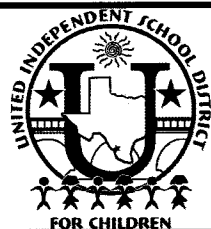


No. _____



UNITED INDEPENDENT SCHOOL DISTRICT AGENDA ACTION ITEM

TOPIC _____ Board Minutes _____

SUBMITTED BY: _____ Karen Winch _____ **OF:** _____ Board Secretary _____

APPROVED FOR TRANSMITTAL TO SCHOOL BOARD: _____ October 15, 2008 _____

RECOMMENDATION:

It is recommended that the United ISD Board of Trustees take action to approve Board Meeting minutes:

August 27, 2008 – Special Called Meeting
September 17, 2008 – Public Hearing on Schools FIRST
September 17, 2008 – Regular Board Meeting
October 6, 2008 – Board Workshop
October 7, 2008 – Special Called Meeting

RATIONALE:

State law requires the Board to prepare and keep minutes of its open meeting. Govt. Code §551.021. The minutes are public records available for public inspection and copying upon request to the Superintendent or his designee. Govt. Code § 551.022

BUDGETARY INFORMATION

No Budget Impact

BOARD POLICY REFERENCE AND COMPLIANCE:

This is in compliance and in accordance with Board Policy BE and BE (LOCAL).

Special Called Meeting
The State of Texas
United Independent School District
The County of Webb

August 27, 2008

The Board of Trustees of the United Independent School District met in a Special Called meeting on Wednesday, August 27, 2008 in the United ISD Boardroom, 201 Lindenwood Road, Laredo, TX 78045. President John M. Bruce called the meeting to order at 6:05 p.m.

In Attendance

Robert J. Santos
Superintendent of Schools

Board of Trustees

John M. Bruce, President
Pat Campos, Vice-President – arrived during Closed Session
Juan Antonio Molina, Jr., Secretary – arrived during Closed Session
Ricardo Molina, Parliamentarian – arrived during Closed Session
Francisco "Pancho" Gonzalez, Member
William B. Johnson, Member – arrived during Closed Session
Juan Roberto Ramirez, Member Juan Roberto Ramirez - Member

I. Roll Call, Establish Quorum, Call to Order

II. Announcement by the Board President, John Bruce, calling the meeting of the United Independent School District to order at 6:05 p.m. There was a quorum of Board members present, the meeting was duly called, and that notice of this meeting was posted in accordance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

III. Pledge of Allegiance

Mr. Bruce said he was suspending the reciting of the Pledge of Allegiance.

IV. Closed Session

The Board entered into Closed Session at 6:09 p.m. pursuant to the following sections of the Texas Open Meetings Act:

A. 551.071 Consultation with Board's Attorney

B. 551.074 Discussion of Personnel or to Hear Complaints Against Personnel

1. Discussion of Superintendent's Summative Evaluation and Performance Compensation for

2007-08

The Board returned from Closed Session at 7:06 p.m. No action was taken during Closed Session and the Board took action on the following items.

IV. Action Items

A. Action Regarding Superintendent's Summative Evaluation for 2007-2008.

Mr. Juan Cruz, General Counsel, advised the Board that the recommendation was to approve the Superintendent's summative evaluation for 2007-2008, as discussed in Closed Session.

Motion: So move.

Moved by: Campos
Seconded by: R. Molina
Discussion: None
In Favor: Unanimous

B. Action regarding Distribution of Performance Compensation Pursuant to Superintendent's Employment Contract

Mr. Cruz advised the Board that the recommendation was to approve the distribution of performance compensation pursuant to the Superintendent's employment contract, as discussed in Closed Session.

Motion: So move.

