



Port O' Connor Improvement District

P.O. Box 375 * Port O' Connor, Texas 77982

Minutes

Thursday, January 16, 2025 1:00 pm

Regular Board Meeting

The Board of Directors of the Port O' Connor Improvement District held a Regular Board Meeting on **Thursday, January 16, 2025 at 1:00 p.m.** at the District Office, 39 Denman Drive, Port O' Connor, Texas.

A. CALL TO ORDER

President Danny McGuire called the meeting to order at 1:00 p.m. and established that a quorum was present and welcomed everyone.

DIRECTORS PRESENT: Danny McGuire, John Childers, Victor Mozisek, Mike Clifton and Nathan O'Neill (1:03pm)

DIRECTORS ABSENT: None

ALSO PRESENT: Oscar Pena, Kim Stafford, Misty Richter, Donald Goldman (1:26pm) (District Bookkeeper), Bill Kotlan (BG&E), Eddie Kirst (BG&E), Phillip Givens, Mike Barrette (BG&E), Eddie Kirst (BG&E), and Donna Grafe-Tucker (District Counsel)

ALSO PRESENT BY PHONE: Julie Peak, Michael Bailey (MGSBR) Kenneth Friedel (Friedel Drilling)

MEMBERS OF THE PUBLIC PRESENT: Joe Conti, Brent Taylor (TTE), Guy Dioguardi (Mercer Controls), Alan Murphy (Alpha Water), Sheryl Mercer (Mercer Controls)

B. PUBLIC COMMENT WELCOME

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

1. Presentation & approval of 2024 Audit

Motion: Victor Mozisek

Second: Nathan O'Neill

To approve the 2024 Audit for Port O' Connor Improvement District.

Motion Approved: 4-0

2. Approve Preliminary Official Statement & Official Notice of Sale
Motion: Victor Mozisek
Second: Mike Clifton
To approve Preliminary Official Statement & Official Notice of Sale subject to District Counsel review.
Motion Approved: 3-0

3. Engage rating company to perform credit rating analysis for Series 2025 Unlimited Tax Bonds
Motion: Victor Mozisek
Second: John Childers
To approve to engage rating company to perform credit rating analysis for Series 2025 Unlimited Tax Bonds.
Motion Approved: 4-0

4. Appoint Paying Agent/Registrar
Motion: Victor Mozisek
Second: John Childers
To appoint BNY Mellon to by the Districts' Paying Agent/Registrar.
Motion Approved: 4-0

5. Appoint Escrow Agent
Motion: Victor Mozisek
Second: John Childers
To approve to appoint BNY Mellon to Escrow Agent as directed by ABHR.
Motion Approved: 4-0

6. Authorize advertisement for sale of the Series 2025 Bonds and schedule bond sale.
Motion: Victor Mozisek
Second: John Childers
To authorize advertisement for sale of the Series 2025 Bonds and schedule bond sale.
Motion Approved: 4-0

7. Hiring of special counsel to assist with administrative filings and hearings
Motion: Victor Mozisek
Second: Mike Clifton
To authorize the hire of special counsel to assist with administrative filings and hearing if necessary and contingent on district counsel's determination of necessity.
Motion Approved: 4-0

8. Intent to Reimburse in the amount of \$330,000 for water supply improvements on well fields, collections system and RO facility
Motion: John Childers
Second: Victor Mozisek
To approve an Intent to Reimburse in the amount of \$330,000 for water supply improvements on well fields, collections systems and RO facility.
Motion Approved: 4-0

