

PORTER SPECIAL UTILITY DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

May 24, 2021

The Board of Directors (the Board or Directors) of Porter Special Utility District (the District) met in regular session at 7:00 p.m., at 22162 Water Well Road, Porter, Texas 77365, on Monday, May 24, 2021, 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 in the District Board Room, thus constituting a quorum. Also attending for the District were: Mike Kelly (Engineer) with Bleyl Engineering, John Thomas Foster (Attorney) with Radcliffe, Bobbitt, Adams, and Polley, Jonathon Smith (General Manager), Jim Ferguson (Operations Manager), Amanda Phillips (Human Resources Director), and Wendy Pafford (Bookkeeper).

b. **Director Qualifications and Disclosures**

Mr. Smith stated there are no updates on Director qualifications and disclosures.

c. **Invocation**

Invocation led by Director Denham.

d. **Pledges of Allegiance**

Pledges of Allegiance led by Mr. Smith.

Election Agenda/ ORDEN DEL DÍA REFERENTE A LA ELECCIÓN

- a. Update on May 1, 2021 Directors Election matters, and take any necessary actions on same; *Actualización sobre los asuntos de la Elección de Directores del 1 de mayo de 2021 y adopción de cualquier medida necesaria en relación a la misma;*

Mr. Foster stated the May election was cancelled due to being uncontested.

- b. Qualification of Directors; *Habilitación de Directores;*

Mr. Foster stated that all Directors met qualifications.

- c. Administration of Oaths of Office; *Administración de los Juramentos al Cargo; y*

Mr. Foster stated that Directors swore their Oaths of Office.

- d. Elect Officers. *Elegir funcionarios.*

Upon motion by Director Ruonavar, seconded by Director Ashy after full discussion with all Directors present voting aye, the Board approved to keep officer positions as they currently are. Motion carried unanimously.

2. Public Comment

No public comment.

3. Review and Approve Minutes

- a. Minutes of the Regular Meeting on April 26, 2021.

Upon motion by Director Barr, seconded by Director Bridges after full discussion with all Directors present voting aye, the Minutes of the Regular Meeting on April 26, 2021 were approved. Motion carried unanimously.

4. Old Business

- a. Discuss and take any necessary action regarding Montgomery County groundwater regulation and legislative concerns with Texas Senator District 4 Brandon Creighton, Texas Representative District 3 Cecil Bell, Jr., Texas Representative District 16 Will Metcalf, and Lone Star Groundwater Conservation District representatives.

Mr. Smith confirmed with Mr. Prykryl last week that he would be attending the Board Meeting, Mr. Prykryl was not present. The Senator or Representatives have not committed to a date and time of meeting with the District.

5. New Business

- a. Presentation on the BESST Survey by BESST, Inc., including review, discuss, and take any necessary action on Sole Source Procurement Resolution**

Noah Heller and Steve Young with BESST, Inc., gave a presentation on Zoom explaining the purpose and process of the BESST Survey. Director Ruonavar asked if they have any wells in Montgomery County, Mr. Heller responded no. Mr. Heller stated his crew works 8 to 10 hours a day, and typically takes 2 to 3 days to profile the well. Mr. Heller and Mr. Young left the meeting at 7:31 p.m. Mr. Smith stated there is a resolution for Sole Source Procurement due to BESST being the only company that does this type of testing. Director Ashy asked Mr. Smith, Mr. Kelly, and Mr. Ferguson for their recommendations. Mr. Smith, Mr. Kelly, and Mr. Ferguson stated they recommended the completion of the BESST Survey. Director Pillow asked how much more money will have to be spent to get the well online and water in the system. Mr. Smith responded the BESST Survey will help pinpoint the screen sections that are causing they quality issues, and give the District a guide for the next steps. Mr. Kelly requested approval to get pricing for the BESST Survey, he stated last year it was estimated to be about \$80,000.00, but the District has not been given a firm quote.

Upon motion by Director Ashy, seconded by Director Ruonavar after full discussion with all Directors present voting aye except for Director Barr who opposed, leaving the vote 6 ayes and 1 no, the Board approved the authorization to move forward with the BESST Survey, not to exceed a cost of \$100,000.00. Motion carried.

Upon motion by Director Ashy, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board approved the Resolution naming BESST, Inc. a Sole Source Provider. Motion carried unanimously.

