

# PORTER SPECIAL UTILITY DISTRICT

## MINUTES OF BOARD OF DIRECTORS REGULAR MEETING

August 30, 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, August 30, 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 in the District Board Room (arrived at 8:04 p.m.), thus constituting a quorum. Also attending for the District were: Mike Kelly (Engineer) with Bleyl Engineering, John-Thomas Foster (Attorney) with Radcliffe, Bobbitt, Adams, and Polley, Jonathon Smith (General Manager), Chris Wright (Operations Manager), Wendy Pafford (Bookkeeper), and Amanda Phillips (Human Resources Director). Visitors were Sean Rooney, Jeff Johnston, Jason Dunn all with Dunn Right RV Park, and Max Lyogn with The Pines at Porter Event Center.

- 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 Barr.

## **2. Public Comment**

No Public Comment.

## **8. Engineering Report by Bleyl Engineering**

### **a. Developments update**

- iii. Review, discuss, and take any necessary action regarding Dunn Right RV Park (fka Owens Road RV Park)

Mr. Kelly stated he has received plans for the Dunn Right RV Park, Mr. Smith stated the District has not received the application or deposit fees for the project. Mr. Sean Rooney is the Engineer for the Dunn Right RV Park stated that a 4-inch waterline is required for the project. Mr. Jason Dunn, the property owner is requesting a cost sharing arrangement and participation from the District in upsizing the proposed waterline. Mr. Kelly suggested bringing this item back to the Board at a Special Meeting with a better exhibit, and opinion of cost. Mr. Dunn stated he would pay the required fees tomorrow.

Mr. Sean Rooney, Mr. Jeff Johnston, and Mr. Jason Dunn left the meeting at 7:30 p.m.

- ii. Review, discuss, and take any necessary action regarding The Pines at Porter Event Center (fka Lasgard Venue Hall), including approval of the draft feasibility study.

Mr. Max Lyogn, the owner for The Pines at Porter Event Center introduced himself to the Board. Mr. Kelly explained that a waterline upsizing and extension would be required for the project. Mr. Lyogn is requesting approval of the draft feasibility study.

Upon motion by Director Ruonavar, seconded by Director Ashy after full discussion with all Directors present voting aye, the Draft Feasibility Study for The Pines at Porter Event Center, was approved. Motion carried unanimously.

Mr. Max Lyogn left the meeting at 7:39 p.m.

## **5. New Business**

- a. Review, discuss, and take any necessary action regarding changing financial institution from BBVA (PNC) to either Amegy Bank or Independent Bank

Mrs. Pafford presented the banking proposals from Amegy Bank and Independent Bank to the Board. Mrs. Pafford stated Independent Bank was responsive to her requests, and easy to work with. Mr. Foster asked if the Banks would be able to give a Depository Pledge Agreement, Mrs. Pafford stated she would request it from the Banks.

Upon motion by Director Ruonavar, seconded by Director Barr after full discussion with all Directors present voting aye, the Board chose to move banking from BBVA to Independent Bank pending a Depository Pledge Agreement being in place. Motion carried unanimously.

Adjourn to Executive Session at 7:55 p.m.

Director Bridges entered the meeting at 8:04 p.m.

Executive Session ended at 8:14 p.m. by Director Pillow.

Regular Session reconvened at 8:14 p.m. by Director Pillow.

Director Pillow left the meeting at 8:16 p.m. Director Ruonavar thereafter moderated the meeting.

### **3. Review and Approve Minutes**

- a. Minutes of the Regular Meeting on July 26, 2021.

Upon motion by Director Barr, seconded by Director Ashy after full discussion with all Directors present voting aye, the Minutes of the Regular Meeting on July 26, 2021, were approved. Motion carried unanimously.

- b. Minutes of the Special Meeting on August 5, 2021.

Upon motion by Director Denham, seconded by Director Ashy after full discussion with all Directors present voting aye, the Minutes of the Special Meeting on August 5, 2021, were approved. Motion carried unanimously.

### **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.

Mr. Smith stated he has contacted Shiva with Senator Creighton's office, and October's Regular Meeting fits well with his schedule.

### **5. New Business**

- b. Review, discuss, and take any necessary action regarding the District's Schedule of Rates, Fees, and Charges, including approval of tap fee and meter charges.

