

**NOTICE OF SPECIAL MEETING OF THE
ECTOR COUNTY UTILITY DISTRICT OF ECTOR COUNTY**

Notice is hereby given that on the 21st day of June, 2022, the Board of Directors of the Ector County Utility District, will hold a Special Board Meeting and the Board Meeting will commence at 6:00 P.M. in the District's Board Room located at 1039 N. Moss Avenue, Odessa, Ector County, Texas 79762. The subjects to be discussed are listed on the June 21, 2022 special meeting agenda. Public comment on individual agenda items is invited at the time each individual item is considered (limit 5 minutes per person).

AGENDA

1. Call to Order.
2. Consider and Approve bids for purchase of valves, fire hydrants and other inventory materials for maintenance and repairs of water distribution system.
3. Consider and Approve an order establishing new rates for the sale of water and services, including monthly bills and volumetric water charges, adoption of a purchased water adjustment clause, and water tap fees and other fees and charges in Ector County, Texas effective October 1, 2022.
4. Public comment on non-agenda items within the jurisdictional and responsibilities of the District (limit 5 minutes per person).

The Ector County Utility District Board of Directors reserves the right to changes the agenda item order.

If, during the course of the meeting covered by this notice, the Board of Directors is required, then such closed or executive meeting of session as Title 5, Chapter 551, Government Code of Texas will be held by the Board of Directors at the date, hour, and place given in this notice or as soon after the commencement of the meeting covered by this notice as the Board of Directors may conveniently meet in such closed or executive meeting or session concerning any and all subjects and for any and all purposes permitted by Section 551 of said Government Code, including, but not limited to:

- § 551.071 For the purpose of a private consultation with the board's attorney.
- § 551.072 For the purpose of discussing the purchase, exchange, lease, or value of real property
- § 551.073 For the purpose of discussing negotiated contracts for prospective gifts, or donations.
- § 551.074 For the purpose of considering the appointment, employment, evaluation, reassignment, duties, discipline, or dismissal of a public officer or employee.
- § 551.076 To consider the deployment, or specific occasions for implementation, of security personnel or devices.
- § 551.084 For the purpose of excluding any witnesses from a hearing during examination of another witness.
- § 551.087 For the purpose of discussing economic development information received from a business seeking to locate in or near the District.

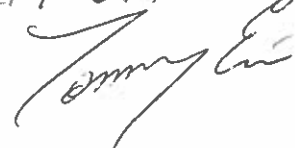
This notice was telephoned or mailed to all members of the news media who had previously requested such notice; and an original copy was posted on the bulletin boards at the first floor of Ector County Courtroom and the Ector County Utility District office on the 16 day of June 2022, at o'clock 3:47 M., said time being more than seventy-two (72) hours prior to the time at which the subject meeting will be convened and called to order.



 Tommy Ervin
 President

Posted: 3:49, 2022 at: Ector Cty Crt House
 By: Tommy Ervin

~~Deputy County Clerk~~
 Jennifer Martin, County Clerk
 Ector County, Texas

Clerk Office Closed


MINUTES OF THE BOARD OF DIRECTORS SPECIAL MEETING

June 21, 2022

The Board of Directors of the Ector County Utility District met in Special Meeting session on June 21, 2022, at 1039 N. Moss Avenue.

Members Present: President Tommy Ervin, Director Margaret Burton, Director Will Kappauf, Director Stephanie Shaw, Director Troy Walker

Members Absent: N/A

Non-Board Members Present:

Chuck Loy, GDS Associates via Team teleconference
Nick Weaver, GDS Associates via Team teleconference
Mike Gardner- Commissioner
Angela Gardner- Commissioner's spouse
Royal McGregor- Reporter O.A.
Mason Storrs- Reporter News West 9
Sheila Black – Guest
John Kelley- Guest
Shirley Kelley – Guest
Daniel Morales- Guest
Savannah Morales – Guest
William Jack Thrantom- Guest
Iverson Susan- Guest
Patti Kappauf- Guest
Bill Fowler – Legal Counsel via telephone
Johanna Lozano – ECUD
Perla Flores – ECUD
Demetrio Galindo - ECUD

1. **Call to Order.** President Ervin introduced those in attendance and with a quorum present called the meeting to order at 6:08 p.m.
2. **Consider and Approve bids for purchase of valves, fire hydrants and other inventory materials for maintenance and repairs of water distribution system.** After a discussion between President Ervin, Director Walker and Director Kappauf talking about the bids, President Ervin called upon Demetrio Galindo to explain the bids received from Western Industrial Supply, LLC, Morrison Supply Company, and Sims Plastic Inc., Galindo stated that he had added more inventories knowing that ECUD will need it along with the pipe, Sims Plastics was the only company that bid on the additional items, bidding \$27,170 and \$9,488.80, for a total of \$36,658.80. Director Kappauf stated that that state law requires competitive bids from any vendor willing to bid. President Ervin stated that if all the purchase orders, for inventory purposes, were added, the total would be \$563,000. Director Kappauf asks if any of the purchase orders had been sent to vendors. President Ervin replied yes, and stated that in our last board meeting ECUD issued the purchase orders to get underneath 5 or 8 % price increases. Director Kappauf

differed, stating that he understood that the board did not approve the purchase orders, and it would be placed on the special meeting agenda to consider ratifying the purchase orders.