Moved by: Campos
Seconded by: Ramirez
Discussion: None
In Favor: Unanimous

B. Second Reading of Policy BAA (LOCAL): Board Legal Status -Powers and Duties

Mr. Cruz advised the Board that this was a new policy that deals with the Board's power and duties. He said they had added a provision that in supporting student and employee drug-testing program, all Board members may, on a voluntary basis, submit to a district-paid alcohol and drug test. The results would be disclosed only on the consent of the Board member. He said the Board may want to do this, but it needs to be passed so the members can be tested, if they so request.

Motion: So move.

Moved by: Ramirez
Seconded by: Gonzalez
Discussion:

Mr. Ramirez and Mr. Gonzalez both asked to be included in the drug testing.

In Favor: Unanimous

V. Adjournment

There being no further business before the Board, the Special Called Meeting of August 27, 2008 was adjourned at 7:14 p.m.

John M. Bruce, President

Juan Antonio Molina, Jr., Secretary

Public Hearing
The State of Texas
United Independent School District
The County of Webb

September 17, 2008

In attendance

Roberto J. Santos, Superintendent of Schools

Board of Trustees

John M. Bruce – President
Ricardo Molina – Vice President
Juan Molina – Secretary
Pat Campos – Parliamentarian
Francisco "Pancho" Gonzalez
William "Bill" Johnson – Member
Juan Roberto Ramirez – Member

I. NOTICE IS HEREBY GIVEN that United Independent School District will hold a School FIRST Public Hearing on September 17, 2008 at 6:15 p.m. in the United ISD Student Activity Complex, Fine Arts Building, Laredo, TX 78043.

II. Roll Call, Establish quorum, Call to Order

Mr. Bruce officially opened the hearing.

III. An announcement was made by the Board President calling the meeting of the United Independent School District to order. The record showed that a quorum of Board Members was present, that the meeting was duly called, and that notice of the meeting was posted in accordance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

IV. Overview of School FIRST (Financial Integrity Rating System of Texas)

Ms. Laida Benavides, Assistant Superintendent for business and Finance, presented an overview of the Financial Integrity Rating System of Texas. She explained that there are four ratings that can be achieved by a school district. They include:

Superior Achievement
75-85- points and "Yes" to indicator 7

Above Standard Achievement
65-74 points or >75 and "No" to indicator 7

Standard Achievement
55-64 points

Substandard Achievement

<55 or "No" to one default indicator

Ms. Benavides then explained that there are 24 indicators which include the following:

- * Critical Indicators (7)
- * Fiscal Responsibility (5)
- * Budgeting (5)
- * Personnel (3)
- * Cash Management (4)

Based on the 2006-07 data, the following number of school districts have received ratings of

Superior Achievement 931
Above Standard Achievement 76
Standard Achievement 6
Substandard Achievement 17
Suspended Due to Data Quality 1

V. School District's Rating – Superior Achievement

Ms. Benavides advised the Board that the District had received a Superior Achievement. Mr. Santos congratulated the department on their excellent achievement.

VI. Public Comments on Report

Mr. Bruce called for comments from the public regarding the report. No one came forward to speak.

VII. Adjournment

There being no further business before the Board of Trustees, the Public Hearing of September 17, 2008 was adjourned at 7:05 p.m.

John M. Bruce, President

Juan Antonio Molina, Jr., Secretary

Regular Meeting
The State of Texas
United Independent School District
The County of Webb

September 17, 2008

In Attendance

Roberto J. Santos, Superintendent of Schools

Board of Trustees

John M. Bruce – President
Ricardo Molina – Vice President
Juan Molina – Secretary
Pat Campos – Parliamentarian
Francisco "Pancho" Gonzalez – Member
William "Bill" Johnson – Member
Juan Roberto Ramirez – Member

Before the regular meeting was called to order, Mr. Bruce said they would move Items under IV-A, B, C, and D. Mr. Santos asked Mr. Zuniga to recognize several community members who were responsible for assisting in providing supplies for our children.

