

PORT O'CONNOR IMPROVEMENT DISTRICT

P.O. BOX 375

PORT O'CONNOR, TX 77982

Pursuant to notice duly posted on July 18, 2016, a Regular meeting of the Port O'Connor Improvement District was called to order on Thursday, July 21, 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 Juneke called the meeting to order and established that a quorum was present and welcomed everyone.

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

DIRECTORS ABSENT: None.

ALSO PRESENT: Darron Gann, G&W Engineers
Jody Weaver, G&W Engineers
Kim Stafford, US Water Personnel
Joe Goodman, US Water Project Manager
Scott Spidle, US Water Utility Group
Donna Grafe-Tucker, Walker Keeling LLP

MEMBERS OF THE PUBLIC PRESENT:

Dennis Thomas Susan Raybon
Bobby Raybon

PUBLIC COMMENTS: None

APPROVAL OF MINUTES:

Minutes of Regular Meeting June 9, 2016

MOTION: Joe Newsome

DRAFT--Minutes July 21, 2016 Regular Meeting

SECOND: Leon Brown

To approve the June 9, 2016 Regular Meeting Minutes

Motion Approved: 5-0

APPROVAL OF MINUTES:

Minutes of Special Meeting June 16, 2016

MOTION: Leon Brown

SECOND: Joe Newsome

To approve the June 16, 2016 Special Meeting Minutes

Motion Approved: 5-0

APPROVAL OF MINUTES:

Minutes of Special Meeting June 22, 2016

MOTION: Joe Newsome

SECOND: Bryan Redding

To approve the June 22, 2016 Special Meeting Minutes

Motion Approved: 3-2, Directors Bradford and Brown opposing

APPROVAL OF MINUTES:

Minutes of Special Meeting July 16, 2016

MOTION: Bryan Redding

SECOND: Joe Newsome

To approve the July 16, 2016 Special Meeting Minutes

Motion Approved: 3-2, Directors Bradford and Brown opposing

APPROVAL OF PAYABLES:

PORT O'CONNOR IMPROVEMENT DISTRICT

MOTION: Joe Newsome

SECOND: Bryan Redding

To approve payables for check numbers 8621-8626

Motion Approved: 5-0

DEFINED AREA NO. 1

MOTION: Bryan Redding

SECOND: Joe Newsome

To approve Check #3108 in the amount of \$310.15 payable to CCCAD

Motion Approved: 5-0

REPORTS AND RELATED ITEMS FOR CONSIDERATION

DISTRICT STATUS

Joe Goodman presented the US Water District Status Report. There was discussion involving the dialer that was struck by lightning and restocking air vents. An insurance claim will be pursued for the dialer.

MOTION: Joe Newsome

SECOND: Leon Brown

To purchase a new dialer and to rebuild the old dialer in order to have an extra on site.

Motion Approved: 5-0

MOTION: Joe Newsome

SECOND: Leon Brown

To purchase air vents for inventory in an amount not to exceed \$4,800

Motion Approved: 5-0

REPORT OF G&W ENGINEERS

Jody Weaver presented the District's Engineer's report.

ITEMS FOR CONSIDERATION

1. ENGAGEMENT LETTER FROM GOLDMAN, HUNT & NOTZ, LLP

The board discussed the need for a fee schedule.

MOTION: Joe Newsome

SECOND: Bryan Redding

To table a vote until a fee schedule was included in the proposal.

Motion Approved 5-0.

2. DISCUSS 2016 DIRECTORS ELECTION INCLUDING:

(A) ADOPT RESOLUTION DESIGNATING AN AGENT OF THE SECRETARY OF THE BOARD OF DIRECTORS DURING THE 2016 BOARD OF DIRECTORS ELECTION PERIOD

Discussion regarding the identity and services of an agent for secretary took place.

MOTION: Allen Junek

SECOND: Joe Newsome

To adopt the proposed order appointing Ashley Ivers as an Agent of the Secretary of the Board of Directors during the 2016 Board of Directors election period.

Motion Approved 3-1-1 with Brown voting no and Bradford abstaining.

(B) AUTHORIZE NOTICE OF DEADLINE TO FILE APPLICATIONS FOR PLACE ON THE BALLOT

The need for a notice was explained to the board.

MOTION: Leon Brown

SECOND: Bryan Redding

To authorize notice of the deadline to file applications for a place on the 2016 Board of Directors election ballot

Motion Approved 5-0.

(C) ADOPT ORDER CALLING DIRECTORS ELECTION AND AUTHORIZING NOTICE OF ELECTION

MOTION: Leon Brown

SECOND: Marshall Bradford

Motion Approved 5-0.

3. TWENTY-FIRST AMENDMENT TO INTERLOCAL AGREEMENT WITH LASALLE WCID #1

Discussion was held regarding prior amendments, timetables and the status of the revised interlocal agreement and the desire for a meeting with ABHR to discuss the interlocal agreement.

