

PORTER SPECIAL UTILITY DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

March 30, 2020

The Board of Directors (the Board or Directors) of Porter Special Utility District (the District) met in regular session, at 7:00 p.m., via Zoom Meeting - Conference Call, on Monday, March 30, 2020, pursuant to notice of said meeting posted in accordance with Chapter 551 of the Texas Government Code.

1. **Call Meeting to Order** The President, after finding that the notice of the meeting was posted as required by law, called the meeting to order at 7:00 p.m. and declared it open for such business as may come before it.

a. **Roll Call of the Board of Directors/Declaration of a Quorum**

Doug Pillow	President
Jodi Ruonavar	Vice-President
Caroline Denham	Secretary
Danny Bridges	Treasurer
Johnny Barr	Asst. Secretary-Treasurer
Jason Ashy	Director
Evelyn Satterwhite	Director

Director Denham took the roll, all Directors were present, thus constituting a quorum. Also attending for the District were: J.T. Foster of Radcliffe Bobbitt Adams Polley (General Counsel), Mike Kelly of Bleyl & Associates (Engineer), Jeff Peters of Ardurra Group (GRP Engineer), Jonathon Smith (General Manager), Jim Ferguson (Operations Manager) and Amanda Phillips (Executive Administrator).

b. **Director Qualifications and Disclosures**

Mr. Smith stated there are no updates of qualifications and disclosures.

Mr. Foster spoke to the Board about guidelines regarding telephonic Board Meetings. Mr. Foster verified the meeting code was posted on the agenda for the public's reference, that the public was able to participate in the meeting, and that the meeting is being recorded. Mr. Foster asked the Board Members to state their name before making a comment and votes will be made in roll call fashion.

Mr. Foster requested that all callers on the line state their names starting with himself. The following people identified themselves: Mike Kelly with Bleyl Engineering, Jeff Peters with Ardurra Group, Jonathon Smith with Porter SUD, Amanda Phillips with Porter SUD, Jim Ferguson with Porter SUD, Alyssa Thompson with Kimley-Horn Engineers, Ashley Frysinger with Kimley-Horn Engineers, and Itiel Kaplan with Maple Heights Development. There were other callers, but they did not state their names.

c. Invocation

Invocation led by Director Ruonavar.

d. Pledges of Allegiance

Pledges of Allegiance led by Director Pillow.

2. Public Comment

Director Ruonavar stated that she does not want to ever hear of an employee being turned away from attending a Board Meeting or filing a grievance with the Board, and that the chain of command should be followed.

3. Review and Approve Minutes

The Board considered approval of the Minutes of the Regular Meeting on February 24, 2020.

Upon motion by Director Bridges, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Minutes of the Regular Meeting of February 24, 2020 were approved. Motion carried unanimously.

The Board considered approval of the Minutes of the Special Meeting on March 19, 2020.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, with the exception of Director Pillow and Director Barr whom abstained due to their absence from the meeting, the Minutes of the Special Meeting of February 10, 2020 were approved. Motion carried unanimously.

4. Old Business

- a. Review, discuss, and take any necessary action regarding Amended Resolution Adopting Director Fees of Office and Expense Reimbursement Policy.

This item was tabled.

- b. Review, discuss, and take any necessary action regarding Section 7.2 Travel Allowance of the Personnel Policies.

This item was tabled.

- c. Review, discuss, and take any necessary action regarding ratifying the Board of Directors authorizing the attendance of Director Satterwhite at the 2020 AWBD Annual Conference to be held June 11-14, 2020 at the Gaylord Texas Resort & Convention Center in Grapevine, Texas and directing the General Manager to register Director Satterwhite for the conference along with a hotel room.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, with the exception of Director Satterwhite whom abstained, the Board ratified the authorization of Director Satterwhite at the 2020 AWBD Annual Conference to be held June 11-14, 2020 at the Gaylord Texas Resort & Convention Center in Grapevine, Texas and directing the General Manager to register Director Satterwhite for the conference along with a hotel room.

- d. Review, discuss, and take any necessary action regarding potential exclusion of property from District boundary.

Director Ashy asked for more information about this item. Mr. Foster stated he would recommend discussing this item in-person with the Board. This item was tabled.

5. New Business

- a. Consider authorizing and directing staff to take any necessary action related to acquiring District credit cards from Amegy Bank.

