

PORTER SPECIAL UTILITY DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

May 26, 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 7:01 p.m., at 22162 Water Well Road, Porter, Texas 77365, on Tuesday, May 26, 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 7:01 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, thus constituting a quorum. Also attending for the District were: Jonathon Smith (General Manager), Jim Ferguson (Operations Manager), and Amanda Phillips (Executive Administrator).

Participants of the Board Meeting attending via Zoom:

Katherine Turner, Municipal Accounts and Consulting
Mark Miller, Municipal Accounts and Consulting
Mike Kelly, Engineer with Bleyl Engineering
Jon Polley, Attorney with Radcliffe, Adams, Bobbitt, and Polley
Jeff Peters, Engineer with Ardurra Group

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

No Public Comment

3. Review and Approve Minutes

The Board considered approval of the Minutes of the Regular Meeting on April 27, 2020.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, the Minutes of the Regular Meeting of April 27, 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.

The Board considered adopting the Amended Resolution Adopting Director Fees of Office and Expense Reimbursement Policy.

Upon motion by Director Bridges, seconded by Director Ashy after full discussion with all Directors present voting aye, the Amended Resolution Adopting Director Fees of Office and Expense Reimbursement Policy was adopted. Motion carried unanimously.

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

The Board discussed Section 7.2 Travel Allowance of the Personnel Policies.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, Section 7.2 Travel Allowance of the Personnel Policies was adopted. Motion carried unanimously.

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

No motion on this item.

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

Director Pillow asked about credit cards. Mr. Smith updated the Board on the status of the District attempt to obtain credit cards for the District. Ms. Turner stated she would speak to Ms. Lewis in her office to see who her contact is at BBVA to assist the District. Director Ruonavar stated that she wanted this issue to be resolved by the next meeting. Directors Ruonavar, Bridges, and Pillow all stated they would be willing to travel to Houston if needed to meet in person at the BBVA Branch that handles Municipal Accounts.

No motion on this item.

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

Approval on this item was approved by the Board at the Regular Board Meeting on April 26, 2020. Mr. Smith wanted to discuss timekeeping options with the Board. Ms. Phillips discussed costs, and methods of timekeeping options the District's staff investigated. The District discussed an online application that could be used on phones or tablets for the non-exempt field employees, and on desktops for the non-exempt office employees. The District will report back to the Board on the new timekeeping system at the November 2020 Monthly Meeting.

5. New Business

- a. Discuss and take action authorizing Director participation, and Director Fees of Office, for the AWBD Cybersecurity training (live webinar or on-demand webinar), as required by HB3834

The Board discussed and considered Director participation, and Director Fees of Office, for the AWBD Cybersecurity training (live webinar or on-demand webinar), as required by HB3834.

Upon motion by Director Ruonavar seconded by Director Denham after full discussion with all Directors present voting aye, the Board approved Director participation, and Director Fees of Office, for the AWBD Cybersecurity training (live webinar or on-demand webinar), as required by HB3834. Motion carried unanimously.

- b. Review, discuss, and take action regarding approval of draft budget for fiscal year ending May 31, 2021

Mr. Smith thanked the Budget Committee for the work and time spent on the Budget. Director Pillow stated that Mr. Smith sourced a new health insurance company that the committee recommended using that will enable employees to obtain dependent coverage and the District will pay 80% of the cost. Mr. Smith presented the quotes received by the District's Insurance Agent, for approximately \$5,000 dollars annually the District will be able to provide 80% health coverage for all employee's dependents.

The District has budgeted for a new truck, Director Pillow stated the Committee recommended that Director Ruonavar help the District with contacts she may have with the local dealerships to get the best deal.

Mr. Smith stated that there was a new line item to separate on-call pay from the overtime line item. Safety was split into Safety PPE (Personal Protection Equipment) and Safety Equipment, there is allowance in the budget for shoring up equipment. Mr. Smith also stated the accounts will be renumbered.

