

PORTER SPECIAL UTILITY DISTRICT
MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

July 27, 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, July 27, 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, 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:

Mike Kelly, Engineer with Bleyl Engineering
Jonathan Polley, Attorney with Radcliffe Bobbitt Adams Polley PLLC
Jeff Peters, Engineer with Ardurra Group
Rob Seale, Maple Heights Development
Diego Vilchis, Maple Heights Development
Itiel Kaplan, Maple Heights Development
Evelyn Satterwhite, Director logged on at 7:08 p.m.

b. Director Qualifications and Disclosures

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

c. Invocation

Invocation led by Ms. Phillips.

d. Pledges of Allegiance

Pledges of Allegiance led by Mr. Smith.

2. Public Comment

Mr. Kaplan spoke on behalf of the Maple Heights Development, informing the Board of the urgency of finalizing the agreement with the District. Mr. Smith informed the Board that the District had submitted a draft agreement to the Developers and had received revisions back from the Developers. The agreement is currently under review by the District's Attorney.

3. Review and Approve Minutes

- a. Minutes of the Regular Meeting on June 29, 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 June 29, 2020 were approved. Motion carried unanimously.

4. Old Business

No Old Business presented.

5. New Business

- a. Discuss and take action regarding Customer Service Inspections and Illegal (Multi-Family) Connections

Director Ashy was requesting clear guidelines regarding Customer Service Inspections and asked about plans for Illegal (Multi-Family) Connections. Mr. Smith stated that District has employee's testing for certification to perform Customer Service Inspections and the District will soon have a Cross Connection Control Program that will be presented to the Board.

- b. Discuss and take action authorizing Director attendance, and Director Fees of Office, for the Texas Groundwater Webinar to be held on August 12-13, 2020.

Upon motion by Director Ruonavar seconded by Director Barr after full discussion with all Directors present voting aye, the Board authorized Director attendance, and Director Fees of Office, for the Texas Groundwater Webinar to be held on August 12-13, 2020. Motion carried unanimously.

- c. Discuss and take action approving the Resolution for the Texas Smart Buy Membership Program for the Citi Card credit card application.

Upon motion by Director Ruonavar seconded by Director Ashy after full discussion with all Directors present voting aye, the Board approved the Resolution for the Texas Smart Buy Membership Program for the Citi Card credit card application. Motion carried unanimously.

Director Satterwhite logged off the Zoom Call at 7:27 p.m.

6. Financial Report

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

Mr. Smith brought attention to Account 6200 - Impact Fees received in the month of June totaling \$83,735, which was more than the annual amount received the previous fiscal year. Director Pillow asked about the Engineering Fees in the month of June being approximately 40% of the annual budget amount, Mr. Smith stated he would get a breakdown of the charges from Municipal for the account. Director Pillow also asked about the fuel charges, and the dumpster fees, Mr. Smith stated he would also get breakdowns for the accounts and follow up with the Directors. Director Pillow asked about the fees charged by Ardurra, Mr. Smith stated he believed the charges were due to work on the Pilot Report. Director Pillow had questions about the interest payments versus the principal on the Bonds. Mr. Smith stated that up front the interest payments are higher, interest is paid twice annually, and the principal is only paid once annually.

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

The Board recessed for a break at 7:38 p.m., and reconvened at 7:42 p.m.

7. Engineering Report by Ardurra Group

a. Update on Surface Water Treatment Plant Pilot

Mr. Peters stated that the Pilot Report information has been completed in the past month. Mr. Smith has received the information via Dropbox. The Report has been submitted to the TCEQ. Mr. Smith stated he would print the Report off for Directors.

b. Update on FEMA Reimbursement

Mr. Peters stated that the Direct Administrative Cost (DAC) was rejected by FEMA based on procurement. Those funds totaled \$48,000.00. Mr. Peters stated that the District was eligible for approximately 90% of \$970,000.00.

c. Update on HUD CDBG-MIT Program Grant

Mr. Peters stated that New Caney MUD declined to participate in the HUD CDBG-MIT Program Grant with a potential District inter-connect.

8. Engineering Report by Bleyl Engineering

a. Update on Developments

Mr. Kelly stated that Brooklyn Trails Section II development was starting.

b. Update on General Fund Projects

- i. Review, discuss, and take action regarding the E. Knox Drive Waterline Upsizing Project, including authorizing survey and design of waterline.**

Mr. Kelly stated there is currently a two-inch water line on E. Knox Drive, and requests for new development has been made.

Upon motion by Director Denham, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved the E. Knox Drive Waterline Upsizing Project, including authorizing survey and design of waterline. Motion carried unanimously.

Mr. Kelly stated that there is investigative work in Brooklyn Trails to see why the water main pipe split while the District was installing a tap. Mr. Kelly stated that there is a possibility that the pipe is defective, or installation was not done to design specifications. Mr. Smith stated that other taps have been made on the same street with no issue. Mr. Smith stated that the repair of the cracked main was made at the District's expense.

c. Update on Impact Fee Capital Improvement Projects

Director Pillow asked about the status of the Phase II Sorters Road waterline drawings, Mr. Kelly stated they were at 30% completion, and believed he have a review set quickly.