Upon motion by Director Denham, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board authorized and directed staff to take any necessary action related to acquiring District credit cards from Amegy Bank effective March 30, 2020. Motion carried unanimously.

- b. Consider authorizing and directing staff to take any necessary action to switch the District's financial banking from BBVA to Amegy Bank.

This item was tabled.

- c. Consider authorizing and directing staff to take any necessary action to add Directors to the Amegy Bank banking account as signers for the District.

This item was tabled.

- d. Review, discuss, and take any necessary action regarding Section 4.2 General Pay Information of the Personnel Policies.

This item was tabled.

Director Ruonavar asked for more information about why the District stopped using Amegy Bank in the past. Mr. Smith stated he would research and report back to the Board.

6. Financial Report

- a. Review, discuss, and take any necessary action regarding Financial Statements

Mr. Smith presented the Financial Report to the Board. Director Denham asked about a \$0.31 payment to Waste Services, Ms. Phillips responded that the Waste Services account had recently become auto drafted and there was a balance of \$0.31 on the account.

Director Ruonavar asked about the Entergy demand charges on Sears and Ferne Road. Mr. Smith responded that he knew it is based off past usage, and that he would find out more information about the charges.

Director Ruonavar asked about the Fire Line fees on the Financial Report. Mr. Smith stated he will speak to Staff and report back to the Board this week in an email.

Director Ruonavar asked about Miscellaneous Revenue, Mr. Smith stated he would contact Mr. Miller with Municipal Accounts and report back to the Board.

Upon motion by Director Ruonavar, seconded by Director Denham after full discussion with all Directors present voting aye, the Financial Report was approved. Motion carried unanimously.

7. Engineering Report by Ardurra Group

- a. Update on Surface Water Treatment Plant Pilot Study

Mr. Peters stated the Pilot Study Report is about 10 days behind schedule, and a draft copy should be expected soon.

- b. Update on FEMA Reimbursement

Mr. Peters and Mr. Ferguson have been in communication with local recycling centers to arrange pickup of damaged pilot units. The recycling centers stated the damaged units would need to be delivered to their sites. Director Pillow asked about the weights of the units, Mr. Peters responded between 1,700 and 3,000 pounds each.

Mr. Peters stated that the next check the District is waiting for is for the ancillary work, such as electrical, water tie-in, and administration. Mr. Peters is waiting to hear from TDEM to see what steps are next. Mr. Peters expects the amount of that check will be approximately \$100,000.00

c. Update on HUD CDBG-MIT Program Grant

Mr. Peters has not heard any new information. He stated he will update staff if he hears any other news regarding the HUD CDBG-MIT Program Grant.

8. Engineering Report by Bleyl Engineering

Mr. Kelly asked if there are any questions regarding the Engineering Report.

a. Update on Developments

- i. Review, discuss, and take any necessary action regarding Brooklyn Trails Section 2, including approving the construction plans based on the developer's engineer addressing comments to the satisfaction of Bleyl Engineering and District Staff.

Mr. Kelly is asking for conditional approval pending notes on the plans. Director Pillow asked if holding off approval of this item will hinder Brooklyn Trails progress. Mr. Kelly stated he would like to have the conditional approval in the event Brooklyn Trails does not agree to the recommended notations and he would then follow up with the Board.

Upon motion by Director Ashy, seconded by Director Bridges after full discussion with all Directors present voting aye, the conditional approval of the construction plans based on the developer's engineer addressing comments to the satisfaction of Bleyl Engineering and District Staff was approved. Motion carried unanimously.

- ii. Review, discuss, and take any necessary action regarding Maple Heights (North Houston Airport property), including approving the feasibility study and preparation of the development agreement

The development is a 211-acre property that was the location of an airport previously. Most of the property is to be single-family construction, with the possibility of multi-family dwellings with an approximate 1100 connection count. Mr. Kelly stated the Developer and their Engineer are on the call if there were any questions. The report includes information about impact fees, status of current development, District facilities, and potential District improvements.

Director Ashy asked if the District could serve a community that size. Mr. Kelly stated, yes.

Director Pillow asked about the timeline of the emergency generator installation at the Copeland Plant that was noted in the report. Mr. Kelly stated that the project will be phased.

Mr. Kelly stated the feasibility study is done to establish any reason why the District would not be able to provide services to the Development. There would still need to be an agreement to establish funding and party obligations.