Mr. Smith stated the presented Schedule of Rates reflects has the tap fee and meter charges separate. Mr. Smith stated in some new developments the properties will have the tap and connection ready by the Developer for a meter installation by the District. Mr. Smith stated there are no other rate changes. Director Ruonavar asked what cost plus 20% for the 3-inch tap. Mr. Smith stated the District can only install taps 2-inch or smaller, larger taps are contracted out. Mr. Smith stated the Customer would pay the cost of the tap plus 20%.

Upon motion by Director Denham, seconded by Director Bridges, after full discussion with all Directors present voting aye, the Board approved the District's Schedule of Rates, Fees, and Charges, including the tap fees and meter charges. Motion carried unanimously.

- c. Review, discuss, and take any necessary action regarding VEPO, LLC for online backflow device and customer service inspection reporting management system.

Mr. Wright presented the VEPO, LLC online Backflow/CSI Management System to the Directors. Mr. Wright explained this System is at no cost to the District. VEPO, LLC will track the CSI Inspections, and the annual inspections required on backflow preventors. VEPO uses a large database listing of independent Inspectors that customers can contact. Director Ruonavar asked about customer information being safe, Mr. Smith responded that the only information released is the customer's address.

Upon motion by Director Ashy, seconded by Director Bridges, after full discussion with all Directors present voting aye, the Board approved the District to partner with VEPO, LLC for online backflow device and customer service inspection reporting management system. Motion carried unanimously.

- d. Discuss and take any necessary action regarding employee performance review raises and the requirement for Board approval for all raises greater than 5%

Director Bridges made a motion to accept Board approval for all raises greater than 5%. Mr. Smith stated he is working with Mr. Wright on a performance matrix that they plan to complete and have ready for the next Board Meeting. Director Bridges withdrew his motion, item tabled until next Board Meeting.

## **6. Financial Report by Municipal Accounts**

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

Director Denham asked why Aflac was paid twice in one month, Mrs. Pafford explained it was due to when the invoice was received. Mrs. Pafford explained that Aflac is paid by employee withholdings. Director Ruonavar asked if the District has received a bill from

Municipal Accounts, Mrs. Pafford responded no, that she just pays the contracted amount monthly. Director Ruonavar asked if there was a cheaper way to post jobs, Mr. Smith explained that for the skilled positions that were open, the District used 30- and 60-day postings on strategic job pages. Director Ruonavar asked if the Billing and Workorder charge was a monthly fee, Mr. Smith stated no, it was for a specific report. Director Ruonavar asked what cost was so high with New Taps and Services, Mr. Smith stated supplies like u-branches, poly pipe, and saddles had a price increase. Director Ruonavar stated she noticed there were no transfers into the GRP or Construction accounts. Director Ruonavar asked about the 2012 Bond, Mr. Smith stated it was paid off on July 7, 2021, and should not be on next month's report.

Upon motion by Director Bridges, seconded by Director Barr 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**

There has been no updated reports from Ardurra updating the District.

**8. Engineering Report by Bleyl Engineering**

**a. Developments update**

- i. Review, discuss and take any necessary action regarding Peppervine Section 1 (fka Pulte Group), including conditional approval of the offsite waterline easements along future major thoroughfare pending the review and acceptance by the Districts Consultants.**

Upon motion by Director Ashy, seconded by Director Bridges after full discussion with all Directors present voting aye, the Directors approved Peppervine Section 1 (fka Pulte Group), including conditional approval of the offsite waterline easements along future major thoroughfare pending the review and acceptance by the Districts Consultants. Motion carried unanimously.

**b. General Fund Projects update**

- i. Review, discuss, and take any necessary action regarding Copeland Water Well Rehabilitation project, including approval of contract with INTERA to perform the BESST Survey on Well #8.**

Director Ashy asked when INTERA will start the Copeland Water Well Rehabilitation project, Mr. Kelly stated they will mobilize in September.

Upon motion by Director Ashy, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board agreed of contract with INTERA to perform the BESST Survey on Well #8, and General Manager to sign the contract. Motion carried unanimously.

- ii. Review, discuss, and take any necessary action regarding E. Knox Drive Waterline Upsizing project, including approval of the Certificate of Substantial Completion, possible Change Order Request, and payment of Pay Estimate #2 and Final.

The Contractor is requesting additional money for the project for material price increases. The Board tabled all items.