President Ervin stated that ECUD had 3 vendors that bid. Director Walker stated he thought the bids should have been sealed. Director Kappauf stated that the bids should have come to the board to say yes or no, and all bids should be presented to the board. Director Kappauf referenced two bids from Sims Plastics and stated we are required by state law to have 3 bids and the board needs to then approve the \$25,000 + purchases. ECUD has ordered these and the district did not have approval. Director Shaw asked if they fell under the exceptions for an emergency or sole bidder because there no one that is going to make a bid for parts that is going to be longer than 30 days for us to come back to a board meeting, She stated also if you just did 5 % on that \$30,000, you are talking about costing our tax payers another \$1,500 just because you want to look at this and say yeah let's buy it. Director Kappauf stated that he wants ECUD to follow the State Law because we are now in violation the moment we did this, so if we would it have done it right and we are getting \$500,000 bids. He handed out the State Water Code to the directors, and responded to Director Shaw he just could not see how this is an emergency. Director Kappauf asked President Ervin how many fire hydrants are in stock today. President Ervin replied less than 70. Director Walker asked Demetrio Galindo if this was an emergency. He replied he believe so especially since ECUD is trying to save taxpayer money.

After a long discussion among board members, President Ervin requested counsel to address the legal requirements for bidding. Bill Fowler stated that purchases less than \$25,000 did not require using the bidding process. Purchases over \$25,000 and less than \$75,000 can be privately bid seeking three bids. It is not necessary to advertise for bids, but best practice is to maintain records of all bids received. Purchases over \$75,000 require advertising for bids, opening the bids and awarding the bid to the best bidder. The law allows for several exceptions. Director Shaw mentioned two exceptions for the board to consider, one is emergency situations and the other one is a single source bid. Director Kappauf requested a separate counsel review the matter. Bill Fowler recommended that the Board take each purchase order separately to discuss and vote on each one.

President Ervin requested comments from the public. Public comments on agenda item #2 were provided by Shirley Kelly, Commissioner Mike Gardner, Daniel Morales, Patti Kappauf, William Jack Thrantom, Susan Iverson, and Savannah Morales.

After discussions, Director Kappauf made a motion to table item number 2 which was seconded by Director Walker. Directors Kappauf and Walker voted for the motion and Directors Burton and Shaw voted against the motion. President Ervin broke the tie by voting against the motion. The motion failed.

After additional discussions and comments from the public and board members, Director Shaw made a motion to approve agenda item number 2 which was seconded by Director Burton. Directors Kappauf and Walker voted against the motion, and Directors Burton and

Shaw voted for the motion. President Ervin broke the tie by voting for the motion. The motion passed.

3. Consider and approve an order establishing new rates for the sale of water and services, including monthly bills and volumetric water charges, adoption of a purchased water adjustment clause, and water tap fees and other fees and charges in Ector County, Texas effective October 1, 2022.

After presentations by Chuck Loy and Nick Weaver with GDS Associates, Austin, Texas they recommend adoption of their Scenario No. 3 that would reduce the minimum monthly bill from \$75 to \$65 for residential customers. No other changes were recommended at this time. After discussion among the board members, Director Walker made a motion to approve Scenario No 3, which was seconded by Director Kappauf. The motion passed with Directors Burton, Shaw, Kappauf, and Walker voting for the motion.

After further discussion among the board members and Bill Fowler, Director Kappauf made a motion to implement the rate change adopted on June 21, 2022 to be effective on August 27, 2022. The motion was seconded by Director Shaw. The motion passed with Directors Burton, Shaw, Kappauf, and Walker voting for the motion.

Director Shaw made a motion to table further decisions about the water tap fees and other fees charges until the next board meeting on July 13, 2022. Director Walker seconded the motion. The motion passed with Directors Burton, Shaw, Kappauf, and Walker voting for the motion.

4. Public comment on non-agenda items within the jurisdictional and responsibilities of the District (limit 5 minutes per person).

There were no comments from the public on non-agenda items. President Ervin thanked all the guests for attending and providing input, and offered to stay later if anyone wanted to discuss ECUD matters.

At 9:15 p.m. Director Kappauf made a motion to adjourn the special board meeting Director Shaw seconded the motion. The motion passed with Directors Burton, Shaw, Kappauf and Walker voting for the motion.

Margret Burton, Secretary