IV-D Supply Our Students Concert

- 1. Mayor Raul Salinas**
- 2. Judge Danny Valdez**
- 3. Belinda Guerra, Guerra Communications**

Mr. Zuniga described a special program developed to provide those supplies. He recognized a key sponsor, Belinda Guerra, from Guerra Communications. She said she hoped they had made a difference and announced that they have an additional \$1,674 dollars to provide more supplies.

The honorable Mayor Raul Salinas was then recognized by the Board and said he was honored to receive the award for providing students the tools they need.

The honorable Judge Danny Valdez – Webb County Judge who was one of the founders of the project. Judge Valdez said they were able to break all records this year and thanked the people from UISD who had spent many hours helping with the project.

IV-E UISD Educators that developed the One City, One Book Initiative

- 4. J. B. Alexander High School – Beverly Herrera – Teacher
Annie Trevino – Teacher, Carmen Escamilla-Librarian**

Ms. Pam Juarez, Associate Superintendent for Instruction, presented three UISD educators who developed the One City, One Book Initiative that had produced over 3000 pounds of food for the Laredo Food Bank.

Ms. Juarez then began the recognition of campuses.

IV. Recognitions

A. 2008 TEA Exemplary Campuses

- 5. Col. Santos Benavides Elementary School**
- 6. Trautmann elementary School**

B. 2008 TEA Recognized Campuses

- 1. Charles R. Borchers Elementary School**
- 2. Centeno Elementary School**
- 3. Fasken Elementary School**
- 4. Finley Elementary School**
- 5. Gutierrez Elementary School**
- 6. Henry Cuellar Elementary School**
- 7. Juarez Lincoln Elementary School**
- 8. Judith Zaffirini Elementary School**
- 9. Kazen Elementary School**
- 10. Matias de Llano Elementary School**
- 11. Newman Elementary School**
- 12. Nye Elementary School**
- 13. Prada Elementary School**
- 14. United D. D. Hachar Elementary School**

A Regular Meeting of the Board of Trustees of United ISD was held Wednesday, September 17, 2008 in the United ISD –Student Activity Complex, Fine Arts Building, 5208 Santa Claudia Lane, Laredo TX 78043. The meeting was called to order at 7:14 p.m.

I. Roll Call, Establish Quorum, Call to Order

II. Pledge of Allegiance

III. An announcement by the Board President calling the meeting of the United Independent School District to order. The record showed that a quorum of Board Members was present, that the meeting was duly called, and that notice of the meeting was posted in accordance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

IV. Recognitions – (Items under IV were considered earlier before the regular meeting was called to order.)

A. 2008 TEA Exemplary Campuses

- 15. Col. Santos Benavides Elementary School**
- 16. Trautmann elementary School**

B.2008 TEA Recognized Campuses

- 17. Charles R. Borchers Elementary School**

18. Centeno Elementary School
19. Fasken Elementary School
20. Finley Elementary School
21. Gutierrez Elementary School
22. Henry Cuellar Elementary School
23. Juarez Lincoln Elementary School
24. Judith Zaffirini Elementary School
25. Kazen Elementary School
26. Matias de Llano Elementary School
27. Newman Elementary School
28. Nye Elementary School
29. Prada Elementary School
30. United D. D. Hachar Elementary School

C. Supply Our Students Concert

This item was considered before the regular meeting was called to order.

1. Mayor Raul Salinas
2. Judge Danny Valdez
3. Belinda Guerra, Guerra Communications

D. UISD Educators that developed the One City, One Book Initiative

1. J. B. Alexander High School – Beverly Herrera – Teacher
Annie Trevino – Teacher, Carmen Escamilla-Librarian

Mr. Bruce moved up agenda item X-G before Public Comments.

X-G - Discussion/Action re: Selection of Company/Firm for UISD Financial Advisor Services

Motion: So move to table the item.