Ashley Frysinger with Kimley-Horn (Developer Engineer) stated she would like for the Board to approve the feasibility study and preparation of the development agreement so the Developer can move forward on the project. Mr. Foster stated his office will be working with the Developer on contracts if the Board approves the motion.

Upon motion by Director Ashy, seconded by Director Denham after full discussion with all Directors present voting aye, with the exception of Director Satterwhite who left the meeting at the time of the vote, the feasibility study and preparation of the development agreement for the Maple Heights Development by District Consultants was approved. Motion carried unanimously.

- iii. Review, discuss, and take any necessary action on the Four Arbor Townhouses, including approving the waterline upsizing on Adams Street.

Mr. Kelly stated that there are sixteen townhomes that were constructed on Adams Street. There is a two-inch waterline and previous staff had proposed two, two-inch taps for the construction. There was no feasibility study completed for the construction. The District regulations state that a six-inch water line upgrade would be necessary, Mr. Kelly states an eight-inch would allow for fire hydrants. There would need to be an extension of 2,000 feet and would cost approximately \$100,000.00. Mr. Kelly stated that District Staff and he met with the Developer. Mr. Kelly requested additional information from the Developer that he has not received back yet.

Director Pillow asked if Mr. Kelly could come back with a more detailed cost estimate for an 8-inch waterline upgrade.

This item was tabled.

- b. Update on General Fund Projects
- c. Update on Impact Fee Capital Improvement Projects

Upon motion by Director Denham, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Engineering Report was approved. Motion carried unanimously.

9. General Counsel's Report

- a. Update on Lone Star Groundwater Conservation District rules

Mr. Foster had no updates to report.

- b. Review, discuss, and take any necessary action regarding the GRP Participation Agreements with Chateau Woods Municipal Utility District and Crystal Springs Water Company

Mr. Foster stated the litigation counsel filed a response to the lawsuit.

- c. Review, discuss, and take any necessary action regarding the easement acquisitions along Sorters Road and Ford Road

Mr. Foster stated that Ms. Vecchio has sent letter to the residents on Sorters Road. Director Ashy asked if there is any progress on easement acquisition, Mr. Foster stated that there has been progress made.

10. General Manager's Report

Mr. Smith asked if there were any questions regarding his report.

Director Denham asked about the status of the reported shooting that occurred near the Andrew Road Water Plant, resulting in a stray bullet striking the tank. Mr. Ferguson responded that he called the Officer and left a message but had not heard back from him.

Director Ruonavar inquired about the use of a safety cone behind the utility trailer that was involved in an accident on Needham Road. Mr. Ferguson stated that a cone was not used.

Director Ruonavar stated they she noticed increases in usage, Mr. Smith stated he believed those usages were due to sprinkler usage and the new metering system.

Director Ashy asked about the water loss, and Mr. Smith responded it was not an accurate number. Mr. Smith stated the commercial accounts will have the new meters installed soon. Mr. Smith stated the meters are being read on staggered days, and in the future, they will be read on the same day which will give us a transparent view of water loss.

Director Ruonavar stated the 2020 AWBD Spring Breakfast has been rescheduled to July.

Director Pillow congratulated Mr. Smith on receiving his Class "A" Water License.

- a. Personnel matters and maintenance of District property, facilities, and equipment

No further comments.

- b. Review, discuss, and take any necessary action regarding the design and construction of the new administration building located at 24332 Loop 494

Mr. Smith stated he received a proposal from Bleyl Engineering to handle the Engineering aspects of the new administration building, the architects have worked with Bleyl Engineering in the past.

Director Ruonavar asked if any proposal over \$25,000.00 would need to go out for bid. Mr. Foster stated he would like to look over the agreement. Director Barr is asking why an Engineer is necessary. Mr. Kelly responded that the Engineer would work on site engineering with items like drainage, navigating the planning process, the platting process, and utility location.

This item was tabled. Mr. Foster asked for clarification if he should speak further to Mr. Kelly about the agreement. Director Pillow stated, yes.

- c. Review, discuss, and take any necessary action regarding Order Declaring Surplus Property and Authorizing Sale of Surplus Property – Tesla RG3 Meters and Neptune Meters

Director Denham asked if these were refurbished meters, Mr. Smith responded that they are new meters that we have in stock. Director Pillow asked if the District would recover the cost of the meters. Mr. Smith responded he recommends selling the meters at twenty-five percent of the retail cost. Director Pillow asked for the meters to be sold at seventy-five percent of the retail cost. Director Ruonavar asked if it would be a public sale or a private sale. Mr. Smith stated it would be a direct sale to another entity. Director Pillow asked Mr. Smith to get the best possible deal on resale of the meters.

