

STATE OF TEXAS       }  
COUNTY OF WILLACY   }

THE BOARD OF SUPERVISORS OF THE PORT MANSFIELD PUBLIC UTILITY DISTRICT met in Regular Session at the Community Baptist Fellowship Hall, Texas, on Tuesday, February 13, 2018 at 9:00 a.m., with the following members present:

|                      |              |           |
|----------------------|--------------|-----------|
| SUPERVISORS PRESENT: | DOUG TRAPP   | PRESIDENT |
|                      | DALE HICKS   | SECRETARY |
|                      | BUBBA GARST  | MEMBER    |
|                      | ARLAND LEWIS | MEMBER    |
|                      | JOHN AVARA   | MEMBER    |

|               |                |                     |
|---------------|----------------|---------------------|
| ALSO PRESENT: | RON MILLS      | GENERAL MANAGER     |
|               | FRANK VASQUEZ  | PORT SUPERINTENDENT |
|               | VIRGINIA LOMAS | HUMAN RESOURCES     |
|               | McCORMICK      | ATTORNEY            |

GUEST:                               QUENTIN ANDERSON & RON HEARN, CRI

President Trapp, called the meeting to order at 9:00 a.m. Upon conclusion of roll call it was ascertained that a quorum was present.

Item No. 1: REVIEW & CONSIDERATION OF PREVIOUS BOARD MEETING MINUTES: Supervisor Garst made the motion to approve the Previous Board Meeting Minutes for January 09, 2018. The motion was seconded by Supervisor Avara and unanimously carried.

Item No. 2: PUBLIC COMMENT(S):

None...

Item No. 3: DISCUSSION AND ACTION FOR FY 2016/2017 AUDIT REPORT: The 2016/2017 Audit report was presented to the Board by Carr Riggs & Ingram, CPAs and Advisors. Mr. Quinton Anderson and Ron Hearn, reviewed and discussed the audit report ending May 2017, he presented a letter to the board regarding the financial statement for review he gave a quick overview, discussed the management responsibilities gathered sufficient evidence changes for the past fiscal year. He also discussed the management's discussion and analysis, statement of net position, statement of revenue, expenses and changes in net position, statement of cash flows and notes to financial statements conduct and nature, supplemental report, analysis, revenue, expenditures and long term

liabilities. Supervisor Avara made the motion to accept that the Audit Report for 2016/2017 to be approved and to require the recommendations. The motion was seconded by Supervisor Garst and unanimously carried.

Item No. 4: PORT SUPERINTENDENTS REPORT: Frank Vasquez, Port Superintendent reported on the following items:

Water, Sewer & Garbage updates:

-Water Dept: Ground storage tank has had leaks, that have been repaired. We are in the process of filling storage tank at this time.

-Sewer Dept: No report

-Garbage Dept: No report

-Fire Hydrant Report: No report

TCEQ Inspection: Inspector came in 3 weeks ago to make annual water inspection. There was a couple of violations: Signs need to be updated and emergency number has to be included. At this time there is a TRWA advisor training the PUD employees for using the new nitrate monitoring equipment.

Item No. 5: GENERAL MANAGERS REPORT: Ron Mills, General Manager, reported on the following:

-Aging Utility Report: One account was pulled and has already been installed.

Internal Audit for Standby Fees: We have located 26 accounts that should be getting charged.

Item No. 6: REVIEW & CONSIDERATION OF CHECKS & VOUCHERS: After review of the check and vouchers, the motion was moved by Supervisor Garst for all regular transactions dated January 10<sup>th</sup> through February 13<sup>th</sup>, 2018, and the Water Development Account check to be approved as presented. The motion was seconded by Supervisor Lewis and unanimously carried.

Item No. 7: Adjourn: meeting adjourned at 10:52 a.m..