Moved by: J. Molina

Seconded by: Johnson

Discussion: None

In Favor: Bruce, Johnson, J. Molina

Opposed: Campos, Gonzalez, R. Molina, Ramirez

Mr. Bruce clarified that the vote would be to select the firm of Estrada-Hinojosa as the Financial Advisor.

Mr. Ramirez asked for clarification saying this item was only to name the company and the contract would be provided at the next meeting. Mr. Cruz said they could proceed with the motion to select the financial advisor and come back in the October meeting for the finalization and approval of the contract.

In Favor: Campos, Gonzalez, R. Molina, Ramirez

Opposed: Bruce, Johnson, J. Molina

V. Public Comments: Comments are limited to three minutes per speaker. The Board Parliamentarian will be the timekeeper and will inform the speaker when they have one (1) remaining minute. No more than three (3) persons will be allowed to speak on any side of an issue. Should there be more than three (3) people who wish to speak on a particular issue they need to select not more than three (3) representatives to speak for them. Comments on policy or agenda items will be heard in open session. Complaints and concerns against employees or regarding students shall be directed through the appropriate channels. The presiding officer or designee shall determine whether a person who wishes to address the Board has attempted to solve a matter administratively. If not, the person shall be directed to the appropriate policy, as noted in BED (LOCAL), to seek resolution before bringing the matter to the Board at a subsequent meeting. Pursuant to 551.042 of the Texas Government Code, no Board Member or Administrator may respond to a member of the public, unless such response is a recitation of District policy or a statement of specific formal information.

Blanca Balboa. Ms. Balboa introduced herself as the President of Laredo United TSTA/NEA. She said United TSTA wanted to publically recognize those campuses that were Recognized or Exemplary and said it was not accomplished by only by one person but also janitors, cooks, bus drivers, and teachers.

VI. Closed Session: The Board adjourned into closed session at 7:22 p.m. pursuant to the following sections of the Texas Open Meetings Act:

A. 551.071 Consultation with Board's Attorney

B. 551.074 Discussion of Personnel or to Hear Complaints against Personnel

1. Superintendent's Duties and Responsibilities
2. Internal Auditor's Duties and Responsibilities
3. Consultation with legal counsel regarding determination that a Reduction in force is required due to a program change (deletion of Coordinator of Community Partnerships position from 2008-009 school year budget) necessitating discharge of one or more employees
4. Level III Grievance of Humberto Gonzalez

B. 551.072 Discussion on the Purchase, Exchange, Lease or Value of Real Property

1. Report on status of exercise of purchase option pursuant to Lease Purchase contract with 4R Minerals, Ltd., pertaining to Hwy. 359 office building, described as Lots One (1) and Two (2), Block One (1), James Haynes Industrial Park, Unit 1, in Webb County, Texas which property is

located in the City of Laredo, Texas and commonly referred to as 4410 Highway 359.

VII. Superintendent's Report

A. Review of LEGAL Policies in Update 83

VIII. The Board reconvened from Closed Session at 8:53 p.m., and the Board took appropriate action on items, as necessary, as discussed in Closed Session.

A. Discussion/Action: Pursuant to DFF (LOCAL), the Superintendent shall recommend to Board of Trustees the employment area to be affected by the Reduction in Force due to program change (deletion of Coordinator of Community Partnerships position from the 2008-2009 school year budget).

Mr. Santos advised the employment area to be affected by the necessary Reduction in Force due to program change is the Coordinator of Community Partnerships position given that such position had been deleted from the 2008-09 school year budget.

Motion: So move.

Moved by: R. Molina
Seconded by: J. Molina
Discussion: None
In Favor: Bruce, Campos, Johnson, J. Molina
Opposed: Gonzalez, Ramirez

B. Pursuant to Board Policy DFF (LOCAL), the Board shall take action to propose the termination of the Coordinator of Community Partnerships due to a reduction in force because of a program change (deletion of employment position from the 2008-2009 school year budget).

