND: Marshall Bradford
APPROVED: 4-0

To postpone Item No.1 and Item No.2 on agenda till next Board meeting with corrected Work Authorization from USW Utility Group.

2. Review of all Work Authorizations from USW Utility Group. Item postponed till next Board meeting with corrected documentation from USW Utility Group.
3. Presentation of Port O' Connor Improvement District Annual Reconciliation Expenses for Fiscal Year 2016- 2017 by USW Utility Group.

Jeffrey DuPont gave the presentation, Director Brown asked under budget on vehicle insurance what vehicle was repaired? USW Utility Group to separate expenses for billing to LaSalle.

Director O'Neill left meeting at 3:02 p.m.

The Board of Directors discussed Backflow Inspections in the District and the need for a local contractor. If a company owned by

The Board went into recess at 3:10 p.m. and convened into Executive Session at 3:18 p.m.

C. 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. Emergency storm repairs and services work authorization request USW Utility Group.
2. Work Authorizations from USW Utility Group.
2. Port O' Connor Improvement District Annual Reconciliation Expenses for Fiscal Year 2016- 2017 by USW Utility Group.
3. USWater transition Plan

The Board of Directors reconvened into open session at 3:42 p.m. No action was taken in Executive Session.

D. ACTION AS A RESULT OF EXECUTIVE SESSION

1. Emergency storm repairs and services work authorization request USW Utility Group.
No action was taken from the Board of Directors.
2. Work Authorizations from USW Utility Group.
No action was taken from the Board of Directors.
3. Port O' Connor Improvement District Annual Reconciliation Expenses for Fiscal Year 2016- 2017 by USW Utility Group.

MOTION: Leon Brown
SECOND: Bobby Raybon
APPROVED: 3-0

For USW Utility Group to include Loss and damage to vehicles in the Port O' Connor Improvement District Annual Reconciliation Expenses for Fiscal Year 2016- 2017 report.

4. USWater transition Plan
No action was taken from the Board of Directors.

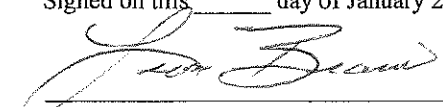
E. ITEMS FROM BOARD MEMBERS (Note: Board members may request specific factual information, recitation of existing policy, or placement of items on the Agenda for discussion at a later meeting.)

MOTION: Bobby Raybon
SECOND: Marshall Bradford
APPROVED: 3-0


Bobby would like to inspect the District Vehicles and to report back at the next District Board meeting.

F. ADJOURN
MOTION: Marshall Bradford
SECOND: Bobby Raybon
APPROVED: 3-0
To adjourn at 3:44 p.m.

Signed on this _____ day of January 2018



President, Leon Brown



Secretary, Bobby Raybon