- b. View, discuss, and take any necessary action regarding FYE 2022 Budgets for fiscal year ending May 31, 2022, including approval of budgets as presented by the Budget Review Committee**

Director Ruonavar asked if Municipal has issued the bills for their services for the last 5 months, Mrs. Pafford stated she received 2 bills that had errors and Municipal was correcting. Director Ruonavar suggested to pay the base bill of \$3,250.00 for each month and send it to Municipal until they catch up with their billing. Director Pillow made the recommendation to increase the budget for GL#16109 for Well Electricity from \$205,000.00 to \$220,000.00. Mr. Smith stated that \$25,000.00 in GL#16521.1 Postage was moved to GL#16513 Printing-Water Billing because the District is moving to full page color billing. Director Pillow asked about Health Insurance and asked if the District was getting quotes, Mr. Smith responded yes that Broker is compiling information.

Director Denham asked about GL#16972 Billing and Workorder System, Mr. Smith stated it is for Starnik, Read-y, RVS software, and GOV-QA. Mr. Smith stated that the District has budgeted for 2 more trucks. Director Ruonavar suggested budgeting \$1,000.00 in GL#16971 Disaster Expense. Mr. Smith stated that he is recommending on the GRP GL#9100 Surface Water Purchase budget be increased to \$430,000.00. Director Pillow asked about the status of meeting with the City of Conroe. Mr. Smith stated he reached out and informed their Staff about who would be attending, and they should soon reply with a date. Mr. Smith thanked the Committee for the time they spent working on the Budget.

Upon motion by Director Denham, seconded by Director Satterwhite after full discussion with all Directors present voting aye, the Budget Order, the FYE 2022 GOF, and the GRP Budget was approved. Motion carried unanimously.

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

Director Ashy requested that only Staff should be attending Chamber of Commerce Luncheons, not Board Members. Mr. Foster asked which organizations the District has membership. Mr. Smith responded the Chamber of Commerce and AWBD. The Directors discussed that the Board Members could attend the Chamber of Commerce Luncheons at the Districts expense but not receive a fee of office.

Upon motion by Director Ashy, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board approved editing Section 1 (iv) to state that Directors can only receive fees of office only the AWBD events. Motion carried unanimously.

- d. Discuss and take any necessary action authorizing Director attendance, and Director Fees of Office, for the Texas Groundwater Conference to be held on June 30, 2021 to July 1, 2021 at the Omni Austin Hotel Southpark in Austin, Texas

No Action on this item.

- e. Discuss and take any necessary action regarding cybersecurity policy

Mr. Foster gave an update that the cybersecurity laws for Governmental Officials have been clarified, stating it applies only if the Official uses a governmental computer 25% of the time for duties. No action on this item.

The Board recessed for a break at 8:38 p.m., and reconvened at 8:52 p.m.

6. Financial Report by Municipal Accounts

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

Ms. Pafford explained the bank charges from BBVA Bank. Director Pillow asked if we could track how much money comes in for online payments to see how much money the District pays out in bank fees. Mr. Smith stated he will try to have that information at the next Board Meeting. Director Denham asked if the District purchased a new mower, Mr. Ferguson responded no, that the existing mower was serviced and repaired. Mr. Smith stated that the mower was over 14 years old. Director Pillow asked about the check descriptions in the report, Ms. Pafford states that the descriptions entered on the check are not reflecting on the report. Director Denham asked what is purchased from Blue Book, Mr. Ferguson responded various items for the water plants. Director Denham asked what work was completed on truck#106, Mr. Ferguson stated it was repaired after receiving an insurance claim check when it was backed into a pole. Director Denham asked about the on-call service invoice increase, Mr. Ferguson responded it was due to calls on after-hours main breaks. Director Ruonavar asked about safety-toed boot reimbursement, Mr. Smith stated that field employees get a \$150.00 reimbursement once a fiscal year. Director Ruonavar asked about there being no on call charges in April, Mrs. Pafford responded it was not entered correctly. Director Ruonavar expressed concern that Municipal Accounts is not sending invoices for their services, Mr. Smith stated he will have a conversation with their Regional Manager. Director Ruonavar asked about the Board Meeting expenses in April, Mrs. Pafford stated she will look into it, she believes it is a credit card charge. Director Pillow asked about engineering fees for Well #9, Mr. Smith stated he will research the charge and report back.

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

- b. Review Quarterly Investment Report for Period Ending November 30, 2020.**

Director Ashy asked why there was so little interest with the Amegy Money Market Account. Mr. Smith stated he will inquire with Municipal Accounts and forward their response.

Upon motion by Director Ruonavar, seconded by Director Denham after full discussion with all Directors present voting aye, the Quarterly Investment Report for Period Ending November 30, 2020, was approved. Motion carried unanimously.

c. Review Quarterly Investment Report for Period Ending February 28, 2021

Upon motion by Director Denham, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Quarterly Investment Report for Period Ending February 28, 2021 was approved. Motion carried unanimously.