Mr. Ashy was asking if the guarantee with Hydro Resources was going to be honored. Mr. Kelly stated that Hydro Resources was requesting the log schedule of the well having been exercised. Director Ruonavar asked what the current pumping schedule at Copeland was. Mr. Ferguson responded Monday, Wednesday, and Friday each week. Mr. Ferguson stated that the District will start with the sampling process in the next week to see the current results on the Copeland well. Director Denham asked when the Board can get the totals on the Copeland projects. Mr. Smith stated he would follow up with Municipal.

9. General Counsel's Report

a. Update on Lone Star Groundwater Conservation District rules

Mr. Polley discussed the draft rule changes that Lone Star Groundwater Conservation District have distributed and are expected to adopt soon. Mr. Polley stated he would be meeting with the District Staff and Engineer in the next week to discuss the changes and how they impact the District.

The Board recessed for a break at 8:46 p.m., and reconvened at 8:55 p.m.

Adjourn to Executive Session at 8:55 p.m.

Executive Session ended at 9:30 p.m. by Director Pillow.

Regular Session reconvened at 9:30 p.m. by Director Pillow.

b. Review, discuss, and take any necessary action regarding the GRP Participation Agreements with Chateau Woods Municipal Utility District and Crystal Springs Water Company

No further discussion.

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

No action on this item.

d. Consider approving Amended and Restated District Information Form

Upon motion by Director Ruonavar, seconded by Director Ashy after full discussion with all Directors present voting aye, the Board approved the Amended and Restated District Information Form. Motion carried unanimously.

10. General Manager's Report

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

Mr. Smith stated that Mr. Ferguson received quotes for rental generator at the Andrew Plant while the existing generator is being repaired, one quote was for \$6,500.00 and a larger generator for \$8,400.00 a month. The generator would be onsite at the plant and wired to run. Mr. Smith stated he would like to procure the 550-kw generator for \$6,500.00 a month from Gen Solutions. Mr. Smith stated there was an installation fee of \$1,700.00, that included freight, set-up, cabling, and disconnection. Directors Pillow and Ruonavar asked about the purchase of a new generator and what the lead time would be for installation. Mr. Ferguson stated he was not positive how quickly a new generator could be installed. Mr. Smith stated he will proceed to get the rental installed and quotes for a new generator.

Director Ruonavar and Denham stated that they would like to be registered to attend the Texas Groundwater Webinar to be held August 12-13, 2020.

Director Ruonavar asked about the increase in water loss. Mr. Ferguson was stated that it was due to the meter reading timing, he also stated that the District was waiting on Kamstrup meter. Mr. Ferguson stated that there are meters that the installers have not been able to access or find the meters.

- b. 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 #2020-07**

The Board discussed and reviewed Administrative Order #2020-07

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 #2020-07. Motion carried unanimously.

- c. Discuss and take action authorizing General Manager's attendance at the Texas Groundwater Webinar to be held August 12-13, 2020.**

Upon motion by Director Ruonavar, seconded by Director Denham after full discussion with all Directors present voting aye, the Board authorized the General Manager's attendance at the Texas Groundwater Webinar to be held August 12-13, 2020. Motion carried unanimously.

- d. Discuss and take action authorizing General Manager's attendance at the TEEX Water Technology online training to be held August 17-21, 2020.**

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board authorized the General Manager's attendance at the TEEEX Water Technology online training to be held August 17-21, 2020. Motion carried unanimously.

- e. Discuss and take action authorizing General Manager to apply for and obtain the TEEEX Certified Water Professional Certificate – Drinking Water

Upon motion by Director Ruonavar, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board authorized the General Manager to apply for and obtain the TEEEX Certified Water Professional Certificate – Drinking Water. Motion carried unanimously.

- f. Presentation of Certified Public Manager program capstone paper findings and recommendations

Mr. Smith stated that he has been working on his Certified Public Manager Certification through the University of Colorado – Denver for several years. The completion of the program consisted of approximately 300 hours. Mr. Smith had classes in Managing Crisis, Emergencies and Disasters, Fostering and Managing Organizational Innovation, Public Engagement and more. Mr. Smith felt the Kamstrup meter project would be a good capstone paper stating the meter project has plugged a hole of leaking revenues and presented his findings in the report he presented to the Board.

- g. Discuss and take action regarding General Manager's annual performance evaluation.

The Board recessed for a break at 10:25 p.m., and reconvened at 10:30 p.m.

Adjourn to Executive Session at 10:30 p.m.

Executive Session ended at 11:46 p.m. by Director Pillow.

Regular Session reconvened at 11:46 p.m. by Director Pillow.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, the Board approved the General Manager's salary increase. Motion carried unanimously.

12. Directors Comments

There were no Director Comments.

13. Next Board Meeting

Regular Meeting scheduled Monday, August 31, 2020 at 7:00 p.m.

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 11:47 p.m.

PASSED and **APPROVED** this the 31st day of August 2020.



President, Board of Directors



Secretary, Board of Directors

