

PORTER SPECIAL UTILITY DISTRICT

MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

July 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, July 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 except for Director Bridges and Director Barr in the District Board Room, thus constituting a quorum. Also attending for the District were: Mike Kelly (Engineer) with Bleyl Engineering, Blake Barringer (Engineer) with Bleyl Engineering, Jonathan Polley (Attorney) with Radcliffe, Bobbitt, Adams, and Polley, Jonathon Smith (General Manager), Chris Wright (Operations Manager), and Amanda Phillips (Human Resources Director). Harry Hardman, (President) Lone Star Groundwater Conservation District, Carter Johnson, Chief of Porter Fire Department, Charles Martin, Assistant Captain of Porter Fire Department. Anne Vickery and Emmet Vickery were visitors. Tanar Castleman (Meter Technician) and Jeroman Young (Construction Taps Technician) entered the meeting at 7:30 p.m.

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 Satterwhite.

2. Public Comment

Emmett Vickery introduced himself and Anne Vickery as Real Estate Agents in the area who wanted to attend the District meeting to find out more about the community. Harry Hardman introduced himself as the President of the Lonestar Groundwater Conservation District (Lonestar GCD). Mr. Hardman updated the Board stating that Lonestar GCD is working diligently on the Desired Future Conditions (DFC) and recently closed their comment period. Mr. Hardman stated that Lonestar GCD will be submitting all comments to the Groundwater Management Area No.14 (GMA). Director Ashy asked about clarification about one of the proposed conditions being presented, Mr. Hardman clarified that the 70% draw-down condition would limit the aquifer to water being pumped no more than 30%. Director Ashy asked what would be done after the aquifer is pumped out 30%, Mr. Hardman stated at some point we will have to look at alternative means. Director Pillow asked what we could pump currently, Mr. Hardman responded there is no current DFC's for Lonestar GCD. Director Pillow and Director Ashy spoke to Mr. Hardman about the impact of the rule changes on the District. Mr. Hardman stated he will be back in December to meet with the Board again.

3. Review and Approve Minutes

- a. Minutes of the Regular Meeting on June 28, 2021.

Upon motion by Director Ruonavar, seconded by Director Satterwhite after full discussion with all Directors present voting aye, the Minutes of the Regular Meeting on June 28, 2021, were approved. Motion carried unanimously.

Mr. Hardman left the meeting at 7:20 p.m.

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.

No further discussion.

5. New Business

- b. Discuss and take any necessary action regarding the Porter Fire Department's State ISO Audit.

Chief Carter Johnson informed the Board of the Fire Department's State ISO Audit that occurs every 10 years. Chief Johnson explained that a quarter of the score they receive is based on water availability in the area. Chief Johnson is asking the Board if Porter SUD and Porter Fire Department can partner up in testing the fire hydrants. Chief Johnson explained that the District and his Department have different names for the same meter, he expressed the desire to create a conversion for common data. Chief Johnson stated he is partnering with 15 other MUD's/Water Systems to complete this project that is due for audit in October 2021. Mr. Smith stated that a water diffuser has been ordered for the Fire Department and the District will send a spreadsheet weekly with updated hydrant information.

Upon motion by Director Ruonavar, seconded by Director Satterwhite, after full discussion with all Directors present voting aye, the Board approved Chief Johnson's request for the District to test hydrants annually and access to the District Engineer. Motion carried unanimously.

Chief Johnson and Assistant Captain Martin left the meeting at 7:38 p.m.

Mr. Smith introduced the District's newest Staff members, Tanar Castleman (Meter Technician), Jeroman Young (Construction Taps Technician), and Chris Wright (Operations Manager) to the Directors.

Mr. Castleman and Mr. Young left the meeting at 7:43 p.m.

- a. Consider and take any necessary action approving a Director Fee of Office for Doug Pillow, Jodi Ruonavar, and Danny Bridges for attending the project meeting with Boot Construction regarding the E. Knox Drive Waterline Upsizing project

Upon motion by Director Denham, seconded by Director Satterwhite, after full discussion with all Directors present voting aye, the Board a Director Fee of Office for Doug Pillow, Jodi Ruonavar, and Danny Bridges for attending the project meeting with Boot Construction regarding the E. Knox Drive Waterline Upsizing project. Motion carried unanimously.

