

PORTER SPECIAL UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

September 28, 2020

The Board of Directors (the Board or Directors) of Porter Special Utility District (the District) met in regular session and via Zoom Meeting - Conference Call, at 7:00 p.m., at 22162 Water Well Road, Porter, Texas 77365, on Monday, September 28, 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 in the District Board Room except for Director Satterwhite who attended via Zoom and Director Bridges who was absent, thus constituting a quorum. Also attending for the District were: Jonathon Smith (General Manager), Jim Ferguson (Operations Manager), and Amanda Phillips (Executive Administrator) Wendy Pafford (Bookkeeper), Jessica Banuelos (Customer Service Clerk), Jeanna Jones (Customer Service Clerk), and Levi Torres (Meter Technician).

Participants of the Board Meeting attending via Zoom:

Evelyn Satterwhite, Director
Mike Kelly, Engineer with Bleyl Engineering
Jonathan Polley, Attorney with Radcliffe Bobbitt Adams Polley PLLC
Trey Featherly, with Orion Company
Ashley Friesinger, with Kimley Horn
Alyssa Thompson, with Kimley Horn
Rob Seal, with ABHR/Maple Heights
Aaron Carpenter with ABHR/Maple Heights

Diego Vilchis, with Maple Height Developer
Andrew Hobby, with Kimley Horn joined at 7:05 p.m.
Brian Trachtenberg, Attorney with Greathouse Holloway McFadden Trachtenberg PLLC
joined at 8:51 p.m.
Anna Phillips, with Greathouse Holloway McFadden Trachtenberg PLLC joined at 8:51
p.m.
John-Thomas Foster, Attorney with Radcliffe Bobbitt Adams Polley PLLC joined at 8:50
p.m.

Director Qualifications and Disclosures

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

b. Invocation

Invocation led by Director Denham.

c. Pledges of Allegiance

Pledges of Allegiance led by Director Ruonavar.

5. New Business

a. Introduction of new District employees

- i. Jessica Banuelos – Customer Service Clerk
- ii. Jeanna Jones – Customer Service Clerk
- iii. Levi Torres – Meter Technician
- iv. Wendy Pafford – Bookkeeper

Mr. Smith introduced the new District employees to the Directors. Ms. Banuelos, Ms. Jones, and Mr. Torres left the meeting after introductions.

2. Public Comment

No public comment.

3. Review and Approve Minutes

a. Minutes of the Regular Meeting on August 30, 2020.

Upon motion by Director Ashy, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Minutes of the Regular Meeting of August 30, 2020 were approved pending the addition of a comment of Mr. Kelly leaving the meeting. Motion carried unanimously.

4. Old Business

No Old Business presented.

5. New Business

- b.** Review, discuss, and take any necessary action regarding the Board Committees, including considering appointing Director Denham to the Personnel Policy Review Committee.

Director Ruonavar stated that there was a Banking Committee from months ago that was left off the list that included Directors Pillow, Ruonavar, and Bridges. Mr. Smith suggested changing the name of the Committee to the Banking and Investment Committee.

Upon motion by Director Ruonavar seconded by Director Barr after full discussion with all Directors present voting aye, the Board approved appointing Director Denham to the Personnel Policy Review Committee. Motion carried unanimously.

Upon motion by Director Ruonavar seconded by Director Ashy after full discussion with all Directors present voting aye, the Board authorized the Banking and Investment Committee consisting of Directors Pillow, Ruonavar, and Bridges. Motion carried unanimously.

- c.** Review, discuss, and take any necessary action regarding the District's Rules and Regulation, including procedures for handling illegal connection

Mr. Smith discussed the District's existing policies and the TCEQ regulations about procedures and rules about illegal connections. Mr. Smith stated the current policy is residents have (5) five days to disconnect service or correct the illegal connections. Director Pillow asked if a payment plan would be available, Mr. Smith responded yes, for residential but not for multi-family dwellings. Mr. Smith stated that the District's Rules and Regulations have not been updated in over (5) five years.

The Board discussed giving residents up to (30) thirty days to become compliant, Mr. Smith stated that staff will work on the District's Rules and Regulations and bring back a new draft to the Board in October for review.

- d.** Review, discuss, and take any necessary action regarding the District's Personnel Policies

Mr. Smith stated that he would like to have monthly meetings with the Personnel Policy Review Committee and bring the changes to the Board at the scheduled Board Meeting. No Personnel Policies were presented for approval.