Mr. Santos advised the Board that his recommendation was the proposed termination of Ms. Esther K. Firova's, non-certified administrator contract due to a reduction in force because of a program change (deletion of employment position from the 2008-09 school year budget) and for the Board to authorize the Superintendent to send notice of said proposed termination in compliance with Board Policy DFF (LOCAL).

Motion: So move.

Moved by: J. Molina
Seconded by: R. Molina
Discussion: None
In Favor: Bruce, Campos, Johnson, J. Molina
Opposed: Gonzalez, Ramirez

C. Action regarding Level III Grievance of Humberto Gonzalez

Motion: I move we uphold the District's administrative decision in the grievance matter

of Humberto Gonzalez

Moved by: R. Molina
Seconded by: Ramirez
Discussion: None
In Favor: Gonzalez

D. Consideration and possible action with respect to the exercise of option to purchase from 4R Minerals , Ltd., pertaining to Hwy. 359 office building, described as Lots One (1) and Two (2), Block One (1), James Haynes Industrial Park, Unit 1, in Webb County, Texas which property is located in the City of Laredo, Texas and commonly referred to as 4410 Highway 359.

Mr. Cruz said the recommendation was to approve the exercise of option to purchase from 4R Minerals , Ltd., pertaining to Hwy. 359 office building, described as Lots One (1) and Two (2), Block One (1), James Haynes Industrial Park, Unit 1, in Webb County, Texas which property is located in the City of Laredo, Texas and commonly referred to as 4410 as Highway 359, as discussed in Closed Session.

Motion: So move.

Moved by: Ramirez
Seconded by: Gonzalez
Discussion:

Mr. Santos advised the Board that this property came with ten acres next to *Cielito Lindo* for future expansion. He said the building was in excellent condition and easily accessible by all campuses.

Mr. Johnson said that originally they had said they would use Col. Santos Elementary as the administrative building, but since the bond did not pass, we are now in a bind for space. Mr. Santos responded that it would be very expensive to build another sixth grade campus and that this was the best plan to utilize the building. Mr. Ramirez concurred that this was the best solution.

In Favor: Unanimous

IX. Consent Agenda Items

Mr. Johnson stated that the Business and Instructional Committees had met the previous week and were recommending approval of the following items:

A. Approval of Monthly Disbursements

B. Tax Roll Adjustments for 2007-2008

C. Approval to Contract with the Webb County Elections Administrator to Conduct November 4, 2008 Election

D. Receipt and Approval of Certification of Unopposed Candidate for November 4, 2008 Trustee Election

- E. Order Cancelling Election in Single Member District One (1) and Four (4) And Declaring Unopposed Candidate Elected**
- F. Issuance of Certificate of Election to Candidate Declared Elected to Office**
- G. Approval of Awarding Bids, Proposals and Qualifications**
- H. Approval of Competitive Sealed (CSP) as the method of procurement for The Construction of Road and Utilities for the new United High School, the Construction of a Soccer Field at LBJ High School, and the Construction of a Band Marching Pad at Alexander High School**
- I. Approval of Internal Audit Plan for 2009-2009 school year**
- J. Select Board Member(s) as Delegate and Alternate Delegate to attend the TASB 2008 Delegate Assembly in Dallas, TX on September 25-28, 2008.**
- K. Approval of Additional PDAS Appraisers for the 2008-2009 School Year**

Motion: So move.

Moved by: Johnson
 Seconded by: Ramirez
 Discussion: None
 In Favor: Unanimous

Mr. Cruz noted that they had skipped the Superintendent's Report, but no action was necessary.

X. Items for Individual Consideration

A. Board Minutes

- 1. Public Hearing – August 20, 2008**
- 2. Regular Board Meeting – August 20, 2008**

Motion: So move.