- c. Discuss and take any necessary action regarding changing financial institutions from BBVA to Amegy Bank

Mr. Smith informed the Board that BBVA will transition into PNC Bank in October 2021 and will no longer handle public accounts. Municipal accounts initially recommended Central Bank for all their customers this change affected; the closest location is in the Galleria area. The closest bank to the District that handles public funds is Amegy Bank. Mrs. Pafford met with the Bank Manager at the Porter Amegy location. Director Ruonavar asked why Independent Bank was not suggested by Municipal. Mr. Smith stated that Mrs. Pafford would have more information when she was back in the office. This item was tabled until the August meeting.

6. Financial Report by Municipal Accounts

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

Director Ashy inquired about the account that was not paying interest as advertised, Mr. Smith responded that the interest amount on the report was incorrect. Director Ruonavar asked if there are other check vendors the District could use. Director Pillow asked how many checks were purchased, Mr. Smith responded he was not sure and could ask Mrs. Pafford to follow up with the Directors. Director Ruonavar stated that the GEMC Annual renewal was paid, and employees are not going. Director Ruonavar asked if the District uses GPS, Mr. Smith responded yes, GPS is installed in all fleet trucks. Director Ruonavar asked about GL# 5771 for Penncomp, the description was 50% Deposit, Mr. Smith stated it was the deposit for the new server. Director Pillow asked if the District requires a death certificate when people pass away, and a refund is requested. Mr. Smith stated yes, it is required. Director Ruonavar asked how often Penncomp comes to the District Offices, Mr. Smith responded on average monthly, most issues are resolved remotely. Director Ruonavar asked what "Westpark Communication" was, Director Pillow responded it was the answering service. Mr. Smith stated the charges were based on leak calls, and that have been few billing or disconnect calls. Director Denham asked about the \$66,000.00 charge for Starnik, Mr. Smith responded it is the annual charge. Director Ruonavar stated there were no mileage reimbursements on the report. Director Denham asked about new cell phones and tablets purchased from Verizon and an ACH charge of \$1,158.00. Director Ruonavar asked about an INT fee to clear check 41430 and 42305, Mr. Smith stated he would have Mrs. Pafford follow-up with an email response. Director Pillow asked about the new connection and impact fees numbers being off, Mr. Smith stated that Brooklyn Trails and Peppervine taps should be coming in soon. Mr. Smith stated Maple Heights sewer plant construction should start soon. Director Ruonavar asked about the District receiving payment for meter readings from Crystal Springs, Mr. Smith stated the invoice has been sent out. Director Pillow asked why GL# 16202 was so far off, Mr. Smith responded he would inquire about it. Director Ashy asked about the Health Insurance charges, Mr. Smith stated that the charge is set for August 1, 2021, with the new insurance. Director Ruonavar stated she does not see on-call pay on the report. Director Pillow asked about GL# 16201.2 for overtime, Mr. Smith stated he would look into the details, he believes it is due to June leaks. Director Ruonavar asked why sewer charges did not show up on the summary, Mr. Smith stated the bill was received in late June and paid in July. Director Ruonavar asked about GL# 16605 for SUD Elections, Mr. Polley explained the charges are for preparing forms, general election matters, and County requirements. Director Denham asked about GL#16103 for water bills, Mr. Smith responded that there was a large postage deposit for the bills. Director Pillow asked about check #2824 from Lancaster Wyatt, Mr. Smith responded it was for the questionnaire and bidding process. Director Pillow asked about #8100 in the GRP, Mr. Smith stated he would have the error corrected.

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

a. Surface Water Treatment Plant Pilot Study Update

Director Ruonavar asked for a current report on the Surface Water Treatment Plant Pilot Study. Mr. Smith stated the delay in updates is due to the TCEQ, Director Ruonavar asked if TCEQ could be contacted. Mr. Smith stated yes, he knows that the TCEQ has a new reviewer, and they are waiting on the EPA.