6. Financial Report

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

Director Pillow commented how much the fees are increasing with Payclix. Mr. Smith stated that when Starnik is implemented that the District will no longer use Payclix, but there will still be convenience fees the District will absorb. Director Pillow asked if Staff could investigate the Bookkeeping Fees to see if something was coded incorrectly. Mr. Smith stated he will request a breakdown and follow up with the Board. Director Pillow asked about the Maintenance and Repair of Equipment, Mr. Ferguson responded that the backhoe had extensive repairs made. Director Pillow asked about Brooklyn Trails, Mr. Smith stated that the requested changes are not reflected on the report. Director Ruonavar asked about the SCADA System, Mr. Ferguson stated that the District has not received any invoices from Sipes Services. Director Pillow asked about Ardurra's Invoice, Mr. Smith stated that the payment was for June and July's invoices.

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

Mr. Smith stated he spoke to Mr. Peters with Ardurra group and comments have been made by the TCEQ, but they are expected within the next month.

8. Engineering Report by Bleyl Engineering

- a. Developments update
 - i. Review, discuss, and take necessary action regarding the Maple Heights development, including approving the Water Facilities Development and Service Agreement

Mr. Polley stated that he and the Attorney's for Maple Heights have worked diligently to complete the Facilities Development and Service Agreement before the meeting, it is not final, but very close to completion. Mr. Polley gave a detailed summary of the Water Facilities Development and Service Agreement to the Board. Director Pillow asked about the estimated time between phase (1) one and phase (2) two of the project. Mr. Polley responded it would be dictated by the pace of the development. Mr. Seal, with ABHR, Counsel for Maple Heights thanked the Board.

Upon motion by Director Ashy, seconded by Director Denham after full discussion with all Directors present voting aye, the approved the Water Facilities Development and Service Agreement for the Maple Heights development subject to final approval by Mr. Smith, Mr. Polley, Director Ruonavar, and Director Pillow. Motion carried unanimously.

- ii. Review, discuss, and take any necessary action regarding the Porter Forest Logistics development, including approving the Feasibility Study

The Porter Forest Logistics development is just north of Martin Realty of the US Hwy 59 feeder road. The Distribution Center is approximately 141,000 square feet with office space. It is equivalent to (19) nineteen standard service connections.

Upon motion by Director Denham, seconded by Director Ashy after full discussion with all Directors present voting aye, the Board approved the Porter Forest Logistics development, including approving the Feasibility Study. Motion carried unanimously.

Director Ruonavar asked Mr. Kelly if the District has asked for an extension on Sorters Rd. Mr. Kelly responded no, not formerly. Mr. Kelly stated the District is still working on easement acquisitions. Mr. Smith stated that he has been updating the County with the Districts easement acquisitions.

b. Update on General Fund Projects

- i. Review, discuss, and take any necessary action regarding the Andrew Water Plant Generator, including advertising and bidding of said generator repair/replacement

Mr. Kelly stated that Cummins has verified that there is a replacement engine for the existing Andrew Water Plant Generator for a cost under \$200,000.00. Mr. Kelly is recommending the engine replacement and repair of the existing generator, and authorization to advertise and bid the project. Director Ruonavar commented that there are funds available in the Capital Emergency Well #9 account to pay for a generator at Well #9.

Upon motion by Director Ashy, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board approved the engine replacement and repair of the existing generator at the Andrew Water Plant, and authorization to advertise and bid the project. Motion carried unanimously.

Mr. Smith stated that the Bonds will need to be reclassified to proceed with a generator at Well #9, it is a (45) forty-five day turn around to reclassify Bonds with the TCEQ.

Director Ruonavar asked about the Surface Plant property off Sorters Rd. Mr. Kelly will be contacting the current owner, Mr. Lee about the property.

c. Update on Impact Fee Capital Improvement Projects

No further updates.

The Board recessed for a break at 8:42 p.m., and reconvened at 8:51 p.m.

John-Thomas Foster, Attorney with Radcliffe Bobbitt Adams Polley PLLC joined the meeting via Zoom at 8:50 p.m.

Brian Trachtenberg and Anna Phillips, with Greathouse Holloway McFadden Trachtenberg PLLC joined at 8:51 p.m.

Mike Kelly, Engineer with Bleyl Engineering left the meeting at 8:51 p.m.