Upon motion by Director Ashy, seconded by Director Ruonavar after full discussion with all Directors present voting aye, except for Director Barr who abstained, the Board approval of the Order Declaring Surplus Property and Authorizing Sale of Surplus Property – Tesla RG3 Meters and Neptune Meters. Motion carried.

- d. Discuss and take any necessary action related to the impact of the COVID-19 coronavirus pandemic on the business of the District, including issuance of administrative orders as deemed necessary by the General Manager.

Mr. Smith wants to make sure that all necessary precautions are made to ensure the safety of the Public and Employees. In the event an administrative order is necessary to change he would like to avoid waiting three days to call for a Board Meeting.

Upon motion by Director Ruonavar, seconded by Director Denham after full discussion with all Directors present voting aye, the Board authorized the General Manager to take any necessary action related to the impact of the COVID-19 coronavirus pandemic on the business of the District, including issuance of administrative orders as deemed necessary by the General Manager and Board President, if the President is unavailable another Senior Board Member, and in accordance with guidance from the Montgomery County Health District.

Mr. Foster notified the Board that the Department of Labor is expected to be issuing the rules for the recent stimulus bill that have passed. Mr. Foster recommends to the Board any administrative orders that are released in the future be ratified by the Board at a future meeting. Mr. Foster stated that he has recommended to other Districts his Firm represents to allow the Bookkeeper to sign checks after approval at a Board Meeting. Mr. Foster is not proposing this for the District at this time and would present a resolution. Mr. Foster stated this would be only in the event of a worst-case scenario. Director Ruonavar asked if we are tracking COVID-19 expenses in the event there are future federal reimbursements. Mr. Smith stated he attended the first meeting of the Texas Department of Emergency Management and informed the Board that Employee time is being tracked differently on timesheets. Director Ruonavar clarified items like sanitizer, Lysol, disinfecting wipes. Mr. Smith stated that staff has a folder documenting those expenses.

Director Ruonavar asked Mr. Foster about Officers being reappointed to their positions and if it would take place in May. Mr. Foster stated since there is no election there is nothing to canvas, so it will be only a swearing in ceremony.

Director Ruonavar asked about the truck that was approved for sale at the last regular meeting, Mr. Smith responded that now that the minutes are approved, he will have that documentation to go along with the order. Mr. Smith will contact interested parties, to get the best price possible. Mr. Ferguson asked if Employees could bid on the truck, Mr. Foster stated he did not see an issue.

Director Denham asked about getting the Board Minutes signed, Mr. Foster stated that he could electronically sign the documents on behalf of the Directors. Mr. Foster stated that the Directors would give approval before any documents were electronically signed.

11. Directors Comments

Director Ashy asked Mr. Smith if he has everything he needs, and if we are trying to conduct business to the best of ability. Mr. Smith stated yes.

Director Denham asked if there were complaints being made by customers, Mr. Smith stated not that he had heard of. Mr. Smith stated that he had heard from grateful customers regarding the two-week extension.

Director Pillow asked if Employees are cleaning their trucks regularly, Mr. Smith stated the only Employees who are taking vehicles home are on-call Employees. Mr. Smith stated he will reiterate to Employees that vehicles need to be cleaned daily.

12. Next Board Meeting

The next Regular Board Meeting is April 27, 2020 at 7:00 p.m.

13. Adjournment

At any time during the meeting and in compliance with the Texas Open Meetings Act (Chapter 551), the Porter Special Utility Board of Directors may meet in executive session on any of the above agenda items for consultation concerning attorney-client matters (551.071); deliberation regarding real property (551.072); deliberation regarding prospective gifts (551.073); personnel matters (551.074); and deliberation regarding security devices (551.076). No action may be taken during executive session, therefore, following executive session, the Board of Directors will reconvene to an open meeting and take action as necessary.

There being no further business before the Board, upon motion by Director Ashy, seconded by Director Ruonavar after full discussion and all Directors present voting aye, the meeting was adjourned at 9:09 p.m.

PASSED and APPROVED this the 27th day of April 2020.



President, Board of Directors



Secretary, Board of Directors