9. Sewer system improvements, including sumps, force mains, extensions and other improvements
Discussion, no action.

10. New water supply system, including the reverse osmosis system, TCEQ approvals, testing, water wells, water treatment, and pipelines
Discussion, no action.
11. GST contract, final payment, and subcontractor claims
Motion: Victor Mozisek
Second: John Childers
To approve to release the final payment to Paso Robles.
Motion Approved: 4-0
12. Annual Review of Procedures for Continuing Disclosure Compliance
Discussion, no action.
13. Update on Bond Application
Discussion, no action.
14. Accept annual disclosure statements from Investment Officer and bookkeeper
Motion: Victor Mozisek
Second: John Childers
To accept the annual disclosure statements of the bookkeeper and investment officer.
Motion Approved: 4-0
15. Contract approval for pits & line extension including but not limited to Proposal from SPS, LLC for payment schedule for vacuum pit replacement
Motion: John Childers
Second: Victor Mozisek
To approve the contract for pits & line extensions and proposal from SPS, LLC for payment schedule for vacuum pit replacement once they have secured their bonds and an updated W-9.
Motion Approved: 4-0
16. Annual Cybersecurity training requirement
Discussion, no action.
17. Water supply issues including GBRA & Undine contracts, administrative procedures related thereto
Discussion, no action.
18. Employee Health Insurance & Benefits
Discussion, no action.
19. Change Orders for Ongoing District Project Approvals:
 - a. No. 1 for Reddico (Harrison FM) in the amount of \$196,823.00 for dual force main.
 - b. No. 12 for Friedel Drilling (Well Field) in the amount of \$34,660.00 for monitoring well logs and column pipe.**Motion: Victor Mozisek**
Second: Nathan O'Neill
To Change Orders No 1 for Reddico in the amount of \$196,823 for the dual force main and No 12 for Friedel Drilling in the amount of \$34,660.00 for monitoring well logs and column pipe.
Motion Approved: 4-0

20. Pay Estimates for Approval under existing project contracts:
- a. No. 12 for TTE, LLC (Reverse Osmosis) in the amount of \$275,038.20.
 - b. No. 2 for Reddico, Inc. (Harrison FM) in the amount of \$327,474.00.

Motion: Victor Mozisek

Second: Nathan O'Neill

To authorize Pay Estimates No 12 for TTE, LLC in the amount of \$275,038.20 for the Reverse Osmosis and No 2 for Reddico, Inc in the amount of \$327,474 for Harrison Force Main.

Motion Approved: 4-0

Motion: Victor Mozisek

Second: Nathan O'Neill

To authorize a 2.5-million-dollar Line of Credit.

Motion Approved: 4-0

21. Intent to reimburse for SPS pit contract in the amount of \$ 821,052.03

Motion: John Childers

Second: Victor Mozisek

To approve an Intent to Reimburse for SPS pit contract in the amount of \$821,052.03.

Motion Approved: 3-0

D. CONSENT AGENDA: *The following items are anticipated to require little or no individualized discussion due to their nature being clerical, ministerial, mundane or routine. In an effort to enhance the efficiency of POCID Board meetings, it is intended that these items will be acted upon by the POCID Board with a single motion because no public hearing or determination is necessary. However, a POCID Board Member or citizen may request separate deliberation for a specific item, in which event those items will be removed from the consent agenda prior to the POCID Board voting on the consent agenda as a collective, singular item. Prior to voting on the consent agenda, the POCID Board may add additional items that are listed elsewhere on the same agenda.*

1. APPROVAL OF MINUTES

- A. December 17, 2024 – Regular Board Meeting
- B. December 23, 2024 – Special Board Meeting
- C. January 9, 2025 – Special Board Meeting

2. APPROVAL OF PAYABLES

- A. Port O'Connor Improvement District – Payables
- B. Defined Area – Payables
- C. Capital Improvements Projects

Motion: John Childers

Second: Victor Mozisek

To approve the minutes & all payables on the consent agenda.

Motion Approved: 3-0

E. Goldman, Hunt & Notz, Donald Goldman

- A. Account Balances
- B. Cadence Investment Fund Statement
- C. Actual vs Budget Monthly Breakdown
- D. Actual vs Budget Comparison
- E. Accountant's Compilation Report
- F. Financial Statements
- G. Cost Comparisons

F. Report from BGE, Bill Kotlan

Consider & take appropriate action on:

- A. 2022 TWDB Projects
- B. Bond Issue No 3 Projects
- C. General Fund Maintenance Projects
- D. Development Projects
- E. Engineering matters, including preparation and approval of plans and specifications, advertisement for bids, bid review, contract award, pay estimates, and change orders, acceptance of projects, deeds, related environmental proposals, easements, encroachment agreements, right of entry agreements, conflicts waivers, and request for service or utility Commitments.
- F. Other Items

Motion: Victor Mozisek

Second: Mike Clifton

To approve Pay Estimate No 13 for Friedel Drilling in the amount of \$93,735.

Motion Approved: 4-0

G. Report of General Manager, Phillip Givens

H. Report of District Manager, Oscar Pena

Consider & take appropriate action on:

- A. District Status
- B. Work in Progress
- C. Water Production Report
- D. Water Quality
- E. Wastewater Treatment
- F. Administrative

The meeting adjourned at 3.13 pm.

I. ***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

Respectfully submitted,



Danny McGuire, President



Nathan O'Neill, Secretary

Signed this 20 day of February, 2025.

These minutes were approved on February 20, 2025.