8. General Counsel's Report

a. Update on Lone Star Groundwater Conservation District rules

Mr. Polley informed the Board that Lone Star Groundwater Conservation District adopted the draft rules on September 8th, 2020. Director Ashy commented that he has contacted his state representative twice about LSGCD and has not had a response from him.

b. Review, discuss, and take any necessary action regarding *Crystal Springs Water Co. v. Porter Special Utility District*.

This item will be discussed in Executive Session.

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

No further updates on this item.

d. Annual review of Investment Policy, amend as necessary

e. Approve Amended List of Authorized Brokers

Upon motion by Director Denham, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board approved the Investment Policy, and the amended list of Authorized Brokers. Motion carried unanimously.

f. Discuss defeasance of Series 2012-A Bonds and Series 2014 Bonds issued for groundwater reduction plan projects

This item will be discussed in Executive Session.

Adjourn to Executive Session at 8:58 p.m.
Executive Session ended at 9:50 p.m. by Director Pillow.
Regular Session reconvened at 9:50 p.m. by Director Pillow.

Upon motion by Director Ruonavar, seconded by Director Denham after full discussion with all Directors present voting aye, the Board approved authorization for Counsel to prepare an amicus brief on behalf of Porter Special Utility District in the San Jacinto River Authority Appeal. Motion carried unanimously.

Anna Phillips, Brian Trachtenberg, and John-Thomas Foster left the meeting at 9:50 p.m.

10. General Manager's Report

- a. Personnel matters including hearing on employee grievance regarding discipline action
- b. Maintenance of District property, facilities, and equipment

Director Ruonavar stated she noticed employees have taken classes recently, Mr. Ferguson responded employees will be taking exams for licenses soon. Directors Ruonavar and Denham thanked Mr. Ferguson for the recent District tour and suggested all Board Members should tour the facilities at the least once. Director Ruonavar asked about the status of the remaining missing meters, Mr. Ferguson responded they are under (100) one hundred currently. Mr. Ferguson stated he is expecting to take receipt of the larger Kamstrup meters this week. Director Denham asked about the newly ordered truck, Mr. Ferguson stated he received notice it was built, and we should receive it soon. Director Ruonavar asked if there were any upcoming trainings, Mr. Smith responded that he saw a post about a Fall AWBD Seminar on Facebook, and there was no information when he clicked on it. He also stated there was no information on the AWBD website, but he would call to see if he could find out more about the Fall AWBD Seminar.

- c. Review, discuss, and take any necessary action regarding the impact of the COVID-19 coronavirus pandemic on the business of the District.
 - i. Consider ratification of Administrative Order #2020-08

Upon motion by Director Denham, seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board ratified Administrative Order #2020-08. Motion carried unanimously.

Director Denham asked why a new console was purchased for the backhoe, Mr. Ferguson stated that from his understanding the backhoe purchased used and he does not know what condition it was in at the time of purchase, but it needed to be replaced.

Director Satterwhite asked if vehicles had a timeline or odometer trigger to signal vehicle replacement, Mr. Smith responded that he had spoke to Director Bridges and they have planned to meet and come up with a vehicle replacement policy. Director Ruonavar asked how often vehicles were cleaned and vacuumed, Mr. Ferguson responded on a weekly basis.

- d. Review, discuss, and take any necessary action ratifying changes to the General Manager's employment contract.

A Special Meeting was scheduled on Tuesday, October 6, 2020 at 7:00 p.m. to discuss the General Manager's employment contract.

Director Ashy asked about the status of the Copeland well, Mr. Ferguson stated that Alsay was on site preparing for treatment. The well will be treated, flushed, and samples will be taken.

Ms. Phillips and Ms. Pafford left the meeting at 10:15 p.m.

Adjourn to Executive Session at 10:15 p.m.

Executive Session ended at 12:15 a.m. by Director Pillow.

Regular Session reconvened at 12:15 a.m. by Director Pillow.

11. Directors Comments

Director Ashy asked about status the Texas Smart Buy Program, Mr. Smith stated that the District received notice of approval two weeks prior. Mr. Smith stated he would update the Board about the Citi Bank Credit Card via email in the next few days.

12. Next Board Meeting

Regular Meeting scheduled Monday, October 26, 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 Barr after full discussion and all Directors present voting aye, the meeting was adjourned at 12:25 a.m.

PASSED and **APPROVED** this the 26th day of October 2020.



President, Board of Directors



Secretary, Board of Directors

