

PORTER SPECIAL UTILITY DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

April 26, 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, April 26, 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, Jonathan Polley (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 Ruonavar.

d. Pledges of Allegiance

Pledges of Allegiance led by Director Bridges.

2. Public Comment

Brian Williams with Pulte Homes, and Andrew Johnson, Engineer for Pulte Homes attended the meeting to address the Board. Mr. Williams stated that due to the City of Houston fire code regulations that the lot sizes in the Hendrix Tract have been reduced to 228 lots and submitted a new plat to the District Engineer. Director Ruonavar asked if they are tying into MUD 84's drainage ditch, Mr. Williams responded no, that they had their own drainage plan.

3. Review and Approve Minutes

- a. Minutes of the Regular Meeting on March 29, 2021.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, the Minutes of the Regular Meeting on March 29, 2021 was approved. Motion carried unanimously.

4. Old Business

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

Mr. Smith stated he has reached out weekly to Abby Johnston with Senator Creighton's office who has stated the Senators calendar has been full. Mr. Smith stated he will continue to contact her with hopes to scheduling a Thursday night Zoom meeting.

- b. Review, discuss, and take any necessary action regarding Director Fees of Office.

Mr. Smith stated the Board has a copy of the current Resolution of Director Fees of Office in their Board Packets. Mr. Smith stated the Board has the option to be paid up to \$150.00 per day, not to exceed \$7,200.00 annually. The Board can be paid up to \$100.00 per day with the current Resolution of Director Fees of Office.

Upon motion by Director Barr, seconded by Director Ruonavar after full discussion with Director Barr, Denham, Ruonavar, Satterwhite, and Bridges voting aye, Director Pillow and Director Ashy voted nay. The motion carried to approve fees of office to \$150.00 per day effective May 1, 2021.

Director Pillow asked if Mike would like to talk about Pulte Homes, Mike stated he has yet to review the plan and had no action to present to the Board. Mr. Williams and Johnson left the meeting at 7:12 p.m.

5. New Business

No new business was presented.

6. Financial Report by Municipal Accounts

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

Director Ruonavar asked if there is an update on Independent Bank, Mr. Smith stated that the District is waiting to hear from the TCEQ, and the account is active. Director Ruonavar asked about the invoice from Quill, Mrs. Pafford responded she believed it was for toner for the printers, she will verify and follow up. Director Ruonavar stated she saw a check for Porter Drug and Alcohol that was not reflected in the financials, Mrs. Pafford responded that due to Governmental Accounting the invoice is coded to the date of service, not when the check is issued. Mr. Smith stated that it was confirmed with Municipal Accounts and the District's Auditor that invoices are coded by date of invoice not payment date. Director Pillow was asking about the GenSolutions checks, Mr. Ferguson stated that one of the invoices for refueling the generators during the freeze in February. Mr. Smith stated that they will pull to invoices to see what the charges were for. Doug Pillow asked about why there were so many voided checks, Mrs. Pafford responded that it was due to error, printer issues, and the amounts for customer refunds needing to be changed. Director Pillow stated that he had noticed West Park Communications bill for the answering service was less than it was previously. Director Pillow asked Mr. Ferguson about a large bill from GenSolutions, Mr. Ferguson stated it was the last bill for the rental generator that was located at Andrew Rd. Water Plant. Director Pillow asked about the Crystal Springs Meter Read invoice payment not being made, Mr. Smith stated he would research and follow up with an email. Director Ruonavar asked about increased overtime, Mrs. Pafford responded it was due to Storm Uri and contractor line breaks. Director Ruonavar asked about the Contractor who damaged the fence at the Andrew Water Plant, Mr. Ferguson stated he would look at it, that from his understanding they have already made the repair. Mr. Smith stated that he is working on the FYE Budget Draft to be completed in the first week of May. Mr. Smith will then schedule a review with the Budget Committee. Director Ashy asked about Employee Appreciation, Mrs. Pafford stated that the item is for expenses like Birthday Cakes, and service plaques. Director Ruonavar asked about the Billing and workorder system, Mrs. Pafford stated she will print out and follow up with the Board.

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

7. Engineering Report by Ardurra Group

Mr. Smith gave an update on the Pilot Report, the District is still waiting for response from the TCEQ.

8. Engineering Report by Bleyl Engineering

a. Developments update

Mr. Kelly informed the Directors that upon recommendation from Harris County Flood Control that the Woodridge Developers will utilize 200 acres on the eastside for detention. Mr. Kelly stated he will follow up with a meeting with Woodridge MUD. Mr. Kelly stated that Staff and he will be meeting with MUD 24 later in the week regarding the Royal Brook Development. Valley Ranch MUD has resubmitted plans for the connection at the north of the Andrew Rd. Water Plant. Mr. Kelly stated the plans will be reviewed this week. Director Pillow asked if the meter on Collette St. for the Mobile Home Park was adequately sized, Mr. Kelly responded yes, according to the submitted plans.

b. General Fund Projects update

- i. Review, discuss, and take any necessary action regarding the Copeland Water Well Rehabilitation project, including considering new versus used gravity filter equipment and or well rehabilitation**

The amounts for the filter projects range from \$270,000.00 to over \$400,000.00. Mr. Kelly discussed the BEST Survey, which is significantly less cost but involves more risk. There is potential the BEST Survey may come back with results stating filters are needed. Mr. Kelly recommends coming back with a virtual presentation of the BEST Survey before the Board decides. This item is tabled until next month's meeting.