Upon motion by Director Denham seconded by Director Ruonavar after full discussion with all Directors present voting aye, the Board approved Operating and GRP Draft Budget for fiscal year ending May 31, 2021. Motion carried unanimously.

- c. Review, discuss, and take action regarding Section 12.1 Insurance of the Personnel Policies

The Board reviewed and discussed Personnel Policy Section 12.1 regarding insurance.

Upon motion by Director Ruonavar seconded by Director Denham after full discussion with all Directors present voting aye, the Board approved Section 12.1 Insurance of the Personnel Policies. Motion carried unanimously.

6. Financial Report

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

Director Denham asked about the Wayne Holdings damage payment, Mr. Smith responded it was the payment for the damage to the 6-inch water line, and water loss on 494 near Ford Rd.

Director Pillow asked for Mr. Smith to check into why the payment for meter readings from Crystal Springs had not been received.

Director Denham asked who went through the toll road. Mr. Ferguson responded that an employee thought the tolls were still waived due to COVID-19.

Director Ruonavar asked about when the District would receive the report from Raftelis. Mr. Smith responded he recommends the Directors decide on District's boundaries before they present to the Board.

Director Ruonavar asked how many Entergy bills the District has. Mr. Ferguson updated the Directors about the status of changing Sears Rd. to single-phase service. Mr. Smith stated that the District would reach out to Entergy and Electrical Field Services and update the Board. Ms. Phillips stated the District has 8 accounts with Entergy currently.

Director Pillow asked about there being no District contribution to the GRP Account, Mr. Smith will update the Board in Executive Session.

Upon motion by Director Denham, 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 February 29, 2020

Director Ruonavar asked why the District did not have any CD's. Mr. Miller stated that it while it is ultimately up to the Board, the Money Markets have been providing a better return than CDs. Ms. Turner stated that she could send a spreadsheet with current CD rates. Mr. Smith asked Ms. Turner to send the spreadsheet and he would forward it to the Directors.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Quarterly Investment Report for Period Ending February 29, 2020 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 complete. The report has been submitted to the District for review along with the appendices on a thumb drive. Mr. Peters recommended a workshop to discuss the report in detail. Mr. Peters let the Board know there is not a recommendation of which membranes to use. The report will be submitted to the TCEQ to adhere to their requirements. Mr. Smith recommended a Special Meeting on Monday, June 15, 2020. Mr. Peters will have copies of the report delivered to the District Offices and Mr. Smith stated he will make sure they are delivered to the Directors.

b. Update on FEMA Reimbursement

Mr. Peters has not had new requests or any updates from TDEM or FEMA in the past month.

c. Update on HUD CDBG-MIT Program Grant

Mr. Peters stated the HUD CDBG-MIT Program Grant may have application packets published as soon as the next week.

The Board recessed for a break at 8:22 p.m., and reconvened at 8:30 p.m.

8. Engineering Report by Bleyl Engineering

Mr. Kelly stated the only update that was not on his report was that the TCEQ had noted that the Copeland Well #6 had not been plugged. Mr. Kelly stated that the lowest bid for plugging the well was \$15,000.00. Mr. Kelly also stated that the USGS had expressed interest in using the well as a monitoring well, USGS had planned to visit the site, but due to COVID-19 the visit has not yet been scheduled. Mr. Pillow asked about the update on the report that stated the drain had been installed in the meter vault located at Ford Rd. and Ricewood Dr. and asked if it had been inspected. Mr. Kelly stated he had not seen the inspection report at this time. Mr. Smith stated that he also requested a total cost of the Copeland well to date.

a. Update on Developments

- i. Review, discuss, and take any necessary action regarding Maple Heights.**

No Action on this item.