7. Engineering Report by Ardurra Group

a. Surface Water Treatment Plant Pilot Study Update

Mr. Smith stated the District is still waiting for a response from the TCEQ.

8. Engineering Report by Bleyl Engineering

a. Developments update

b. General Fund Projects update

i. Review, discuss, and take any necessary action regarding the Copeland Water Well Rehabilitation project

No further updates.

ii. Review, discuss, and take any necessary action regarding E. Knox Drive Waterline Upsizing Project

Mr. Kelly updated the Directors stating not much progress has been made in the past month. The pipe manufacturer is testing the pipe for any deficiencies. The contractor is scheduled to pressure the line for a 2-day pressure test. Once the pressure test is completed the contractor will start the process of replacing the water line. No action on this item.

c. Update on Impact Fee Capital Improvement Projects update.

i. Review, discuss and take any necessary action regarding US-59 Waterline Crossing project, including considering awarding Contract to R&A Boring

The US-59 Waterline Crossing was tabled last month due to the lowest bid coming in at \$640,000.00 and the budgeted amount was \$450,000.00. Mr. Kelly and Staff discussed different options such as value engineering the project. Mr. Kelly approached R&A Boring with a reduced scope and the bid was higher than the initial bid. Mr. Kelly explained their initial bid is still active and can be awarded. Mr. Kelly recommended rejecting all the bids and waiting for material prices to stabilize. Mr. Kelly stated there is no pressing need to begin the project and it can wait.

Upon motion by Director Bridges, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board agreed to reject all bids for the US-59 Waterline Crossing project. Motion carried unanimously.

Director Pillow asked about a statement in the Engineers report about the replacement of waterline on Ford Rd. Director Pillow asked about the upgrading of the pipe. Mr. Kelly stated with the past plans for Woodridge MUD that the District has already planned on upsizing to a 12-inch water main on Ford Rd. to satisfy future supply needs. The existing water line on Ford Rd. is currently 6-inch and 8-inch pipe.

9. General Counsel's Report

- a. Review, discuss, and take any necessary action regarding the Water Supply Agreement with the City of Conroe

Mr. Smith will schedule a meeting with the City of Conroe to discuss the Water Supply Agreement.

- b. Review, discuss, and take any necessary action regarding the Wholesale Water Supply Agreement with Montgomery County MUD #24, including approval of third amendment to the agreement

This item was tabled.

Mr. Foster updated the Board regarding the Legislative Session.

10. General Manager's Report

- a. Discuss and take any necessary action regarding District property, facilities, vehicles, equipment, projects, and personnel matters

Mr. Smith stated there has been improvement in drought conditions in the past month. Mr. Ferguson stated the District has had over 13-inches of rain in the past month. Director Pillow asked if the well report was accurate for exercising Well #8. Mr. Ferguson stated it was correct. Director Pillow stated it did not appear to be exercised every 3-days. Mr. Ferguson stated that he believes there may have been a problem with the meter that delay certain exercising periods. Mr. Smith stated it appeared to not be displaying the reading. No action.

- 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 a meeting will be scheduled with Mr. Wyatt and the Committee soon to complete the questionnaire.

- c. Review, discuss, and take any necessary action regarding Order Declaring Surplus Property and Authorizing Sale of Surplus Property (Truck #101)

Director Ruonavar was asking if Truck #101 had a transmission, Mr. Smith stated it does not.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board agreed to approve Order Declaring Surplus Property and Authorizing Sale of Surplus Property (Truck #101). Motion carried unanimously.

Director Ashy asked about getting a Water Loss Report, Mr. Smith responded that a new Water Loss Report will be in next month's Board materials.

The Board recessed for a break at 10:11 p.m., and reconvened at 10:19 p.m.

Mr. Kelly, Mr. Ferguson, Mrs. Pafford, and Mrs. Phillips left the meeting at 10:11 p.m.

Adjourn to Executive Session at 10:19 p.m.

Executive Session ended at 10:44 p.m. by Director Pillow.

Regular Session reconvened at 10:44 p.m. by Director Pillow.

Director Satterwhite left the meeting at 10:44 p.m. after Executive Session.

11. Directors Comments

12. Next Board Meeting

Regular Meeting scheduled Monday, June 28, 2021 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 Barr after full discussion and all Directors present voting aye, the meeting was adjourned at 10:48 p.m.

PASSED and **APPROVED** this the 28th day of June 2021.



President, Board of Directors



Secretary, Board of Directors