Moved by: Campos
 Seconded by: Ramirez
 Discussion: None
 In Favor: Bruce, Campos, Johnson, J. Molina, R. Molina, Ramirez
 Abstain: Gonzalez

B. Donations

Mr. Santos read the donations totaling \$13,400 into the record and graciously thanked the donors for their contributions to the District. He commented that they would copy the check and letter from the campus for the Board.

Motion: So move.

Moved by: Gonzalez
Seconded by: Ramirez
Discussion: None
In Favor: Unanimous

C. Resolution to Approve the 2008 Appraisal Roll as the 2008 UISD Tax Roll

Ms. Norma Farabough, UISD Tax-Assessor Collector, recommended the approval of the Resolution to Approve the 2008 Appraisal Roll as the 2008 UISD Tax Roll and read the resolution into the record.

Motion: So move.

Moved by: Ramirez
Seconded by: Gonzalez
Discussion: None
In Favor: Unanimous

D. Request for Expedited State Waiver Application for Modified Schedule for March, April, and May, 2009 and Early Release Day for May 28, 2009.

Ms. Gloria Rendon, Assistant to the Superintendent, advised the Board that they were recommending the Board approve the item so that students could go into school in the afternoon so that testing would go more smoothly.

Motion: So move.

Moved by: Gonzalez
Seconded by: Ramirez
Discussion: None
In Favor: Unanimous

E. Approval of Bond Counsel Legal Services Engagement Letter for the Law Firm of Escamilla & Poneck, Inc.

Motion: So move.

Moved by: Campos
Seconded by: R. Molina
Discussion: None
In Favor: Unanimous

F. Discussion/Action to Approve Legal Services Contract with the Law Firm of Wilson, Freed, Trevino, Valls & Trevino, L.L.P.

Motion: So move.

Moved by: Gonzalez

Seconded by: Ramirez

Discussion: None

In Favor: Unanimous

G. Discussion/Action re: Selection of Company/Firm for UISD Financial Advisor Services

This item was considered before Public Comments.

Mr. Cruz advised the Board that no action was to be taken on Items IX-H, I, J, and K as they were all first readings.

H. First Reading of Policy CFB (LOCAL) – Accounting Inventories

I. First Reading of Policy DC (LOCAL) – Employment Practices

J. First Reading of Policy DH (LOCAL) – Employee Standards of Conduct

K. First Reading of (LOCAL) Policies in Update 83

Mr. Eduardo Zuniga presented certificates to Mr. Juan A. Molina, Jr. and Mr. Ricardo Molina as they were declared trustees and would be serving four-year terms on the UISD Board of Trustees.

XI. Adjournment

There being no further business before the Board of Trustees, the Regular Meeting of September 17, 2008 was adjourned at 9:27 p.m.

John M. Bruce, President

Juan Antonio Molina, Jr., Secretary

Board Workshop Meeting
The State of Texas
United Independent School District
The County of Webb

October 6, 2008

In attendance

Robert J. Santos, Superintendent of Schools

Board of Trustees

Juan Molina – Secretary
Francisco “Pancho” Gonzalez – Member
William “Bill” Johnson – Member
Juan Roberto Ramirez – Member

I. Roll Call, Establish Quorum, Call to Order

Mr. Molina called the Board Workshop Meeting to Order at 5:12 p.m. The meeting was held on Monday, October 6, 2008 at the United ISD Board Room, 201 Lindenwood Drive, Laredo, Texas 78045. The meeting was duly called and notice of the meeting was posted in accordance with the Texas Open Meetings Act, Texas Government Code, Chapter 551.

Mr. Enrique Rangel advised the Board that a tour of the new United High School would begin immediately, with each Board member, administrator, and member of the public taking their own vehicles. Mr. Rangel provided general directions how to get to the new building site.

A walk through of the new United High School located at 2811 United, Laredo, Texas 78045 was lead by Mr. Enrique Rangel, Mr. Ignacio Alaniz, Mr. Roberto Santos, and Mr. James Humphries.