MOTION: Leon Brown

SECOND: Bryan Redding

To approve the twenty-first amendment to the Interlocal Agreement with LaSalle WCID #1

Motion Approved 5-0.

4. CONTRACT TO RUN AND ADMINISTER NOVEMBER ELECTIONS WITH CALHOUN COUNTY OR ALLEN BOONE HUMPHRIES ROBINSON

A discussion was held on the issues with the county separating out the District voters from other voters in Precinct 25 and the two options for administering the election.

MOTION: Allen Juneke

SECOND: Joe Newsome

To contract with Allen Boone Humphries Robinson to run and administer the November election.

Motion Approved 3-1-1 with Leon Brown voting no and Marshall Bradford abstaining.

5. OPERATIONS AGREEMENT WITH LASALLE WCID, ANNUAL ADJUSTMENT

The board was informed that work has commenced on this annual adjustment but was not yet ready to present.

MOTION: Bryan Redding

SECOND: Joe Newsome

Motion to table.

Motion Approved 5-0.

6. DISTRICT E-MAIL AND SOCIAL MEDIA POLICY AND REQUIREMENTS

Director Junek expressed concerns over archival requirements and accessibility of Director e-mail correspondence not on District servers.

MOTION: Allen Junek

SECOND: Joe Newsome

To have all directors e-mails on the same server and to open district e-mail accounts for Leon Brown and Marshall Bradford

Motion Approved 3-2, Leon Brown and Marshall Bradford dissenting

7. OPEN MEETINGS ACT TRAINING

General Counsel recommended Open Meetings Act Training for the Board.

MOTION: Joe Newsome

SECOND: Bryan Redding

To authorize Allen Junek to contact the PUC to inquire about the availability of Open Meetings Act training programs through the PUC's FMT program

Motion Approved 5-0.

8. ATTORNEY CLIENT PRIVILEGE AND THE ROLE OF DIRECTORS

The board entered into executive session at 10:02 pm for consultation with General Counsel. The Board reconvened at 10:23 pm.

9. APPOINTMENT OF DISTRICT INFORMATION OFFICER

General discussion ensued about appointing a District Information Officer to replace Kelli Schmidt.

MOTION: Bryan Redding

SECOND: Leon Brown

To appoint Joe Goodman as the District Information Officer.

Motion Approved 5-0.

10. DIRECTORS CODE OF CONDUCT POLICY

A draft policy was presented to the board for consideration.

MOTION: Allen Junek

SECOND: Bryan Redding

To table the policy for further review.

Motion Approved 5-0.

11. ENGAGEMENT LETTER WITH WALKER KEELING LLP

A proposed engagement letter for Walker Keeling LLP to serve as General Counsel was presented for review.

MOTION: Marshall Bradford

SECOND: Leon Brown

To table for additional time to review.

Motion Approved 3-2, Allen Junek and Joe Newsome dissenting.

12. REPUBLIC WASTE COLLECTION PRACTICES

The board discussed collection issues such as schedules, cans in roadways. The board asked management to get Mike to address the board. No further action taken.

13. LETTER OF RECOGNITION TO BE SIGNED BY THE PRESIDENT OF THE BOARD

Allen Junek asked the Board to consider a letter of recognition for Philip Givens for his rate study work.

MOTION: Joe Newsome

SECOND: Bryan Redding

To authorize a letter of recognition for Philip Givens to utilize as a reference for his work for the District through the PUC FMT program and to authorize Allen Junek to sign the letter.

Motion Approved 3-2, Leon Brown and Marshall Bradford dissenting

14. GENERAL COUNSEL ROLE & DIRECTION

Leon Brown asked questions on the role of general counsel. No action was taken.

15. RESPONSIVENESS OF US WATER TO DIRECTOR REQUEST

General discussion was held on communicating and ongoing work to create an effective process of communication. No action was taken.

RULES, REGULATIONS AND POLICY STATEMENTS

No action was taken.

EXECUTIVE SESSION

The Board entered executive session at 10:02 and reconvened in open session at 10:23 to consult with attorney on Agenda Item #8

ITEMS FROM BOARD MEMBERS

There was a request to hold a special meeting on Monday at noon to pay the payables. The Board also asked for a fee schedule to accompany the Goldman Hunt & Notz engagement letter, to have the Walker Keeling LLP engagement letter be considered at the special meeting and to consider the bond resolution for the TCEQ bond application at the special meeting.

ADJOURNMENT:

MOTION: Leon Brown

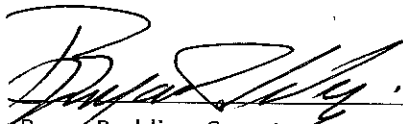
SECOND: Bryan Redding


To adjourn the meeting

The meeting adjourned at 10:27 p.m.

Minutes APPROVED by the Board of Directors on the ____ day of June, 2016.

ATTEST:


Bryan Redding, Secretary


Allen Junek, President