8. Engineering Report by Bleyl Engineering

Mike Kelly introduced Blake Barringer to the Board.

a. Developments update

Maple Heights plans have been approved and recorded, Mr. Kelly has requested updates on their timeline for bidding and construction. Director Pillow asked about the groundwater storage tank the developers are installing, Mr. Kelly stated it is on hold due to the property selling. Mr. Smith stated he has reached out to Century Communities who is purchasing the Maple Height Development but received no response. Director Pillow asked if the Board could add anything to a Developers Contract when they decide they don't want to pay for a waterline upsizing to ensure they don't change their plans. Mr. Kelly stated if they come back and want to add additional connections they will be limited by their meter size.

b. General Fund Projects update

Mr. Kelly discussed the status of the Copeland Water Well. Mr. Kelly has been working to coordinate the BESST Survey. The Vendor is requesting an Electrician to be onsite when the well is lifted and shifted. Mr. Smith contacted EFS about the work and they estimated 4 hours of work. The District chose to use EFS and pay them directly.

- i. Review, discuss, and take any necessary action regarding E. Knox Drive Waterline Upsizing project, including approve Change Order #1 to reduce the contract price by \$30,600.00 and approve Pay Estimate #1 in the amount of \$102,339.00 to Boot Construction, LLC

Mr. Kelly stated that Boot Construction, LLC agreed to extending the warranty for two years.

Upon motion by Director Ruonavar, seconded by Director Ashy after full discussion with all Directors present voting aye, the Board agreed Change Order #1 to reduce the contract price by \$30,600.00 and approve Pay Estimate #1 in the amount of \$102,339.00 to Boot Construction, LLC. Motion carried unanimously.

c. Impact Fee Capital Improvement Projects update.

No further updates.

The Board recessed for a break at 8:25 p.m., and reconvened at 8:30 p.m.

Adjourn to Executive Session at 8:30 p.m.

Executive Session ended at 8:41 p.m. by Director Pillow.

Regular Session reconvened at 8:41 p.m. by Director Pillow.

9. General Counsel's Report

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

No new information to report, item tabled.

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

Mr. Polley stated MUD #24 Engineers and the District Engineers are working on items for the third amendment. Item tabled.

c. Review, discuss, and take any necessary action regarding Amended and Restated Order Establishing a Records Management Program and Designating a Records Management Officer

Mr. Polley stated in the District's current Order of the Records Management Program, all documents are permanent. The recommendation is the District will follow the retention schedule of the State, set forth by The Texas State Library and Archives Commission.

Upon motion by Director Ruonavar, seconded by Director Ashy after full discussion with all Directors present voting aye, the Board agreed to amend and restate the Order Establishing a Records Management Program retention schedule of The Texas State Library and Archives Commission; and designate, the General Manager as the District's Records Management Officer. Motion carried unanimously.

d. Discuss and take any necessary action regarding paying off the Series 2014 Bonds

Mr. Polley updated the Board that the 2012 A Bonds were paid off in early July. The Board will discuss the Series 2014 Bonds at August's meeting, no action on this item.

10. General Manager's Report

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

Mr. Smith recognized Chris Wright for joining the District as the new Operations Manager. Mr. Smith updated the Board on the status of hydrant testing in the District. Mr. Smith explained the new water loss report, it is missing MUD #24's usage. Mr. Smith stated that the Fleet Report will be based on odometer readings not GPS readings.

- b. Discuss and take any necessary action regarding the General Manager's annual performance evaluation

The Board will discuss this item at a Special Board Meeting 08/05/2021 at 6:30 p.m. Mr. Smith stated he would email the evaluation form, and his contract to the Board.

11. Directors Comments

The Board requested Cracker Barrel for the meeting next month.

12. Next Board Meeting

Special Meeting scheduled Thursday, August 5, 2021, at 6:30 p.m.
Regular Meeting scheduled Monday, August 30, 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 Ruonavar after full discussion and all Directors present voting aye, the meeting was adjourned at 9:26 p.m.

PASSED and **APPROVED** this the 30th day of August 2021.



President, Board of Directors



Secretary, Board of Directors