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

Mr. Kelly stated the E. Knox Drive Waterline Upsizing Project was going well until a few weeks ago until the Contractor had eight (8) water line breaks. Mr. Kelly suspects that when the saddles were installed, the bolts had been overtightened causing the leaks. The Contractor is working with the pipe manufacturer to see if there is a defect in the materials.

- iii. Review, discuss, and take any necessary action regarding Andrew Water Treatment Plant Generator Engine Replacement project, including approving the Certificate of Substantial Completion, Change Order #1 in the amount of \$10,000.00, Pay Estimate #1 in the amount of \$203,822.10, Pay Estimate #2 & Final in the amount of \$22,646.90

Director Ruonavar asked about the warranty, Mr. Kelly responded one year. April 26, 2021 was the first day it was ran and was operational.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the Certificate of Substantial Completion, Change Order #1 in the amount of \$10,000.00, Pay Estimate #1 in the amount of \$203,822.10, Pay Estimate #2 & Final in the amount of \$22,646.90. Motion carried unanimously.

- iv. Review, discuss, and take any necessary action regarding Well #9 Generator, including considering awarding contract to McDonald Municipal and Industrial

Mr. Kelly stated the District only had McDonald Municipal and Industrial submit a valid bid in the amount of \$432,469.00. Director Pillow asked about the length of the contract, Mr. Kelly responded 16-weeks.

Upon motion by Director Bridges, seconded by Director Denham after full discussion with all Directors present voting aye, the Board approved awarding the contract to McDonald Municipal and Industrial for the Well#9 Generator in the amount of \$432,469.00 with a 16-week contract. Motion carried unanimously.

c. Update on Impact Fee Capital Improvement Projects update.

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

The lowest bid was R&A Boring with \$640,354.77 and the District Bond total allocated for the project was \$451,000.00. Mr. Kelly stated that a contributing factor for the increase over the original estimated cost is that pvc prices have skyrocketed. This item was tabled.

Mr. Kelly stated that he spoke to George Li a few days before the meeting, Mr. Li stated he would like to discuss the Districts request for access to the Surface Plant land with his boss Clinton Wong.

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 stated that he has had conversations with Jason Miller with the City of Conroe regarding the Water Supply Agreement, he had stated has been busy, and he will soon contact District to schedule a meeting. No action.

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

Mr. Polley stated the amendment to the contract would be to clarify the billing. Next month there will likely be another amendment presented to the Board for approval.

Upon motion by Director Ruonavar, seconded by Director Satterwhite after full discussion with all Directors present voting aye, the Board approved the Wholesale Water Supply Agreement with Montgomery County MUD #24, approving the billing outlined in the agreement. Motion carried unanimously.

- c. Acceptance of special warranty deed from Sig-Valley Ranch, LTD for Water Plant No. 7 Site (1.422 acres)

Mr. Polley stated that for years Sig-Valley Ranch has discussed deeding the Water Plant No.7 Site to the District.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board accepted the special warranty deed from Sig-Valley Ranch, LTD for Water Plant No. 7 Site (1.422 acres). Motion carried unanimously.

The Board recessed for a break at 8:20 p.m., and reconvened at 8:30 p.m.

10. General Manager's Report

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

Director Ruonavar asked which employees take District vehicles home after hours. Mr. Smith responded Primary On-Call, Secondary On-Call, Plant On-Call, Operations Supervisor, and Operations Manager all take vehicles home. Mr. Smith stated that they can respond to any District Emergency that may happen.

- b. Review, discuss, and take any necessary action regarding the design and construction of the New Administration Building located at 24332 Loop 494, including authorization to proceed with advertising and bidding

Mr. Smith stated that the Architect, Mr. Wyatt has a list of questions to be completed by the District to get more information about materials for precise bids. Director Ashy stated the building is too big and too fancy. Director Satterwhite responded she feels like it is too small. Director Pillow stated that this item will be tabled.

Adjourn to Executive Session at 9:05 p.m.
Executive Session ended at 9:17 p.m. by Director Pillow.
Regular Session reconvened at 9:17 p.m. by Director Pillow.

11. Directors Comments

The Directors discussed if the District wanted to have Virtual access for the public during the Districts in-person Monthly Meetings, the Directors declined. Director Ashy inquired about the PPE issue and was told by staff it was much better.

12. Next Board Meeting

Regular Meeting scheduled Monday, May 24, 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 9:26 p.m.

PASSED and APPROVED this the 24th day of May 2021.



President, Board of Directors



Secretary, Board of Directors