Director Ruonavar asked about the installation of the Water Well Road Generator, Mr. Kelly confirmed it would be installed in October. Director Ruonavar inquired about the ground water storage tank at Copeland is a developer project, Mr. Kelly stated there has been no contact with the new Developer. Mr. Kelly stated that Kimley Horn Engineering (Maple Heights Engineer) is working on scheduling a meeting with the new Developer.

- c. Impact Fee Capital Improvement Projects update.

No further updates.

## **9. General Counsel's Report**

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

Discussed in executive session.

- b. Review, discuss, and take any necessary action regarding the Waterline Easement Agreement between Gilbert House Apartments, LLC and Porter Special Utility District

Upon motion by Director Satterwhite, seconded by Director Bridges after full discussion with all Directors present voting aye, the Board approved Waterline Easement Agreement between Gilbert House Apartments, LLC and Porter Special Utility District. Motion carried unanimously.

- c. Review and discuss 87<sup>th</sup> Legislative Update memo

Mr. Foster gave a briefing of the relevant newly passed laws in the 87<sup>th</sup> Regular Legislative Session. Mr. Foster stated additional information on the District Website may be required, and his office is preparing a checklist to submit to Mr. Smith. Mr. Foster discussed HB-872 which amends the Public Information Act, which will require customers to opt out of having customer information protected. Director Ashy asked

about SB-1890, Mr. Foster explained that it exempts grants from Texas Water Development Board from following the uniform grant provisions of Texas law. Mr. Foster stated that if the Board any further questions they could contact him.

- d. Review Arbitrage Compliance Specialties bond compliance report and annual review checklist.

Mr. Foster presented the annual Arbitrage Compliance Specialties bond compliance report to the Board.

Upon motion by Director Ashy, seconded by Director Satterwhite after full discussion with all Directors present voting aye, the annual Arbitrage Compliance Specialties bond compliance report. Motion carried unanimously.

The Board recessed for a break at 9:23 p.m., and reconvened at 9:32 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 what the cause for the chlorination system at Well #9 to go out, Mr. Smith responded the booster pump was not providing enough head pressure. Director Ruonavar asked if the three fire hydrants have been repaired, Mr. Smith responded yes. Director Ruonavar asked if that included the fire hydrant on Briar Chase and Briar Timber, Mr. Smith stated he did not recall if that was on the repair list. Mr. Smith stated the July water usage was low due to increased rain. Director Ruonavar asked about the 30 accounts not reflecting as billed on the report, Mr. Smith responded that it would be from new accounts started during the month. Director Barr asked if the District had located all meters, Mr. Smith stated that the District has not located approximately 25-30 water meters. Mr. Smith stated that Staff is researching equipment that can help locate lost meters.

- b. Discuss and take any necessary action related to the impact of the COVID-19 coronavirus pandemic on the business of the District

Director Ruonavar requested that Directors are notified if they are exposed to COVID-19. Mr. Smith asked if the Board wanted to add any changes due to no Executive Orders regarding COVID-19 in effect for the District. The Board consensus was that the current sick policy was sufficient, but they would like if Board Members or Staff are exposed to COVID-19 that they are notified.

- c. Discuss and take any necessary action authorizing Director attendance, and Director Fee of Office, for the CPR/First Aid/AED Training to be held at the District Office on September 20, 2021, or September 21, 2021

Mr. Smith explained that the CPR/First Aid/AED Training will be scheduled on September 20, 2021, and September 21, 2021, and Staff will complete the one-day training from 9:00 a.m. to 2:30 p.m., on opposite days. Board Members are welcome to attend either class on their preferred day.

Upon motion by Director Bridges, seconded by Director Barr after full discussion with all Directors present voting aye, the Board approved authorizing Director attendance, and Director Fee of Office, for the CPR/First Aid/AED Training to be held at the District Office on September 20, 2021, or September 21, 2021. Motion carried unanimously.

### **11. Directors Comments**

Director Ruonavar requested that the tax records for the District on the County Appraisal District that need to be updated or changed.

Director Satterwhite left the meeting at 10:15 p.m.

### **12. Next Board Meeting**

Special Meeting for Dunn Right RV Park to be scheduled.


Regular Meeting scheduled Monday, September 27, 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 10:18 p.m.

**PASSED and APPROVED** this the 27th day of September 2021.

  
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Vice President, Board of Directors

  
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Secretary, Board of Directors