- ii. Review, discuss, and take any necessary action regarding Four Arbors Townhouses, including waterline upsizing on Adams Street**

No Action on this item.

b. Update on General Fund Projects

- i. Review, discuss, and take action regarding the Adams Street Waterline Upsizing Project, including authorizing project advertising and bidding**

The Board reviewed the Adams Street Waterline Upsizing Project and discussed authorizing the project for advertising and bidding.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the Adams Street Waterline Upsizing Project, including authorizing project advertising and bidding. Motion carried unanimously.

c. Update on Impact Fee Capital Improvement Projects

- i. Review, discuss, and take action regarding the US 59/69 Waterline Crossing project

No updates.

- ii. Discuss and take action regarding the site design of the new administration building at 24332 Loop 494

No updates.

9. General Counsel's Report

- a. Update on Lone Star Groundwater Conservation District rules

No new updates.

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

No new updates, Mr. Polley stated he would discuss this item next month.

Adjourn to Executive Session at 8:40 p.m.

- c. Review, discuss, and take any necessary action regarding the GRP Participation Agreements with Chateau Woods Municipal Utility District and Crystal Springs Water Company
- d. Review, discuss, and take any necessary action regarding the easement acquisitions along Sorters Road and Ford Road

Executive Session ended at 8:58 p.m. by Director Pillow.

Regular Session reconvened at 8:58 p.m. by Director Pillow.

No action taken.

10. General Manager's Report

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

Mr. Ferguson updated the Board on the Copeland Plant. Mr. Ferguson stated that the SCADA Technician will be working on the communication problems that the system is experiencing at Copeland. Mr. Ferguson stated that a series of samples have been pulled and he will be receiving the results soon. He also stated that the well will be running continuously to see if the sample results improve.

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

Mr. Smith presented a proposal for the Architectural, Structural, and MIP drawings from Lancaster & Wyatt Architects. Director Ruonavar asked if this was the only Architect the District has talked to, Mr. Smith stated that staff had reached out to two other Architects.

Upon motion by Director Bridges, seconded by Director Barr after full discussion with all Directors present voting aye, the Board approved the proposal from Lancaster & Wyatt Architects. Motion carried unanimously.

Mr. Ferguson discussed the plant report and implementation of the Birdnest Software that compiles the plant's different information and tasks like flushing lines.

Director Ruonavar asked who purchase the 2004 Ford Truck, Mr. Smith responded there were two bids and the highest was from a District Employee.

Director Bridges asked about the diesel generator that was down. Mr. Smith stated that the staff is working on additional quotes.

- 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 #2020-04
 - ii. Consider ratification of Administrative Order #2020-05

The Board discussed and reviewed Administrative Order #2020-04 and #2020-05.

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved ratification of Administrative Order #2020-04 and Administrative Order #2020-05. Motion carried unanimously.

11. Supplemental Notice of Public Agenda

- a. Issuance of Certificates of Election;
Emitir Certificados de Elección;
- b. Qualification of Directors;
Análisis de requisitos de los Directores;
- c. Administration of Oaths of Office; and
Tomar juramento para la asunción del cargo; y

Directors Ruonavar, Denham, and Ashy completed Qualification paperwork and were Administered Oaths of Office by Ms. Phillips.

Upon motion by Director Ashy, seconded by Director Barr after full discussion with all Directors present voting aye, the Board accepted the Issuance of Certificates of Election, Qualification of Directors, and Oaths of Office. Motion carried unanimously.

- d. Elect Officers.
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Upon motion by Director Ruonavar, seconded by Director Ashy after full discussion will all Directors present voting aye, the Board decided there would be no change in officer positions. Motion carried unanimously.

12. Directors Comments

Director Ruonavar made request for gate codes and mailboxes for Directors. Mr. Smith asked the Directors on their preference on delivery on their Board Book. The Board books will be distributed the Thursday before the scheduled monthly meeting. Director Pillow asked about the status of truck decals, Mr. Ferguson stated he was getting quotes.

13. Next Board Meeting

Special Meeting scheduled Monday, June 15, 2020 at 7:00 pm.

14. 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 10:08 p.m.

PASSED and APPROVED this the 29th day of June 2020.



President, Board of Directors



Secretary, Board of Directors