II. Adjourn

There being no further business before the Board, the Board Workshop Meeting of October 6, 2008 was adjourned at 6:30 p.m.

John M. Bruce, President

Juan A. Molina, Jr., Secretary

Special Called Meeting
The State of Texas
United Independent School District
The County of Webb

October 7, 2008

In Attendance

Roberto J. Santos
Superintendent of Schools

Board Members

John M. Bruce – President
Pat Campos – Vice-President – absent
Juan Molina – Secretary
Francisco "Pancho" Gonzalez – Member
William B. Johnson – Member
Ricardo Molina – Member – absent
Roberto Ramirez – Member

A Special Called meeting of the Board of Trustees of United ISD was hold Tuesday, October 7, 2008 beginning at 6:55 p.m. in the United ISD Boardroom, 201 Lindenwood Drive, Laredo, Texas 78045.

I. Roll Call, Establish Quorum, Call to Order

II. An announcement was made by the Board President, John Bruce, calling the meeting of the United Independent School District to order. The record showed that a quorum of Board Members was present, that the meeting was duly called, and that notice of the meeting was posted in accordance with the Texas Open Meetings Act, Texas Government Code Chapter 551.

III. Action Items

A. Approval of Award of RFP 2008-078 Retail Electric Service Provider

Ms. Cordy Flores Jackson, Purchasing Department, said administration was asking that the Board award the contract to the U.S. Energy Savings Corporation. She said the Energy Steering Committee – Eduardo Zuniga, Hector Cavazos, Mike Garza, Karina Mendoza, Cesar Trevino, and Cordelia Flores had reviewed the bids from Retail Electric Service Providers (REPs). We went out for bids which were due on September 30, 2008 at 3:00 p.m. The committee reviewed all contracts and financial statements submitted and requested the final contract price be submitted today due to the fluctuating nature of this commodity. Vendors can only hold the price for the day.

Ms. Flores Jackson said the Energy Steering Committee was recommending to award a five-year contract to U. S. Energy at a rate not to exceed \$0.0782 per KWH. She said they had negotiated

with the vendor to renegotiate the contract rate once per year during the term of the contract if the price of energy decreases and in return would add months to the end of the contract. The contract allows for the addition of portable buildings, but not fixed buildings. Ms. Flores Jackson said they are asking the Board to grant authority to administration to negotiate a rate for any fixed buildings that are added to the contract during the contract term. Ms. Flores Jackson said the District has received excellent service from this company.

Mr. Gonzalez said there are certain things that are guaranteed and asked who could assure that the money is there to back us up. Mr. Gonzalez said service companies have folded in Houston and asked if we are sure we want to go with five years and take a risk.

Mr. Santos responded that we feel very confident that U.S. Energy is a reputable company and had even bought out our last provider. He said all the reports on the company are good and, if we pick the five- year contract we will have a savings rather than going with a three-year contract. Mr. Santos said that after the presidential election we feel the rates will go up. The five-year contract would be a good savings for United.

Mr. Gonzalez asked how long the company has been around. Ms. Flores responded that they are a big company as they have bought out Hino and Just Energy.

Mr. Bruce said energy companies are still regulated better than the stock market, so it would be difficult for one company to go under and not be picked up by another. Mr. Bruce called for a motion in order to be able to continue with the discussion.

Motion: So move.

Moved by: J. Molina

Seconded by: Johnson

Discussion:

Mr. Gonzalez again expressed his concern regarding a five-year contract and wanted a guarantee that the company would not go under. The discussion continued among the Board members that there is no way we can guarantee they will not have problems. Mr. Bruce said we need to look at our immediate needs and the greatest savings we can secure.

In Favor: Bruce, Johnson, J. Molina, Ramirez

Opposed: Gonzalez

IV. Adjournment

There being no further business before the Board, the Special Called Meeting of October 7, 2008 was adjourned at 7:14 p.m.

John M. Bruce, President

Juan A. Molina - Secretary